FLORIDA PUBLIC SERVICE COMMISSION

EXHIBIT INDEX

FOR THE HEARING DATED 07/01/2025 IN DOCKET 20240099

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10.	Resume	1263
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Docket No. 20240099-EI
Comprehensive Exhibit List for Entry into Hearing Record
(July 1, 2025)

EXH #	Witness	I.D. # As Filed	Exhibit Description	Issue Nos.	Entered
STAFF					
1		Exhibit List	Comprehensive Exhibit List		X
CUSTOMER SERVICE HEARING EXHIBIT					
2	Steve Danitz	SD-1	January 8, 2025, Customer Service Hearing Exhibit No. 1 – FPUC Customer's bill		X
FLORIDA PUBLIC UTILITIES COMPANY – MFR'S					
3			FPUC – Minimum Filing Requirements, Schedule A – Executive Summary		X
4			FPUC – Minimum Filing Requirements, Schedule B – Rate Base *(Schedule B-2 Revised 9.4.24)*		X
5			FPUC – Minimum Filing Requirements, Schedule C – Net Operating Income		X
6			FPUC – Minimum Filing Requirements, Schedule D – Cost of Capital **Confidential DN. 08672-2024**		X
7			FPUC – Minimum Filing Requirements, Schedule E – Cost of Service and Rate Design		X
8			FPUC – Minimum Filing Requirements, Schedule F – Miscellaneous		X

Docket No. 20240099-EI Comprehensive Exhibit List for Entry into Hearing Record (July 1, 2025)					
EXH #	**Witness**	**I.D. # As Filed**	**Exhibit Description**	**Issue Nos.**	**Entered**
9			FPUC – Minimum Filing Requirements, Schedule G – Interim Rate Relief. *(Schedule G-3 Revised 9.4.24)*		X
FLORIDA PUBLIC UTILITIES COMPANY – (DIRECT)					
10	Nicholas A. Crowley	NAC-1	Resume		X
11	Nicholas A. Crowley	NAC-2	Weighted Average Cost of Capital: Conventional Capital Structure Stated on a Consolidated Basis.		X
12	Nicholas A. Crowley	NAC-3	Conventional Capital Structure, Test Year 2025.		X
13	Nicholas A. Crowley	NAC-4	Conventional Capital Structure, Current Year 2024.		X
14	Nicholas A. Crowley	NAC-5	Conventional Capital Structure, Historical Year 2023.		X
15	Nicholas A. Crowley	NAC-6	Weighted Average Cost of Capital Regulatory Capital Structure.		X
16	Nicholas A. Crowley	NAC-7	Detailed Regulatory Capital Structure, Test Year 2025.		X
17	Nicholas A. Crowley	NAC-8	Detailed Regulatory Capital Structure, Current Year 2024.		X
18	Nicholas A. Crowley	NAC-9	Detailed Regulatory Capital Structure, Historical Year 2023.		X
19	Nicholas A. Crowley	NAC-10	CAPM Estimates of the Cost of Common Equity, U.S. Equity Markets.		X

Docket No. 20240099-EI
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(July 1, 2025)

EXH #	Witness	I.D. # As Filed	Exhibit Description	Issue Nos.	Entered
20	Nicholas A. Crowley	NAC-11	CAPM Estimates of the Cost of the Cost of Equity Capital: Moderate Sized Electric Utilities.		X
21	Nicholas A. Crowley	NAC-12	CAPM Estimates of the Cost of the Cost of Equity Capital: Gas Distribution Utilities.		X
22	Nicholas A. Crowley	NAC-13	CAPM Estimates of the Cost of the Cost of Equity Capital: Moderate Sized Utilities.		X
23	Nicholas A. Crowley	NAC-14	CAPM Estimates of the Cost of the Cost of Equity Capital: Small Sized Non-Utility Companies.		X
24	Nicholas A. Crowley	NAC-15	Summary of Electric Utility Discounted Cash Flow Results.		X
25	Nicholas A. Crowley	NAC-16	Discounted Cash Flow Estimates of Cost of Equity: Moderate Sized Electric Utilities, 2023.		X
26	Nicholas A. Crowley	NAC-17	Discounted Cash Flow Estimates of Cost of Equity: Moderate Sized Electric Utilities, 2022.		X
27	Nicholas A. Crowley	NAC-18	Discounted Cash Flow Estimates of Cost of Equity: Moderate Sized Electric Utilities, 2021.		X
28	Nicholas A. Crowley	NAC-19	Summary of Gas Utility Discounted Cash Flow Results.		X
29	Nicholas A. Crowley	NAC-20	Discounted Cash Flow Estimates of Cost of Equity: Gas Distribution Utilities, 2023.		X
30	Nicholas A. Crowley	NAC-21	Discounted Cash Flow Estimates of Cost of Equity: Gas Distribution Utilities, 2022.		X
31	Nicholas A. Crowley	NAC-22	Discounted Cash Flow Estimates of Cost of Equity: Gas Distribution Utilities, 2021.		X

Docket No. 20240099-EI
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(July 1, 2025)

EXH #	Witness	I.D. # As Filed	Exhibit Description	Issue Nos.	Entered
32	Nicholas A. Crowley	NAC-23	Risk Premia and Equity Returns.		X
33	Nicholas A. Crowley	NAC-24	Market Returns: Year Ending 10 Year Averages.		X
34	Nicholas A. Crowley	NAC-25	Average Realized Historical Returns, Price Inflation (%).		X
35	Nicholas A. Crowley	NAC-26	Capitalization Weights for Small to Mid-Sized Electricity Distributors.		X
36	Nicholas A. Crowley	NAC-27	Capitalization Weights for Small to Mid-Sized Natural Gas Distributors.		X
37	Nicholas A. Crowley	NAC-28	Capitalization Weights for Small to Mid-Sized Distribution Utilities.		X
38	Nicholas A. Crowley	NAC-29	Market Returns: Moderate Sized Electric Utilities Year Ending 10 Year Averages.		X
39	Nicholas A. Crowley	NAC-30	Historical Market Returns for Moderate Sized Electric Utilities, Average per Annum.		X
40	Nicholas A. Crowley	NAC-31	Market Returns: Natural Gas Utilities Year Ending 10 Year Averages.		X
41	Nicholas A. Crowley	NAC-32	Historical Market Returns for Gas Distribution Utilities, Average per Annum.		X
42	Nicholas A. Crowley	NAC-33	Market Returns: Small Non-Utilities Year Ending 5 Year Averages.		X
43	Nicholas A. Crowley	NAC-34	Historical Market Returns for Small, Non-Utility Companies, Average per Annum.		X
44	Nicholas A. Crowley	NAC-35	Long-Term Debt Cost Rate, Test Year 2025.		X

Docket No. 20240099-EI Comprehensive Exhibit List for Entry into Hearing Record (July 1, 2025)					
EXH #	**Witness**	**I.D. # As Filed**	**Exhibit Description**	**Issue Nos.**	**Entered**
45	Nicholas A. Crowley	NAC-36	Short-Term Debt Cost Rate, Test Year 2025.		X
46	Vikrant Gadgil	VG-1	List of Minimum Filing Requirements Co-Sponsored by Witness, Gadgil.		X
47	Michael Galtman	MG-1	List of Minimum Filing Requirements Sponsored or Co-Sponsored by Witness, Galtman..		X
48	Wraye Grimard	WG-1	Comparison of Current and Proposed Miscellaneous Service Charges.		X
49	William Haffecke	WH-1	List of Minimum Filing Requirements Sponsored or Co-Sponsored by Witness, Haffecke. .		X
50	William Haffecke	WH-2	List of Witnesses Supporting Minimum Filing Requirements.		X
51	William Haffecke	WH-3	Temporary Service Costs Changes.		X
52	William Haffecke	WH-4	New Construction Deposits.		X
53	Michelle Napier	MDN-1	List of Minimum Filing Requirements Sponsored or Co-Sponsored by Witness, Napier.		X
54	Noah T. Russell	NTR-1	Various Schedules to Support Testimony.		X
55	Noah T. Russell	NTR-2	List of Minimum Filing Requirements Sponsored by Witness, Russell.		X
56	John D. Taylor	JDT-1	List of Minimum Filing Requirements Sponsored or Co-Sponsored by Witness, Taylor.		X

Docket No. 20240099-EI Comprehensive Exhibit List for Entry into Hearing Record (July 1, 2025)					
EXH #	**Witness**	**I.D. # As Filed**	**Exhibit Description**	**Issue Nos.**	**Entered**
STAFF HEARING EXHIBITS					
57		Staff Exhibit 57	FPUC's Response to OPC's First Request for Production of Documents (No. 1)		X
58		Staff Exhibit 58	FPUC's Response to OPC's First Set of Interrogatories (No. 1)		X
59		Staff Exhibit 59	FPUC's Response to Staff's First Data Request (Nos. 1-22)		X
60		Staff Exhibit 60	FPUC's Response to Staff's Second Data Request (No. 1)		X
61		Staff Exhibit 61	FPUC's Response to Staff's Third Data Request (Nos. 1-14)		X
62		Staff Exhibit 62	FPUC's Response to Staff's Fourth Data Request (Nos. 1-12) (Including Supplemental Response to DR No. 1 and All Attachments)		X
63		Staff Exhibit 63	FPUC's Response to Staff's Fifth Data Request (Nos. 1-3)		X
64		Staff Exhibit 64	FPUC's Response to Staff's Sixth Data Request (Nos. 1-27) (Including All Attachments)		X

Docket No. 20240099-EI **Comprehensive Exhibit List for Entry into Hearing Record** **(July 1, 2025)**					
EXH #	**Witness**	**I.D. # As Filed**	**Exhibit Description**	**Issue Nos.**	**Entered**
65		Staff Exhibit 65	FPUC's Response to Staff's Seventh Data Request (Nos. 1-8) (Including All Attachments) **Confidential No. 09755-2024**		X
66		Staff Exhibit 66	FPUC's Response to Staff's Eighth Data Request (Nos. 1-19)		X
67		Staff Exhibit 67	FPUC's Response to Staff's Ninth Data Request (Nos. 1-3) (Including All Attachments)		X
68		Staff Exhibit 68	FPUC's Response to Staff's Tenth Data Request (Nos. 1-5) (Including All Attachments)		X
69		Staff Exhibit 69	FPUC's Response to Staff's Eleventh Data Request (Nos. 1-12) (Including All Attachments)		X
70		Staff Exhibit 70	FPUC's Response to Staff's Twelfth Data Request (Nos. 1-4)		X
71		Staff Exhibit 71	FPUC's Response to Staff's Thirteenth Data Request (Nos. 1-9) (Including All Attachments)		X

Docket No. 20240099-EI
Comprehensive Exhibit List for Entry into Hearing Record
(July 1, 2025)

EXH #	Witness	I.D. # As Filed	Exhibit Description	Issue Nos.	Entered
72		Staff Exhibit 72	FPUC's Response to Staff's Fourteenth Data Request (No. 1) (Including All Attachments)		X
73		Staff Exhibit 73	FPUC's Response to Staff's Fifteenth Data Request (Nos. 1-3) (Including All Attachments)		X
74		Staff Exhibit 74	FPUC's Response to Staff's Sixteenth Data Request (Nos. 1-3)		X
75		Staff Exhibit 75	FPUC's Response to Staff's Seventeenth Data Request (Nos. 1-3) (Including All Attachments)		X
76		Staff Exhibit 76	FPUC's Response to Staff's Eighteenth Data Request (Nos. 1-3)		X
77		Staff Exhibit 77	FPUC's Response to Staff's Nineteenth Data Request (Nos. 1-26) (Including All Attachments)		X
78		Staff Exhibit 78	FPUC's Response to Staff's Twentieth Data Request (Nos. 1-17) (Including All Attachments)		X
79		Staff Exhibit 79	FPUC's Response to Staff's Twenty First Data Request (Nos. 1-8) (Including All Attachments)		X

Docket No. 20240099-EI Comprehensive Exhibit List for Entry into Hearing Record (July 1, 2025)					
EXH #	Witness	I.D. # As Filed	Exhibit Description	Issue Nos.	Entered
80		Staff Exhibit 80	FPUC's Response to Staff's Twenty Second Data Request (Nos. 1-2) (Including All Attachments)		X
81		Staff Exhibit 81	FPUC's Response to Staff's Twenty Third Data Request (Nos. 1-4)		X
82		Staff Exhibit 82	FPUC's Response to Staff's Twenty Fourth Data Request (No. 1)		X
83		Staff Exhibit 83	FPUC's Response to Staff's Twenty Fifth Data Request (Nos. 1-2)		X
84		Staff Exhibit 84	FPUC's Response to Staff's Twenty Sixth Data Request (No. 1)		X
85		Staff Exhibit 85	FPUC's Response to Staff's Twenty Seventh Data Request (Nos. 1-2)		X
86		Staff Exhibit 86	FPUC's Response to Staff's Twenty Eighth Data Request (Nos. 1-5) (Including All Attachments)		X
87		Staff Exhibit 87	FPUC's Response to Staff's Twenty Ninth Data Request (Nos. 1-3)		X
88		Staff Exhibit 88	FPUC's Response to Staff's Thirtieth Data Request (Nos. 1-5)		X
89		Staff Exhibit 89	FPUC's Response to Staff's Thirty First Data Request (Nos. 1-8)		X
90		Staff Exhibit 90	FPUC's Response to Staff's Thirty Second Data Request (Nos. 1-5)		X

Docket No. 20240099-EI **Comprehensive Exhibit List for Entry into Hearing Record** **(July 1, 2025)**					
EXH #	**Witness**	**I.D. # As Filed**	**Exhibit Description**	**Issue Nos.**	**Entered**
91		Staff Exhibit 91	FPUC's Response to Staff's Thirty Third Data Request (No. 1)		X
92		Staff Exhibit 92	FPUC's Response to Staff's Thirty Fourth Data Request (Nos. 1-3)		X
93		Staff Exhibit 93	FPUC's Response to Staff's Thirty Fifth Data Request (No. 1)		X
94		Staff Exhibit 94	FPUC's Response to Staff's Thirty Sixth Data Request (Nos. 1-3) (Including All Attachments)		X
95		Staff Exhibit 95	FPUC's Response to Staff's Thirty Seventh Data Request (Nos. 1-5)		X
96		Staff Exhibit 96	FPUC's Follow-up and Additional Responses to Staff's Data Requests.		X
97		Staff Exhibit 97	2025 Joint Stipulation and Settlement Agreement, including implementing rates and tariffs.		X

FPSC EXH NO. 2

ADMITTED

H1

FLORIDA PUBLIC UTILITIES

Account # : [redacted]

Page 1 of 1

Service Period : 06/12-07/1

Billing Date: 07/15/2024

Route : 000845

Service Location:

STEVE [redacted]

Florida Public Utilities
P.O. Box 610
Marianna, FL 32447-0610
Customer Care: 1-800-427-7712
Blountstown/Bristol: (850) 674-4748
www.fpuc.com
711 for TTY / Relay Service

Previous Account Balance	Less Payments	Past Due Or Credit Balance	Current Charges	Current Charges Due On	**Total NOW Due**
$252.08	$252.08CR	$0.00	$308.36	08/05/2024	**$308.36**

* A Late Payment Fee will apply if amount due is greater than $5.00 and is not paid by due date.
* Past due balances are due immediately and subject to previous disconnect dates.
* The APR for installment contracts is 18%.

Meter Information - meter # 15261M

Current Reading		0081268
Previous Reading	-	0079562
KWH Used	=	1706
Multiplying Factor	X	1
Total KWH Used	=	1,706.00
KW Used		0.00

Energy Usage	Last Year	This Year
KWH This Month	1510	1706
KWH/Day	49	59
Service Days	31	29

Amount Includes the following charges	
Customer Charge	16.95
Base Energy per Kwh	0.02949
Base Energy per Kwh over 1000 KWH	0.03887
PPA per KWH	0.10259
PPA per KWH over 1000 KWH	0.11509
Storm Charge per KWH	0.01280

Do you have a storm safety preparedness plan?
Find hurricane resources at FPUC.com/prepare

Current Account Activity

Billing For RS MRE21	
Electric Service Amount**	283.63
Florida Gross Receipts Tax	7.71
Jackson County Franchise Fee	17.02
TOTAL CURRENT ELECTRIC CHARGES	**308.36**
Total Current Charges	**$308.36**

EXHIBIT # 1

H1

FOR ACCURATE, TIMELY BILLING,

PLEASE ALLOW US TO GET TO OUR METER!

EXPLANATIONS OF TERMS

GENERAL

CITY/COUNTY TAX: Tax levied by City/County on utilities billed. Tax is remitted to the City/County.
EST: Will appear if we are unable to read your meter and is based on usage history.
GROSS RECEIPTS TAX: A tax levied by the State of Florida on utilities billed. Tax is remitted to the State of Florida.
THERM: 100,000 BTUs of heat.

CFG & FPU

BTU: British Thermal Unit; a measure of heat.
CCF: One hundred cubic feet. This is the way gas is measured when it goes through the meter.
CCF TO THERMS CALCULATION: CCF's X Multiplying Factor =Therms.
FRANCHISE FEE: A fee paid to local governments for the right to utilize public property to provide utility service.
RATE: Approved charges by the Public Service Commission for type of service received.

FPU

BASE ENERGY CHARGE: Distribution costs included in rate.
CUSTOMER CHARGE: A fixed monthly amount to cover the cost of your service, meter and billing. This charge is applied regardless of the quantity of energy used.
DEMAND CHARGE: *FPU Electric Customers.* The charge per kilowatt (KW) of demand which reflects the cost of distribution plant investment.
KW / KILOWATT: *FPU Electric Customers.* One thousand (1,000) watts.
KWH / KILOWATT-HOUR: *FPU Electric Customers.* One thousand (1,000) watt-hours.
PGA: *FPU Natural Gas Customers.* Purchase Gas Adjustment;this cost is passed directly to the customer with no profit to FPU.
PPA: *FPU Electric Customers.* Purchase Power Adjustment;this cost is passed directly to the customer with no profit to FPU.

CFG

FIRM TRANSPORTATION CHARGE: The amount charged per account each month based on rates approved by the Public Service Commission.
USAGE / THERM: The amount charged per therm each month based on rates approved by the Public Service Commission.

BUSINESS HOURS

Monday - Friday
7:00 a.m. - 7:00 p.m. EST
Call for 24-Hour Emergency Service
Telephone number located on front upper left side of bill

Call Sunshine State One Call Before You Dig.
Call: 800.432.4770 or 811.

FLEXIBLE PAYMENT OPTIONS

We have many electronic payment options available.
For more information, visit www.fpuc.com

WALK-IN PAYMENT SERVICE:

IT'S FREE. Use FPU's EZ-PAY and select Pay with Cash option to locate the nearest authorized retail payment partner.

Also pay at any Western Union. Payments post the next business day. Visit www.westernunion.com for the nearest location.

EZ-BILLING – It's free by using your banking account. You can set up auto pay or pay manually. Enroll on www.fpuc.com.

EZ-PAY – Pay by using your credit/debit card or banking account. There is a small convenience fee of $2.25 per every $750.00.

PAY BY PHONE (IVR) – Pay by using our automated system with your credit/debit card or banking account. Simply call 877.337.3145 There is a small convenience fee of $2.25 per every $750.00.

BUDGET BILLING- Residential customers who have had service for one year may enroll in this levelized billing service at no charge. Please visit our website for more information.

FLORIDA PUBLIC UTILITIES
FLORIDA PUBLIC UTILITIES CENTRAL FLORIDA GAS
FLORIDA PUBLIC UTILITIES FORT MEADE DIVISION
FLORIDA PUBLIC UTILITIES INDIANTOWN DIVISION
PENINSULA PIPELINE

FPSC EXH NO. 2

ADMITTED

H3

FLORIDA PUBLIC UTILITIES

Account # : [redacted]

Page 1 of 1

Service Period : 11/09-12/11

Billing Date: 12/12/2024

Route : FE08MA45

Service Location:

STEVE[redacted]

[redacted]

Florida Public Utilities
P.O. Box 610
Marianna, FL 32447-0610
Customer Care: 1-800-427-7712
Blountstown/Bristol: (850) 674-4748
www.fpuc.com
711 for TTY / Relay Service

Previous Account Balance	Less Payments	Past Due Or Credit Balance	Current Charges	Current Charges Due On	**Total NOW Due**
$163.26	$163.26CR	$0.00	$224.78	01/02/2025	**$224.78**

* A Late Payment Fee will apply if amount due is greater than $5.00 and is not paid by due date.
* Past due balances are due immediately and subject to previous disconnect dates.
* The APR for installment contracts is 18%.

Meter Information - meter # 15261M

Current Reading		0087971
Previous Reading	-	0086732
KWH Used	=	1239
Multiplying Factor	X	1
Total KWH Used	=	1,239.00
KW Used		0.00

Energy Usage	Last Year	This Year
KWH This Month	1019	1239
KWH/Day	32	38
Service Days	32	33

****Amount Includes the following charges****	
Customer Charge	18.20
Base Energy per Kwh	0.03124
Base Energy per Kwh over 1000 KWH	0.04174
PPA per KWH	0.10259
PPA per KWH over 1000 KWH	0.11509
Storm Charge per KWH	0.01280

FPU Tree Line Maintenance Program keeps power lines free of vegetation to prevent outages.

Current Account Activity

Billing For Schedule - Residential (RS)	
Electric Service Amount**	206.75
Franchise Fee	12.41
Gross Receipt Tax	5.62
TOTAL CURRENT ELECTRIC CHARGES	**224.78**
Total Current Charges	**$224.78**

H3

FPSC EXH NO. 2

ADMITTED

H4

FOR ACCURATE, TIMELY BILLING,

PLEASE ALLOW US TO GET TO OUR METER!

EXPLANATIONS OF TERMS

GENERAL

CITY/COUNTY TAX: Tax levied by City/County on utilities billed. Tax is remitted to the City/County.
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FPU

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KWH / KILOWATT-HOUR: *FPU Electric Customers.* One thousand (1,000) watt-hours.
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CFG

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USAGE / THERM: The amount charged per therm each month based on rates approved by the Public Service Commission.

BUSINESS HOURS

Monday - Friday
7:00 a.m. - 7:00 p.m. EST
Call for 24-Hour Emergency Service
Telephone number located on front upper left side of bill

Call Sunshine State One Call Before You Dig.
Call: 800.432.4770 or 811.

FLEXIBLE PAYMENT OPTIONS

We have many electronic payment options available.
For more information, visit www.fpuc.com

WALK-IN PAYMENT SERVICE:

IT'S FREE. Use FPU's EZ-PAY and select Pay with Cash option to locate the nearest authorized retail payment partner.

Also pay at any Western Union. Payments post the next business day. Visit www.westernunion.com for the nearest location.

EZ-BILLING – It's free by using your banking account. You can set up auto pay or pay manually. Enroll on www.fpuc.com.

EZ-PAY – Pay by using your credit/debit card or banking account. There is a small convenience fee of $2.25 per every $750.00.

PAY BY PHONE (IVR) – Pay by using our automated system with your credit/debit card or banking account. Simply call 877.337.3145 There is a small convenience fee of $2.25 per every $750.00.

BUDGET BILLING- Residential customers who have had service for one year may enroll in this levelized billing service at no charge. Please visit our website for more information.

FLORIDA PUBLIC UTILITIES FLORIDA PUBLIC UTILITIES CENTRAL FLORIDA GAS FLORIDA PUBLIC UTILITIES FORT MEADE DIVISION

FLORIDA PUBLIC UTILITIES INDIANTOWN DIVISION PENINSULA PIPELINE

H4

FLORIDA PUBLIC UTILITIES
DOCKET NO. 20240099-EI
MINIMUM FILING REQUIREMENTS
TABLE OF CONTENTS

FPSC EXH NO. 3
ADMITTED

J2

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide the calculation of the requested full revenue requirements increase.

COMPANY: FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 20240099-EI

Type of Data Shown:
X__ Projected Test Year Ended 12/31/2025
___ Prior Year Ended 12/31/2024
___ Historical Test Year Ended 12/31/2023
Witness: Haffecke

Line No	Description	Source		Amount
1.	Jurisdictional Adjusted Rate Base	Schedule B-1		$ 150,053,096
2.	Rate of Return on Rate Base Requested	Schedule D-1		6.89%
3.	Jurisdictional Net Operating Income Requested	Line 1 x Line 2		$ 10,336,088
4.	Jurisdictional Adjusted Net Operating Income	Schedule C-1		$ 991,558
5.	Net Operating Income Deficiency (Excess)	Line 3 - Line 4		$ 9,344,530
6.	Earned Rate of Return	Line 4/Line 1	0.66%	
7.	Net Operating Income Multiplier	Schedule C-44		1.3477
8.	Revenue Increase (Decrease) Requested	Line 5 x Line 7		$ 12,593,450
9.	Increase in Service Charges and Other Revenues	Schedule E		$ 164,495
10.	Increase in Base Rate Revenues	Line 8 less Line 9		$ 12,428,955
11	Increase Transferred from SPP			
12	Net Increase			$ 12,428,955
13				
14	Note: This schedule represents the Company's requested revenue requirement and includes the rate of return computed using the Company's alternate proposal for cost of debt.			

Supporting Schedules: B-1, C-1, D-1, C-5, C-44

Recap Schedules:

J2

Schedule A-1 FULL REVENUE REQUIREMENTS INCREASE REQUESTED

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide the calculation of the requested full revenue requirements increase.

Type of Data Shown:
X__ Projected Test Year Ended 12/31/2025
___ Prior Year Ended 12/31/2024
___ Historical Test Year Ended 12/31/2023
Witness: Haffecke

COMPANY: FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 20240099-EI

Line No	Description	Source		Amount
1.	Jurisdictional Adjusted Rate Base	Schedule B-1		$ 150,053,096
2.	Rate of Return on Rate Base Requested	Schedule D-1		7.15%
3.	Jurisdictional Net Operating Income Requested	Line 1 x Line 2		$ 10,734,307
4.	Jurisdictional Adjusted Net Operating Income	Schedule C-1		$ 991,558
5.	Net Operating Income Deficiency (Excess)	Line 3 - Line 4		$ 9,742,749
6.	Earned Rate of Return	Line 4/Line 1	0.66%	
7.	Net Operating Income Multiplier	Schedule C-44		1.3477
8.	Revenue Increase (Decrease) Requested	Line 5 x Line 7		$ 13,130,123
9.	Increase in Service Charges and Other Revenues	Schedule E		$ 164,495
10.	Increase in Base Rate Revenues	Line 8 less Line 9		$ 12,965,628
11	Increase Transferred from SPP			
12	Net Increase			$ 12,965,628

Note: This schedule includes the rate of return computed using the consolidated cost of debt. The Company is requesting the amount on Schedule A-1 Supplement.

Supporting Schedules: B-1, C-1, D-1, C-5, C-44

Recap Schedules:

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: For each rate, calculate typical monthly bills for present rates and proposed rates.

COMPANY: FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 20240099-EI

Type of Data Shown:
X__ Projected Test Year Ended 12/31/2025
___ Prior Year Ended 12/31/2024
___ Historical Test Year Ended 12/31/2023
Witness: Taylor

Residential (RS)

		Current	Proposed				
	CUSTOMER FACILITIES CHARGE	$16.95	$24.40				
	DEMAND CHARGE	$0.00	$0.00	$/KW			
(≤1000kwh)	ENERGY CHARGE	$0.02373	$0.03419	$/KWH			
(>1000kwh)	ENERGY CHARGE	$0.03887	$0.05600	$/KWH			
	FUEL CHARGE*	$0.10884	$0.10884	$/KWH	Florida Fuel Charge	$0.10259	≤1000 kwh
	CONSERVATION CHARGE	$0.00144	$0.00144	$/KWH		$0.11509	>1000 kwh
	HURRICANE MICHAEL CHARGE	$0.01280	$0.01280	$/KWH			
	STORM PROTECTION CHARGE	$0.00432	$0.00432	$/KWH			

(1) TYPICAL KW	(2) TYPICAL KWH	(3) BASE RATE (Present)	(4) FUEL CHARGE (Present)	(5) ECCR CHARGE (Present)	(6) HURRICANE MICHAEL SURCHARGE (Present)	(7) STORM PROTECTION SURCHARGE (Present)	(8) TOTAL (Present)	(9) BASE RATE (Proposed)	(10) FUEL CHARGE (Proposed)	(11) ECCR CHARGE (Proposed)	(12) HURRICANE MICHAEL SURCHARGE (Proposed)	(13) STORM PROTECTION SURCHARGE (Proposed)	(14) TOTAL (Proposed)	(15) INCREASE DOLLARS (14)-(8)	(16) INCREASE PERCENT (15)/(8)	(17) COSTS IN CENTS/KWH PRESENT (8)/(2)	(18) COSTS IN CENTS/KWH PROPOSED (14)/(2)
	kwh																
	0	$16.95	$0.00	$0.00	$0.00	$0.00	$16.95	$24.40	$0.00	$0.00	$0.00	$0.00	$24.40	$7.45	43.95%	N/A	N/A
	100	$19.32	$10.88	$0.14	$1.28	$0.43	$32.06	$27.82	$10.88	$0.14	$1.28	$0.43	$40.56	$8.50	26.50%	32.06	40.56
	250	$22.88	$27.21	$0.36	$3.20	$1.08	$54.73	$32.95	$27.21	$0.36	$3.20	$1.08	$64.80	$10.07	18.39%	21.89	25.92
	500	$28.82	$54.42	$0.72	$6.40	$2.16	$92.52	$41.50	$54.42	$0.72	$6.40	$2.16	$105.20	$12.68	13.71%	18.50	21.04
	750	$34.75	$81.63	$1.08	$9.60	$3.24	$130.30	$50.04	$81.63	$1.08	$9.60	$3.24	$145.59	$15.30	11.74%	17.37	19.41
	1,000	$40.68	$108.84	$1.44	$12.80	$4.32	$168.08	$58.59	$108.84	$1.44	$12.80	$4.32	$185.99	$17.91	10.66%	16.81	18.60
	1,250	$46.61	$136.05	$1.80	$16.00	$5.40	$205.86	$72.59	$136.05	$1.80	$16.00	$5.40	$231.84	$25.98	12.62%	16.47	18.55
	1,500	$52.55	$163.26	$2.16	$19.20	$6.48	$243.65	$86.59	$163.26	$2.16	$19.20	$6.48	$277.69	$34.05	13.97%	16.24	18.51
	2,000	$64.41	$217.68	$2.88	$25.60	$8.64	$319.21	$114.59	$217.68	$2.88	$25.60	$8.64	$369.39	$50.18	15.72%	15.96	18.47
	3,000	$88.14	$326.52	$4.32	$38.40	$12.96	$470.34	$170.59	$326.52	$4.32	$38.40	$12.96	$552.79	$82.45	17.53%	15.68	18.43
	5,000	$135.60	$544.20	$7.20	$64.00	$21.60	$772.60	$282.59	$544.20	$7.20	$64.00	$21.60	$919.59	$146.99	19.03%	15.45	18.39

* Current fuel charge calculated as the kWh weighted average of over and under 1,000 KWH. The Company does not have a capacity or environmental charge.

General Service (GS)

	Current	Proposed	
CUSTOMER FACILITIES CHARGE	$27.85	$40.00	
DEMAND CHARGE	$0.00	$0.00	$/KW
ENERGY CHARGE	$0.02903	$0.05433	$/KWH
FUEL CHARGE*	$0.10637	$0.10637	$/KWH
CONSERVATION CHARGE	$0.00144	$0.00144	$/KWH
HURRICANE MICHAEL CHARGE	$0.01280	$0.01280	$/KWH
STORM PROTECTION CHARGE	$0.00498	$0.00498	$/KWH

(1) TYPICAL KW	(2) TYPICAL KWH	(3) BASE RATE (Present)	(4) FUEL CHARGE (Present)	(5) ECCR CHARGE (Present)	(6) HURRICANE MICHAEL SURCHARGE (Present)	(7) STORM PROTECTION SURCHARGE (Present)	(8) TOTAL (Present)	(9) BASE RATE (Proposed)	(10) FUEL CHARGE (Proposed)	(11) ECCR CHARGE (Proposed)	(12) HURRICANE MICHAEL SURCHARGE (Proposed)	(13) STORM PROTECTION SURCHARGE (Proposed)	(14) TOTAL (Proposed)	(15) INCREASE DOLLARS (14)-(8)	(16) INCREASE PERCENT (15)/(8)	(17) COSTS IN CENTS/KWH PRESENT (8)/(2)	(18) COSTS IN CENTS/KWH PROPOSED (14)/(2)
	kwh																
	0	$27.85	$0.00	$0.00	$0.00	$0.00	$27.85	$40.00	$0.00	$0.00	$0.00	$0.00	$40.00	12.15	43.63%	N/A	N/A
	250	$35.11	$26.59	$0.36	$3.20	$1.25	$66.51	$53.58	$26.59	$0.36	$3.20	$1.25	$84.98	18.48	27.78%	26.60	33.99
	500	$42.37	$53.19	$0.72	$6.40	$2.49	$105.16	$67.17	$53.19	$0.72	$6.40	$2.49	$129.96	24.80	23.58%	21.03	25.99
	750	$49.62	$79.78	$1.08	$9.60	$3.74	$143.82	$80.75	$79.78	$1.08	$9.60	$3.74	$174.94	31.13	21.64%	19.18	23.33
	1,000	$56.88	$106.37	$1.44	$12.80	$4.98	$182.47	$94.33	$106.37	$1.44	$12.80	$4.98	$219.92	37.45	20.52%	18.25	21.99
	1,250	$64.14	$132.96	$1.80	$16.00	$6.23	$221.13	$107.91	$132.96	$1.80	$16.00	$6.23	$264.90	43.78	19.80%	17.69	21.19
	1,500	$71.40	$159.56	$2.16	$19.20	$7.47	$259.78	$121.50	$159.56	$2.16	$19.20	$7.47	$309.88	50.10	19.29%	17.32	20.66
	2,000	$85.91	$212.74	$2.88	$25.60	$9.96	$337.09	$148.66	$212.74	$2.88	$25.60	$9.96	$399.84	62.75	18.62%	16.85	19.99
	3,000	$114.94	$319.11	$4.32	$38.40	$14.94	$491.71	$202.99	$319.11	$4.32	$38.40	$14.94	$579.76	88.05	17.91%	16.39	19.33
	5,000	$173.00	$531.85	$7.20	$64.00	$24.90	$800.95	$311.65	$531.85	$7.20	$64.00	$24.90	$939.60	138.65	17.31%	16.02	18.79

Supporting Schedules: A-3, E-16c
Recap Schedules:

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 20240099-EI

EXPLANATION: For each rate, calculate typical monthly bills for present rates and proposed rates.

Type of Data Shown:
X__ Projected Test Year Ended 12/31/2025
___ Prior Year Ended 12/31/2024
___ Historical Test Year Ended 12/31/2023
Witness: Taylor

General Service Demand (GSD)

	Current	Proposed	
CUSTOMER FACILITIES CHARGE	$82.35	$138.99	
DEMAND CHARGE	$4.49	$7.58	$/KW
ENERGY CHARGE	$0.00547	$0.00923	$/KWH
FUEL CHARGE*	$0.10035	$0.10035	$/KWH
CONSERVATION CHARGE	$0.00144	$0.00144	$/KWH
HURRICANE MICHAEL CHARGE	$0.01280	$0.01280	$/KWH
STORM PROTECTION CHARGE	$0.00273	$0.00273	$/KWH

(1) TYPICAL KW	(2) KWH	(3) BASE RATE	(4) FUEL CHARGE	(5) ECCR CHARGE	(6) HURRICANE MICHAEL SURCHARGE	(7) STORM PROTECTION SURCHARGE	(8) TOTAL	(9) BASE RATE	(10) FUEL CHARGE	(11) ECCR CHARGE	(12) HURRICANE MICHAEL SURCHARGE	(13) STORM PROTECTION SURCHARGE	(14) TOTAL	(15) DOLLARS (14)-(8)	(16) PERCENT (15)/(8)	(17) PRESENT (8)/(2)	(18) PROPOSED (14)/(2)
	BILL UNDER PRESENT RATES							BILL UNDER PROPOSED RATES			BILL UNDER PROPOSED RATES			INCREASE		COSTS IN CENTS/KWH	
kw	kwh																
25	5,475	$224.55	$549.42	$7.88	$70.08	$14.95	$866.88	$379.02	$549.42	$7.88	$70.08	$14.95	$1,021.35	$154.48	17.82%	15.83	18.65
25	10,950	$254.50	$1,098.83	$15.77	$140.16	$29.89	$1,539.15	$429.56	$1,098.83	$15.77	$140.16	$29.89	$1,714.21	$175.06	11.37%	14.06	15.65
25	16,425	$284.44	$1,648.25	$23.65	$210.24	$44.84	$2,211.43	$480.09	$1,648.25	$23.65	$210.24	$44.84	$2,407.07	$195.65	8.85%	13.46	14.65
50	10,950	$366.75	$1,098.83	$15.77	$140.16	$29.89	$1,651.40	$619.06	$1,098.83	$15.77	$140.16	$29.89	$1,903.71	$252.31	15.28%	15.08	17.39
50	21,900	$426.64	$2,197.67	$31.54	$280.32	$59.79	$2,995.95	$720.13	$2,197.67	$31.54	$280.32	$59.79	$3,289.44	$293.48	9.80%	13.68	15.02
50	32,850	$486.54	$3,296.50	$47.30	$420.48	$89.68	$4,340.50	$821.20	$3,296.50	$47.30	$420.48	$89.68	$4,675.16	$334.66	7.71%	13.21	14.23
75	16,425	$508.94	$1,648.25	$23.65	$210.24	$44.84	$2,435.93	$859.09	$1,648.25	$23.65	$210.24	$44.84	$2,786.07	$350.15	14.37%	14.83	16.96
75	32,850	$598.79	$3,296.50	$47.30	$420.48	$89.68	$4,452.75	$1,010.70	$3,296.50	$47.30	$420.48	$89.68	$4,864.66	$411.91	9.25%	13.55	14.81
75	49,275	$688.63	$4,944.75	$70.96	$630.72	$134.52	$6,469.58	$1,162.30	$4,944.75	$70.96	$630.72	$134.52	$6,943.24	$473.66	7.32%	13.13	14.09
100	21,900	$651.14	$2,197.67	$31.54	$280.32	$59.79	$3,220.45	$1,099.13	$2,197.67	$31.54	$280.32	$59.79	$3,668.44	$447.98	13.91%	14.71	16.75
100	43,800	$770.94	$4,395.33	$63.07	$560.64	$119.57	$5,909.55	$1,301.26	$4,395.33	$63.07	$560.64	$119.57	$6,439.88	$530.33	8.97%	13.49	14.70
100	65,700	$890.73	$6,593.00	$94.61	$840.96	$179.36	$8,598.65	$1,503.40	$6,593.00	$94.61	$840.96	$179.36	$9,211.33	$612.67	7.13%	13.09	14.02
250	54,700	$1,504.06	$5,489.15	$78.77	$700.16	$149.33	$7,921.46	$2,538.87	$5,489.15	$78.77	$700.16	$149.33	$8,956.28	$1,034.81	13.06%	14.48	16.37
250	109,500	$1,803.82	$10,988.33	$157.68	$1,401.60	$298.94	$14,650.36	$3,044.68	$10,988.33	$157.68	$1,401.60	$298.94	$15,891.22	$1,240.86	8.47%	13.38	14.51
250	164,500	$2,104.67	$16,507.58	$236.88	$2,105.60	$449.09	$21,403.81	$3,552.33	$16,507.58	$236.88	$2,105.60	$449.09	$22,851.47	$1,447.66	6.76%	13.01	13.89

General Service Large Demand (GSLD)

	Current	Proposed	
CUSTOMER FACILITIES CHARGE	$157.42	$265.69	
DEMAND CHARGE	$6.42	$10.84	$/KW
ENERGY CHARGE	$0.00254	$0.00429	$/KWH
FUEL CHARGE*	$0.09772	$0.09772	$/KWH
CONSERVATION CHARGE	$0.00144	$0.00144	$/KWH
HURRICANE MICHAEL CHARGE	$0.01280	$0.01280	$/KWH
STORM PROTECTION CHARGE	$0.00174	$0.00174	$/KWH

(1) TYPICAL KW	(2) KWH	(3) BASE RATE	(4) FUEL CHARGE	(5) ECCR CHARGE	(6) HURRICANE MICHAEL SURCHARGE	(7) STORM PROTECTION SURCHARGE	(8) TOTAL	(9) BASE RATE	(10) FUEL CHARGE	(11) ECCR CHARGE	(12) HURRICANE MICHAEL SURCHARGE	(13) STORM PROTECTION SURCHARGE	(14) TOTAL	(15) DOLLARS (14)-(8)	(16) PERCENT (15)/(8)	(17) PRESENT (8)/(2)	(18) PROPOSED (14)/(2)
500	219,000	$3,923.68	$21,400.68	$315.36	$2,803.20	$381.06	$28,823.98	$6,625.20	$21,400.68	$315.36	$2,803.20	$381.06	$31,525.50	$2,701.52	9.37%	13.16	14.40
500	328,500	$4,201.81	$32,101.02	$473.04	$4,204.80	$571.59	$41,552.26	$7,094.96	$32,101.02	$473.04	$4,204.80	$571.59	$44,445.41	$2,893.15	6.96%	12.65	13.53
750	164,250	$5,389.62	$16,050.51	$236.52	$2,102.40	$285.80	$24,064.84	$9,100.32	$16,050.51	$236.52	$2,102.40	$285.80	$27,775.55	$3,710.71	15.42%	14.65	16.91
750	328,500	$5,806.81	$32,101.02	$473.04	$4,204.80	$571.59	$43,157.26	$9,804.96	$32,101.02	$473.04	$4,204.80	$571.59	$47,155.41	$3,998.15	9.26%	13.14	14.35
750	492,750	$6,224.01	$48,151.53	$709.56	$6,307.20	$857.39	$62,249.68	$10,509.59	$48,151.53	$709.56	$6,307.20	$857.39	$66,535.26	$4,285.58	6.88%	12.63	13.50
1,500	328,500	$10,621.81	$32,101.02	$473.04	$4,204.80	$571.59	$47,972.26	$17,934.96	$32,101.02	$473.04	$4,204.80	$571.59	$55,285.41	$7,313.15	15.24%	14.60	16.83
1,500	657,000	$11,456.20	$64,202.04	$946.08	$8,409.60	$1,143.18	$86,157.10	$19,344.22	$64,202.04	$946.08	$8,409.60	$1,143.18	$94,045.12	$7,888.02	9.16%	13.11	14.31
1,500	985,500	$12,290.59	$96,303.06	$1,419.12	$12,614.40	$1,714.77	$124,341.94	$20,753.49	$96,303.06	$1,419.12	$12,614.40	$1,714.77	$132,804.84	$8,462.90	6.81%	12.62	13.48
3,000	657,000	$21,086.20	$64,202.04	$946.08	$8,409.60	$1,143.18	$95,787.10	$35,604.22	$64,202.04	$946.08	$8,409.60	$1,143.18	$110,305.12	$14,518.02	15.16%	14.58	16.79
3,000	1,314,000	$22,754.98	$128,404.08	$1,892.16	$16,819.20	$2,286.36	$172,156.78	$38,422.75	$128,404.08	$1,892.16	$16,819.20	$2,286.36	$187,824.55	$15,667.77	9.10%	13.10	14.29
3,000	1,971,000	$24,423.76	$192,606.12	$2,838.24	$25,228.80	$3,429.54	$248,526.46	$41,241.28	$192,606.12	$2,838.24	$25,228.80	$3,429.54	$265,343.98	$16,817.52	6.77%	12.61	13.46
5,000	1,095,000	$35,038.72	$107,003.40	$1,576.80	$14,016.00	$1,905.30	$159,540.22	$59,163.24	$107,003.40	$1,576.80	$14,016.00	$1,905.30	$183,664.74	$24,124.52	15.12%	14.57	16.77
5,000	2,190,000	$37,820.02	$214,006.80	$3,153.60	$28,032.00	$3,810.60	$286,823.02	$63,860.79	$214,006.80	$3,153.60	$28,032.00	$3,810.60	$312,863.79	$26,040.77	9.08%	13.10	14.29
5,000	3,285,000	$40,601.32	$321,010.20	$4,730.40	$42,048.00	$5,715.90	$414,105.82	$68,558.34	$321,010.20	$4,730.40	$42,048.00	$5,715.90	$442,062.84	$27,957.02	6.75%	12.61	13.46

Supporting Schedules: A-3(2), E-16c Recap Schedules: Recap Schedules:

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: For each rate, calculate typical monthly bills for present rates and proposed rates.

COMPANY: FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 20240099-EI

Type of Data Shown:
X__ Projected Test Year Ended 12/31/2025
___ Prior Year Ended 12/31/2024
___ Historical Test Year Ended 12/31/2023
Witness: Taylor

		BILL UNDER PRESENT RATES						BILL UNDER PROPOSED RATES						INCREASE		COSTS IN CENTS/KWH	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)
TYPICAL KW	TYPICAL KWH	BASE RATE	FUEL CHARGE	ECCR CHARGE	HURRICANE MICHAEL SURCHARGE	STORM PROTECTION SURCHARGE	TOTAL	BASE RATE	FUEL CHARGE	ECCR CHARGE	HURRICANE MICHAEL SURCHARGE	STORM PROTECTION SURCHARGE	TOTAL	DOLLARS (14)-(8)	PERCENT (15)/(8)	PRESENT (8)/(2)	PROPOSED (14)/(2)
General Service Large Demand (GSLD1)																	
16,733	4,674,000	$31,594	$386,836	$6,731	$59,827	$93	$485,080	$49,644	$386,836	$6,731	$59,827	$13,695	$516,732	$31,653	6.53%	10.38	11.06
Standby (SB)																	
26,000	437,000	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

General Service Large Demand (GSLD1)

	Current	Proposed	
CUSTOMER FACILITIES CHARGE	$974.80	$1,242.99	
DEMAND CHARGE	$1.82	$2.88	$/KW
REACTIVE DEMAND CHARGE	$0.44	$0.56	$/Kvar
ENERGY CHARGE	$0.00000	$0.00000	$/KWH
GSLD1 FUEL CHARGE	$0.07120	$0.07120	$/KWH
FUEL GENERATION DEMAND	$5.41	$5.41	$/KW CP
FUEL TRANSMISSION DEMAND	$2.91	$2.91	$/KW CP
CONSERVATION CHARGE	$0.00144	$0.00144	$/KWH
HURRICANE MICHAEL CHARGE	$0.01280	$0.01280	$/KWH
STORM PROTECTION CHARGE	$0.00293	$0.00293	$/KWH

Note: Fuel Charge and Fuel Generation and Fuel Transmission Demand charge used to calculate cost of purchased power and reported above as "Fuel Charge"
For the GSLD-1 tariff, the fuel charge is applied to the average KWH and the Fuel Generation and Fuel Transmission demand charge is applied to an estimated average coincident peak of 6,496 KW
Average Monthly KVAR estimated at 373.25

Standby (SB)

	Current	Proposed		
CUSTOMER FACILITIES CHARGE	$974.80	N/A		Being eliminated in the new rate design
DEMAND CHARGE	$0.79	N/A	$/KW	
REACTIVE DEMAND CHARGE	$0.00	N/A	$/Kvar	
ENERGY CHARGE	$0.00000	N/A	$/KWH	
GSLD1 FUEL CHARGE	$0.07120	N/A	$/KWH	
FUEL GENERATION DEMAND	$5.41	N/A	$/KW CP	
FUEL TRANSMISSION DEMAND	$2.91	N/A	$/KW CP	
CONSERVATION CHARGE	$0.00144	N/A	$/KWH	
HURRICANE MICHAEL CHARGE	$0.01280	N/A	$/KWH	
STORM PROTECTION CHARGE	$0.00293	N/A	$/KWH	

Note: Fuel Charge and Fuel Generation and Fuel Transmission Demand charge used to calculate cost of purchased power and reported above as "Fuel Charge"
For the Standby tariff, the fuel charge is applied to the average KWH and the Fuel Generation and Fuel Transmission demand charge is applied to an estimated average coincident peak of 6,496 KW

Supprting Schedules: A-3, E-16c Recap Schedules:

FPSC EXH NO. 3

ADMITTED

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 20240099-EI

EXPLANATION: For each rate, calculate typical monthly bills for present rates and proposed rates.

Type of Data Shown:
X__ Projected Test Year Ended 12/31/2025
___ Prior Year Ended 12/31/2024
___ Historical Test Year Ended 12/31/2023
Witness: Taylor

Type of Facility	Est. Monthly KWH	Present Rates - Lighting Service: Facility Charge	Energy Charge	Maint. Charge	Total Monthly Charge Base	FUEL CHARGE	ECCR CHARGE	HURRICANE MICHAEL SURCHARGE	STORM PROTECTION SURCHARGE	TOTAL	Proposed Rates - Lighting Service: Facility Charge	Energy Charge	Maint. Charge	Total Monthly Charge Base	FUEL CHARGE	ECCR CHARGE	HURRICANE MICHAEL SURCHARGE	STORM PROTECTION SURCHARGE	TOTAL	Increase: Dollars	Increase: Percent	Cents/KWH: Current	Cents/KWH: Proposed
High Pressure Sodium Lights (Closed to New Customers):																							
150w HPS Acorn	61	$19.69	$3.19	$2.49	$25.37	$4.99	$0.09	$0.78	$1.62	$32.85	$25.18	$4.08	$3.18	$32.44	$4.99	$0.09	$0.78	$1.62	$39.92	$7.07	21.5%	53.85	65.44
150w HPS ALN 440	61	$28.07	$3.19	$3.32	$34.58	$4.99	$0.09	$0.78	$1.62	$42.06	$35.90	$4.08	$4.25	$44.23	$4.99	$0.09	$0.78	$1.62	$51.71	$9.65	22.9%	68.94	84.76
100w HPS Amer Rev	41	$9.66	$2.15	$3.29	$15.10	$3.35	$0.06	$0.52	$1.09	$20.12	$12.36	$2.75	$4.21	$19.32	$3.35	$0.06	$0.52	$1.09	$24.34	$4.22	21.0%	49.08	59.38
150w HPS Am Rev	61	$9.05	$3.19	$3.33	$15.57	$4.99	$0.09	$0.78	$1.62	$23.05	$11.57	$4.08	$4.26	$19.91	$4.99	$0.09	$0.78	$1.62	$27.39	$4.34	18.8%	37.78	44.89
100w HPS Cobra Head	41	$7.25	$2.15	$2.11	$11.51	$3.35	$0.06	$0.52	$1.09	$16.53	$9.27	$2.75	$2.70	$14.72	$3.35	$0.06	$0.52	$1.09	$19.74	$3.21	19.4%	40.33	48.16
200w HPS Cobra Head	81	$9.78	$4.26	$2.53	$16.57	$6.63	$0.12	$1.04	$2.15	$26.50	$12.51	$5.45	$3.24	$21.20	$6.63	$0.12	$1.04	$2.15	$31.13	$4.63	17.5%	32.71	38.43
250w HPS Cobra Head	101	$11.63	$5.30	$3.33	$20.26	$8.26	$0.15	$1.29	$2.68	$32.64	$14.87	$6.78	$4.26	$25.91	$8.26	$0.15	$1.29	$2.68	$38.29	$5.65	17.3%	32.31	37.91
400w HPS Cobra Head	162	$10.86	$8.54	$2.77	$22.17	$13.25	$0.23	$2.07	$4.29	$42.02	$13.89	$10.92	$3.54	$28.35	$13.25	$0.23	$2.07	$4.29	$48.20	$6.18	14.7%	25.94	29.76
250w HPS Flood	101	$11.37	$5.30	$2.42	$19.09	$8.26	$0.15	$1.29	$2.68	$31.47	$14.54	$6.78	$3.10	$24.42	$8.26	$0.15	$1.29	$2.68	$36.80	$5.33	16.9%	31.16	36.43
400w HPS Flood	162	$17.85	$8.54	$2.27	$28.66	$13.25	$0.23	$2.07	$4.29	$48.51	$22.83	$10.92	$2.90	$36.65	$13.25	$0.23	$2.07	$4.29	$56.50	$7.99	16.5%	29.95	34.88
1000w HPS Flood	405	$22.36	$21.30	$3.00	$46.66	$33.13	$0.58	$5.18	$10.74	$96.29	$28.60	$27.24	$3.84	$59.68	$33.13	$0.58	$5.18	$10.74	$109.31	$13.02	13.5%	23.78	26.99
100w HPS SP2 Spectra	41	$24.81	$2.15	$3.10	$30.06	$3.35	$0.06	$0.52	$1.09	$35.08	$31.73	$2.75	$3.96	$38.44	$3.35	$0.06	$0.52	$1.09	$43.46	$8.38	23.9%	85.57	106.01
Metal Halide Lights (Closed to New Customers):																							
175w MH ALN 440	71	$26.86	$3.77	$2.61	$33.24	$5.81	$0.10	$0.91	$1.88	$41.94	$34.35	$4.82	$3.34	$42.51	$5.81	$0.10	$0.91	$1.88	$51.21	$9.27	22.1%	59.07	72.13
400w MH Flood	162	$12.12	$8.54	$2.21	$22.87	$13.25	$0.23	$2.07	$4.29	$42.72	$15.50	$10.92	$2.83	$29.25	$13.25	$0.23	$2.07	$4.29	$49.10	$6.38	14.9%	26.37	30.31
1000w MH Flood	405	$20.61	$21.30	$2.92	$44.83	$33.13	$0.58	$5.18	$10.74	$94.46	$26.36	$27.24	$3.73	$57.33	$33.13	$0.58	$5.18	$10.74	$106.96	$12.50	13.2%	23.32	26.41
175w MH Shoebox	71	$22.68	$3.77	$2.93	$29.38	$5.81	$0.10	$0.91	$1.88	$38.08	$29.01	$4.82	$3.75	$37.58	$5.81	$0.10	$0.91	$1.88	$46.28	$8.20	21.5%	53.64	65.18
250w MH Shoebox	101	$24.14	$5.30	$3.28	$32.72	$8.26	$0.15	$1.29	$2.68	$45.10	$30.88	$6.78	$4.20	$41.86	$8.26	$0.15	$1.29	$2.68	$54.24	$9.14	20.3%	44.65	53.70
100w MH SP2 Spectra -OL2	41	$24.62	$2.15	$3.00	$29.77	$3.35	$0.06	$0.52	$1.09	$34.79	$31.49	$2.75	$3.84	$38.08	$3.35	$0.06	$0.52	$1.09	$43.10	$8.31	23.9%	84.86	105.13
1000w MH Vert Shoebox - OL2	405	$25.45	$21.30	$3.32	$50.07	$33.13	$0.58	$5.18	$10.74	$99.70	$32.55	$27.24	$4.25	$64.04	$33.13	$0.58	$5.18	$10.74	$113.67	$13.97	14.0%	24.62	28.07
Light Emitting Diode Lights																							
50W Outdoor Light (100W Equivalent)	17	$6.58	$0.89	$2.08	$9.55	$1.39	$0.02	$0.22	$0.45	$11.63	$8.42	$1.14	$2.66	$12.22	$1.39	$0.02	$0.22	$0.45	$14.30	$2.67	23.0%	68.43	84.14
50W Cobra Head (100W Equivalent)	17	$8.31	$0.89	$2.59	$11.79	$1.39	$0.02	$0.22	$0.45	$13.87	$10.63	$1.14	$3.31	$15.08	$1.39	$0.02	$0.22	$0.45	$17.16	$3.29	23.7%	81.61	100.96
82W Cobra Head (200W Equivalent)	28	$7.78	$1.47	$2.43	$11.68	$2.29	$0.04	$0.36	$0.74	$15.11	$9.95	$1.88	$3.11	$14.94	$2.29	$0.04	$0.36	$0.74	$18.37	$3.26	21.6%	53.97	65.61
130W Cobra Head (250W Equivalent)	45	$7.75	$2.36	$2.42	$12.53	$3.68	$0.06	$0.58	$1.19	$18.04	$9.91	$3.02	$3.10	$16.03	$3.68	$0.06	$0.58	$1.19	$21.54	$3.50	19.4%	40.10	47.88
210W Cobra Head (400W Equivalent)	72	$13.55	$3.78	$3.95	$21.28	$5.89	$0.10	$0.92	$1.91	$30.10	$17.33	$4.83	$5.05	$27.21	$5.89	$0.10	$0.92	$1.91	$36.03	$5.93	19.7%	41.81	50.05
26W American Revolution Decorative (100W Equivalent)	9	$7.78	$0.47	$2.72	$10.97	$0.74	$0.01	$0.12	$0.24	$12.07	$9.95	$0.60	$3.48	$14.03	$0.74	$0.01	$0.12	$0.24	$15.13	$3.06	25.3%	134.14	168.14
44W American Revolution Decorative (150W Equivalent)	15	$7.71	$0.79	$2.69	$11.19	$1.23	$0.02	$0.19	$0.40	$13.03	$9.86	$1.01	$3.44	$14.31	$1.23	$0.02	$0.19	$0.40	$16.15	$3.12	23.9%	86.86	107.66
90W Acorn Decorative (150W Equivalent)	31	$11.14	$1.63	$3.71	$16.48	$2.54	$0.04	$0.40	$0.82	$20.28	$14.25	$2.08	$4.75	$21.08	$2.54	$0.04	$0.40	$0.82	$24.88	$4.60	22.7%	65.42	80.26
60W Post Top Decorative (150W Equivalent)	21	$19.74	$1.10	$6.25	$27.09	$1.72	$0.03	$0.27	$0.56	$29.66	$25.25	$1.41	$7.99	$34.65	$1.72	$0.03	$0.27	$0.56	$37.22	$7.56	25.5%	141.26	177.26
80W Flood (250W Equivalent)	27	$10.80	$1.42	$3.40	$15.62	$2.21	$0.04	$0.35	$0.72	$18.93	$13.81	$1.82	$4.35	$19.98	$2.21	$0.04	$0.35	$0.72	$23.29	$4.36	23.0%	70.11	86.26
170W Flood (400W Equivalent)	58	$10.80	$3.05	$3.40	$17.25	$4.74	$0.08	$0.74	$1.54	$24.36	$13.81	$3.90	$4.35	$22.06	$4.74	$0.08	$0.74	$1.54	$29.17	$4.81	19.7%	42.00	50.29
150W Flood (350W Equivalent)	52	$10.80	$2.73	$3.40	$16.93	$4.25	$0.07	$0.67	$1.38	$23.30	$13.81	$3.49	$4.35	$21.65	$4.25	$0.07	$0.67	$1.38	$28.02	$4.72	20.3%	44.81	53.89
290W Flood (1,000W Equivalent)	100	$10.80	$5.25	$3.40	$19.45	$8.18	$0.14	$1.28	$2.65	$31.71	$13.81	$6.71	$4.35	$24.87	$8.18	$0.14	$1.28	$2.65	$37.13	$5.42	17.1%	31.71	37.13
82W Shoe Box (175W Equivalent)	23	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	$12.14	$1.87	$4.34	$18.35	$1.88	$0.03	$0.29	$0.61	$21.17	N/A	N/A	N/A	N/A
131W Shoe Box (250W Equivalent)	45	$10.72	$2.36	$3.59	$16.67	$3.68	$0.06	$0.58	$1.19	$22.18	$13.71	$3.02	$4.59	$21.32	$3.68	$0.06	$0.58	$1.19	$26.83	$4.65	21.0%	49.30	59.63
150 Shoe Box	52	$9.52	$2.73	$3.23	$15.48	$4.25	$0.07	$0.67	$1.38	$21.85	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Mercury Vapor Lights (Closed to New Customers):																							
175w MV Cobra Head	72	$1.39	$3.70	$1.24	$6.33	$5.89	$0.10	$0.92	$1.91	$15.15	$1.78	$4.73	$1.59	$8.10	$5.89	$0.10	$0.92	$1.91	$16.92	$1.77	11.7%	21.05	23.51
400w MV Cobra Head	154	$1.53	$7.95	$1.32	$10.80	$12.60	$0.22	$1.97	$4.08	$29.67	$1.96	$10.17	$1.69	$13.82	$12.60	$0.22	$1.97	$4.08	$32.69	$3.02	10.2%	19.27	21.23
10' Alum Deco Base		$18.56			$18.56					$18.56	$23.74			$23.74					$23.74	$5.18	27.9%	N/A	N/A
13' Decorative Concrete		$14.14			$14.14					$14.14	$18.09			$18.09					$18.09	$3.95	27.9%	N/A	N/A
18' Fiberglass Round		$9.98			$9.98					$9.98	$12.76			$12.76					$12.76	$2.78	27.9%	N/A	N/A
20' Decorative Concrete		$16.41			$16.41					$16.41	$20.99			$20.99					$20.99	$4.58	27.9%	N/A	N/A
30' Wood Pole Std		$5.36			$5.36					$5.36	$6.86			$6.86					$6.86	$1.50	28.0%	N/A	N/A
35' Concrete Square		$15.83			$15.83					$15.83	$20.25			$20.25					$20.25	$4.42	27.9%	N/A	N/A
40' Wood Pole Std		$10.72			$10.72					$10.72	$13.71			$13.71					$13.71	$2.99	27.9%	N/A	N/A
30' Wood pole		$4.82			$4.82					$4.82	$6.16			$6.16					$6.16	$1.34	27.8%	N/A	N/A

Supporting Schedules: A-3, E-16d

Recap Schedules:

FLORIDA PUBLIC SERVICE COMMISSION EXPLANATION: Provide a summary of all proposed changes in rates and rate classes, detailing current and proposed classes of service, demand, energy, and other service charges.

COMPANY: FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 20240099-EI

Type of Data Shown:
X__ Projected Test Year Ended 12/31/2025
___ Prior Year Ended 12/31/2024
___ Historical Test Year Ended 12/31/2023
Witness: Taylor

(1) Current Rate Schedule		(2) Type of Charge		(3) Current Rate	(4) Proposed Rate Schedule		(5) Proposed Rate	(6) Percent Increase
Service Charges								
ESET	1	Initial Establishment of Service		$61.00	ESET		$125.00	104.92%
ECONN	2	Re-establish Service or Make Changes to Existing Account		$26.00	ECONN		$45.00	73.08%
EUPGD	3	Temporary Disconnect Then Reconnect Service Due To Customer Request		$65.00	EUPGD		$81.00	24.62%
ESONP	4	Reconnect After Disconnect for Rule Violation(normal hours)		$52.00	ESONP		$70.00	34.62%
SONPA	5	Reconnect After Disconnect for Rule Violation(after hours)		$178.00	SONPA		$325.00	82.58%
ETEMP	6	Temporary Service - this charge is used in conjunction with the temporary service fee when running a temporary service		$85.00	ETEMP		$135.00	58.82%
MSBC	7	Collection Charge		$16.00	MSBC		$50.00	212.50%
ENSF	8	Returned Check Charge		Per Statute	ENSF		Per Statute	
LATEF	9	Late Fees		Per Statute	LATEF		Per Statute	
Residential Service								
RS		CUSTOMER FACILITIES CHARGE		$16.95	RS		$24.40	43.95%
RS		DEMAND CHARGE ($/kW)		-	RS		-	
RS		ENERGY CHARGE ($/kWh)		$0.02373	RS	<1000 kwh	$0.03419	44.08%
RS		ENERGY CHARGE ($/kWh)		$0.03887	RS	>1000 kwh	$0.05600	44.07%
RS		FUEL CHARGE ($/kWh)	<1000 kwh	$0.10259	RS	<1000 kwh	$0.10259	0.00%
RS		FUEL CHARGE ($/kWh)	>1000 kwh	$0.11509	RS	>1000 kwh	$0.11509	0.00%
RS		CONSERVATION CHARGE ($/kWh)		$0.00144	RS		$0.00144	0.00%
RS		HURRICANE MICHAEL($/kWh)		$0.01280	RS		$0.01280	0.00%
RS		SPP ($/kWh)		$0.00432	RS		$0.00432	0.00%
General Service								
GS		CUSTOMER FACILITIES CHARGE		$27.85	GS		$40.00	43.63%
GS		DEMAND CHARGE ($/kW)		$0.0	GS		$0.0	
GS		ENERGY CHARGE ($/kWh)		$0.02903	GS		$0.05433	87.15%
GS		FUEL CHARGE ($/kWh)		$0.10637	GS		$0.10637	0.00%
GS		CONSERVATION CHARGE ($/kWh)		$0.00144	GS		$0.00144	0.00%
GS		HURRICANE MICHAEL($/kWh)		$0.01280	GS		$0.01280	0.00%
GS		SPP ($/kWh)		$0.00498	GS		$0.00498	0.00%

Supporting Schedules: E-16c Recap Schedules: A-1

FPSC EXH NO. 3
ADMITTED

J9

FLORIDA PUBLIC SERVICE COMMISSION EXPLANATION: Provide a summary of all proposed changes in rates and rate classes, detailing current and proposed classes of service, demand, energy, and other service charges.

COMPANY: FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.:

Type of Data Shown:
X__ Projected Test Year Ended 12/31/2025
___ Prior Year Ended 12/31/2024
___ Historical Test Year Ended 12/31/2023
Witness: Taylor

(1) Current Rate Schedule	(2) Type of Charge	(3) Current Rate	(4) Proposed Rate Schedule	(5) Proposed Rate	(6) Percent Increase
General Service Demand					
GSD	CUSTOMER FACILITIES CHARGE	$82.35	GSD	$138.99	68.78%
GSD	DEMAND CHARGE ($/kW)	$4.49	GSD	$7.58	68.82%
GSD	ENERGY CHARGE ($/kWh)	$0.00547	GSD	$0.00923	68.74%
GSD	FUEL CHARGE ($/kWh)	$0.10035	GSD	$0.10035	0.00%
GSD	CONSERVATION CHARGE ($/kWh)	$0.00144	GSD	$0.00144	0.00%
GSD	HURRICANE MICHAEL($/kWh)	$0.01280	GSD	$0.01280	0.00%
GSD	SPP ($/kWh)	$0.00273	GSD	$0.00273	0.00%
General Service Large Demand					
GSLD	CUSTOMER FACILITIES CHARGE	$157.42	GSLD	$265.69	68.78%
GSLD	DEMAND CHARGE ($/kW)	$6.42	GSLD	$10.84	68.85%
GSLD	ENERGY CHARGE ($/kWh)	$0.00254	GSLD	$0.00429	68.90%
GSLD	FUEL CHARGE ($/kWh)	$0.09772	GSLD	$0.09772	0.00%
GSLD	CONSERVATION CHARGE ($/kWh)	$0.00144	GSLD	$0.00144	0.00%
GSLD	HURRICANE MICHAEL($/kWh)	$0.01280	GSLD	$0.01280	0.00%
GSLD	SPP ($/kWh)	$0.00174	GSLD	$0.00174	0.00%
General Service Large Demand 1					
GSLD1	CUSTOMER FACILITIES CHARGE	$974.80	GSLD1	$1,242.99	27.51%
GSLD1	DEMAND CHARGE ($/kW)	$1.82	GSLD1	$2.88	58.24%
GSLD1	REACTIVE DEMAND CHARGE ($/KVAR EXCESS DEMA	$0.44	GSLD1	$0.56	27.27%
GSLD1	ENERGY CHARGE ($/kWh)	$0.00000	GSLD1	$0.00000	N/A
GSLD2	FUEL GENERATION DEMAND ($/k)	$5.41 (Estimate)	GSLD1	$5.41000	0.00%
GSLD1	FUEL TRANSMISION DEMAND ($/KW)	$2.91 (Estimate)	GSLD1	$2.91000	0.00%
GSLD1	FUEL CHARGE ($/kWh)	$0.07120 (Estimate)	GSLD1	$0.07120	0.00%
GSLD1	CONSERVATION CHARGE ($/kWh)	$0.00144	GSLD1	$0.00144	0.00%
GSLD1	HURRICANE MICHAEL($/kWh)	$0.01280	GSLD1	$0.01280	0.00%
GSLD1	SPP ($/kWh)	$0.00293	GSLD1	$0.00293	0.00%
Standby (SB)					
GSLD1	CUSTOMER FACILITIES CHARGE	$974.80	GSLD1	NA	N/A
GSLD1	DEMAND CHARGE ($/kW)	$0.79	GSLD1	NA	N/A
GSLD1	REACTIVE DEMAND CHARGE ($/KVAR EXCESS DEMAND)		GSLD1	NA	N/A
GSLD1	ENERGY CHARGE ($/kWh)	$0.00000	GSLD1	NA	N/A
GSLD1	FUEL GENERATION DEMAND ($/k)	$5.41 (Estimate)	GSLD1	NA	N/A
GSLD1	FUEL TRANSMISION DEMAND ($/KW)	$2.91 (Estimate)	GSLD1	NA	N/A
GSLD1	FUEL CHARGE ($/kWh)	$0.07120 (Estimate)	GSLD1	NA	N/A
GSLD1	CONSERVATION CHARGE ($/kWh)	$0.00144	GSLD1	NA	N/A
GSLD2	HURRICANE MICHAEL($/kWh)	$0.01280	GSLD2	NA	N/A
GSLD3	SPP ($/kWh)	$0.00293	GSLD3	NA	N/A
Lighting Service					
	BASE RATES VARY BASED ON FIXTURE-SEE PAGE 3				
LS	FUEL CHARGE ($/kWh)	$0.08180	LS	$0.08180	0.00%
LS	CONSERVATION CHARGE ($/kWh)	$0.00144	LS	$0.00144	0.00%
LS	HURRICANE MICHAEL($/kWh)	$0.01280	LS	$0.01280	0.00%
LS	SPP ($/kWh)	$0.02651	LS	$0.02651	0.00%

Supporting Schedules: E-16c Recap Schedules: A-1

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 20240099-EI

EXPLANATION: Provide a summary of all proposed changes in rates and rate classes, detailing current and proposed classes of service, demand, energy, and other service charges.

Type of Data Shown:
X__ Projected Test Year Ended 12/31/2025
___ Prior Year Ended 12/31/2024
___ Historical Test Year Ended 12/31/2023
Witness: Taylor

Type of Facility	Est. Monthly KWH	Annual KWH	Present Rates - Lighting Service: Facility Charge	Energy Charge	Maint. Charge	Total Monthly Charge	Proposed Rates - Lighting Service: Facility Charge	Energy Charge	Maint. Charge	Total Monthly Charge	Percent Increase
High Pressure Sodium Lights (Closed to New Customers):											
150w HPS Acorn	61	150	$19.69	$3.19	$2.49	$25.37	$25.18	$4.08	$3.18	$32.44	27.87%
150w HPS ALN 440	61	150	$28.07	$3.19	$3.32	$34.58	$35.90	$4.08	$4.25	$44.23	27.91%
100w HPS Amer Rev	41	100	$9.66	$2.15	$3.29	$15.10	$12.36	$2.75	$4.21	$19.32	27.95%
150w HPS Am Rev	61	150	$9.05	$3.19	$3.33	$15.57	$11.57	$4.08	$4.26	$19.91	27.87%
100w HPS Cobra Head	41	100	$7.25	$2.15	$2.11	$11.51	$9.27	$2.75	$2.70	$14.72	27.89%
200w HPS Cobra Head	81	200	$9.78	$4.26	$2.53	$16.57	$12.51	$5.45	$3.24	$21.20	27.94%
250w HPS Cobra Head	101	250	$11.63	$5.30	$3.33	$20.26	$14.87	$6.78	$4.26	$25.91	27.89%
400w HPS Cobra Head	162	400	$10.86	$8.54	$2.77	$22.17	$13.89	$10.92	$3.54	$28.35	27.88%
250w HPS Flood	101	250	$11.37	$5.30	$2.42	$19.09	$14.54	$6.78	$3.10	$24.42	27.92%
400w HPS Flood	162	400	$17.85	$8.54	$2.27	$28.66	$22.83	$10.92	$2.90	$36.65	27.88%
1000w HPS Flood	405	1000	$22.36	$21.30	$3.00	$46.66	$28.60	$27.24	$3.84	$59.68	27.90%
100w HPS SP2 Spectra	41	100	$24.81	$2.15	$3.10	$30.06	$31.73	$2.75	$3.96	$38.44	27.88%
Metal Halide Lights (Closed to New Customers):											
175w MH ALN 440	71	175	$26.86	$3.77	$2.61	$33.24	$34.35	$4.82	$3.34	$42.51	27.89%
400w MH Flood	162	400	$12.12	$8.54	$2.21	$22.87	$15.50	$10.92	$2.83	$29.25	27.90%
1000w MH Flood	405	1000	$20.61	$21.30	$2.92	$44.83	$26.36	$27.24	$3.73	$57.33	27.88%
175w MH Shoebox	71	175	$22.68	$3.77	$2.93	$29.38	$29.01	$4.82	$3.75	$37.58	27.91%
250w MH Shoebox	101	250	$24.14	$5.30	$3.28	$32.72	$30.88	$6.78	$4.20	$41.86	27.93%
100w MH SP2 Spectra -OL2	41	100	$24.62	$2.15	$3.00	$29.77	$31.49	$2.75	$3.84	$38.08	27.91%
1000w MH Vert Shoebox - OL2	405	1,000	$25.45	$21.30	$3.32	$50.07	$32.55	$27.24	$4.25	$64.04	27.90%
Light Emitting Diode Lights											
50W Outdoor Light (100W Equivalent)	17	50	$6.58	$0.89	$2.08	$9.55	$8.42	$1.14	$2.66	$12.22	27.96%
50W Cobra Head (100W Equivalent)	17	50	$8.31	$0.89	$2.59	$11.79	$10.63	$1.14	$3.31	$15.08	27.91%
82W Cobra Head (200W Equivalent)	28	82	$7.78	$1.47	$2.43	$11.68	$9.95	$1.88	$3.11	$14.94	27.91%
130W Cobra Head (250W Equivalent)	45	130	$7.75	$2.36	$2.42	$12.53	$9.91	$3.02	$3.10	$16.03	27.93%
210W Cobra Head (400W Equivalent)	72	210	$13.55	$3.78	$3.95	$21.28	$17.33	$4.83	$5.05	$27.21	27.87%
26W American Revolution Decorative (100W Equivalent)	9	26	$7.78	$0.47	$2.72	$10.97	$9.95	$0.60	$3.48	$14.03	27.89%
44W American Revolution Decorative (150W Equivalent)	15	44	$7.71	$0.79	$2.69	$11.19	$9.86	$1.01	$3.44	$14.31	27.88%
90W Acorn Decorative (150W Equivalent)	31	90	$11.14	$1.63	$3.71	$16.48	$14.25	$2.08	$4.75	$21.08	27.91%
60W Post Top Decorative (150W Equivalent)	21	60	$19.74	$1.10	$6.25	$27.09	$25.25	$1.41	$7.99	$34.65	27.91%
80W Flood (250W Equivalent)	27	80	$10.80	$1.42	$3.40	$15.62	$13.81	$1.82	$4.35	$19.98	27.91%
170W Flood (400W Equivalent)	58	170	$10.80	$3.05	$3.40	$17.25	$13.81	$3.90	$4.35	$22.06	27.88%
150W Flood (350W Equivalent)	52	150	$10.80	$2.73	$3.40	$16.93	$13.81	$3.49	$4.35	$21.65	27.88%
290W Flood (1,000W Equivalent)	100	290	$10.80	$5.25	$3.40	$19.45	$13.81	$6.71	$4.35	$24.87	27.87%
82W Shoe Box (175W Equivalent)	23	276	N/A	N/A	N/A	N/A	$12.14	$1.87	$4.34	$18.35	N/A
131W Shoe Box (250W Equivalent)	45	131	$10.72	$2.36	$3.59	$16.67	$13.71	$3.02	$4.59	$21.32	27.89%
150 Shoe Box	52	624	$9.52	$2.73	$3.23	$15.48	N/A	N/A	N/A	N/A	N/A
Mercury Vapor Lights (Closed to New Customers):											
175w MV Cobra Head -OL	72	175	$1.39	$3.70	$1.24	$6.33	$1.78	$4.73	$1.59	$8.10	27.96%
400w MV Cobra Head-OL	154	400	$1.53	$7.95	$1.32	$10.80	$1.96	$10.17	$1.69	$13.82	27.96%
10' Alum Deco Base			$18.56			$18.56	$23.74			$23.74	27.91%
13' Decorative Concrete			$14.14			$14.14	$18.09			$18.09	27.93%
18' Fiberglass Round			$9.98			$9.98	$12.76			$12.76	27.86%
20' Decorative Concrete			$16.41			$16.41	$20.99			$20.99	27.91%
30' Wood Pole Std			$5.36			$5.36	$6.86			$6.86	27.99%
35' Concrete Square			$15.83			$15.83	$20.25			$20.25	27.92%
40' Wood Pole Std			$10.72			$10.72	$13.71			$13.71	27.89%
30' Wood pole			$4.82			$4.82	$6.16			$6.16	27.80%

Supporting Schedules: E-16d Recap Schedules: A-1

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide the calculation of the requested interim revenue requirements increase.

COMPANY: FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 20240099-EI

Type of Data Shown:
___Projected Test Year Ended 12/31/2025
___Prior Year Ended 12/31/2024
_X_Historical Test Year Ended 12/31/2023
Witness: Napier

Line No	Description	Source		Amount
1.	Jurisdictional Adjusted Rate Base	Schedule G-2		$ 116,666,956
2.	Rate of Return on Rate Base Requested	Schedule G-19a		4.95%
3.	Jurisdictional Income Requested	Line 1 x Line 2		5,775,014
4.	Jurisdictional Adjusted Net Operating Income	Schedule G-7		4,429,839
5.	Income Deficiency (Excess)	Line 3 - Line 4		1,345,175
6.	Earned Rate of Return	Line 4/Line 1	3.80%	
7.	Net Operating Income Multiplier	Schedule G-18		1.3477
8.	Revenue Increase (Decrease) Requested	Line 5 x Line 7		$ 1,812,869

Supporting Schedules: G-1, G-2, G-19a, G-7, G-18

Recap Schedules:

FPSC EXH NO. 3

ADMITTED

J12

FLORIDA PUBLIC SERVICE COMMISSION EXPLANATION: For each rate, calculate typical monthly bills for present rates and proposed interim rates.

COMPANY: FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 20240099-EI

Type of Data Shown:
___Projected Test Year Ended 12/31/2025
___Prior Year Ended 12/31/2024
_X_Historical Test Year Ended 12/31/2023
Witness: Napier

Residential (RS)

	Current	Proposed	
CUSTOMER FACILITIES CHARGE	$16.95	$18.20	
DEMAND CHARGE	$0.00	$0.00	$/KW
ENERGY CHARGE <= 1000 KWh	$0.02373	$0.02548	$/KWH
ENERGY CHARGE > 1000 KWh	$0.03887	$0.04174	$/KWH
FUEL CHARGE*	$0.10884	$0.10884	$/KWH
CONSERVATION CHARGE	$0.00144	$0.00144	$/KWH
HURRICANE MICHAEL CHARGE	$0.01280	$0.01280	$/KWH
STORM PROTECTION CHARGE	$0.00969	$0.00969	$/KWH

Florida Fuel Charge $0.10259 <1000 kwh
$0.11509 >1000 kwh

(1) KW	(2) TYPICAL KWH	(3) BASE RATE	(4) FUEL CHARGE	(5) ECCR CHARGE	(6) HURRICANE MICHAEL SURCHARGE	(7) STORM PROTECTION SURCHARGE	(8) TOTAL	(9) BASE RATE	(10) FUEL CHARGE	(11) ECCR CHARGE	(12) CAPACITY CHARGE	(13) ENVIRONMENTAL CHARGE	(14) TOTAL	(15) DOLLARS (14)-(8)	(16) PERCENT (15)/(8)	(17) PRESENT (8)/(2)	(18) PROPOSED (14)/(2)
	BILL UNDER PRESENT RATES							*INTERIM* BILL UNDER PROPOSED RATES						INCREASE		COSTS IN CENTS/KWH	
	0	$16.95	$0.00	$0.00	$0.00	$0.00	$16.95	$18.20	$0.00	$0.00	$0.00	$0.00	$18.20	$1.25	7.39%	N/A	N/A
	100	$19.32	$10.26	$0.14	$1.28	$0.97	$31.98	$20.75	$10.26	$0.14	$1.28	$0.97	$33.40	$1.43	4.47%	31.98	33.40
	250	$22.88	$25.65	$0.36	$3.20	$2.42	$54.51	$24.57	$25.65	$0.36	$3.20	$2.42	$56.20	$1.69	3.10%	21.81	22.48
	500	$28.82	$51.30	$0.72	$6.40	$4.85	$92.08	$30.94	$51.30	$0.72	$6.40	$4.85	$94.20	$2.13	2.31%	18.42	18.84
	750	$34.75	$76.94	$1.08	$9.60	$7.27	$129.64	$37.32	$76.94	$1.08	$9.60	$7.27	$132.21	$2.57	1.98%	17.29	17.63
	1,000	$40.68	$102.59	$1.44	$12.80	$9.69	$167.20	$43.69	$102.59	$1.44	$12.80	$9.69	$170.21	$3.01	1.80%	16.72	17.02
	1,250	$50.40	$131.36	$1.80	$16.00	$12.11	$211.67	$54.12	$131.36	$1.80	$16.00	$12.11	$215.40	$3.73	1.76%	16.93	17.23
	1,500	$60.12	$160.14	$2.16	$19.20	$14.54	$256.15	$64.56	$160.14	$2.16	$19.20	$14.54	$260.59	$4.44	1.73%	17.08	17.37
	2,000	$79.55	$217.68	$2.88	$25.60	$19.38	$345.09	$85.43	$217.68	$2.88	$25.60	$19.38	$350.97	$5.88	1.70%	17.25	17.55
	3,000	$118.42	$332.77	$4.32	$38.40	$29.07	$522.98	$127.17	$332.77	$4.32	$38.40	$29.07	$531.73	$8.75	1.67%	17.43	17.72
	5,000	$196.16	$562.95	$7.20	$64.00	$48.45	$878.76	$210.66	$562.95	$7.20	$64.00	$48.45	$893.26	$14.50	1.65%	17.58	17.87

General Service (GS)

	Current	Proposed	
CUSTOMER FACILITIES CHARGE	$27.85	$29.91	
DEMAND CHARGE	$0.00	$0.00	$/KW
ENERGY CHARGE	$0.02903	$0.03118	$/KWH
FUEL CHARGE*	$0.10637	$0.10637	$/KWH
CONSERVATION CHARGE	$0.00144	$0.00144	$/KWH
HURRICANE MICHAEL CHARGE	$0.01280	$0.01280	$/KWH
STORM PROTECTION CHARGE	$0.00498	$0.00498	$/KWH

(1) KW	(2) TYPICAL KWH	(3) BASE RATE	(4) FUEL CHARGE	(5) ECCR CHARGE	(6) HURRICANE MICHAEL SURCHARGE	(7) STORM PROTECTION SURCHARGE	(8) TOTAL	(9) BASE RATE	(10) FUEL CHARGE	(11) ECCR CHARGE	(12) CAPACITY CHARGE	(13) ENVIRONMENTAL CHARGE	(14) TOTAL	(15) DOLLARS (14)-(8)	(16) PERCENT (15)/(8)	(17) PRESENT (8)/(2)	(18) PROPOSED (14)/(2)
	0	$27.85	$0.00	$0.00	$0.00	$0.00	$27.85	$29.91	$0.00	$0.00	$0.00	$0.00	$29.91	$2.06	7.39%	N/A	N/A
	250	$35.11	$26.59	$0.36	$3.20	$1.25	$66.51	$37.70	$26.59	$0.36	$3.20	$1.25	$69.10	$2.60	3.90%	26.60	27.64
	500	$42.37	$53.19	$0.72	$6.40	$2.49	$105.16	$45.50	$53.19	$0.72	$6.40	$2.49	$108.29	$3.13	2.98%	21.03	21.66
	750	$49.62	$79.78	$1.08	$9.60	$3.74	$143.82	$53.29	$79.78	$1.08	$9.60	$3.74	$147.48	$3.67	2.55%	19.18	19.66
	1,000	$56.88	$106.37	$1.44	$12.80	$4.98	$182.47	$61.08	$106.37	$1.44	$12.80	$4.98	$186.67	$4.20	2.30%	18.25	18.67
	1,250	$64.14	$132.96	$1.80	$16.00	$6.23	$221.13	$68.88	$132.96	$1.80	$16.00	$6.23	$225.87	$4.74	2.14%	17.69	18.07
	1,500	$71.40	$159.56	$2.16	$19.20	$7.47	$259.78	$76.67	$159.56	$2.16	$19.20	$7.47	$265.06	$5.28	2.03%	17.32	17.67
	2,000	$85.91	$212.74	$2.88	$25.60	$9.96	$337.09	$92.26	$212.74	$2.88	$25.60	$9.96	$343.44	$6.35	1.88%	16.85	17.17
	3,000	$114.94	$319.11	$4.32	$38.40	$14.94	$491.71	$123.44	$319.11	$4.32	$38.40	$14.94	$500.21	$8.50	1.73%	16.39	16.67
	5,000	$173.00	$531.85	$7.20	$64.00	$24.90	$800.95	$185.79	$531.85	$7.20	$64.00	$24.90	$813.74	$12.79	1.60%	16.02	16.27

Supporting Schedules: G22 Recap Schedules:

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: For each rate, calculate typical monthly bills for present rates and proposed interim rates.

COMPANY: FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 20240099-EI

Type of Data Shown:
___Projected Test Year Ended 12/31/2025
___Prior Year Ended 12/31/2024
_X_Historical Test Year Ended 12/31/2023
Witness: Cheryl Martin/Mark Cutshaw
Witness: Napier

		BILL UNDER PRESENT RATES							*INTERIM* BILL UNDER PROPOSED RATES							INCREASE		COSTS IN CENTS/KWH	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)	(20)
TYPICAL KW	KWH	BASE RATE	FUEL CHARGE	ECCR CHARGE	CAPACITY CHARGE	HURRICANE MICHAEL SURCHARGE	STORM PROTECTION SURCHARGE	TOTAL	BASE RATE	FUEL CHARGE	ECCR CHARGE	CAPACITY CHARGE	HURRICANE MICHAEL SURCHARGE	STORM PROTECTION SURCHARGE	TOTAL	DOLLARS (16)-(9)	PERCENT (17)/(9)	PRESENT (9)/(2)	PROPOSED (16)/(2)

General Service Demand (GSD)

	Current	Proposed	
CUSTOMER FACILITIES CHARGE	$82.35	$88.44	
DEMAND CHARGE	$4.49	$4.82	$/KW
ENERGY CHARGE	$0.00547	$0.00587	$/KWH
FUEL CHARGE*	$0.10035	$0.10035	$/KWH
CONSERVATION CHARGE	$0.00144	$0.00144	$/KWH
HURRICANE MICHAEL CHARGE	$0.01280	$0.01280	$/KWH
STORM PROTECTION CHARGE	$0.00273	$0.00273	$/KWH

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)	(20)
25	5475	$224.55	$549.42	$7.88		$70.08	$14.95	$866.88	$241.15	$549.42	$7.88		$70.08	$14.95	$883.47	$16.60	1.91%	15.83	16.14
25	10950	$254.50	$1,098.83	$15.77		$140.16	$29.89	$1,539.15	$273.31	$1,098.83	$15.77		$140.16	$29.89	$1,557.96	$18.81	1.22%	14.06	14.23
25	16425	$284.44	$1,648.25	$23.65		$210.24	$44.84	$2,211.43	$305.47	$1,648.25	$23.65		$210.24	$44.84	$2,232.45	$21.03	0.95%	13.46	13.59
50	10950	$366.75	$1,098.83	$15.77		$140.16	$29.89	$1,651.40	$393.86	$1,098.83	$15.77		$140.16	$29.89	$1,678.51	$27.11	1.64%	15.08	15.33
50	21900	$426.64	$2,197.67	$31.54		$280.32	$59.79	$2,995.95	$458.18	$2,197.67	$31.54		$280.32	$59.79	$3,027.49	$31.54	1.05%	13.68	13.82
50	32850	$486.54	$3,296.50	$47.30		$420.48	$89.68	$4,340.50	$522.50	$3,296.50	$47.30		$420.48	$89.68	$4,376.47	$35.96	0.83%	13.21	13.32
75	16425	$508.94	$1,648.25	$23.65		$210.24	$44.84	$2,435.93	$546.57	$1,648.25	$23.65		$210.24	$44.84	$2,473.55	$37.62	1.54%	14.83	15.06
75	32850	$598.79	$3,296.50	$47.30		$420.48	$89.68	$4,452.75	$643.05	$3,296.50	$47.30		$420.48	$89.68	$4,497.01	$44.26	0.99%	13.55	13.69
75	49275	$688.63	$4,944.75	$70.96		$630.72	$134.52	$6,469.58	$739.54	$4,944.75	$70.96		$630.72	$134.52	$6,520.48	$50.90	0.79%	13.13	13.23
100	21900	$651.14	$2,197.67	$31.54		$280.32	$59.79	$3,220.45	$699.28	$2,197.67	$31.54		$280.32	$59.79	$3,268.58	$48.13	1.49%	14.71	14.93
100	43800	$770.94	$4,395.33	$63.07		$560.64	$119.57	$5,909.55	$827.92	$4,395.33	$63.07		$560.64	$119.57	$5,966.54	$56.99	0.96%	13.49	13.62
100	65700	$890.73	$6,593.00	$94.61		$840.96	$179.36	$8,598.65	$956.57	$6,593.00	$94.61		$840.96	$179.36	$8,664.50	$65.84	0.77%	13.09	13.19
250	54700	$1,504.06	$5,489.15	$78.77		$700.16	$149.33	$7,921.46	$1,615.24	$5,489.15	$78.77		$700.16	$149.33	$8,032.64	$111.18	1.40%	14.48	14.68
250	109500	$1,803.82	$10,988.33	$157.68		$1,401.60	$298.94	$14,650.36	$1,937.15	$10,988.33	$157.68		$1,401.60	$298.94	$14,783.69	$133.34	0.91%	13.38	13.50
250	164500	$2,104.67	$16,507.58	$236.88		$2,105.60	$449.09	$21,403.81	$2,260.24	$16,507.58	$236.88		$2,105.60	$449.09	$21,559.38	$155.58	0.73%	13.01	13.11

General Service Large Demand (GSLD)

	Current	Proposed	
CUSTOMER FACILITIES CHARGE	$157.42	$169.06	
DEMAND CHARGE	$6.42	$6.89	$/KW
ENERGY CHARGE	$0.00254	$0.00273	$/KWH
FUEL CHARGE*	$0.09772	$0.09772	$/KWH
CONSERVATION CHARGE	$0.00144	$0.00144	$/KWH
HURRICANE MICHAEL CHARGE	$0.01280	$0.01280	$/KWH
STORM PROTECTION CHARGE	$0.00174	$0.00174	$/KWH

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)	(20)
500	109,500	$3,645.55	$10,700.34	$157.68		$1,401.60	$190.53	$16,095.70	$3,915.03	$10,700.34	$157.68		$1,401.60	$190.53	$16,365.18	$269.48	1.67%	14.70	14.95
500	219,000	$3,923.68	$21,400.68	$315.36		$2,803.20	$381.06	$28,823.98	$4,213.72	$21,400.68	$315.36		$2,803.20	$381.06	$29,114.02	$290.04	1.01%	13.16	13.29
500	328,500	$4,201.81	$32,101.02	$473.04		$4,204.80	$571.59	$41,552.26	$4,512.41	$32,101.02	$473.04		$4,204.80	$571.59	$41,862.86	$310.60	0.75%	12.65	12.74
750	164,250	$5,389.62	$16,050.51	$236.52		$2,102.40	$285.80	$24,064.84	$5,788.01	$16,050.51	$236.52		$2,102.40	$285.80	$24,463.24	$398.40	1.66%	14.65	14.89
750	328,500	$5,806.81	$32,101.02	$473.04		$4,204.80	$571.59	$43,157.26	$6,236.05	$32,101.02	$473.04		$4,204.80	$571.59	$43,586.50	$429.24	0.99%	13.14	13.27
750	492,750	$6,224.01	$48,151.53	$709.56		$6,307.20	$857.39	$62,249.68	$6,684.08	$48,151.53	$709.56		$6,307.20	$857.39	$62,709.76	$460.08	0.74%	12.63	12.73
1,500	328,500	$10,621.81	$32,101.02	$473.04		$4,204.80	$571.59	$47,972.26	$11,406.97	$32,101.02	$473.04		$4,204.80	$571.59	$48,757.42	$785.16	1.64%	14.60	14.84
1,500	657,000	$11,456.20	$64,202.04	$946.08		$8,409.60	$1,143.18	$86,157.10	$12,303.04	$64,202.04	$946.08		$8,409.60	$1,143.18	$87,003.94	$846.84	0.98%	13.11	13.24
1,500	985,500	$12,290.59	$96,303.06	$1,419.12		$12,614.40	$1,714.77	$124,341.94	$13,199.10	$96,303.06	$1,419.12		$12,614.40	$1,714.77	$125,250.45	$908.51	0.73%	12.62	12.71
3,000	657,000	$21,086.20	$64,202.04	$946.08		$8,409.60	$1,143.18	$95,787.10	$22,644.88	$64,202.04	$946.08		$8,409.60	$1,143.18	$97,345.78	$1,558.68	1.63%	14.58	14.82
3,000	1,314,000	$22,754.98	$128,404.08	$1,892.16		$16,819.20	$2,286.36	$172,156.78	$24,437.02	$128,404.08	$1,892.16		$16,819.20	$2,286.36	$173,838.82	$1,682.04	0.98%	13.10	13.23
3,000	1,971,000	$24,423.76	$192,606.12	$2,838.24		$25,228.80	$3,429.54	$248,526.46	$26,229.15	$192,606.12	$2,838.24		$25,228.80	$3,429.54	$250,331.85	$1,805.39	0.73%	12.61	12.70
5,000	1,095,000	$35,038.72	$107,003.40	$1,576.80		$14,016.00	$1,905.30	$159,540.22	$37,628.77	$107,003.40	$1,576.80		$14,016.00	$1,905.30	$162,130.27	$2,590.05	1.62%	14.57	14.81
5,000	2,190,000	$37,820.02	$214,006.80	$3,153.60		$28,032.00	$3,810.60	$286,823.02	$40,615.66	$214,006.80	$3,153.60		$28,032.00	$3,810.60	$289,618.66	$2,795.64	0.97%	13.10	13.22
5,000	3,285,000	$40,601.32	$321,010.20	$4,730.40		$42,048.00	$5,715.90	$414,105.82	$43,602.55	$321,010.20	$4,730.40		$42,048.00	$5,715.90	$417,107.05	$3,001.23	0.72%	12.61	12.70

Supporting Schedules: G22 Recap Schedules:

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 140025-EI

EXPLANATION: For each rate, calculate typical monthly bills for present rates and proposed interim rates.

Type of Data Shown:
___Projected Test Year Ended 12/31/2025
___Prior Year Ended 12/31/2024
_X_ Historical Test Year Ended 12/31/2023
Witness: Napier

(1) TYPICAL KW	(2) TYPICAL KWH	(3) BASE RATE	(4) FUEL CHARGE	(5) ECCR CHARGE	(6) HURRICANE MICHAEL SURCHARGE	(7) STORM PROTECTION SURCHARGE	(8) TOTAL	(9) BASE RATE	(10) FUEL CHARGE	(11) ECCR CHARGE	(12) HURRICANE MICHAEL SURCHARGE	(13) STORM PROTECTION SURCHARGE	(14) TOTAL	(15) DOLLARS (14)-(8)	(16) PERCENT (15)/(8)	(17) PRESENT (8)/(2)	(18) PROPOSED (14)/(2)
		BILL UNDER PRESENT RATES						*INTERIM* BILL UNDER PROPOSED RATES						INCREASE		COSTS IN CENTS/KWH	

General Service Large Demand (GSLD1)

	Current	Proposed	
CUSTOMER FACILITIES CHARGE	$974.80	$1,046.86	
DEMAND CHARGE	$1.82	$1.95	$/KW
REACTIVE DEMAND CHARGE	$0.44	$0.47	$/Kvar
ENERGY CHARGE	$0.00000	$0.00000	$/KWH
GSLD1 FUEL CHARGE	$0.07120	$0.07120	$/KWH
FUEL GENERATION DEMAND	$5.41	$5.41	$/KW CP
FUEL TRANSMISSION DEMAND	$2.91	$2.91	$/KW CP
CONSERVATION CHARGE	$0.00144	$0.00144	$/KWH
HURRICANE MICHAEL CHAF	$0.01280	$0.01280	$/KWH
STORM PROTECTION CHAR	$0.00293	$0.00293	$/KWH

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)
16,833	4,674,000	$31,775.70	$386,835.52	$6,730.56	$59,827.20	$13,694.82	$498,863.80	$34,124.54	$386,835.52	$6,730.56	$59,827.20	$13,694.82	$501,212.64	$2,348.85	0.47%	10.67	10.72

Note: Fuel Charge and Production Demand charge used to calculate cost of purchased power and reported above as "Fuel Charge"
For the GSLD-1 tariff, the fuel charge is applied to the average KWH and the production demand charge is applied to an estimated average coincident peak of 6,496 KW
Average Monthly KVAR estimated at 413

Standby (SB)

	Current	Proposed	
CUSTOMER FACILITIES CHARGE	$974.80	$1,046.86	
DEMAND CHARGE	$0.79	$0.85	$/KW
REACTIVE DEMAND CHARGE	$0.00	$0.00	$/Kvar
ENERGY CHARGE	$0.00000	$0.00000	$/KWH
GSLD1 FUEL CHARGE	$0.07120	$0.07120	$/KWH
FUEL GENERATION DEMAND	$5.41	$5.41	$/KW CP
FUEL TRANSMISSION DEMAND	$2.91	$2.91	$/KW CP
CONSERVATION CHARGE	$0.00144	N/A	$/KWH
HURRICANE MICHAEL CHAF	$0.01280	N/A	
STORM PROTECTION CHAR	$0.00293	N/A	

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)
26,000	437,000	$21,514.80	$85,161.12	$629.28	$5,593.60	$1,280.41	$114,179.21	$23,105.16	$85,161.12	#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!	26.1280	#VALUE!

Note: Fuel Charge and Production Demand charge used to calculate cost of purchased power and reported above as "Fuel Charge"
For the SB tariff, the fuel charge is applied to the average KWH and the production demand charge is applied to an estimated average coincident peak of 6,496 KW

Supporting Schedules: G22 Recap Schedules:

FPSC EXH NO. 3

ADMITTED

J15

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 140025-EI

EXPLANATION: For each rate, calculate typical monthly bills for present rates and proposed interim rates.

Type of Data Shown:
____Projected Test Year Ended 12/31/2025
____Prior Year Ended 12/31/2024
__X_Historical Test Year Ended 12/31/2023
Witness: Napier

		Present Rates - Outdoor Lighting									*INTERIM* Proposed Rates - Outdoor Lighting												
Type of Facility	Est. Monthly KWH	Facility Charge	Energy Charge	Maint. Charge	Total Monthly Charge	Fuel Charge	ECCR Charge	Hurricane Michael Surcharge	Storm Protection Surcharge	TOTAL	Facility Charge	Energy Charge	Maint. Charge	Total Monthly Charge	Fuel Charge	ECCR Charge	Hurricane Michael Surcharge	Storm Protection Surcharge	TOTAL	Increase Dollars	Increase Percent	Cents/KWH Current	Cents/KWH Proposed
High Pressure Sodium Lights (Closed to New Customers)																							
150w HPS Acorn	61	$19.69	$3.19	$2.49	$25.37	$4.99	$0.09	$0.78	$3.66	$34.89	$21.15	$3.43	$2.67	$27.25	$4.99	$0.09	$0.78	$3.66	$36.76	$1.88	5.38%	57.19	60.27
150w HPS ALN 440	61	$28.07	$3.19	$3.32	$34.58	$4.99	$0.09	$0.78	$3.66	$44.10	$30.14	$3.43	$3.57	$37.14	$4.99	$0.09	$0.78	$3.66	$46.65	$2.56	5.80%	72.29	76.48
100w HPS Amer Rev	41	$9.66	$2.15	$3.29	$15.10	$3.35	$0.06	$0.52	$2.46	$21.50	$10.37	$2.31	$3.53	$16.22	$3.35	$0.06	$0.52	$2.46	$22.61	$1.12	5.19%	52.43	55.16
150w HPS Am Rev	61	$9.05	$3.19	$3.33	$15.57	$4.99	$0.09	$0.78	$3.66	$25.09	$9.72	$3.43	$3.58	$16.72	$4.99	$0.09	$0.78	$3.66	$26.24	$1.15	4.59%	41.13	43.02
100w HPS Cobra Head	41	$7.25	$2.15	$2.11	$11.51	$3.35	$0.06	$0.52	$2.46	$17.91	$7.79	$2.31	$2.27	$12.36	$3.35	$0.06	$0.52	$2.46	$18.76	$0.85	4.75%	43.68	45.75
200w HPS Cobra Head	81	$9.78	$4.26	$2.53	$16.57	$6.63	$0.12	$1.04	$4.86	$29.21	$10.50	$4.57	$2.72	$17.79	$6.63	$0.12	$1.04	$4.86	$30.43	$1.22	4.19%	36.06	37.57
250w HPS Cobra Head	101	$11.63	$5.30	$3.33	$20.26	$8.26	$0.15	$1.29	$6.06	$36.02	$12.49	$5.69	$3.58	$21.76	$8.26	$0.15	$1.29	$6.06	$37.52	$1.50	4.16%	35.66	37.15
400w HPS Cobra Head	162	$10.86	$8.54	$2.77	$22.17	$13.25	$0.23	$2.07	$9.72	$47.45	$11.66	$9.17	$2.97	$23.81	$13.25	$0.23	$2.07	$9.72	$49.09	$1.64	3.45%	29.29	30.30
250w HPS Flood	101	$11.37	$5.30	$2.42	$19.09	$8.26	$0.15	$1.29	$6.06	$34.85	$12.21	$5.69	$2.60	$20.50	$8.26	$0.15	$1.29	$6.06	$36.26	$1.41	4.05%	34.50	35.90
400w HPS Flood	162	$17.85	$8.54	$2.27	$28.66	$13.25	$0.23	$2.07	$9.72	$53.94	$19.17	$9.17	$2.44	$30.78	$13.25	$0.23	$2.07	$9.72	$56.06	$2.12	3.93%	33.30	34.60
1000w HPS Flood	405	$22.36	$21.30	$3.00	$46.66	$33.13	$0.58	$5.18	$24.30	$109.86	$24.01	$22.87	$3.22	$50.11	$33.13	$0.58	$5.18	$24.30	$113.31	$3.45	3.14%	27.12	27.98
100w HPS SP2 Spectra	41	$24.81	$2.15	$3.10	$30.06	$3.35	$0.06	$0.52	$2.46	$36.46	$26.64	$2.31	$3.33	$32.28	$3.35	$0.06	$0.52	$2.46	$38.68	$2.22	6.09%	88.92	94.34
Metal Halide Lights (Closed to New Customers):																							
175w MH ALN 440	71	$26.86	$3.77	$2.61	$33.24	$5.81	$0.10	$0.91	$4.26	$44.32	$28.85	$4.05	$2.80	$35.70	$5.81	$0.10	$0.91	$4.26	$46.78	$2.46	5.54%	62.42	65.88
400w MH Flood	162	$12.12	$8.54	$2.21	$22.87	$13.25	$0.23	$2.07	$9.72	$48.15	$13.02	$9.17	$2.37	$24.56	$13.25	$0.23	$2.07	$9.72	$49.84	$1.69	3.51%	29.72	30.76
1000w MH Flood	405	$20.61	$21.30	$2.92	$44.83	$33.13	$0.58	$5.18	$24.30	$108.03	$22.13	$22.87	$3.14	$48.14	$33.13	$0.58	$5.18	$24.30	$111.34	$3.31	3.07%	26.67	27.49
175w MH Shoebox	71	$22.68	$3.77	$2.93	$29.38	$5.81	$0.10	$0.91	$4.26	$40.46	$24.36	$4.05	$3.15	$31.55	$5.81	$0.10	$0.91	$4.26	$42.63	$2.17	5.37%	56.98	60.04
250w MH Shoebox	101	$24.14	$5.30	$3.28	$32.72	$8.26	$0.15	$1.29	$6.06	$48.48	$25.92	$5.69	$3.52	$35.14	$8.26	$0.15	$1.29	$6.06	$50.90	$2.42	4.99%	48.00	50.39
100w MH SP2 Spectra	41	$24.62	$2.15	$3.00	$29.77	$3.35	$0.06	$0.52	$2.46	$36.17	$26.44	$2.31	$3.22	$31.97	$3.35	$0.06	$0.52	$2.46	$38.37	$2.20	6.08%	88.21	93.58
1000w MH Vert Shoebox	405	$25.45	$21.30	$3.32	$50.07	$33.13	$0.58	$5.18	$24.30	$113.27	$27.33	$22.87	$3.57	$53.77	$33.13	$0.58	$5.18	$24.30	$116.97	$3.70	3.27%	27.97	28.88
Light Emitting Diode Lights																							
50W Outdoor Light (100W Equivalent)	17	$6.58	$0.89	$2.08	$9.55	$1.39	$0.02	$0.22	$1.02	$12.20	$7.07	$0.96	$2.23	$10.26	$1.39	$0.02	$0.22	$1.02	$12.91	$0.71	5.79%	71.78	75.93
50W Cobra Head (100W Equivalent)	17	$8.31	$0.89	$2.59	$11.79	$1.39	$0.02	$0.22	$1.02	$14.44	$8.92	$0.96	$2.78	$12.66	$1.39	$0.02	$0.22	$1.02	$15.31	$0.87	6.03%	84.96	90.08
82W Cobra Head (200W Equivalent)	28	$7.78	$1.47	$2.43	$11.68	$2.29	$0.04	$0.36	$1.68	$16.05	$8.36	$1.58	$2.61	$12.54	$2.29	$0.04	$0.36	$1.68	$16.91	$0.86	5.38%	57.32	60.40
130W Cobra Head (250W Equivalent)	45	$7.75	$2.36	$2.42	$12.53	$3.68	$0.06	$0.58	$2.70	$19.55	$8.32	$2.53	$2.60	$13.46	$3.68	$0.06	$0.58	$2.70	$20.48	$0.93	4.74%	43.45	45.51
210W Cobra Head (400W Equivalent)	72	$13.55	$3.78	$3.95	$21.28	$5.89	$0.10	$0.92	$4.32	$32.51	$14.55	$4.06	$4.24	$22.85	$5.89	$0.10	$0.92	$4.32	$34.09	$1.57	4.84%	45.16	47.34
26W American Revolution Decorative (100W Equivalent)	9	$7.78	$0.47	$2.72	$10.97	$0.74	$0.01	$0.12	$0.54	$12.37	$8.36	$0.50	$2.92	$11.78	$0.74	$0.01	$0.12	$0.54	$13.19	$0.81	6.55%	137.49	146.50
44W American Revolution Decorative (150W Equivalent)	15	$7.71	$0.79	$2.69	$11.19	$1.23	$0.02	$0.19	$0.90	$13.53	$8.28	$0.85	$2.89	$12.02	$1.23	$0.02	$0.19	$0.90	$14.36	$0.83	6.11%	90.20	95.72
90W Acorn Decorative (150W Equivalent)	31	$11.14	$1.63	$3.71	$16.48	$2.54	$0.04	$0.40	$1.86	$21.32	$11.96	$1.75	$3.98	$17.70	$2.54	$0.04	$0.40	$1.86	$22.54	$1.22	5.71%	68.77	72.69
60W Post Top Decorative (150W Equivalent)	21	$19.74	$1.10	$6.25	$27.09	$1.72	$0.03	$0.27	$1.26	$30.37	$21.20	$1.18	$6.71	$29.09	$1.72	$0.03	$0.27	$1.26	$32.37	$2.00	6.59%	144.60	154.14
80W Flood (250W Equivalent)	27	$10.80	$1.42	$3.40	$15.61	$2.21	$0.04	$0.35	$1.62	$19.82	$11.60	$1.52	$3.65	$16.77	$2.21	$0.04	$0.35	$1.62	$20.99	$1.16	5.88%	73.42	77.73
170W Flood (400W Equivalent)	58	$10.80	$3.05	$3.40	$17.24	$4.74	$0.08	$0.74	$3.48	$26.29	$11.60	$3.28	$3.65	$18.53	$4.74	$0.08	$0.74	$3.48	$27.58	$1.29	4.89%	45.33	47.54
150W Flood (350W Equivalent)	52	$10.80	$2.73	$3.40	$16.93	$4.25	$0.07	$0.67	$3.12	$25.04	$11.60	$2.93	$3.65	$18.18	$4.25	$0.07	$0.67	$3.12	$26.30	$1.25	5.00%	48.16	50.57
290W Flood (1,000W Equivalent)	100	$10.80	$5.25	$3.40	$19.45	$8.18	$0.14	$1.28	$6.00	$35.05	$11.60	$5.64	$3.65	$20.89	$8.18	$0.14	$1.28	$6.00	$36.49	$1.44	4.10%	35.05	36.49
150w Shoe Box	52	$9.52	$2.73	$3.23	$15.48	$4.25	$0.07	$0.67	$3.12	$23.59	$10.22	$2.93	$3.47	$16.62	$4.25	$0.07	$0.67	$3.12	$24.74	$1.14	4.85%	45.37	47.57
131W Shoe Box (250W Equivalent)	45	$10.72	$2.36	$3.59	$16.67	$3.68	$0.06	$0.58	$2.70	$23.69	$11.51	$2.53	$3.86	$17.90	$3.68	$0.06	$0.58	$2.70	$24.92	$1.23	5.20%	52.65	55.39
Mercury Vapor Lights (Closed to New Customers):																							
175w MV Cobra Head -OL	72	$1.39	$3.70	$1.24	$6.33	$5.89	$0.10	$0.92	$4.32	$17.56	$1.49	$3.97	$1.33	$6.80	$5.89	$0.10	$0.92	$4.32	$18.03	$0.47	2.66%	24.40	25.05
400w MV Cobra Head-OL	154	$1.53	$7.95	$1.32	$10.80	$12.60	$0.22	$1.97	$9.24	$34.83	$1.64	$8.54	$1.42	$11.60	$12.60	$0.22	$1.97	$9.24	$35.63	$0.80	2.29%	22.62	23.14
10' Alum Deco Base		$18.56			$18.56					$18.56	$19.93	$0.00	$0.00	$19.93					$19.93	$1.37	7.39%	N/A	N/A
13' Decorative Concrete		$14.14			$14.14					$14.14	$15.19	$0.00	$0.00	$15.19					$15.19	$1.05	7.39%	N/A	N/A
18' Fiberglass Round		$9.98			$9.98					$9.98	$10.72	$0.00	$0.00	$10.72					$10.72	$0.74	7.39%	N/A	N/A
20' Decorative Concrete		$16.41			$16.41					$16.41	$17.62	$0.00	$0.00	$17.62					$17.62	$1.21	7.39%	N/A	N/A
30' Wood Pole Std		$5.36			$5.36					$5.36	$5.76	$0.00	$0.00	$5.76					$5.76	$0.40	7.39%	N/A	N/A
35' Concrete Square		$15.83			$15.83					$15.83	$17.00	$0.00	$0.00	$17.00					$17.00	$1.17	7.39%	N/A	N/A
40' Wood Pole Std		$10.72			$10.72					$10.72	$11.51	$0.00	$0.00	$11.51					$11.51	$0.79	7.39%	N/A	N/A
30' Wood pole		$4.82			$4.82					$4.82	$5.18	$0.00	$0.00	$5.18					$5.18	$0.36	7.39%	N/A	N/A

Supporting Schedules: G-23 Recap Schedules:

FPSC EXH NO. 4

ADMITTED

J16

FLORIDA PUBLIC UTILITIES

DOCKET NO. 20240099-EI

MINIMUM FILING REQUIREMENTS

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J16

FPSC EXH NO. 4

ADMITTED

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: Florida Public Utilities Company
Consolidated Electric Division
DOCKET NO.: 20240099-EI

EXPLANATION: Provide a schedule of the 13-month average adjusted rate base for the test year, the prior year and the most recent historical year. Provide the details of all adjustments on Schedule B-2.

Type of Data Shown:
_____ Projected Test Year Ended 12/31/25
_____ Prior Year Ended 12/31/24
__X__ Historical Test Year Ended 12/31/23
Witness: Haffecke, Galtman, Napier

Line No.		(1) Plant in Service	(2) Accumulated Provision for Depreciation and Amortization	(3) Net Plant in Service (1 - 2)	(4) CWIP - No AFUDC	(5) Plant Held For Future Use	(6) Nuclear Fuel - No AFUDC (Net)	(7) Net Utility Plant	(8) Working Capital Allowance	(9) Other Rate Base Items	(10) Total Rate Base
1	System Per Books (B-3)	173,416,169	(78,872,144)	94,544,025	5,798,246	0	0	100,342,271	59,572,044		159,914,314
2	Jurisdictional Factors	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
3	Jurisdictional Per Books	173,416,169	(78,872,144)	94,544,025	5,798,246	-	-	100,342,271	59,572,044	-	159,914,314
4	<u>Adjustments:</u>										
5	Non-Utility Plant	(7,684)	725	(6,959)				(6,959)			(6,959)
6	Remove SPP Clause Investment	(1,907,470)	9,677	(1,897,793)	(960,269)			(2,858,062)	(413,690)		(3,271,752)
7	Remove CWIP with AFUDC				(647,660)			(647,660)			(647,660)
8	Eliminate Fuel Underrecovery							-	(21,088,963)		(21,088,963)
9	Remove Storm that is interest earning							-	(18,229,785)		(18,229,785)
10	Remove 1/2 of Def. Rate Case Exp.							-	(2,240)		(2,240)
11								-			-
12								-			-
13								-			
14								-			
15											
16											
17											
18											
19											
20											
21											
22											
23											
24											
25											
26											
27	Total Adjustments	(1,915,154)	10,402	(1,904,752)	(1,607,929)	-	-	(3,512,681)	(39,734,678)	-	(43,247,358)
28											
29	Adjusted Jurisdictional	171,501,015	(78,861,742)	92,639,273	4,190,317	-	-	96,829,590	19,837,366	-	116,666,956

Supporting Schedules: B-2 (2023), B-3(2023), B-7 (2023), B-9 (2023) Recap Schedules: B-2 (2023)

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: Florida Public Utilities Company
Consolidated Electric Division
DOCKET NO.: 20240099-EI

EXPLANATION: Provide a schedule of the 13-month average adjusted rate base for the test year, the prior year and the most recent historical year. Provide the details of all adjustments on Schedule B-2.

Type of Data Shown:
_____ Projected Test Year Ended 12/31/25
__X__ Prior Year Ended 12/31/24
_____ Historical Test Year Ended 12/31/23
Witness: Haffecke, Galtman, Napier

Line No.		(1) Plant in Service	(2) Accumulated Provision for Depreciation and Amortization	(3) Net Plant in Service (1 - 2)	(4) CWIP - No AFUDC	(5) Plant Held For Future Use	(6) Nuclear Fuel - No AFUDC (Net)	(7) Net Utility Plant	(8) Working Capital Allowance	(9) Other Rate Base Items	(10) Total Rate Base
1	System Per Books (B-3)	187,278,337	(80,278,942)	106,999,395	17,094,946	0	0	124,094,341	33,760,751		157,855,092
2	Jurisdictional Factors	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
3	Jurisdictional Per Books	187,278,337	(80,278,942)	106,999,395	17,094,946	-	-	124,094,341	33,760,751	-	157,855,092
4	Adjustments:										
5	Non-Utility Plant	(7,684)	1,340	(6,344)				(6,344)			(6,344)
6	Remove Storm Protection Plan Plant	(6,020,487)	241,519	(5,778,968)	(8,534,847)			(14,313,815)	(593,321)		(14,907,136)
7	Remove CWIP Accruing AFUDC			-	(2,159,577)			(2,159,577)			(2,159,577)
8	Eliminate Fuel Underrecovery			-				-	(3,997,028)		(3,997,028)
9	Remove Storm that is interest earning								(11,133,831)		(11,133,831)
10	Remove 1/2 of Deferred Rate Case			-				-	(455,093)		(455,093)
11				-				-			-
12				-				-			-
13				-				-			-
14				-				-			-
15				-				-			-
16				-				-			-
17				-				-			-
18				-				-			-
19				-				-			-
20				-				-			-
21				-				-			-
22				-				-			-
23				-				-			-
24				-				-			-
25				-				-			-
26				-				-			-
27	Total Adjustments	(6,028,171)	242,859	(5,785,312)	(10,694,424)	-	-	(16,479,736)	(16,179,273)	-	(32,659,009)
28											
29	Adjusted Jurisdictional	181,250,167	(80,036,083)	101,214,083	6,400,522	-	-	107,614,605	17,581,478	-	125,196,083

Supporting Schedules: B-2 (2024), B-3(2024), B-7 (2024), B-9 (2024)   Recap Schedules: B-2 (2024)

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: Florida Public Utilities Company
Consolidated Electric Division
DOCKET NO.: 20240099-EI

EXPLANATION: Provide a schedule of the 13-month average adjusted rate base for the test year, the prior year and the most recent historical year. Provide the details of all adjustments on Schedule B-2.

Type of Data Shown:
__x__ Projected Test Year Ended 12/31/25
_____ Prior Year Ended 12/31/24
_____ Historical Test Year Ended 12/31/23
Witness: Haffecke, Galtman, Napier

Line No.		(1) Plant in Service	(2) Accumulated Provision for Depreciation and Amortization	(3) Net Plant in Service (1 - 2)	(4) CWIP - No AFUDC	(5) Plant Held For Future Use	(6) Nuclear Fuel - No AFUDC (Net)	(7) Net Utility Plant	(8) Working Capital Allowance	(9) Other Rate Base Items	(10) Total Rate Base
1	System Per Books (B-3)	228,950,592	(77,701,596)	151,248,995	12,869,084	0	0	164,118,080	18,267,240		182,385,319
2	Jurisdictional Factors	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
3	Jurisdictional Per Books	228,950,592	(77,701,596)	151,248,995	12,869,084	-	-	164,118,080	18,267,240	-	182,385,319
4	Adjustments:										
5	Non-Utility Plant	(7,684)	1,954	(5,730)				(5,730)			(5,730)
6	Remove Storm Protection Plan Plant	(24,147,089)	(2,924,052)	(27,071,142)	(3,827,550)			(30,898,692)	(398,941)		(31,297,633)
7	Remove CWIP Accruing AFUDC			-	(731,263)			(731,263)			(731,263)
8	Remove Deferred Rate Case			-				-	(1,331,206)		(1,331,206)
9	Remove Storm that is interest earning								(3,769,633)		(3,769,633)
10	Remove Fuel Under-Recovery			-				-	-		-
11	Include Substation Add. Full Year	11,472,643	(337,844)	11,134,799	(6,331,558)			4,803,241			4,803,241
12				-				-			-
13											-
14											-
15											
16											
17											
18											
19											
20											
21											
22											
23											
24											
25											
26											
27											
28											
29	Total Adjustments	(12,682,130)	(3,259,942)	(15,942,072)	(10,890,371)	-	-	(26,832,444)	(5,499,780)	-	(32,332,223)
30											
31	Adjusted Jurisdictional	216,268,461	(80,961,538)	135,306,923	1,978,713	-	-	137,285,636	12,767,460	-	150,053,096

Supporting Schedules: B-2 (2025), B-3(2025), B-7 (2025), B-9 (2025)

Recap Schedules: B-2 (2025)

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: Florida Public Utilities Company
Consolidated Electric Division
DOCKET NO.: 20240099-EI

EXPLANATION: List and explain all proposed adjustments to the 13-month average rate base for the test year,the prior year and the most recent historical year. List the adjustments included in the last case that are not proposed in the current case and the reasons for excluding them.

Type of Data Shown:
_____ Projected Test Year Ended 12/31/25
_____ Prior Year Ended 12/31/24
__X__ Historical Test Year Ended 12/31/23
Witness: Napier

Line No.	Adjustment Title	Reason for Adjustment or Omission (provide supporting schedule)		(1) Adjustment Amount	(2) Jurisdictional Factor	(3) Jurisdictional Amount of Adjustment (1) x (2)
1						
2	Commission Adjustment:					
3						
4	Non-Utility Plant	To remove a portion electric assets shared with other divisions in compliance with	Plant	(7,684)	100%	(7,684)
5		Commission Order PSC-2008-0327-FOF-EI				
6	Non-Utility Accumulated Depreciation	To remove a portion of Acc. Dep. For electric assets shared with other divisions in	Acc. Dep.	725	100%	725
7		compliance with Commission Order PSC-2008-0327-FOF-EI.				
8				(6,959)		(6,959)
9						
10	Storm Protection Plan Clause Plant	To remove capitalized investments in the Storm Protection Plan Cost Recovery	Plant	(1,907,470)	100%	(1,907,470)
11	Remove Storm Protection Plan Clause Acc. Dep	To remove Acc. Dep. On the capitalized investments in the Storm Protection Plan	Acc. Dep.	9,677	100%	9,677
12		Recovery Clause.				
13	Remove Storm Protection Plan Clause CWIP	To remove Construction Work in Process in the Storm Protection Plan Cost	CWIP	(960,269)	100%	(960,269)
14		Clause				
		.				
15	Total			(2,858,062)	100%	(2,858,062)
16						
17						
18						
19	Remove CWIP with AFUDC	To remove construction work in process for all amounts eligible for AFUDC under FPSC Rule 25-6.0141 F.A.C.	CWIP	(647,660)	100%	(647,660)
20						
21	WORKING CAPITAL					
22	Commission Adjustment:					
23						-
24	Fuel Under-Recovery	To eliminate Fuel Under-recovery which is interest earning Per Order PSC-08-		(21,088,963)	100%	(21,088,963)
25		FOF-				
26	Deferred Rate Case Expense	To remove 1/2 of deferred rate case balance Per Order PSC-2008-0327-FOF-EI		(2,240)	100%	(2,240)
27	Storm Costs	To remove storm recovery costs which were interest earning		(18,229,785)	100%	(18,229,785)
28	Storm Protection Plan	To remove under-recovery which is interest earning		(413,690)	100%	(413,690)
29				-	100%	-
30	Total			(39,734,678)		(39,734,678)
31						
32						

Supporting Schedules: B-3 (2023) Recap Schedules: B-1 (2023), B-6 (2023)

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: Florida Public Utilities Company
Consolidated Electric Division
DOCKET NO.: 20240099-EI

EXPLANATION: List and explain all proposed adjustments to the 13-month average rate base for the test year,the prior year and the most recent historical year. List the adjustments included in the last case that are not proposed in the current case and the reasons for excluding them.

Type of Data Shown:
_____ Projected Test Year Ended 12/31/25
__X__ Prior Year Ended 12/31/24
_____ Historical Test Year Ended 12/31/23
Witness: Napier

Line No.	Adjustment Title	Reason for Adjustment or Omission (provide supporting schedule)		(1) Adjustment Amount	(2) Jurisdictional Factor	(3) Jurisdictional Amount of Adjustment (1) x (2)
1						
2	Commission Adjustment:					
3	Non-Utility Plant	To remove a portion electric assets shared with other divisions in compliance with Commission	Plant	(7,684)	100%	(7,684)
4		PSC-2008-0327-FOF-EI.				
5	Non-Utility Accumulated Depreciation	To remove a portion of Acc. Dep. For electric assets shared with other divisions in compliance with	Acc. Dep	1,340	100%	1,340
6		Commission Order PSC-2008-0327-FOF-EI.				
7				(6,344)		(6,344)
8						
9						
10	Storm Protection Plan Clause Plant	To remove capitalized investments in the Storm Protection Plan Cost Recovery Clause	Plant	(6,020,487)	100%	(6,020,487)
11	Remove Storm Protection Plan Clause Acc. Dep.	To remove capitalized investments in the Storm Protection Plan Cost Recovery Clause	Reserve	241,519	100%	241,519
12	Remove Storm Protection Plan Clause CWIP	To remove capitalized investments in the Storm Protection Plan Cost Recovery Clause	CWIP	(8,534,847)	100%	(8,534,847)
13	Total			(14,313,815)	100%	(14,313,815)
14						
15	Remove CWIP with AFUDC	To remove construction work in process for all amounts eligible for AFUDC under FPSC Rule 25-	CWIP	(2,159,577)	100%	(2,159,577)
16		6.0141 F.A.C.				
17						
18	WORKING CAPITAL					
19	Commission Adjustment:					
20						-
21						-
22	Fuel Under-Recovery	To eliminate Fuel Under-recovery which is interest earning Per Order PSC-08-0327-FOF-EI		(3,997,028)	100%	(3,997,028)
23	Deferred Rate Case Expense	To remove deferred rate case balance Per Order PSC-2023-0103-FOF-GU		(455,093)	100%	(455,093)
24	Storm Costs	To remove storm recovery costs which were interest earning		(11,133,831)	100%	(11,133,831)
25	Storm Protection Plan	To remove under-recovery which is interest earning		(593,321)	100%	(593,321)
26	Total			(16,179,273)		(16,179,273)
27						
28	Company Adjustment:					
29	None					

Supporting Schedules: B-3 (2024) Recap Schedules: B-1 (2024), B-6 (2024)

FPSC EXH NO. 4
ADMITTED

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: Florida Public Utilities Company
Consolidated Electric Division
DOCKET NO.: 20240099-EI

EXPLANATION: List and explain all proposed adjustments to the 13-month average rate base for the test year,the prior year and the most recent historical year. List the adjustments included in the last case that are not proposed in the current case and the reasons for excluding them.

Type of Data Shown:
__x__ Projected Test Year Ended 12/31/25
_____ Prior Year Ended 12/31/24
_____ Historical Test Year Ended 12/31/23
Witness: Napier

Line No.	Adjustment Title	Reason for Adjustment or Omission (provide supporting schedule)		(1) Adjustment Amount	(2) Jurisdictional Factor	(3) Jurisdictional Amount of Adjustment (1) x (2)
1						
2	Commission Adjustment:					
3	Non-Utility Plant	To remove a portion electric assets shared with other divisions in compliance with Commission	Plant	(7,684)	100%	(7,684)
4		PSC-2008-0327-FOF-EI.				
5	Non-Utility Accumulated Depreciation	To remove a portion of Acc. Dep. For electric assets shared with other divisions in compliance	Acc. Dep.	1,954	100%	1,954
6		Commission Order PSC-2008-0327-FOF-EI.				
7				(5,730)		(5,730)
8						
9	Storm Protection Plan Clause Plant	To remove capitalized investments in the Storm Protection Plan Cost Recovery Clause	Plant	(24,147,089)	100%	(24,147,089)
10	Remove Storm Protection Plan Clause Acc. Dep.	To remove capitalized investments in the Storm Protection Plan Cost Recovery Clause	Acc. Dep.	(2,924,052)	100%	(2,924,052)
11	Remove Storm Protection Plan Clause CWIP	To remove capitalized investments in the Storm Protection Plan Cost Recovery Clause	CWIP	(3,827,550)	100%	(3,827,550)
12				(30,910,151)		(30,910,151)
13						
14	Remove CWIP with AFUDC	To remove construction work in process for all amounts eligible for AFUDC under FPSC Rule 25-	CWIP	(731,263)	100%	(731,263)
15		6.0141 F.A.C.				
16	Company Adjustment:					
17	Substation Plant Adjustment	To record substation additions in 2025 as if they were in service a full year.	Plant	11,472,643	100%	11,472,643
18	Substation Acc. Dep. Adjustment	To record substation acc. dep in 2025 as if the assets were in service a full year.	Acc. Dep.	(337,844)	100%	(337,844)
19	Substation CWIP Adjustment	To remove the CWIP associated with the substation additions in 2025 as if they were moved into plant for a full year.	CWIP	(6,331,558)	100%	(6,331,558)
20				4,803,241		4,803,241
21						
22						
23	WORKING CAPITAL					
24						-
25	Fuel Under-Recovery	To eliminate Fuel Under-recovery which is interest earning Per Order PSC-08-0327-FOF-EI			100%	-
26	Deferred Rate Case Expense	To remove deferred rate case balance Per Order PSC-2023-0103-FOF-GU		(1,331,206)	100%	(1,331,206)
27	Storm Costs	To remove storm recovery costs which were interest earning		(3,769,633)	100%	(3,769,633)
28	Storm Protection Plan	To remove under-recovery which is interest earning		(398,941)	100%	(398,941)
29	Total			(5,499,780)		(5,499,780)
30						
31						

Supporting Schedules: B-3 (2025) Recap Schedules: B-1 (2025), B-6 (2025)

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: Florida Public Utilities Company
Consolidated Electric Division
DOCKET NO.: 20240099-EI

EXPLANATION: Derive the 13-month average system balance sheet by primary account by month for the test year, the prior year and the most recent historical year. For accounts including non-electric utility amounts, show these amounts as a separate subaccount.

Type of Data Shown:
_____ Projected Test Year Ended 12/31/25
_____ Prior Year Ended 12/31/24
__X__ Historical Test Year Ended 12/31/23
Witness: Galtman, Haffecke

Line No.	Account No.	Account Name	(1) Dec 2022	(2) Jan 2023	(3) Feb 2023	(4) Mar 2023	(5) Apr 2023	(6) May 2023	(7) Jun 2023	(8) Jul 2023	(9) Aug 2023	(10) Sep 2023	(11) Oct 2023	(12) Nov 2023	(13) Dec 2023	(14) 13 MONTH AVERAGE	(15) REFERENCE RB WC CS ORP NEU
1		ASSETS AND OTHER DEBITS															
2																	
3		UTILITY PLANT:															
4																	
5	1010	Plant in Service	$166,911,774	$167,240,217	$168,481,604	$168,954,932	$169,399,965	$170,251,260	$171,033,563	$171,937,915	$172,751,365	$173,325,698	$174,043,891	$174,364,110	$174,792,420	171,037,593	RB
6	1070	CWIP	2,396,608	3,151,590	2,520,517	3,346,825	3,301,399	3,646,476	3,891,403	5,115,054	5,601,846	7,658,966	9,603,113	11,592,696	13,545,963	5,797,881	RB
7	1080	Plant Reserve	(76,156,659)	(76,418,601)	(76,771,189)	(77,108,337)	(77,472,984)	(77,803,004)	(78,170,290)	(78,541,231)	(78,914,753)	(79,295,290)	(79,672,966)	(79,651,587)	(79,222,231)	(78,092,240)	RB
8	1010	Allocated Common Plant in Service	3,406,838	3,413,010	3,399,025	3,391,060	3,390,238	3,349,512	3,353,016	3,353,268	3,344,446	3,320,641	3,348,144	3,346,779	3,460,027	3,375,077	RB
9	1080	Allocated Common Plant Reserve	(693,562)	(715,943)	(724,470)	(742,110)	(774,845)	(755,375)	(778,574)	(800,064)	(814,926)	(809,941)	(825,395)	(847,023)	(856,517)	(779,904)	RB
10	1070	Allocated Common CWIP	-	(3,302)	(3,302)	-	-	-	-	-	-	-	2,829	3,027	5,486	364	RB
11																	
12		OTHER PROPERTY AND INVESTMENTS:															
13																	
14		CURRENT AND ACCRUED ASSETS:															
15																	
16	1310	Depository Account- Cash	-	-	-	-	-	-	-	-	-	-	-	-	-	-	WC
17	1350	Working Funds- Petty Cash	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	WC
18	1420	Accounts Receivable	6,353,289	8,975,981	8,657,782	6,781,038	8,773,250	7,465,777	8,470,227	11,300,550	9,782,462	10,801,764	8,051,408	7,518,569	8,443,454	8,567,350	WC
19	1430	Miscellaneous Accounts Receivable	944,127	950,916	1,157,013	1,177,369	1,181,155	1,250,945	1,275,231	1,280,433	1,223,812	1,374,397	1,375,992	1,380,276	908	1,120,967	WC
20	1460	Intercompany Receivable	19,415,993	9,085,300	4,441,978	2,917,266	2,941,117	3,786,417	3,136,098	3,523,524	3,215,804	3,489,586	5,273,111	10,254,521	15,484,342	6,689,620	CS
21	1460	Intercompany Payable	(79,337,068)	(73,088,832)	(66,335,724)	(62,202,117)	(62,505,465)	(58,934,581)	(59,213,076)	(55,856,908)	(54,073,256)	(52,704,296)	(48,056,668)	(56,824,083)	(60,257,683)	(60,722,289)	CS
22	1440	Allowance for Uncollected Accounts	(592,973)	(568,480)	(573,880)	(457,384)	(470,419)	(475,929)	(592,356)	(599,728)	(540,537)	(482,094)	(471,620)	(395,153)	(478,357)	(515,301)	WC
23	1540	Materials and Supplies	2,649,628	2,693,136	2,790,087	2,842,493	2,955,863	3,134,861	3,350,455	3,407,759	3,729,086	3,636,369	3,712,756	3,754,464	4,222,491	3,298,419	WC
24	1650	Prepaid Expenses	394,281	512,140	468,600	420,503	343,843	306,893	244,511	188,925	117,217	461,015	425,294	643,813	450,565	382,892	WC
25	1730	Unbilled Revenues	2,879,705	3,851,711	2,747,397	3,497,349	2,892,549	3,679,769	3,556,680	4,552,845	4,839,763	4,296,056	3,528,708	3,104,558	3,382,449	3,600,734	WC
26																	
27		DEFERRED DEBITS:															
28	1820	Regulatory Assets	33,134,532	32,384,233	31,633,933	30,853,339	30,044,363	29,259,541	28,608,993	28,048,567	27,050,680	26,273,865	25,525,582	24,765,682	23,062,361	28,511,205	WC
29	1840	Clearing Accounts	114,162	114,162	114,162	114,162	8,974	29,436	29,436	29,436	29,436	29,991	54,786	47,786	47,786	58,747	WC
30	1850	Temporary Facilities	2,432	-	-	-	-	3,588	182	3,420	1,342	-	-	-	111	852	WC
31	1860	Misc Deferred Debits	31,393,726	29,157,553	28,594,256	26,834,318	25,604,977	23,977,938	23,007,243	19,507,621	16,889,180	14,187,202	11,649,628	10,716,582	10,553,892	20,928,778	WC
32	1900	Deferred Income Tax	204,522	204,522	204,522	204,522	204,522	204,522	204,522	204,522	204,522	204,522	204,522	204,522	627,174	237,034	CS
33																	
34																	
35																	
36		TOTAL ASSETS AND OTHER DEBITS	**113,429,353**	**110,947,313**	**110,810,312**	**110,833,228**	**109,826,501**	**112,386,045**	**111,415,264**	**116,663,908**	**114,445,489**	**115,776,451**	**117,781,115**	**113,987,539**	**117,272,641**	**113,505,781**	

Supporting Schedules: B-8 (2023), B-10 (2023) Recap Schedules: B-1 (2023), B-2 (2023)

J23

FPSC EXH NO. 4

ADMITTED

J24

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: Florida Public Utilities Company
Consolidated Electric Division
DOCKET NO.: 20240099-EI

EXPLANATION: Derive the 13-month average system balance sheet by primary account by month for the test year, the prior year and the most recent historical year. For accounts including non-electric utility amounts, show these amounts as a separate subaccount.

Type of Data Shown:
_____ Projected Test Year Ended 12/31/25
_____ Prior Year Ended 12/31/24
__X__ Historical Test Year Ended 12/31/23
Witness: Galtman, Haffecke

Line No.	Account No.	Account Name	(1) Dec 2022	(2) Jan 2023	(3) Feb 2023	(4) Mar 2023	(5) Apr 2023	(6) May 2023	(7) Jun 2023	(8) Jul 2023	(9) Aug 2023	(10) Sep 2023	(11) Oct 2023	(12) Nov 2023	(13) Dec 2023	(14) 13 MONTH AVERAGE	(15) REFERENCE RB WC CS ORP NEU
1		LIABILITIES AND OTHER CREDITS															
2																	
3		PROPRIETARY CAPITAL:															
4	216.0	Unappropriated Retained Earnings	68,988,369	69,433,814	69,334,481	69,442,565	69,616,632	69,834,461	70,157,793	71,038,850	71,805,930	72,479,479	72,556,597	72,418,653	72,715,114	70,755,594	CS
5																	
6	221.0	Long Term Debt	-	-	-	-	-	-	-	-	-	-	-	-	-	-	CS
7																	
8		OTHER NONCURRENT LIABILITIES:															
9	228.1	Electric Storm Reserve	2,183,428	2,193,563	2,203,698	2,213,833	2,223,968	2,234,103	2,244,238	2,254,373	2,264,508	2,274,643	2,284,778	2,294,913	983,558	2,142,585	WC
10	228.2	Accrued Liability Insurance	-	59,434	36,733	37,793	-	-	-	-	-	-	-	-	-	10,305	WC
11	228.3	Accrued Pension & Post Ret. Medical	6,724,572	6,724,572	6,724,572	6,724,572	6,724,572	6,724,572	6,724,572	6,724,572	6,724,572	6,724,572	6,724,572	6,724,572	6,724,572	6,724,572	WC
12																	
13		CURRENT AND ACCRUED LIABILITIES:															
14	2320	Accounts Payable	10,198,992	6,816,469	6,554,575	6,797,177	5,238,273	7,641,584	6,150,940	10,084,108	6,855,051	7,127,231	9,343,697	6,858,842	10,948,409	7,739,642	WC
15	2350	Customer Deposits	3,945,826	3,938,930	3,933,361	3,913,798	3,926,494	3,927,457	3,917,482	3,904,056	3,931,707	3,927,079	3,899,347	3,960,147	3,965,408	3,930,084	CS
16	236.5	Taxes Accrued Current	(3,819,910)	(3,667,090)	120,689	967,814	1,028,502	1,104,047	2,027,429	2,328,138	2,590,151	3,599,480	3,627,253	3,582,017	5,874,265	1,489,445	WC
17	236.7	Taxes Accrued- Prior	(7,244,371)	(7,244,371)	(11,064,281)	(11,064,281)	(11,064,281)	(11,064,281)	(11,064,281)	(11,064,281)	(11,064,281)	(11,064,281)	(11,064,281)	(11,064,281)	(10,647,486)	(10,444,541)	WC
18	2370	Interest Accrued	76,958	3,628	10,754	17,828	26,406	33,671	40,468	48,546	55,279	62,946	69,543	76,254	75,311	45,969	WC
19	2410	Tax Collections Payable	815,202	1,213,012	1,574,152	1,330,845	1,755,782	1,717,986	1,870,338	2,038,150	2,028,495	2,217,031	2,005,402	956,181	976,213	1,576,830	WC
20	2420	Misc Current & Accrued Liabilities														-	WC
21																	
22		DEFERRED CREDITS:															
23	2520	Customer Advances-Construction	1,011,342	1,007,579	1,001,779	1,018,732	1,028,058	1,028,058	1,028,058	1,028,058	1,024,191	1,024,191	1,009,456	1,000,989	744,029	996,502	RB/PLANT
24	2530	Other Deferred Credits	883,885	861,297	830,043	746,489	689,026	622,450	597,579	606,096	602,188	599,130	561,620	456,076	402,354	650,633	WC
25	2540	Other Regulatory Liabilities- Storm Interest	536,473	492,698	450,786	410,737	372,551	336,227	301,766	269,168	238,433	209,560	182,550	157,403	134,119	314,805	WC
26	2540	Other Regulatory Liabilities-Tax Rate Change	4,992,643	4,973,232	4,953,821	4,934,410	4,914,999	4,895,588	4,876,177	4,856,766	4,837,355	4,817,944	4,798,533	4,779,122	4,759,711	4,876,177	CS
27	2550	Accumulated Deferred Investment Tax Credits														-	CS
28																	
29		ACCUMULATED DEFERRED INCOME TAXES:															
30	2820	ADIT- Other Property	17,889,279	17,893,881	17,898,484	17,988,043	17,992,646	17,997,249	18,083,623	18,088,226	18,092,828	18,212,155	18,216,757	18,221,360	18,239,637	18,062,628	CS
31	2830	ADIT- Other	6,246,665	6,246,665	6,246,665	5,352,873	5,352,873	5,352,873	4,459,082	4,459,082	4,459,082	3,565,291	3,565,291	3,565,291	1,377,427	4,634,551	CS
32																-	CS
33		TOTAL LIABILITIES AND OTHER CREDITS	**113,429,353**	**110,947,313**	**110,810,312**	**110,833,228**	**109,826,501**	**112,386,045**	**111,415,264**	**116,663,908**	**114,445,489**	**115,776,451**	**117,781,115**	**113,987,539**	**117,272,641**	**113,505,781**	
34																	
35			REFERENCE:														
36			RB = Rate Base; WC = Working Capital; CS = Capital Structure; ORP = Other Return Provided; NEU = Non-Electric Utility														

Supporting Schedules: B-8 (2023), B-10 (2023)

Recap Schedules: B-1 (2023), B-2 (2023)

J24

FPSC EXH NO. 4

ADMITTED

J25

Schedule B-3 (2024) | 13 MONTH AVERAGE BALANCE SHEET - SYSTEM BASIS | Page 3 of 6

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Derive the 13-month average system balance sheet by primary account by month for the test year, the prior year and the most recent historical year. For accounts including non-electric utility amounts, show these amounts as a separate subaccount.

COMPANY: Florida Public Utilities Company
Consolidated Electric Division
DOCKET NO.: 20240099-EI

Type of Data Shown:
_____ Projected Test Year Ended 12/31/25
__X__ Prior Year Ended 12/31/24
_____ Historical Test Year Ended 12/31/23
Witness: Galtman, Haffecke

Line No.	Account No.	Account Name	(1) Dec 2023	(2) Jan 2024	(3) Feb 2024	(4) Mar 2024	(5) Apr 2024	(6) May 2024	(7) Jun 2024	(8) Jul 2024	(9) Aug 2024	(10) Sep 2024	(11) Oct 2024	(12) Nov 2024	(13) Dec 2024	(14) 13 MONTH AVERAGE	(15) REFERENCE RB WC CS ORP NEU
1		ASSETS AND OTHER DEBITS															
2																	
3		UTILITY PLANT:															
4																	
5	1010	Plant in Service	174,792,420	175,242,663	175,884,525	175,702,368	177,875,063	179,479,609	181,467,933	181,923,212	187,373,385	195,010,394	195,478,379	195,881,906	208,555,372	184,974,402	RB
6	1070	CWIP	13,545,963	14,705,285	15,394,660	17,514,290	17,669,816	18,189,867	18,754,380	20,758,239	17,576,133	12,426,560	16,267,836	24,197,510	15,229,301	17,094,603	RB
7	1080	Plant Reserve	(79,222,231)	(79,477,723)	(79,667,315)	(79,755,108)	(79,993,706)	(79,707,702)	(79,629,787)	(79,594,852)	(79,549,847)	(79,509,612)	(79,396,732)	(79,295,810)	(79,156,714)	(79,535,165)	RB
8	1010	Allocated Common Plant in Service	2,655,854	2,713,525	2,713,318	2,731,313	2,734,613	2,740,407	2,751,517	2,756,761	2,758,704	2,763,948	2,765,891	2,767,835	1,871,475	2,671,166	RB
9	1080	Allocated Common Plant Reserve	(621,683)	(639,234)	(660,694)	(686,824)	(706,885)	(728,590)	(750,481)	(772,444)	(794,441)	(816,510)	(838,613)	(860,747)	(791,959)	(743,777)	RB
10	1070	Allocated Common CWIP	4,452	-	-	-	-	-	-	-	-	-	-	-	-	342	RB
11																	
12		OTHER PROPERTY AND INVESTMENTS:															
13																	
14		CURRENT AND ACCRUED ASSETS:															
15																	
16	1310	Depository Account- Cash	-	-	-	-	-	-	-	-	-	-	-	-	-	-	RB/WC
17	1350	Working Funds- Petty Cash	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	RB/WC
18	1420	Accounts Receivable	8,443,454	8,875,758	7,576,232	6,505,098	5,903,540	8,022,550	8,620,021	9,835,791	9,567,924	9,676,033	8,666,402	8,449,189	7,933,270	8,313,482	RB/WC
19	1430	Miscellaneous Accounts Receivable	908	377,632	435,116	435,116	520,974	523,808	926,685	929,563	1,332,441	1,335,666	1,338,945	1,342,235	0	730,699	RB/WC
20	1460	Intercompany Receivable	16,215,348	21,646,263	28,833,359	35,705,574	39,259,818	35,121,767	35,121,767	35,121,767	35,121,767	35,121,767	35,121,767	35,121,767	35,121,767	32,510,346	CS
21	1460	Intercompany Payable	(60,418,316)	(69,975,162)	(77,094,123)	(80,941,388)	(86,132,399)	(81,030,246)	(85,798,234)	(86,127,811)	(86,701,475)	(90,535,758)	(93,207,379)	(94,249,202)	(97,370,057)	(83,813,965)	CS
22	1440	Allowance for Uncollected Accounts	(478,357)	(447,505)	(387,815)	(289,053)	(290,737)	(291,871)	(293,283)	(294,712)	(296,001)	(297,150)	(298,274)	(299,216)	(300,356)	(328,025)	RB/WC
23	1540	Materials and Supplies	4,222,491	4,307,848	4,535,688	4,807,738	4,965,098	4,972,952	4,981,320	4,989,442	4,998,330	5,006,996	5,015,845	5,024,793	5,034,857	4,835,646	RB/WC
24	1650	Prepaid Expenses	450,565	474,900	430,568	373,221	318,478	271,457	224,393	177,294	130,130	778,214	716,867	655,806	594,402	430,484	RB/WC
25	1730	Unbilled Revenues	3,382,449	3,296,684	3,033,887	2,944,136	2,878,945	3,663,324	3,671,801	3,682,652	3,694,186	3,704,425	3,712,835	3,720,235	3,728,296	3,470,297	RB/WC
26																	
27		DEFERRED DEBITS:															
28	1820	Regulatory Assets	23,062,361	22,477,540	21,699,159	20,977,403	20,281,656	19,597,195	18,893,660	18,209,198	17,524,735	16,821,201	16,136,738	15,452,276	14,748,726	18,913,988	RB/WC
29	1840	Clearing Accounts	47,786	2,529	-	-	-	70	140	210	281	352	483	597	710	4,089	RB/WC
30	1850	Temporary Facilities	111			(113)	-									(0)	RB/WC
31	1860	Misc Deferred Debits	10,553,892	9,518,898	8,681,251	7,485,948	6,135,746	5,729,471	4,896,006	4,129,886	3,359,487	2,584,939	1,806,109	1,023,126	462,150	5,105,147	RB/WC
32	1900	Deferred Income Tax	627,174	627,174	627,174	627,174	627,174	627,174	627,174	627,174	627,174	627,174	627,174	627,174	627,174	627,174	CS
33																-	
34																-	
35																	
36		TOTAL ASSETS AND OTHER DEBITS	**117,272,641**	**113,735,075**	**112,042,991**	**114,144,893**	**112,055,194**	**117,189,240**	**114,473,013**	**116,359,368**	**116,730,913**	**114,706,639**	**113,922,275**	**119,567,475**	**116,296,413**	**115,268,933**	

Note (1): December will not tie to the 2024 balance due to a change in the allocation rate for the current year.

Supporting Schedules: B-8 (2024), B-10 (2024) | Recap Schedules: B-1 (2024), B-2 (2024)

J25

FPSC EXH NO. 4

ADMITTED

J26

Schedule B-3 (2024) 13 MONTH AVERAGE BALANCE SHEET - SYSTEM BASIS Page 4 of 6

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: Florida Public Utilities Company
Consolidated Electric Division
DOCKET NO.: 20240099-EI

EXPLANATION: Derive the 13-month average system balance sheet by primary account by month for the test year, the prior year and the most recent historical year. For accounts including non-electric utility amounts, show these amounts as a separate subaccount.

Type of Data Shown:
_____ Projected Test Year Ended 12/31/25
__X__ Prior Year Ended 12/31/24
_____ Historical Test Year Ended 12/31/23
Witness: Galtman, Haffecke

Line No.	Account No.	Account Name	(1) Dec 2023	(2) Jan 2024	(3) Feb 2024	(4) Mar 2024	(5) Apr 2024	(6) May 2024	(7) Jun 2024	(8) Jul 2024	(9) Aug 2024	(10) Sep 2024	(11) Oct 2024	(12) Nov 2024	(13) Dec 2024	(14) 13 MONTH AVERAGE	(15) REFERENCE RB WC CS ORP NEU
37		LIABILITIES AND OTHER CREDITS															
38																	
39		PROPRIETARY CAPITAL:															
40	216.0	Unappropriated Retained Earnings	72,715,114	73,183,717	73,432,379	73,566,781	73,572,372	73,877,349	74,346,824	74,968,344	75,614,041	75,997,314	76,093,461	75,984,590	75,853,301	74,554,276	CS
41																	
42	221.0	Long Term Debt Allocated FPU	-	-	-	-	-	-	-	-	-	-	-	-	-	-	CS
43																	
44		OTHER NONCURRENT LIABILITIES:															
45	228.1	Electric Storm Reserve	983,558	993,693	1,003,828	1,013,963	1,024,098	1,034,233	1,044,368	1,054,503	1,064,638	1,074,773	1,084,908	1,095,043	(237,059)	941,119	RB/WC
46	228.2	Accrued Liability Insurance	-	-	-	-	-	-	-	-	-	-	-	-	-	-	RB/WC
47	228.3	Accrued Pension & Post Ret. Medical	6,724,572	6,724,573	6,724,573	6,724,573	6,724,573	6,711,675	6,698,778	6,685,880	6,672,983	6,660,085	6,647,187	6,634,290	6,621,392	6,688,857	RB/WC
48																	
49		CURRENT AND ACCRUED LIABILITIES:															
50	2320	Accounts Payable	10,948,409	6,751,835	5,153,998	7,125,426	4,976,658	8,895,327	8,092,508	8,623,093	7,673,368	9,086,282	7,711,534	8,265,691	8,789,830	7,853,381	RB/WC
51	2350	Customer Deposits	3,965,408	3,966,578	3,949,178	3,982,943	3,984,793	3,986,644	3,988,494	3,990,345	3,992,195	3,994,046	3,995,896	3,997,747	3,987,614	3,983,222	CS
52	236.5	Taxes Accrued Current	5,874,265	6,034,843	6,120,752	5,817,520	5,780,738	4,809,144	5,817,521	5,056,057	4,360,319	5,817,521	5,324,832	(849,752)	68,348	4,617,854	RB/WC
53	236.7	Taxes Accrued- Prior	(10,647,486)	(10,647,486)	(10,647,486)	(10,647,486)	(10,647,486)	(8,801,911)	(10,647,488)	(9,253,821)	(7,980,452)	(10,647,488)	(9,745,746)	1,555,255	(125,093)	(8,375,706)	RB/WC
54	2370	Interest Accrued	75,311	3,750	10,794	18,907	25,913	33,260	40,607	47,954	55,301	62,648	69,995	77,342	84,689	46,652	RB/WC
55	2410	Tax Collections Payable	976,213	1,045,047	1,043,114	1,116,833	1,233,126	1,357,399	1,477,682	1,597,965	1,718,248	755,984	876,267	996,550	1,116,833	1,177,789	RB/WC
56	2420	Misc Current & Accrued Liabilities	-													-	RB/WC
57																	
58		DEFERRED CREDITS:															
59	2520	Customer Advances-Construction	744,029	744,029	360,010	281,670	284,120	286,570	289,021	291,471	293,912	296,353	298,759	301,144	302,918	367,231	RB/PLANT
60	2530	Other Deferred Credits	402,354	458,903	449,697	381,640	363,879	294,989	275,421	272,425	263,467	255,923	230,519	191,586	159,759	307,736	RB/WC
61	2540	Other Reg. Liabilities- Storm Int. Long Term	134,119	112,697	93,138	75,442	59,609	45,638	33,530	23,285	14,903	8,383	3,726	932		46,569	RB/WC
62	2540	Other Regulatory Liabilities-Tax Rate Change	4,759,711	4,741,545	4,723,379	4,705,213	4,687,047	4,668,881	4,650,715	4,632,549	4,614,383	4,596,217	4,578,051	4,559,885	4,541,719	4,650,715	CS
63	2550	Accumulated Deferred Investment Tax Credits	-													-	CS
64																	
65		ACCUMULATED DEFERRED INCOME TAXES:															
66	2820	ADIT- Other Property	18,239,637	18,243,924	18,248,210	18,509,645	18,513,931	18,518,218	18,761,863	18,766,150	18,770,437	19,014,082	19,018,369	19,022,656	19,266,301	18,684,110	CS
67	2830	ADIT- Other	1,377,427	1,377,427	1,377,427	1,471,823	1,471,823	1,471,823	(396,830)	(396,830)	(396,830)	(2,265,484)	(2,265,484)	(2,265,484)	(4,134,137)	(274,871)	CS
68																-	CS
69		TOTAL LIABILITIES AND OTHER CREDITS	**117,272,641**	**113,735,075**	**112,042,991**	**114,144,893**	**112,055,194**	**117,189,239**	**114,473,013**	**116,359,369**	**116,730,913**	**114,706,638**	**113,922,274**	**119,567,474**	**116,296,414**	**115,268,933**	
70																	
71			REFERENCE:														
72			RB = Rate Base; WC = Working Capital; CS = Capital Structure; ORP = Other Return Provided; NEU = Non-Electric Utility														

Supporting Schedules: B-8 (2024), B-10 (2024) Recap Schedules: B-1 (2024), B-2 (2024)

J26

FPSC EXH NO. 4

ADMITTED

J27

Schedule B-3 (2025) 13 MONTH AVERAGE BALANCE SHEET - SYSTEM BASIS Page 5 of 6

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Derive the 13-month average system balance sheet by primary account by month for the test year, the prior year and the most recent historical year. For accounts including non-electric utility amounts, show these amounts as a separate subaccount.

COMPANY: Florida Public Utilities Company
Consolidated Electric Division
DOCKET NO.: 20240099-EI

Type of Data Shown:
__x__ Projected Test Year Ended 12/31/25
_____ Prior Year Ended 12/31/24
_____ Historical Test Year Ended 12/31/23
Witness: Galtman, Haffecke

Line No.	Account No.	Account Name	(1) Dec 2024	(2) Jan 2025	(3) Feb 2025	(4) Mar 2025	(5) Apr 2025	(6) May 2025	(7) Jun 2025	(8) Jul 2025	(9) Aug 2025	(10) Sep 2025	(11) Oct 2025	(12) Nov 2025	(13) Dec 2025	(14) 13 MONTH AVERAGE	(15) REFERENC RB WC CS ORP NEU
1		ASSETS AND OTHER DEBITS															
2																	
3		UTILITY PLANT:															
4																	
5	1010	Plant in Service	208,555,372	211,244,662	212,060,403	219,021,739	221,688,904	228,402,067	230,084,793	230,700,684	233,601,801	234,633,065	235,119,715	238,441,450	253,901,159	227,496,601	RB
6	1070	CWIP	15,229,301	14,942,388	17,365,519	12,608,273	12,486,079	8,355,156	9,138,804	12,532,887	12,023,708	13,540,784	16,756,766	16,570,543	5,747,885	12,869,084	RB
7	1080	Plant Reserve	(79,156,714)	(79,014,134)	(78,835,931)	(77,143,437)	(76,990,357)	(76,213,782)	(76,223,095)	(76,149,947)	(76,125,773)	(76,089,745)	(76,072,111)	(75,754,564)	(75,449,985)	(76,863,044)	RB
8	1010	Allocated Common Plant in Service (1)	1,714,174	1,717,608	1,721,042	1,727,475	1,730,909	1,734,342	1,782,165	1,785,599	1,789,032	1,795,466	1,798,899	1,802,333	1,805,767	1,761,909	RB
9	1080	Allocated Common Plant Reserve (1)	(725,526)	(743,833)	(762,197)	(780,657)	(799,173)	(817,747)	(837,184)	(856,678)	(876,230)	(895,876)	(915,580)	(935,341)	(955,159)	(838,552)	RB
10	1070	Allocated Common CWIP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	RB
11																	
12		OTHER PROPERTY AND INVESTMENTS:															
13																	
14		CURRENT AND ACCRUED ASSETS:															
15																	
16	1310	Depository Account- Cash	-	-	-	-	-	-	-	-	-	-	-	-	-	-	RB/WC
17	1350	Working Funds- Petty Cash	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	RB/WC
18	1420	Accounts Receivable	7,933,270	9,607,643	9,528,694	7,402,451	8,637,176	8,076,118	8,676,106	9,896,501	9,628,037	9,736,994	8,724,267	8,506,673	7,989,078	8,795,616	RB/WC
19	1430	Miscellaneous Accounts Receivable	-	51,621	103,242	154,863	206,484	258,105	309,726	361,347	412,968	464,589	516,210	567,831	-	262,076	RB/WC
20	1460	Intercompany Receivable	35,121,767	35,121,767	35,121,767	35,121,767	35,121,767	35,121,767	35,121,767	35,121,767	35,121,767	35,121,767	35,121,767	35,121,767	35,121,767	35,121,767	CS
21	1460	Intercompany Payable	(97,279,190)	(101,725,167)	(103,028,381)	(107,004,763)	(109,432,021)	(110,253,650)	(114,561,895)	(117,719,580)	(119,285,538)	(123,652,796)	(126,908,187)	(128,791,886)	(133,545,496)	(114,860,658)	CS
22	1440	Allowance for Uncollected Accounts	(300,356)	(301,366)	(302,242)	(302,895)	(303,551)	(304,211)	(304,873)	(305,538)	(306,207)	(306,878)	(307,552)	(308,227)	(308,906)	(304,831)	RB/WC
23	1540	Materials and Supplies	5,034,857	5,044,585	5,054,828	5,065,686	5,076,899	5,088,129	5,099,379	5,110,647	5,121,934	5,133,242	5,144,569	5,155,917	5,167,287	5,099,843	RB/WC
24	1650	Prepaid Expenses	594,402	533,130	471,858	410,563	349,245	287,928	226,612	165,296	103,981	881,696	811,217	740,739	670,262	480,533	RB/WC
25	1730	Unbilled Revenues	3,728,296	3,735,741	3,742,593	3,749,242	3,755,743	3,764,016	3,772,308	3,780,625	3,788,968	3,797,334	3,805,718	3,814,120	3,822,540	3,773,634	RB/WC
26																	
27		DEFERRED DEBITS:															
28	1820	Regulatory Assets	14,748,726	14,062,279	13,375,832	12,670,313	11,983,866	11,297,419	10,591,899	9,905,452	9,219,005	8,513,486	7,827,039	7,140,592	6,435,073	10,597,768	RB/WC
29	1840	Clearing Accounts	710	716	716	716	716	716	717	717	718	719	720	721	723	717	RB/WC
30	1850	Temporary Facilities	-													-	RB/WC
31	1860	Misc Deferred Debits	462,150	553,100	613,661	674,849	736,667	799,118	862,204	925,928	990,293	1,055,302	1,120,958	1,187,264	1,307,359	868,373	RB/WC
32	1900	Deferred Income Tax	627,174	627,174	627,174	627,174	627,174	627,174	627,174	627,174	627,174	627,174	627,174	627,174	627,174	627,174	CS
33																	
34																	
35																	
36		TOTAL ASSETS AND OTHER DEBITS	**116,296,413**	**115,465,915**	**116,866,577**	**114,011,359**	**114,884,526**	**116,230,666**	**114,374,607**	**115,890,879**	**115,843,639**	**114,364,323**	**113,179,592**	**113,895,107**	**112,344,529**	**114,896,010**	

Note (1): December will not tie to the 2024 balance due to a change in the allocation rate for the current year.

Supporting Schedules: B-8 (2024), B-10 (2024) Recap Schedules: B-1 (2024), B-2 (2024)

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Schedule B-3 (2025) — 13 MONTH AVERAGE BALANCE SHEET - SYSTEM BASIS — Page 6 of 6

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Derive the 13-month average system balance sheet by primary account by month for the test year, the prior year and the most recent historical year. For accounts including non-electric utility amounts, show these amounts as a separate subaccount.

COMPANY: Florida Public Utilities Company
Consolidated Electric Division
DOCKET NO.: 20240099-EI

Type of Data Shown:
__x__ Projected Test Year Ended 12/31/25
_____ Prior Year Ended 12/31/24
_____ Historical Test Year Ended 12/31/23
Witness: Galtman, Haffecke

Line No.	Account No.	Account Name	(1) Dec 2024	(2) Jan 2025	(3) Feb 2025	(4) Mar 2025	(5) Apr 2025	(6) May 2025	(7) Jun 2025	(8) Jul 2025	(9) Aug 2025	(10) Sep 2025	(11) Oct 2025	(12) Nov 2025	(13) Dec 2025	(14) 13 MONTH AVERAGE	(15) REFERENC RB WC CS ORP NEU
37		LIABILITIES AND OTHER CREDITS															
38																	
39		PROPRIETARY CAPITAL:															
40	216.0	Unappropriated Retained Earnings	75,853,301	75,855,404	75,771,221	75,584,118	75,272,009	75,247,258	75,455,078	75,837,516	76,255,608	76,405,207	76,308,219	76,074,554	75,748,233	75,820,594	CS
41																	
42	221.0	Long Term Debt Allocated FPU	-	-	-	-	-	-	-	-	-	-	-	-	-	-	CS
43																	
44		OTHER NONCURRENT LIABILITIES:															
45	228.1	Electric Storm Reserve	(237,059)	(226,924)	(216,789.45)	(206,654.45)	(196,519.45)	(186,384.45)	(176,249.45)	(166,114.45)	(155,979.45)	(145,844.45)	(135,709.45)	(125,574.45)	(734,893.78)	(223,900)	RB/WC
46	228.2	Accrued Liability Insurance	-	-	-	-	-	-	-	-	-	-	-	-	-	-	RB/WC
47	228.3	Accrued Pension & Post Ret. Medical	6,621,392	6,608,406	6,595,420	6,582,433	6,569,447	6,556,461	6,543,474	6,530,488	6,517,502	6,504,515	6,491,529	6,478,543	6,465,556	6,543,474	RB/WC
48																	
49		CURRENT AND ACCRUED LIABILITIES:															
50	2320	Accounts Payable	8,789,830	7,619,822	8,753,193	7,396,849	8,260,772	9,254,284	8,411,760	8,968,587	7,971,891	9,454,683	8,011,944	8,593,508	9,143,569	8,510,053	RB/WC
51	2350	Customer Deposits	3,987,614	3,989,861	3,992,108	3,994,355	3,996,603	3,998,850	4,001,097	4,003,344	4,005,591	4,007,838	4,010,085	4,012,332	4,014,579	4,001,097	CS
52	236.5	Taxes Accrued Current	68,348	(322,878)	(627,840)	68,348	(196,056)	(525,692)	68,348	(497,233)	(1,005,587)	68,348	(223,076)	(527,451)	-	(280,956)	RB/WC
53	236.7	Taxes Accrued- Prior	(125,093)	590,945	1,149,101	(125,093)	358,830	962,144	(125,093)	910,059	1,840,471	(125,093)	408,284	965,365	-	514,217	RB/WC
54	2370	Interest Accrued	84,689	7,347	14,694	22,041	29,388	36,735	44,082	51,429	58,776	66,123	73,470	80,817	88,164	50,597	RB/WC
55	2410	Tax Collections Payable	1,116,833	1,243,130	1,369,427	1,495,725	1,622,022	1,748,319	1,874,616	2,000,914	2,127,211	755,984	882,281	1,008,578	1,134,875	1,413,840	RB/WC
56	2420	Misc Current & Accrued Liabilities	-													-	RB/WC
57																	
58		DEFERRED CREDITS:															
59	2520	Customer Advances-Construction	302,918	304,598	305,411	306,047	306,689	307,336	307,989	308,647	309,311	309,980	310,654	311,335	312,019	307,918	RB/PLANT
60	2530	Other Deferred Credits	159,759	136,200	114,506	94,672	76,702	60,594	46,351	33,968	23,449	14,792	8,000	3,068	-	59,389	RB/WC
61	2540	Other Regulatory Liabilities- Storm Interes	-	-	-	-	-	-	-	-	-	-	-	-	-	-	RB/WC
62	2540	Other Regulatory Liabilities-Tax Rate Cha	4,541,719	4,523,553	4,505,387	4,487,221	4,469,055	4,450,889	4,432,723	4,414,557	4,396,391	4,378,225	4,360,059	4,341,893	4,323,727	4,432,723	CS
63	2550	Accumulated Deferred Investment Tax Cr	-													-	CS
64																	
65		ACCUMULATED DEFERRED INCOME TAXES:															
66	2820	ADIT- Other Property	19,266,301	19,270,588	19,274,875	19,666,532	19,670,819	19,675,106	20,066,763	20,071,050	20,075,337	20,466,994	20,471,281	20,475,568	20,867,225	19,947,573	CS
67	2830	ADIT- Other	(4,134,137)	(4,134,137)	(4,134,137)	(5,355,234)	(5,355,234)	(5,355,234)	(6,576,331)	(6,576,331)	(6,576,331)	(7,797,428)	(7,797,428)	(7,797,428)	(9,018,525)	(6,200,609)	CS
68																	CS
69		TOTAL LIABILITIES AND OTHER CRE	**116,296,414**	**115,465,915**	**116,866,576**	**114,011,360**	**114,884,527**	**116,230,666**	**114,374,607**	**115,890,879**	**115,843,640**	**114,364,323**	**113,179,592**	**113,895,107**	**112,344,529**	**114,896,010**	
70																	
71		REFERENCE:															
72		RB = Rate Base; WC = Working Capital; CS = Capital Structure; ORP = Other Return Provided; NEU = Non-Electric Utility															

Supporting Schedules: B-8 (2024), B-10 (2024) — Recap Schedules: B-1 (2024), B-2 (2024)

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FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: Florida Public Utilities Company
Florida Common Division Allocation
DOCKET NO.: 20240099-EI

EXPLANATION: Derive the 13-month average system balance sheet by primary account by month for the test year, the prior year and the most recent historical year. For accounts including non-electric utility amounts, show these amounts as a separate subaccount.

Type of Data Shown:
_____ Projected Test Year Ended 12/31/25
_____ Prior Year Ended 12/31/24
__X__ Historical Test Year Ended 12/31/23
Witness: Galtman, Napier

Line No.	Account No.	Account Name	(1) Dec 2022	(2) Jan 2023	(3) Feb 2023	(4) Mar 2023	(5) Apr 2023	(6) May 2023	(7) Jun 2023	(8) Jul 2023	(9) Aug 2023	(10) Sep 2023	(11) Oct 2023	(12) Nov 2023	(13) Dec 2023	(14) 13 MONTH AVERAGE	(15) REFERENCE RB WC CS ORP NEU	Allocation Percent	Allocated Amount
		FLORIDA COMMON																	
1		ASSETS AND OTHER DEBITS																	
2																			
3		UTILITY PLANT:																	
4																			
5	1010	Plant in Service	11,184,337	11,184,337	11,180,274	11,180,274	11,180,274	11,180,274	11,180,274	11,180,274	11,180,274	11,180,274	11,180,274	11,180,274	11,177,704	11,180,701	RB	18.98%	2,121,714
6	1070	CWIP	-	(17,402)	(17,402)	-	-	-	-	-	-	-	14,910	15,951	28,911	1,921	RB	18.98%	364
7	1080	Plant Reserve	(469,172)	(508,725)	(544,214)	(601,169)	(693,725)	(746,062)	(798,400)	(850,738)	(903,076)	(955,414)	(1,007,752)	(1,057,735)	(1,107,503)	(787,976)	RB	18.98%	(149,531)
8																			
9	1230	OTHER PROPERTY AND INVESTMENTS:	149,205,034	149,205,034	149,205,034	149,205,034	149,205,034	149,205,034	149,205,034	149,205,034	149,205,034	149,205,034	150,147,868	150,147,868	150,147,868	149,422,611	NEU		
10																			
11		CURRENT AND ACCRUED ASSETS:																	
12																	WC		
13	1310	Depository Account- Cash	1,361,680	1,926,420	62,799	-	-	-	-	-	-	-	-	-	-	257,761	WC	18.47%	47,609
14	1350	Working Funds- Petty Cash	-	-	-	-	-	-	-	-	-	-	-	-	-	-	WC		
15	1420	Accounts Receivable	-	-	-	-	-	-	-	-	-	-	-	-	-	-	WC		
16	1430	Miscellaneous Accounts Receivable	4,408	4,376	2,404	2,308	2,244	2,180	2,115	2,051	1,987	1,891	1,827	1,763	1,699	2,404	WC	18.47%	444
17	1460	Intercompany Receivable	356,093,463	385,851,698	402,142,931	413,174,172	430,550,513	443,014,990	469,109,117	490,272,258	513,624,637	534,249,056	553,518,107	589,007,936	606,128,790	475,902,898	NEU		
18	1460	Intercompany Payable	(422,618,123)	(448,193,719)	(463,679,322)	(477,876,575)	(490,160,307)	(506,010,379)	(532,032,450)	(553,770,653)	(574,774,769)	(593,496,311)	(618,804,916)	(650,287,976)	(673,177,360)	(538,837,143)	NEU		
19	1440	Allowance for Uncollected Accounts															WC		
20	1510	Inventory-Propane	-	-	-	-	-	-	8,502	-	-	-	-	-	-	654	NEU		
21	1540	Materials and Supplies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	WC		
22	1650	Prepaid Expenses	194,336	241,148	228,983	194,094	243,891	226,082	208,128	192,709	177,190	173,111	157,596	143,654	217,315	199,864	WC	18.47%	36,915
23	1730	Unbilled Revenues	-	-	-	-	-	-	-	-	-	-	-	-	-	-	WC		
24																			
25		DEFERRED DEBITS:																	
26	1820	Regulatory Assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	WC		
27	1840	Clearing Accounts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	WC		
28	1850	Temporary Facilities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	WC		
29	1890	Unamortized Loss on Reacquired Debt	647,654	641,512	635,370	629,229	623,087	616,945	610,803	604,662	598,520	592,378	586,236	580,095	573,953	610,803	CS		
30	1900	Deferred Income Tax	-	-	-	-	-	-	-	-	-	-	-	-	-	-	CS		
31	1011	Operating Lease Assets	136,544	132,944	77,444	68,908	60,345	51,756	43,141	34,498	25,829	17,133	8,410	107,426	98,598	66,383	WC	16.70%	11,086
32																			
33																			
34		TOTAL ASSETS AND OTHER DEBITS	**95,740,161**	**100,467,623**	**99,294,301**	**95,976,275**	**101,011,356**	**97,540,820**	**97,536,264**	**96,870,095**	**99,135,626**	**100,967,152**	**95,802,560**	**99,839,256**	**94,089,975**	**98,020,882**			
35		LIABILITIES AND OTHER CREDITS																	
36																			
37		PROPRIETARY CAPITAL:																	
38	2160	Unappropriated Retained Earnings	110,362,283	110,362,283	110,362,283	110,377,886	110,377,886	110,377,886	110,393,489	110,393,489	110,393,489	110,409,092	110,406,403	110,406,403	110,901,045	110,424,917	NEU		
39																			
40	2210	Long Term Debt	-	-	-	-	-	-	-	-	-	-	-	-	-	-	CS		
41																			
42		OTHER NONCURRENT LIABILITIES:																	
43	2270	Operating Lease Liability	94,337	90,601	1,397	1,397	1,397	1,397	1,397	1,397	1,397	1,397	1,397	1,397	1,397	15,408	WC	16.70%	2,573
44	2282	Accrued Liability Insurance	-	-	-	-	-	-	-	-	-	-	-	-	-	-	WC		
45	2283	Accrued Pension & Post Ret. Medical	(18,765,704)	(18,742,892)	(18,721,435)	(18,809,083)	(18,788,027)	(18,765,850)	(18,848,748)	(18,827,239)	(18,804,636)	(18,915,628)	(18,920,573)	(18,923,702)	(22,567,009)	(19,107,733)	WC	23.94%	(4,574,391)
46																			
47		CURRENT AND ACCRUED LIABILITIES:																	
48	2320	Accounts Payable Revenue Related	3,158,349	6,635,238	6,243,640	3,328,048	8,222,013	4,459,253	4,604,786	3,764,888	5,863,808	8,713,060	3,327,869	7,080,796	4,699,868	5,392,432	WC	18.47%	995,982
49	2321	Accounts Payable Payroll Related	8,984	713,633	(11,554)	(28,038)	62,067	37,563	(8,605)	54,143	23,403	19,024	(22,264)	(22,579)	15,512	64,715	WC	17.57%	11,370
50	2350	Customer Deposits	1,872,641	1,872,641	1,872,641	1,913,035	1,912,182	1,912,182	2,376,965	2,376,965	2,376,965	1,906,821	1,894,321	1,894,321	1,888,321	2,005,385	NEU		
51	2365	Taxes Accrued Current	(475,442)	(475,442)	0	7,507	7,507	7,507	15,013	15,013	15,013	22,457	22,457	22,457	(92,436)	(69,876)	WC	18.47%	(12,906)
52	2367	Taxes Accrued- Prior	(1,545,175)	(1,545,175)	(2,020,617)	(2,020,617)	(2,020,617)	(2,020,617)	(2,396,617)	(2,396,617)	(2,396,617)	(2,396,617)	(2,396,617)	(2,396,617)	(2,511,617)	(2,158,780)	WC	18.47%	(398,727)
53	2410	Tax Collections Payable	22,085	21,516	22,014	21,982	21,982	21,982	22,139	22,139	(128,279)	31,871	31,871	31,871	1,364	11,118	WC	17.57%	1,953
54	2420	Misc Current & Accrued Liabilities	736,638	1,276,798	1,251,865	898,897	936,327	1,237,526	1,113,338	1,209,511	1,541,405	934,899	1,223,702	1,409,575	1,142,293	1,147,136	WC	17.57%	201,552
55	2430	Operating Lease Liability Obligations	58,764	44,080	77,784	69,248	60,685	52,096	43,480	34,838	26,169	17,473	8,750	108,149	99,290	53,908	WC	16.70%	9,003
56																			
57		DEFERRED CREDITS:																	
58	2520	Customer Advances-Construction	-	-	-	-	-	-	-	-	-	-	-	-	-	-	RB		
59	2530	Other Deferred Credits	-	-	-	-	-	-	-	-	-	-	-	-	-	-	WC		
60	2540	Other Regulatory Liabilities- Storm Interest	-	-	-	-	-	-	-	-	-	-	-	-	-	-	WC		
61	2540	Other Regulatory Liabilities-Tax Rate Change	28,403	31,003	33,603	36,203	38,803	41,403	44,003	46,603	49,203	51,803	54,403	57,003	59,603	44,003	CS	16.70%	7,349
62	2550	Accumulated Deferred Investment Tax Credits															CS		
63																			
64		ACCUMULATED DEFERRED INCOME TAXES:																	
65	2820	ADIT- Other Property	742,078	741,419	740,760	737,690	737,031	736,372	733,303	732,644	731,985	728,978	728,319	727,660	825,220	741,805	CS	16.70%	123,881
66	2830	ADIT- Other	(868,369)	(868,369)	(868,369)	(873,466)	(873,466)	(873,466)	(878,562)	(878,562)	(878,562)	(883,658)	(883,658)	(883,658)	(866,985)	(875,319)	CS	16.70%	(146,178)
67	2832	ADIT- Payroll Related	310,289	310,289	310,289	315,586	315,586	315,586	320,883	320,883	320,883	326,180	326,180	326,180	494,109	331,763	CS	23.94%	79,424
68		TOTAL LIABILITIES AND OTHER CREDITS	**95,740,161**	**100,467,623**	**99,294,301**	**95,976,275**	**101,011,356**	**97,540,820**	**97,536,264**	**96,870,095**	**99,135,626**	**100,967,152**	**95,802,560**	**99,839,256**	**94,089,975**	**98,020,882**			
69																			
70			REFERENCE:																
71			RB = Rate Base; WC = Working Capital; CS = Capital Structure; ORP = Other Return Provided; NEU = Non-Electric Utility																

Supporting Schedules: B-8 (2023), B-10 (2023) | Recap Schedules: B-1 (2023), B-2 (2023)

Schedule B-3a Florida Common (2024) 13 MONTH AVERAGE BALANCE SHEET - SYSTEM BASIS

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: Florida Public Utilities Company
Florida Common Division Allocation
DOCKET NO.: 20240099-EI

EXPLANATION: Derive the 13-month average system balance sheet by primary account by month for the test year, the prior year and the most recent historical year. For accounts including non-electric utility amounts, show these amounts as a separate subaccount.

Type of Data Shown:
_____ Projected Test Year Ended 12/31/25
__X__ Prior Year Ended 12/31/24
_____ Historical Test Year Ended 12/31/23
Witness: Galtman, Napier

Line No.	Account No.	Account Name	(1) Dec 2023	(2) Jan 2024	(3) Feb 2024	(4) Mar 2024	(5) Apr 2024	(6) May 2024	(7) Jun 2024	(8) Jul 2024	(9) Aug 2024	(10) Sep 2024	(11) Oct 2024	(12) Nov 2024	(13) Dec 2024	(14) 13 MONTH AVERAGE	(15) REFERENCE RB WC CS ORP NEU	Allocation Percent	Allocated Amount
FLORIDA COMMON																			
1		ASSETS AND OTHER DEBITS																	
2																			
3		UTILITY PLANT:																	
4																			
5	1010	Plant in Service	11,177,704	11,170,645	11,170,645	11,204,412	11,204,412	11,204,412	11,204,412	11,204,412	11,204,412	11,204,412	11,204,412	11,204,412	1,833,409	10,476,316	RB	15.40%	1,613,353
6	1070	CWIP	28,911	-	-	-	-	-	-	-	-	-	-	-	-	2,224	RB	15.40%	342
7	1080	Plant Reserve	(1,107,503)	(1,149,870)	(1,202,196)	(1,278,391)	(1,320,613)	(1,372,986)	(1,425,359)	(1,477,732)	(1,530,106)	(1,582,479)	(1,634,852)	(1,687,225)	(794,695)	(1,351,077)	RB	15.40%	(208,066)
8																			
9	1230	OTHER PROPERTY AND INVESTMENTS:	150,147,868	150,147,868	150,147,868	150,147,868	150,147,868	150,147,868	150,147,868	150,147,868	150,147,868	150,147,868	150,147,868	150,147,868	150,147,868	150,147,868	NEU		
10																			
11		CURRENT AND ACCRUED ASSETS:																	
12																	WC		
13	1310	Depository Account- Cash	-	-	-	333,614	-	-	-	-	-	-	-	-	-	25,663	WC	16.91%	4,340
14	1350	Working Funds- Petty Cash	-	-	-	-	-	-	-	-	-	-	-	-	-	-	WC		
15	1420	Accounts Receivable	-	-	-	-	-	-	-	-	-	-	-	-	-	-	WC		
16	1430	Miscellaneous Accounts Receivable	1,699	3,066	3,001	2,905	2,841	2,841	2,841	2,841	2,841	2,841	2,841	2,841	2,841	2,788	WC	16.91%	471
17	1460	Intercompany Receivable	606,128,790	635,321,536	659,676,326	682,282,185	704,957,537	678,670,852	678,608,511	678,546,169	678,483,828	678,421,487	678,359,146	678,296,804	678,234,463	670,460,587	NEU		
18	1460	Intercompany Payable	(673,177,360)	(699,896,342)	(722,829,537)	(749,492,210)	(771,933,483)	(744,349,521)	(744,230,225)	(744,106,074)	(743,976,959)	(743,848,840)	(743,726,989)	(740,992,107)	(732,447,611)	(735,000,558)	NEU		
19	1440	Allowance for Uncollected Accounts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	WC		
20	1510	Inventory-Propane	-	-	-	-	-	-	-	-	-	-	-	-	-	-	NEU		
21	1540	Materials and Supplies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	WC		
22	1650	Prepaid Expenses	217,315	77,856	113,224	100,948	88,756	89,295	89,791	90,250	90,672	91,085	91,461	91,803	92,321	101,906	WC	16.91%	17,232
23	1730	Unbilled Revenues	-	-	-	-	-	-	-	-	-	-	-	-	-	-	WC		
24																			
25		DEFERRED DEBITS:																	
26	1820	Regulatory Assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	WC		
27	1840	Clearing Accounts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	WC		
28	1850	Temporary Facilities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	WC		
29	1890	Unamortized Loss on Reacquired Debt	573,953	567,811	561,669	555,528	549,386	543,244	537,102	530,960	524,818	518,676	512,534	506,392	500,250	537,102	CS		
30	1900	Deferred Income Tax	-	-	-	-	-	-	-	-	-	-	-	-	-	-	CS		
31	1011	Operating Lease Assets	98,598	89,743	80,860	71,950	63,012	63,012	63,012	63,012	63,012	63,012	63,012	63,012	63,012	69,866	WC	15.40%	10,759
32																			
33																			
34		TOTAL ASSETS AND OTHER DEBITS	**94,089,975**	**96,332,313**	**97,721,860**	**93,928,809**	**93,759,716**	**94,999,016**	**94,997,952**	**95,001,706**	**95,010,386**	**95,018,062**	**95,019,432**	**97,633,800**	**97,631,858**	**95,472,684**			
35		LIABILITIES AND OTHER CREDITS																	
36																			
37		PROPRIETARY CAPITAL:																	
38	2160	Unappropriated Retained Earnings	110,901,045	110,901,045	110,901,045	110,910,868	110,910,869	110,910,869	110,910,869	110,910,869	110,910,869	110,910,869	110,910,869	110,910,869	110,910,869	110,908,602	NEU		
39																			
40	2210	Long Term Debt	-	-	-	-	-	-	-	-	-	-	-	-	-	-	CS		
41																			
42		OTHER NONCURRENT LIABILITIES:																	
43	2270	Operating Lease Liability	1,397	1,397	1,397	1,397	1,397	1,397	1,397	1,397	1,397	1,397	1,397	1,397	1,397	1,397	WC	15.40%	215
44	2282	Accrued Liability Insurance	-	-	-	-	-	-	-	-	-	-	-	-	-	-	WC		
45	2283	Accrued Pension & Post Ret. Medical	(22,567,009)	(22,603,099)	(22,643,315)	(22,752,753)	(22,795,415)	(22,964,726)	(22,979,186)	(22,993,645)	(23,008,105)	(23,022,565)	(23,037,025)	(23,051,484)	(23,065,944)	(22,883,405)	WC	28.00%	(6,407,354)
46																			
47		CURRENT AND ACCRUED LIABILITIES:																	
48	2320	Accounts Payable Revenue Related	4,699,868	6,668,282	8,088,731	4,754,784	6,008,869	6,019,497	6,030,472	6,039,445	6,053,420	6,074,186	6,082,118	6,098,993	6,110,195	6,056,066	WC	16.91%	1,024,081
49	2321	Accounts Payable Payroll Related	15,512	(31,692)	(28,370)	40,601	65,164	65,259	65,237	65,373	65,432	65,480	65,424	65,367	65,406	44,938	WC	19.52%	8,772
50	2350	Customer Deposits	1,888,321	1,888,321	1,888,321	2,025,577	2,025,577	2,030,134	2,035,799	2,041,465	2,047,130	2,051,674	2,056,189	2,060,704	2,065,204	2,008,032	NEU		
51	2365	Taxes Accrued Current	(92,436)	(92,436)	(92,436)	(88,785)	(89,071)	-	-	-	-	-	-	-	-	(35,013)	WC	16.91%	(5,921)
52	2367	Taxes Accrued- Prior	(2,511,617)	(2,511,617)	(2,511,617)	(2,463,385)	(4,063,385)	(2,549,246)	(2,552,168)	(2,550,707)	(2,549,246)	(2,552,168)	(2,550,707)	54,807	51,885	(2,250,706)	WC	16.91%	(380,594)
53	2410	Tax Collections Payable	1,364	1,068	1,364	1,343	1,364	1,364	1,364	1,364	1,364	1,364	1,364	1,364	1,364	1,340	WC	19.52%	261
54	2420	Misc Current & Accrued Liabilities	1,142,293	1,506,867	1,519,650	909,501	1,111,828	909,501	909,501	909,501	909,501	909,501	909,501	909,501	909,501	1,035,857	WC	19.52%	202,199
55	2430	Operating Lease Liability Obligations	99,290	90,402	81,487	72,545	63,575	54,045	54,045	54,045	54,045	54,045	54,045	54,045	54,045	64,589	WC	15.40%	9,947
56																			
57		DEFERRED CREDITS:																	
58	2520	Customer Advances-Construction	-	-	-	-	-	-	-	-	-	-	-	-	-	-	RB		
59	2530	Other Deferred Credits	-	-	-	-	-	-	-	-	-	-	-	-	-	-	WC		
60	2540	Other Regulatory Liabilities- Storm Interest	-	-	-	-	-	-	-	-	-	-	-	-	-	-	WC		
61	2540	Other Regulatory Liabilities-Tax Rate Change	59,603	62,052	64,501	66,950	69,399	71,999	74,599	77,199	79,799	82,399	84,999	87,599	90,199	74,715	CS	15.40%	11,506
62	2550	Accumulated Deferred Investment Tax Credits	-	-	-	-	-	-	-	-	-	-	-	-	-	-	CS		
63																			
64		ACCUMULATED DEFERRED INCOME TAXES:																	
65	2820	ADIT- Other Property	825,220	824,599	823,978	819,360	818,739	818,118	650,168	649,547	648,926	480,975	480,354	479,733	311,783	663,962	CS	15.40%	102,250
66	2830	ADIT- Other	(866,985)	(866,985)	(866,985)	(866,638)	(866,638)	(866,638)	(701,589)	(701,589)	(701,589)	(536,539)	(536,539)	(536,539)	(371,490)	(714,365)	CS	15.40%	(110,012)
67	2832	ADIT- Payroll Related	494,109	494,109	494,109	497,444	497,444	497,444	497,444	497,444	497,444	497,444	497,444	497,444	497,444	496,674	CS	19.52%	96,951
68		TOTAL LIABILITIES AND OTHER CREDITS	**94,089,975**	**96,332,313**	**97,721,860**	**93,928,809**	**93,759,716**	**94,999,017**	**94,997,952**	**95,001,707**	**95,010,386**	**95,018,062**	**95,019,433**	**97,633,800**	**97,631,858**	**95,472,684**			
69																			
70		REFERENCE:																	
71		RB = Rate Base; WC = Working Capital; CS = Capital Structure; ORP = Other Return Provided; NEU = Non-Electric Utility																	

Supporting Schedules: B-8 (2024), B-10 (2024) Recap Schedules: B-1 (2024), B-2 (2024)

FPSC EXH NO. 4

ADMITTED

J31

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: Florida Public Utilities Company
Florida Common Division Allocation
DOCKET NO.: 20240099-EI

EXPLANATION: Derive the 13-month average system balance sheet by primary account by month for the test year, the prior year and the most recent historical year. For accounts including non-electric utility amounts, show these amounts as a separate subaccount.

Type of Data Shown:
__X__ Projected Test Year Ended 12/31/25
_____ Prior Year Ended 12/31/24
_____ Historical Test Year Ended 12/31/23
Witness: Galtman, Napier

			(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)		
Line No.	Account No.	Account Name	Dec 2024	Jan 2025	Feb 2025	Mar 2025	Apr 2025	May 2025	Jun 2025	Jul 2025	Aug 2025	Sep 2025	Oct 2025	Nov 2025	Dec 2025	13 MONTH AVERAGE	REFERENCE RB WC CS ORP NEU	Allocation Percent	Allocated Amount
FLORIDA COMMON																			
1		ASSETS AND OTHER DEBITS																	
2																			
3		UTILITY PLANT:																	
4																			
5	1010	Plant in Service	1,833,409	1,833,409	1,833,409	1,833,409	1,833,409	1,833,409	1,833,409	1,833,409	1,833,409	1,833,409	1,833,409	1,833,409	1,833,409	1,833,409	RB	14.70%	269,511
6	1070	CWIP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	RB	14.70%	-
7	1080	Plant Reserve	(794,695)	(815,619)	(836,544)	(857,468)	(878,392)	(899,317)	(920,241)	(941,165)	(962,090)	(983,014)	(1,003,938)	(1,024,863)	(1,045,787)	(920,241)	RB	14.70%	(135,275)
8																			
9	1230	OTHER PROPERTY AND INVESTMEN	150,147,868	150,147,868	150,147,868	150,147,868	150,147,868	150,147,868	150,147,868	150,147,868	150,147,868	150,147,868	150,147,868	150,147,868	150,147,868	150,147,868	NEU		
10																			
11		CURRENT AND ACCRUED ASSETS:																	
12			-														WC		
13	1310	Depository Account- Cash	-	0	0	753	753	753	753	753	753	753	753	753	753	580	WC	16.91%	98
14	1350	Working Funds- Petty Cash	-	-	-	-	-	-	-	-	-	-	-	-	-	-	WC		
15	1420	Accounts Receivable	-	-	-	-	-	-	-	-	-	-	-	-	-	-	WC		
16	1430	Miscellaneous Accounts Receivable	2,841	2,841	2,841	2,841	2,841	2,841	2,841	2,841	2,841	2,841	2,841	2,841	2,841	2,841	WC	16.91%	480
17	1460	Intercompany Receivable	678,234,463	678,172,122	678,109,780	678,047,439	677,985,098	677,922,756	677,860,415	677,798,074	677,735,733	677,673,391	677,611,050	677,548,709	677,486,367	677,860,415	NEU		
18	1460	Intercompany Payable	(732,447,611)	(732,349,943)	(732,249,138)	(732,164,844)	(732,068,110)	(731,971,345)	(731,883,300)	(731,786,465)	(731,689,587)	(731,601,410)	(731,504,447)	(731,459,322)	(731,371,037)	(731,888,197)	NEU		
19	1440	Allowance for Uncollected Accounts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	WC		
20	1510	Inventory-Propane	-	-	-	-	-	-	-	-	-	-	-	-	-	-	NEU		
21	1540	Materials and Supplies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	WC		
22	1650	Prepaid Expenses	92,321	92,497	92,752	92,980	93,181	93,383	93,585	93,789	93,994	94,200	94,406	94,613	94,822	93,579	WC	16.91%	15,824
23	1730	Unbilled Revenues	-	-	-	-	-	-	-	-	-	-	-	-	-	-	WC		
24																			
25		DEFERRED DEBITS:																	
26	1820	Regulatory Assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	WC		
27	1840	Clearing Accounts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	WC		
28	1850	Temporary Facilities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	WC		
29	1890	Unamortized Loss on Reacquired Debt	500,250	494,108	487,966	481,824	475,682	469,540	463,398	457,256	451,114	444,972	438,830	432,688	426,546	463,398	CS		
30	1900	Deferred Income Tax	-	-	-	-	-	-	-	-	-	-	-	-	-	-	CS		
31	1011	Operating Lease Assets	63,012	63,012	63,012	63,012	63,012	63,012	63,012	63,012	63,012	63,012	63,012	63,012	63,012	63,012	WC	14.70%	9,263
32																			
33																			
34		TOTAL ASSETS AND OTHER DEBITS	**97,631,858**	**97,640,294**	**97,651,948**	**97,647,815**	**97,655,342**	**97,662,901**	**97,661,741**	**97,669,372**	**97,677,047**	**97,676,023**	**97,683,784**	**97,639,709**	**97,638,795**	**97,656,664**			
35		LIABILITIES AND OTHER CREDITS																	
36																			
37		PROPRIETARY CAPITAL:																	
38	2160	Unappropriated Retained Earnings	110,910,869	110,910,869	110,910,869	110,910,869	110,910,869	110,910,869	110,910,869	110,910,869	110,910,869	110,910,869	110,910,869	110,910,869	110,910,869	110,910,869	NEU		
39																			
40	2210	Long Term Debt	-														CS		
41																			
42		OTHER NONCURRENT LIABILITIES:																	
43	2270	Operating Lease Liability	1,397	1,397	1,397	1,397	1,397	1,397	1,397	1,397	1,397	1,397	1,397	1,397	1,397	1,397	WC	14.70%	205
44	2282	Accrued Liability Insurance	-	-	-	-	-	-	-	-	-	-	-	-	-	-	WC		
45	2283	Accrued Pension & Post Ret. Medical	(23,065,944)	(23,080,493)	(23,095,041)	(23,109,590)	(23,124,138)	(23,138,687)	(23,153,235)	(23,167,784)	(23,182,332)	(23,196,881)	(23,211,429)	(23,225,978)	(23,240,526)	(23,153,235)	WC	28.00%	(6,482,906)
46																			
47		CURRENT AND ACCRUED LIABILITIES:																	
48	2320	Accounts Payable Revenue Related	6,110,195	6,125,254	6,143,521	6,154,259	6,167,829	6,181,423	6,195,042	6,208,681	6,222,352	6,236,069	6,249,805	6,263,578	6,277,377	6,195,030	WC	16.91%	1,047,579
49	2321	Accounts Payable Payroll Related	65,406	65,318	65,239	65,352	65,533	65,714	65,895	66,076	66,258	66,440	66,621	66,803	66,984	65,972	WC	19.52%	12,878
50	2350	Customer Deposits	2,065,204	2,069,469	2,073,733	2,078,308	2,082,882	2,087,467	2,092,064	2,096,675	2,101,298	2,105,931	2,110,575	2,115,228	2,119,892	2,092,210	NEU		
51	2365	Taxes Accrued Current	-	-	-	-	-	-	-	-	-	-	-	-	-	-	WC	16.91%	-
52	2367	Taxes Accrued- Prior	51,885	53,655	55,425	51,885	53,655	55,425	51,885	53,655	55,425	51,885	53,655	3,540	-	45,536	WC	16.91%	7,700
53	2410	Tax Collections Payable	1,364	1,364	1,364	1,364	1,364	1,364	1,364	1,364	1,364	1,364	1,364	1,364	1,364	1,364	WC	17.57%	240
54	2420	Misc Current & Accrued Liabilities	909,501	909,501	909,501	909,501	909,501	909,501	909,501	909,501	909,501	909,501	909,501	909,501	909,501	909,501	WC	17.57%	159,799
55	2430	Operating Lease Liability Obligations	54,045	54,045	54,045	54,045	54,045	54,045	54,045	54,045	54,045	54,045	54,045	54,045	54,045	54,045	WC	14.70%	7,945
56																			
57		DEFERRED CREDITS:																	
58	2520	Customer Advances-Construction	-	-	-	-	-	-	-	-	-	-	-	-	-	-	RB		
59	2530	Other Deferred Credits	-	-	-	-	-	-	-	-	-	-	-	-	-	-	WC		
60	2540	Other Reg. Liabilities- Storm Interest	-	-	-	-	-	-	-	-	-	-	-	-	-	-	WC		
61	2540	Other Reg. Liabilities-Tax Rate Change	90,199	92,799	95,399	97,999	100,599	103,199	105,799	108,399	110,999	113,599	116,199	118,799	121,399	105,799	CS	14.70%	15,552
62	2550	Acc. Deferred Investment Tax Credits	-	-	-	-	-	-	-	-	-	-	-	-	-	-	CS		
63																			
64		ACCUMULATED DEFERRED INCOME TAXES:																	
65	2820	ADIT- Other Property	311,783	311,162	310,541	306,126	305,505	304,884	300,469	299,848	299,227	294,812	294,191	293,570	289,155	301,636	CS	14.70%	44,341
66	2830	ADIT- Other	(371,490)	(371,490)	(371,490)	(371,144)	(371,144)	(371,144)	(370,798)	(370,798)	(370,798)	(370,452)	(370,452)	(370,452)	(370,106)	(370,904)	CS	14.70%	(54,523)
67	2832	ADIT- Payroll Related	497,444	497,444	497,444	497,444	497,444	497,444	497,444	497,444	497,444	497,444	497,444	497,444	497,444	497,444	CS	19.52%	97,101
68		TOTAL LIABILITIES AND OTHER CREDITS	**97,631,858**	**97,640,294**	**97,651,947**	**97,647,815**	**97,655,341**	**97,662,901**	**97,661,741**	**97,669,372**	**97,677,048**	**97,676,023**	**97,683,784**	**97,639,709**	**97,638,795**	**97,656,664**			
69																			
70			REFERENCE:																
71			RB = Rate Base; WC = Working Capital; CS = Capital Structure; ORP = Other Return Provided; NEU = Non-Electric Utility																

Supporting Schedules: B-8 (2025), B-10 (2025) Recap Schedules: B-1 (2024), B-2 (2025)

J31

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: Florida Public Utilities Company
Consolidated Electric Division
DOCKET NO.: 20240099-EI

EXPLANATION: Provide 13-month average system balance sheets by primary account for the most recent two historical calendar years not including the historical test year if provided elsewhere.

Type of Data Shown:
_____ Projected Test Year Ended 12/31/25
_____ Prior Year Ended 12/31/24
__X__ Historical Test Year Ended 12/31/23
Witness: Galtman

Line No.	Account No.	Account Name	2022	2023
1		ASSETS AND OTHER DEBITS		
2				
3		UTILITY PLANT:		
4				
5	1010	Plant in Service	165,037,132	171,037,593
6	1070	CWIP	1,917,932	5,797,881
7	1080	Plant Reserve	(74,805,575)	(78,092,240)
8	1180	Allocated Common Plant in Service	3,441,276	3,375,077
9	1190	Allocated Common Plant Reserve	(607,232)	(779,904)
10	1070	Allocated Common CWIP		364
11				
12		OTHER PROPERTY AND INVESTMENTS:		
13				
14		CURRENT AND ACCRUED ASSETS:		
15	1240	Other Investments		-
16	1310	Depository Account- Cash		-
17	1350	Working Funds- Petty Cash	8,000	8,000
18	1420	Accounts Receivable	6,754,581	8,567,350
19	1430	Miscellaneous Accounts Receivable	161,866	1,120,967
20	1430	Miscellaneous Accounts Receivable		
21	1440	Provision for Bad Debts	(678,763)	(515,301)
22	1460	Accounts Receivable from Associated Companies	45,360,693	6,689,620
23	1460	Account Payable Associated Companies	(96,333,038)	(60,722,289)
24	1540	Materials and Supplies	2,401,600	3,298,419
25	1650	Prepaid Expenses	280,124	382,892
26	1730	Unbilled Revenues	2,919,114	3,600,734
27				
28		DEFERRED DEBITS:		
29	182.3	Other Regulatory Assets	38,271,713	28,511,205
30	1840	Clearing Accounts	42,346	58,747
31	1850	Temporary Facilities	187	852
32	1860	Misc. Deferred Debit	16,289,297	20,928,778
33	1900	Deferred Income Tax	204,522	237,034
34				
35		TOTAL ASSETS AND OTHER DEBITS	110,665,775	113,505,781

Supporting Schedules: B-3 (2023) Recap Schedules:

FPSC EXH NO. 4
ADMITTED

J33

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: Florida Public Utilities Company
Consolidated Electric Division
DOCKET NO.: 20240099-EI

EXPLANATION: Provide 13-month average system balance sheets by primary account for the most recent two historical calendar years not including the historical test year if provided elsewhere.

Type of Data Shown:
_____ Projected Test Year Ended 12/31/25
_____ Prior Year Ended 12/31/24
__X__ Historical Test Year Ended 12/31/23
Witness: Galtman

Line No.	Account No.	Account Name	2022	2023
36		LIABILITIES AND OTHER CREDITS		
37				
38		PROPRIETARY CAPITAL:		
39	2160	Unappropriated Retained Earnings	66,994,471	70,755,594
40				
41		OTHER NONCURRENT LIABILITIES:		
42	228.1	Electric Storm Reserve	2,225,645	2,142,585
43	228.2	Accrued Liability Insurance		10,305
44	228.3	Pension and OPRB Reserve	6,724,572	6,724,572
45				
46				
47				
48		CURRENT AND ACCRUED LIABILITIES:		
49	2320	Accounts Payable	8,850,271	7,739,642
50	2350	Customer Deposits	3,944,068	3,930,084
51	236.5	Taxes Accrued Current	795,560	1,489,445
52	236.7	Taxes Accrued Prior	(7,349,146)	(10,444,541)
53	2370	Interest Accrued	43,904	45,969
54	2410	Tax Collections Payable	1,624,719	1,576,830
55	2420	Misc Current & Accrued Liabilities		-
56		DEFERRED CREDITS:		
57	2520	Customer Advances-Construction	1,192,570	996,502
58	2530	Other Deferred Credits	895,360	650,633
59	2540	Other Regulatory Liabilities- Storm Interest	851,277	314,805
60	2540	Other Regulatory Liabilities-Tax Rate Change	5,114,737	4,876,177
61	2550	Accumulated Deferred Income Tax		-
62		ACCUMULATED DEFERRED INCOME TAXES:		
63	2820	ADIT- Other Property	17,907,604	18,062,628
64	2830	ADIT- Other	850,163	4,634,551
65		TOTAL LIABILITIES AND OTHER CREDITS	110,665,775	113,505,780

Supporting Schedules: B-3 (2023) Recap Schedules:

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: Florida Public Utilities Company
Consolidated Electric Division
DOCKET NO.: 20240099-EI

EXPLANATION: Provide the data listed below regarding all changes in rate base primary accounts that exceed 1/20th of one percent (.0005) of total rate base and ten percent from the prior year to the test year. Quantify each reason for the change.

Type of Data Shown:
__x__ Projected Test Year Ended 12/31/25
__x__ Prior Year Ended 12/31/24
_____ Historical Test Year Ended 12/31/23
Witness: Napier, Haffecke

Line No.	(1) Account Number	(2) Account Name	(3) Test Year Ended 12/31/2025 (000)	(4) Prior Year Ended 12/31/2024 (000)	Increase / (Decrease) (5) Amount (3)-(4) (000)	(6) Percent (5)/(4) (%)	(7) Reason(s) for Change
1	1010	Plant in Service	253,901	208,555	45,346	22%	Partially due to reduction in CWIP. In addition, the main additions
2							resulting in the increase are the increase in the Storm Protection Plan,
3							purchase of a new substation/transmission line and purchase of sections
4							and associated modifications of four substations, installation of a
5							new 75 MVA transformer, and finalization of the implementation
6							phase of the new customer information system software.
7							A portion of the increase related to regular blanket projects, vehicle
8							purchases, and small projects.
9							(Storm Protection Plan additions are removed in the rate base adjustments.)
10							
11	107	CWIP	5,748	15,229	(9,481)	-62%	Reduction in CWIP is a result of capitalization of the projects
12							listed above.
13							
14	108	Allocated Common Plant Reserve	(955)	(792)	(163)	21%	Increase is due to depreciation expense and offset by a lower allocation
15							rate in 2025.
16							
17	165	Prepaid Expenses	670	594	76	13%	Increased for prepaid insurance consistent with the increase in
18							insurance expense estimated by our carriers.
19							
20	182	Regulatory Assets	6,435	14,749	(8,314)	-56%	Decrease is mainly due to the end of the Hurricane Michael unrecovered
21							storm costs. (Removed in the adjustments to rate base.)
22							
23	186	Miscellaneous Deferred Debits	1,307	462	845	183%	Due to the decrease in the fuel under-recovery and increase in deferred
24							rate case costs. (Both are removed in the adjustments to rate base.)
25							
26	228.1	Storm Reserve	735	237	498	210%	Debit balance to the reserve account increased due to expected storm
27							activity due to increase in number of storms and costs incurred.
28							
29	Note: Amounts are before adjustments on MFR B-2						

Supporting Schedules: B-3 (2024 & 2025), B-6 (2024 & 2025) Recap Schedules:

FPSC EXH NO. 4
ADMITTED

J35

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: Florida Public Utilities Company
Consolidated Electric Division
DOCKET NO.: 20240099-EI

EXPLANATION: Provide a development of jurisdictional separation factors for rate base for the test year and the most recent historical year.

Type of Data Shown:
_____ Projected Test Year Ended 12/31/25
_____ Prior Year Ended 12/31/24
__X__ Historical Test Year Ended 12/31/23
Witness: Galtman, Napier

Line No.	Description	Total Company	FPSC Jurisdictional	Jurisdictional Factor
1	Electric Plant in Service:			
2	Intangible	73,896	73,896	100%
3	Production:			100%
4	Steam	-	-	100%
5	Nuclear	-	-	100%
6	Other	-	-	100%
7	Total Production	-	-	100%
8	Transmission:		-	100%
9	Land and Land Rights	17,629	17,629	100%
10	Structure and Improvements	1,947,468	1,947,468	100%
11	Station Equipment	9,544,979	9,544,979	100%
12	Towers & Fixtures	224,802	224,802	100%
13	Poles & Fixtures	6,834,764	6,834,764	100%
14	O.H. Conductor and Devices	4,160,375	4,160,375	100%
15	U.G. Conductor and Devices	-	-	100%
16	Roads and Trails	6,788	6,788	100%
17	Total Transmission	22,736,805	22,736,805	100%
18	Distribution:			
19	Land and Land Rights	390,573	390,573	100%
20	Structure and Improvements	444,085	444,085	100%
21	Station Equipment	13,412,098	13,412,098	100%
22	Poles and Fixtures	28,095,915	28,095,915	100%
23	Poles and Fixtures SPP	442,215	442,215	100%
24	O.H. Conductors	21,752,930	21,752,930	100%
25	U.G. Conduits	7,772,708	7,772,708	100%
26	U.G. Conductors	10,018,658	10,018,658	100%
27	Line Transformers	25,839,517	25,839,517	100%
28	Services	14,412,255	14,412,255	100%
29	Meters	6,053,942	6,053,942	100%
30	Install on Customer Premises	3,851,716	3,851,716	100%
31	Street Lighting	2,924,532	2,924,532	100%
32	Total Distribution	135,411,144	135,411,144	100%
33	General Plant	12,815,749	12,815,749	100%
34	Total Electric Gross Plant	171,037,593	171,037,593	100%
35	Allocated Common Plant	3,375,077	3,375,077	100%
36	Customer Advances for Construction	(996,502)	(996,502)	100%
37	Adjustments	(1,915,154)	(1,915,154)	100%
38	Total Gross Plant	171,501,015	171,501,015	100%

Supporting Schedules: B-3 (2023), B-8 (2023), B-10 (2023)
Recap Schedules: B-1 (2023), B-2 (2023)

J35

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: Florida Public Utilities Company
Consolidated Electric Division
DOCKET NO.: 20240099-EI

EXPLANATION: Provide a development of jurisdictional separation factors for rate base for the test year and the most recent historical year.

Type of Data Shown:
_____ Projected Test Year Ended 12/31/25
_____ Prior Year Ended 12/31/24
__X__ Historical Test Year Ended 12/31/23
Witness: Galtman, Napier

Line No.	Description	Total Company	FPSC Jurisdictional	Jurisdictional Factor
1	Accumulated Depreciation:			
2	Intangible	32,446	32,446	100%
3	Production:			100%
4	Steam	0	0	100%
5	Nuclear	0	0	100%
6	Other	0	0	100%
7	Total Production	0	0	100%
8	Transmission:			100%
9	Land and Land Rights	4,300	4,300	100%
10	Structure and Improvements	200,200	200,200	100%
11	Station Equipment	2,117,982	2,117,982	100%
12	Towers & Fixtures	211,775	211,775	100%
13	Poles & Fixtures	64,332	64,332	100%
14	Poles & Fixtures SPP	1,872,816	1,872,816	100%
15	O.H. Conductor and Devices	648,517	648,517	100%
16	U.G. Conductor and Devices		-	100%
17	Roads and Trails	6,219	6,219	100%
18	Total Transmission	5,126,141	5,126,141	
19	Distribution:			
20	Land and Land Rights	37,075	37,075	100%
21	Structure and Improvements	97,063	97,063	100%
22	Station Equipment	4,676,267	4,676,267	100%
23	Poles and Fixtures	11,914,947	11,914,947	100%
24	Poles and Fixtures SPP	11,498	11,498	100%
25	O.H. Conductors	12,115,669	12,115,669	100%
26	U.G. Conduits	1,809,215	1,809,215	100%
27	U.G. Conductors	4,572,285	4,572,285	100%
28	Line Transformers	17,011,171	17,011,171	100%
29	Services	8,586,489	8,586,489	100%
30	Meters	3,698,054	3,698,054	100%
31	Installed on Customer Premises	1,638,739	1,638,739	100%
32	Street Lighting	1,789,359	1,789,359	100%
33	Total Distribution	67,957,831	67,957,831	
34	General Plant	4,923,528	4,923,528	
35				
36	Total Electric Accumulated Depreciation	78,039,947	78,039,947	
37	Allocated Common Reserve	779,904	779,904	100%
38	Cost of Removal in Process & Clearing	52,292	52,292	100%
39	Adjustments	(10,402)	(10,402)	100%
40	Total Accumulated Reserve	78,861,741	78,861,741	
41				
42	Net Plant in Service	92,639,274	92,639,274	

Supporting Schedules: B-3 (2023), B-8 (2023), B-10 (2023)
Recap Schedules: B-1 (2023), B-2 (2023)

Schedule B-6 (2023) JURISDICTIONAL SEPARATION FACTORS - RATE BASE

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: Florida Public Utilities Company
Consolidated Electric Division
DOCKET NO.: 20240099-EI

EXPLANATION: Provide a development of jurisdictional separation factors for rate base for the test year and the most recent historical year.

Type of Data Shown:
_____ Projected Test Year Ended 12/31/25
_____ Prior Year Ended 12/31/24
__X__ Historical Test Year Ended 12/31/23
Witness: Galtman, Napier

Line No.	Description	Total Company	FPSC Jurisdictional	Jurisdictional Factor
1	CWIP		-	100%
2	Transmission CWIP	1,079,566	1,079,566	100%
3	Distribution CWIP	3,979,901	3,979,901	100%
4	Customer Accounts	673,624	673,624	100%
5	Customer Services		-	100%
6	General Plant	64,790	64,790	100%
7	Other General Common CWIP		-	100%
8	Allocated CWIP FC	364	364	100%
9	Total CWIP	5,798,245	5,798,245	
10	CWIP NOT BEARING INTEREST			
11	Production		-	100%
12	Transmission	1,079,566	1,079,566	100%
13	Distribution	3,019,632	3,019,632	100%
14	Customer Accounts	25,964	25,964	100%
15	General	64,790	64,790	100%
16	Allocated CWIP FC	364	364	100%
17	Total CWIP Not Bearing Interest	4,190,316	4,190,316	
18	PLANT HELD FOR FUTURE USE			
19	UNAMORTIZED NUCLEAR SITE			
20	WORKING CAPITAL			
21	Net of Current Assets and Current Liabilities	14,912,650	14,912,650	100%
22	Preliminary Survey and Investigation Charges	-	-	100%
23	Prepayments	419,807	419,807	100%
24	Clearing Accounts	58,747	58,747	100%
25	Unamortized Deferred O & M		-	100%
26	Injuries and Damages Reserve	(10,305)	(10,305)	100%
27	Property Insurance Reserves	(2,142,585)	(2,142,585)	100%
28	Non-Current Liabilities	(2,152,754)	(2,152,754)	100%
29	Other Deferred Credits & Debits	48,486,483	48,486,483	100%
30	Adjustments	(39,734,678)	(39,734,678)	100%
31	Total Working Capital	19,837,366	19,837,366	100%
32				
33	Total Adjusted Rate Base	116,666,956	116,666,956	100%

Supporting Schedules: B-3 (2023), B-8 (2023), B-10 (2023) Recap Schedules: B-1 (2023), B-2 (2023)

FPSC EXH NO. 4
ADMITTED

J38

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: Florida Public Utilities Company
Consolidated Electric Division
DOCKET NO.: 20240099-EI

EXPLANATION: Provide a development of jurisdictional separation factors for rate base for the test year and the most recent historical year.

Type of Data Shown:
__x__ Projected Test Year Ended 12/31/25
_____ Prior Year Ended 12/31/24
_____ Historical Test Year Ended 12/31/23
Witness: Haffecke, Napier

Line No.	Description	Total Company 2025	FPSC Jurisdictional	Jurisdictional Factor
1	Electric Plant in Service:			
2	Intangible	7,726,660	7,726,660	100%
3	Production:			
4	Steam	-	-	100%
5	Nuclear	-	-	100%
6	Other	-	-	100%
7	Total Production	-	-	
8	Transmission:			
9	Land and Land Rights	17,629	17,629	100%
10	Structure and Improvements	1,950,167	1,950,167	100%
11	Station Equipment	11,927,779	11,927,779	100%
12	Towers & Fixtures	224,802	224,802	100%
13	Poles & Fixtures	8,890,085	8,890,085	100%
14	O.H. Conductor and Devices	4,296,101	4,296,101	100%
15	U.G. Conductor and Devices	-	-	100%
16	Roads and Trails	6,788	6,788	100%
17	Total Transmission	27,313,351	27,313,351	100%
18	Distribution:			
19	Land and Land Rights	390,573	390,573	100%
20	Structure and Improvements	445,820	445,820	100%
21	Station Equipment	22,092,078	22,092,078	100%
22	Poles and Fixtures	28,679,836	28,679,836	100%
23	Poles and Fixtures SPP	9,710,781	9,710,781	100%
24	O.H. Conductors	34,084,582	34,084,582	100%
25	U.G. Conduits	9,379,315	9,379,315	100%
26	U.G. Conductors	11,617,314	11,617,314	100%
27	Line Transformers	31,644,423	31,644,423	100%
28	Services	15,437,722	15,437,722	100%
29	Meters	6,625,182	6,625,182	100%
30	Install on Customer Premises	4,165,927	4,165,927	100%
31	Street Lighting	3,492,658	3,492,658	100%
32	Total Distribution	177,766,208	177,766,208	100%
33	General Plant	14,690,382	14,690,382	100%
34	Total Electric Gross Plant	227,496,601	227,496,601	100%
35	Allocated Common Plant	1,761,909	1,761,909	100%
36	Customer Advances for Construction	(307,918)	(307,918)	100%
37	Adjustments	(12,682,130)	(12,682,130)	100%
38	Total Gross Plant	216,268,461	216,268,461	100%

Supporting Schedules: B-3 (2025), B-8 (2025), B-10 (2025) Recap Schedules: B-1 (2025), B-2 (2025)

J38

FPSC EXH NO. 4
ADMITTED

J39

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: Florida Public Utilities Company
Consolidated Electric Division
DOCKET NO.: 20240099-EI

EXPLANATION: Provide a development of jurisdictional separation factors for rate base for the test year and the most recent historical year.

Type of Data Shown:
__x__ Projected Test Year Ended 12/31/25
_____ Prior Year Ended 12/31/24
_____ Historical Test Year Ended 12/31/23
Witness: Haffecke, Napier

Line No.	Description	Total Company 2025	FPSC Jurisdictional	Jurisdictional Factor
39	Accumulated Depreciation:			
40	Intangible	700,332	700,332	100%
41	Production:			
42	Steam	0	0	100%
43	Nuclear	0	0	100%
44	Other	0	0	100%
45	Total Production	0	0	100%
46	Transmission:			
47	Land and Land Rights	4,759	4,759	100%
48	Structure and Improvements	240,913	240,913	100%
49	Station Equipment	1,995,102	1,995,102	100%
50	Towers & Fixtures	263,445	263,445	100%
51	Poles & Fixtures	1,924,648	1,924,648	100%
52	Conductor and Devices	810,354	810,354	100%
53	Roads and Trails	6,226	6,226	100%
54	Total Transmission	5,245,447	5,245,447	
55	Distribution:			
56	Land and Land Rights	38,232	38,232	100%
57	Structure and Improvements	111,604	111,604	100%
58	Station Equipment	2,291,130	2,291,130	100%
59	Poles and Fixtures	11,805,394	11,805,394	100%
60	O.H. Conductors	11,514,523	11,514,523	100%
61	U.G. Conduits	1,772,915	1,772,915	100%
62	U.G. Conductors	4,646,936	4,646,936	100%
63	Line Transformers	17,467,348	17,467,348	100%
64	Services	8,758,856	8,758,856	100%
65	Meters	4,043,734	4,043,734	100%
66	Installed on Customer Premises	1,834,071	1,834,071	100%
67	Street Lighting	1,834,644	1,834,644	100%
68	Total Distribution	66,119,388	66,119,388	
69	General Plant	4,797,878	4,797,878	
70			-	100%
71	Total Electric Accumulated Depreciation	76,863,044	76,863,044	
72	Allocated Common Reserve	838,552	838,552	100%
73	Cost of Removal in Process & Clearing	-	-	100%
74	Adjustments	3,259,942	3,259,942	100%
75	Total Accumulated Reserve	80,961,538	80,961,538	
76				
77	Net Plant in Service	135,306,923	135,306,923	

Supporting Schedules: B-3 (2025), B-8 (2025), B-10 (2025) Recap Schedules: B-1 (2025), B-2 (2025)

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide a development of jurisdictional separation factors for rate base for the test year and the most recent historical year.

COMPANY: Florida Public Utilities Company
Consolidated Electric Division
DOCKET NO.: 20240099-EI

Type of Data Shown:
__x__ Projected Test Year Ended 12/31/25
_____ Prior Year Ended 12/31/24
_____ Historical Test Year Ended 12/31/23
Witness: Haffecke, Napier

Line No.	Description	Total Company 2025	FPSC Jurisdictional	Jurisdictional Factor
81	CWIP			
82	Production	-	-	100%
83	Transmission CWIP	705,041	705,041	100%
84	Distribution CWIP	11,344,318	11,344,318	100%
85	Customer Account CWIP	134,714	134,714	100%
86	Customer Service CWIP	-	-	100%
87	General Plant	685,011	685,011	100%
88	Other Allocated Common		-	100%
89	TOTAL CWIP	12,869,084	12,869,084	100%
90	CWIP NOT BEARING INTEREST			
91	Production			
92	Transmission	705,041	705,041	100%
93	Distribution	11,344,318	11,344,318	100%
94	General	88,462	88,462	100%
95	Total CWIP Not Bearing Interest	12,137,821	12,137,821	100%
96	Other Adjustments to CWIP	(10,159,108)	(10,159,108)	100%
97	Net CWIP in Rate Base	1,978,713	1,978,713	100%
96	PLANT HELD FOR FUTURE USE	-	-	
97	UNAMORTIZED NUCLEAR SITE	-	-	
98	WORKING CAPITAL			
99	Net of Current Assets and Current Liabilities	6,191,024	6,191,024	100%
100	Preliminary Survey and Investigation Charges	-	-	100%
101	Prepayments	496,357	496,357	100%
102	Clearing Accounts	717	717	100%
103	Unamortized Deferred O & M		-	100%
104	Injuries and Damages Reserve	-	-	100%
105	Property Insurance Reserves	223,900	223,900	100%
106	Non-Current Liabilities	(60,774)	(60,774)	100%
107	Other Deferred Credits & Debits	11,416,015	11,416,015	100%
108	Adjustments	(5,499,780)	(5,499,780)	100%
109	Total Working Capital	12,767,460	12,767,460	100%
110				
111	Total Adjusted Rate Base	150,053,096	150,053,096	100%

Supporting Schedules: B-3 (2025), B-8 (2025), B-10 (2025)   Recap Schedules: B-1 (2025), B-2 (2025)

FPSC EXH NO. 4
ADMITTED

J41

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: Florida Public Utilities Company
Consolidated Electric Division
DOCKET NO.: 20240099-EI

Provide the depreciation rate and plant balances for each account or sub-account to which a separate depreciation rate is prescribed. (Include Amortization/Recovery schedule amounts) *

Type of Data Shown:
_____ Projected Test Year Ended 12/31/25
_____ Prior Year Ended 12/31/24
__X__ Historical Test Year Ended 12/31/23
Witness: Haffecke, Galtman

Line No.	(1) Account/ Sub-account Number	(2) Account/ Sub-account Title	(3) Depreciation Rate*	(4) Plant Balance Beg. of Year	(5) Total Plant Added	(6) Total Plant Retired	(7) Adjustments or Transfers	(8) Plant Balance End of Year	(9) 13-Month Average
1	303	Intangible Plant		-			960,644	960,644	73,896
2		Transmission Plant							
3	3502	Rights of way	1.30%	17,629				17,629	17,629
4	352E	Structures & Improvements	1.40%	1,943,149	7,018			1,950,167	1,947,468
5	353E	Station Equipment	1.90%	9,542,207	6,005			9,548,212	9,544,979
6	354E	Towers & Fixtures	1.00%	224,802				224,802	224,802
7	355C	Poles & Fixtures - Concrete	2.00%	3,904,731				3,904,731	3,904,731
8	355S	Poles and Fixtures SPP	2.00%	-				-	-
9	355W	Poles & Fixtures - Wood	3.00%	2,844,272	130,228			2,974,500	2,930,033
10	356E	Overhead Conductors & Devices	2.10%	3,737,267	516,188			4,253,455	4,160,375
11	359E	Roads & Trails	0.20%	6,788				6,788	6,788
12		Total Transmission Plant		22,220,845	659,438	-	-	22,880,283	22,736,805
13									
14		Distribution Plant							
15									
16	3601	Land Rights	1.10%	56,995				56,995	56,995
17	361E	Structures & Improvements	1.50%	442,062			3,758	445,820	444,085
18	362E	Station Equipment	1.70%	13,323,125	189,345			13,512,470	13,412,098
19	364E	Poles, Towers & Fixtures	2.90%	27,411,695	2,219,271	(111,873)	(1,671,417)	27,847,676	28,095,915
20	364S	Poles, Towers & Fixtures SPP	2.90%	-	244,849		1,671,417	1,916,266	442,215
21	365E	Overhead Conductors & Devices	2.10%	21,580,862	508,178	(8,058)		22,080,981	21,752,930
22	365S	Overhead Conductors & Devices	2.10%					-	-
23	366E	Underground Conduits	1.50%	7,670,439	145,359			7,815,798	7,772,708
24	366S	Underground Conduits	1.50%					-	-
25	367E	Underground Conductors & Devices	2.00%	9,899,119	159,963	(2,222)		10,056,860	10,018,658
26	368B	Line Transformers-Buried/Duct	2.30%	11,831,377	1,030,357			12,861,734	12,284,328
27	368H	Line Transformers-Overhead	2.30%	13,329,933	518,139	(6,853)		13,841,219	13,555,188
28	369B	Services-Buried	2.10%	6,450,675	383,744	(2,675)		6,831,744	6,639,097
29	369H	Services-Overhead	2.10%	7,705,796	197,800	(20,746)		7,882,850	7,773,157
30	370E	Meters	3.80%	5,833,653	422,755	(13,938)		6,242,470	6,053,942
31	371A	Install on Customer Premises-Above Ground	2.90%	2,375,163	181,593	(35,167)		2,521,589	2,442,040
32	371B	Install on Customer Premises-Underground	2.90%	1,355,560	109,911	(5,188)		1,460,283	1,409,676
33	373A	St Lighting & Signal Sys-Above Ground	2.90%	2,180,997	83,191	(5,486)		2,258,702	2,212,637
34	373B	St Lighting & Signal Sys-Underground	2.90%	709,471	6,415	(323)		715,562	711,895
35		Total Distribution Plant		132,156,922	6,400,870	(212,530)	3,758	138,349,020	135,077,567

Supporting Schedules: B-3 (2023), B-8 (2023) Recap Schedules:B-1 (2023), B-3 (2023)

J41

FPSC EXH NO. 4
ADMITTED

J42

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: Florida Public Utilities Company
Consolidated Electric Division
DOCKET NO.: 20240099-EI

Provide the depreciation rate and plant balances for each account or sub-account to which a separate depreciation rate is prescribed. (Include Amortization/Recovery schedule amounts) *

Type of Data Shown:
_____ Projected Test Year Ended 12/31/25
_____ Prior Year Ended 12/31/24
__X__ Historical Test Year Ended 12/31/23
Witness: Haffecke, Galtman

Line No.	(1) Account/ Sub-account Number	(2) Account/ Sub-account Title	(3) Depreciation Rate*	(4) Plant Balance Beg. of Year	(5) Total Plant Added	(6) Total Plant Retired	(7) Adjustments or Transfers	(8) Plant Balance End of Year	(9) 13-Month Average
1		General Plant							
2									
3	3900	Structures & Improvements	1.60%	4,033,316	285,658		(3,758)	4,315,216	4,269,502
4	3910	Office Furniture & Equipment	Amortized 7	172,392	24,059			196,450	181,087
5	3911	Computer & Periph	Amortized 5	4,171				4,171	4,171
6	3912	Computer Hardware	Amortized 5	9,049				9,049	9,049
7	3913	Furniture & Fixtures	Amortized 7	-				-	-
8	3914	System Software	Amortized 10	973,675		(74,522)	(960,644)	(61,492)	830,989
9	3930	Stores Equipment	Amortized 7	-				-	-
10	3940	Tools, Shop & Garage Equipment	Amortized 7	119,848	40,586	(28,659)		131,775	118,590
11	3950	Laboratory Equipment	Amortized 7	-				-	-
12	3960	Power Operated Equipment	4.10%	898,523				898,523	898,523
13	3973	Communication Equipment	Amortized 5	21,245				21,245	21,245
14	3980	Miscellaneous Equipment	Amortized 7	117,609	287,775			405,384	148,403
15	3990	Tangible Plant	Amortized 5	10,000				10,000	10,000
16		Total General Plant		6,359,827	638,078	(103,181)	(964,402)	5,930,323	6,491,559
17		Transportation Equipment							
18	3921	Transportation Equip-Cars	7.70%	87,863				87,863	87,863
19	3922	Transportation Equip-Light Duty Trucks/Vans	8.00%	773,660	366,442	(117,057)		1,023,046	963,323
20	3923	Transportation Equip-Heavy Duty Trucks/Bobtails	3.30%	3,734,562	538,959	(290,374)		3,983,147	4,028,487
21	3924	Transportation Equip-Trailers	3.00%	380,361				380,361	380,361
22		Total Transportation Equipment		4,976,447	905,401	(407,432)	-	5,474,416	5,460,034
23		Total Depreciable Plant Balance		165,714,041	8,603,788	(723,143)	(0)	173,594,687	169,839,861
24		Non-Depreciable Property							
25	3501	Land		-				-	-
26	3600	Land		333,577				333,577	333,577
27	3890	Land & Land Rights		864,155				864,155	864,155
28		Total Non-Depreciable Property		1,197,733	-	-	-	1,197,733	1,197,733
29		Total Plant Balance		166,911,774	8,603,788	(723,143)	(0)	174,792,419	171,037,593
30		Customer Advances for Construction		1,011,342	(267,313)			744,029	996,502
31		Total Plant w/o Common		165,900,432	8,871,101	(723,143)	(0)	174,048,390	170,041,092

Supporting Schedules: B-3 (2023), B-8 (2023) Recap Schedules:B-1 (2023), B-3 (2023)

FPSC EXH NO. 4
ADMITTED

J43

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: Florida Public Utilities Company
Consolidated Electric Division
DOCKET NO.: 20240099-EI

Provide the depreciation rate and plant balances for each account or sub-account to which a separate depreciation rate is prescribed. (Include Amortization/Recovery schedule amounts) *

Type of Data Shown:
Type of Data Shown:
_____ Projected Test Year Ended 12/31/25
_____ Prior Year Ended 12/31/24
__X__ Historical Test Year Ended 12/31/23
Witness: Haffecke, Galtman

Line No.	(1) Account/ Sub-account Number	(2) Account/ Sub-account Title	(3) Depreciation Rate*		(4) Plant Balance Beg. of Year	(5) Total Plant Added	(6) Total Plant Retired	(7) Adjustments or Transfers	(8) Plant Balance End of Year	(9) 13-Month Average
1		Florida Common Plant								
2										
3	3030	Misc. Intangible Plant			-				-	-
4	3890	Land			596,858				596,858	596,858
5	3900	Structures and Improvements	2.30%		7,710,125				7,710,125	7,710,125
6	3910	Office machines	7.10%		87,837				87,837	87,837
7	3912	Computer Equipment	10.00%		85,741				85,741	85,741
8	3913	Office Furniture and Equipment	5.00%		469,104				469,104	469,104
9	3914	Software	10.00%		932,208				932,208	932,208
10	3921	Transportation Equipment-Cars	5.70%		67,782				67,782	67,782
11	3922	Transportation Equipment-Light Trucks	5.60%		539,773				539,773	539,773
12	3970	Communication Equipment	7.70%		648,524				648,524	648,524
13	3980	Miscellaneous Equipment	5.90%		46,384		(6,633)		39,751	42,749
14	3990	Miscellaneous Tangible Assets	20.00%		-				-	-
15		Total Common Plant			11,184,336	-	(6,633)	-	11,177,703	11,180,701
16			Allocation	Dep.						
23		Florida Common Plant Allocated	Rate	Rate						
24	3030	Misc. Intangible Plant	18.98%		-	-	-	-	-	-
25	3890	Land	18.98%		113,263	-	-	-	113,263	113,263
26	3900	Structures and Improvements	18.98%	2.30%	1,463,117	-	-	-	1,463,117	1,463,117
27	3910	Office machines	18.98%	7.10%	16,668	-	-	-	16,668	16,668
28	3912	Computer Equipment	18.98%	10.00%	16,271	-	-	-	16,271	16,271
29	3913	Office Furniture and Equipment	18.98%	5.00%	89,020	-	-	-	89,020	89,020
30	3914	Software	18.98%	10.00%	176,901	-	-	-	176,901	176,901
31	3921	Transportation Equipment-Cars	18.98%	5.70%	12,863	-	-	-	12,863	12,863
32	3922	Transportation Equipment-Light Trucks	18.98%	5.60%	102,430	-	-	-	102,430	102,430
33	3970	Communication Equipment	18.98%	7.70%	123,068	-	-	-	123,068	123,068
34	3980	Miscellaneous Equipment	18.98%	5.90%	8,802	-	(1,259)	-	7,543	8,112
35	3990	Miscellaneous Tangible Assets	18.98%	20.00%	-	-	-	-	-	-
36		Total Allocated Florida Common Plant			2,122,404	-	(1,259)	-	2,121,145	2,121,714

Supporting Schedules: B-3 (2023), B-8 (2023)   Recap Schedules:B-1 (2023), B-3 (2023)

FPSC EXH NO. 4

ADMITTED

J44

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: Florida Public Utilities Company
Consolidated Electric Division
DOCKET NO.: 20240099-EI

Provide the depreciation rate and plant balances for each account or sub-account to which a separate depreciation rate is prescribed. (Include Amortization/Recovery schedule amounts) *

Type of Data Shown:
_____ Projected Test Year Ended 12/31/25
_____ Prior Year Ended 12/31/24
__X__ Historical Test Year Ended 12/31/23
Witness: Haffecke, Galtman

Line No.	(1) Account/ Sub-account Number	(2) Account/ Sub-account Title	(3) Depreciation Rate*		(4) Plant Balance Beg. of Year	(5) Total Plant Added	(6) Total Plant Retired	(7) Adjustments or Transfers	(8) Plant Balance End of Year	(9) 13-Month Average
		Corporate Common Plant								
1	3010	Organization			5,966				5,966	5,966
2	3890	Land and Land Rights			94,111				94,111	94,111
3	3900	Structures & Improvements		6.67%	5,101,921				5,101,921	5,101,921
4	3901	Leasehold Improvements		6.67%	421,492				421,492	421,492
5	3910	Office Furn & Equipment		10.00%	1,041,989		(31,315)		1,010,674	1,033,828
6	3911	Computer and Periphery		20.00%	3,511,384	180,423	(1,006,560)		2,685,246	3,048,199
7	3912	Computer Hardware		20.00%	876,026	803,928			1,679,954	1,112,428
8	3913	Furniture and Fixtures		10.00%	133,969				133,969	133,969
9	3914	System Software		33.33%	3,035,726	1,433,645	(622,448)		3,846,924	2,889,550
10	3920	Transportation Equipment		20.00%	1,238,442		(54,882)		1,183,559	1,234,220
11	3970	Communication Equipment		10.00%	838,700		(11,831)		826,869	829,748
12		Total Corporate Common			16,299,725	2,417,996	(1,727,036)	-	16,990,685	15,905,433
13			Allocation	Deprec.						
14		Corporate Common Plant Allocated	Rate	Rate						
15	3010	Organization	7.88%		470	-	-	-	470	470
16	3890	Land and Land Rights	7.88%		7,416	-	-	-	7,416	7,416
17	3900	Structures & Improvements	7.88%	6.67%	402,036	-	-	-	402,036	402,036
18	3901	Leasehold Improvements	7.88%	6.67%	33,214	-	-	-	33,214	33,214
19	3910	Office Furn & Equipment	7.88%	10.00%	82,110	-	(2,468)	-	79,642	81,467
20	3911	Computer and Periphery	7.88%	20.00%	276,700	14,217	(79,318)	-	211,600	240,201
21	3912	Computer Hardware	7.88%	20.00%	69,032	63,350	-	-	132,382	87,660
22	3913	Furniture and Fixtures	7.88%	10.00%	10,557	-	-	-	10,557	10,557
23	3914	System Software	7.88%	33.33%	239,218	112,973	(49,049)	-	303,141	227,699
24	3920	Transportation Equipment	7.88%	20.00%	97,590	-	(4,325)	-	93,266	97,258
25	3970	Communication Equipment	7.88%	10.00%	66,090	-	(932)	-	65,158	65,385
26		Total Corporate Common Allocated			1,284,434	190,540	(136,092)	-	1,338,882	1,253,364
27										
28										
29		Total Plant With Common			169,307,270	9,061,642	(860,493)	(0)	177,508,418	173,416,169
30										

31 Note: Electric Depreciation and amortization rates per Docket No. 20230079-EI.
32 Florida Common Plant Depreciation rates per Docket No. 20220067-GU, Order No. PSC-2023-0103-FOF-GU.

Supporting Schedules: B-3 (2023), B-8 (2023) Recap Schedules:B-1 (2023), B-3 (2023)

J44

FPSC EXH NO. 4

ADMITTED

J45

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: Florida Public Utilities Company
Consolidated Electric Division
DOCKET NO.: 20240099-EI

Provide the depreciation rate and plant balances for each account or sub-account to which a separate depreciation rate is prescribed. (Include Amortization/Recovery schedule amounts) *

Type of Data Shown:
_____ Projected Test Year Ended 12/31/25
__X__ Prior Year Ended 12/31/24
_____ Historical Test Year Ended 12/31/23
Witness: Haffecke, Galtman

Line No.	(1) Account/ Sub-account Number	(2) Account/ Sub-account Title	(3) Depreciation Rate*	(4) Plant Balance Beg. of Year	(5) Total Plant Added	(6) Total Plant Retired	(7) Adjustments or Transfers	(8) Plant Balance End of Year	(9) 13-Month Average
1	3031	Intangible Plant	6.67%	960,644				960,644	960,644
2	3032	Intangible Plant	5.00%	-	5,006,727			5,006,727	1,925,664
3		Transmission Plant							
4	3502	Rights of way	1.30%	17,629				17,629	17,629
5	352E	Structures & Improvements	1.40%	1,950,167				1,950,167	1,950,167
6	353E	Station Equipment	1.90%	9,548,212	1,990,921	(292,000)		11,247,133	10,520,002
7	354E	Towers & Fixtures	1.00%	224,802				224,802	224,802
8	355C	Poles & Fixtures - Concrete	2.00%	3,904,731				3,904,731	3,904,731
9	355S	Poles and Fixtures SPP	2.00%	-	1,333,967	(106,440)	112,074	1,339,601	356,855
10	355W	Poles & Fixtures - Wood	3.00%	2,974,500	960		(112,074)	2,863,386	2,906,336
11	356E	Overhead Conductors & Devices	2.10%	4,253,455	50,000	(6,400)		4,297,055	4,255,085
12	359E	Roads & Trails	0.20%	6,788				6,788	6,788
13		Total Transmission Plant		22,880,283	3,375,848	(404,840)	-	25,851,291	24,142,395
14									
15		Distribution Plant							
16									
17	3601	Land Rights	1.10%	56,995				56,995	56,995
18	361E	Structures & Improvements	1.50%	445,820				445,820	445,820
19	362E	Station Equipment	1.70%	13,512,470	1,546,577	(150,000)		14,909,047	13,685,745
20	364E	Poles, Towers & Fixtures	2.90%	27,847,676	668,339	(111,320)		28,404,695	28,099,764
21	364S	Poles, Towers & Fixtures SPP	2.90%	1,916,266	6,499,306	(500,931)		7,914,641	3,463,026
22	365E	Overhead Conductors & Devices	2.10%	22,080,981	547,037	(103,426)		22,524,593	22,236,292
23	365S	Overhead Conductors & Devices	2.10%	-	9,378,679	(748,344)		8,630,334	2,024,035
24	366E	Underground Conduits	1.50%	7,815,798	498,096	(46,757)		8,267,137	7,850,646
25	366S	Underground Conduits	1.50%	-	818,167	(65,283)		752,883	176,570
26	367E	Underground Conductors & Devices	2.00%	10,056,860	1,388,841	(95,717)		11,349,985	10,133,129
27	368B	Line Transformers-Buried/Duct	2.30%	12,861,734	3,090,696	(231,938)		15,720,493	14,031,431
28	368H	Line Transformers-Overhead	2.30%	13,841,219	658,201	(85,028)		14,414,391	14,190,770
29	369B	Services-Buried	2.10%	6,831,744	456,917	(259,085)		7,029,576	6,847,951
30	369H	Services-Overhead	2.10%	7,882,850	290,950	(66,249)		8,107,552	8,000,146
31	370E	Meters	3.80%	6,242,470	482,678	(99,966)		6,625,182	6,358,446
32	371A	Install on Customer Premises-Above Groun	2.90%	2,521,589	144,254	(8,868)		2,656,975	2,629,880
33	371B	Install on Customer Premises-Underground	2.90%	1,460,283	51,294	(2,625)		1,508,952	1,499,925
34	373A	St Lighting & Signal Sys-Above Ground	2.90%	2,258,702	241,579	(37,974)		2,462,307	2,353,824
35	373B	St Lighting & Signal Sys-Underground	2.90%	715,562	145,251	(14,237)		846,576	759,501
36		Total Distribution Plant		138,349,020	26,906,862	(2,627,747)	-	162,628,135	144,843,895
37									

Supporting Schedules: B-3 (2024), B-8 (2024) Recap Schedules:B-1 (2024), B-3 (2024)

PLANT BALANCES BY ACCOUNT AND SUB-ACCOUNT

FLORIDA PUBLIC SERVICE COMMISSION

Provide the depreciation rate and plant balances for each account or sub-account to which a separate depreciation rate is prescribed. (Include Amortization/Recovery schedule amounts) *

Type of Data Shown:
_____ Projected Test Year Ended 12/31/25
__X__ Prior Year Ended 12/31/24
_____ Historical Test Year Ended 12/31/23
Witness: Haffecke, Galtman

COMPANY: Florida Public Utilities Company
Consolidated Electric Division
DOCKET NO.: 20240099-EI

Line No.	(1) Account/ Sub-account Number	(2) Account/ Sub-account Title	(3) Depreciation Rate*	(4) Plant Balance Beg. of Year	(5) Total Plant Added	(6) Total Plant Retired	(7) Adjustments or Transfers	(8) Plant Balance End of Year	(9) 13-Month Average
1		General Plant							
2									
3	3900	Structures & Improvements	1.60%	4,315,216				4,315,216	4,315,216
4	3910	Office Furniture & Equipment	Amortized 7	196,450	11,119			207,570	205,004
5	3911	Computer & Periph	Amortized 5	4,171				4,171	4,171
6	3912	Computer Hardware	Amortized 5	9,049		(9,049)		-	696
7	3913	Furniture & Fixtures	Amortized 7	-				-	-
8	3914	System Software	Amortized 10	(61,492)	25,964			(35,527)	(39,522)
9	3930	Stores Equipment	Amortized 7	-				-	-
10	3940	Tools, Shop & Garage Equipment	Amortized 7	131,775	4,147	(22,147)		113,775	114,522
11	3950	Laboratory Equipment	Amortized 7	-				-	-
12	3960	Power Operated Equipment	4.10%	898,523				898,523	898,523
13	3970	Communication Equipment	Amortized 5	21,245	500,000			521,245	59,707
14	3980	Miscellaneous Equipment	Amortized 7	405,384	603,946			1,009,331	664,727
15	3990	Tangible Plant	Amortized 5	10,000				10,000	10,000
16		Total General Plant		5,930,323	1,145,177	(31,197)	-	7,044,304	6,233,043
17		Transportation Equipment							
18	3921	Transportation Equip-Cars	7.70%	87,863				87,863	87,863
19	3922	Transportation Equip-Light Duty Trucks/Van	8.00%	1,023,046	580,211	(61,726)		1,541,530	1,329,223
20	3923	Transportation Equip-Heavy Duty Trucks/Bc	3.30%	3,983,147	39,050	(165,413)		3,856,785	3,873,579
21	3924	Transportation Equip-Trailers	3.00%	380,361				380,361	380,361
22		Total Transportation Equipment		5,474,416	619,261	(227,139)	-	5,866,539	5,671,025
23		Total Depreciable Plant Balance		173,594,687	37,053,875	(3,290,923)	-	207,357,640	183,776,666
24		Non-Depreciable Property							
25	3501	Land		-				-	-
26	3600	Land		333,577				333,577	333,577
27	3890	Land & Land Rights		864,155				864,155	864,155
28		Total Non-Depreciable Property		1,197,733	-	-	-	1,197,733	1,197,733
29		Total Plant Balance		174,792,419	37,053,875	(3,290,923)	-	208,555,372	184,974,398
30		Customer Advances for Construction		744,029	(441,111)			302,918	367,231
31		Total Plant w/o Common		174,048,390	37,494,987	(3,290,923)	-	208,252,455	184,607,167

Supporting Schedules: B-3 (2024), B-8 (2024)

Recap Schedules:B-1 (2024), B-3 (2024)

Schedule B-7 (2024) PLANT BALANCES BY ACCOUNT AND SUB-ACCOUNT

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: Florida Public Utilities Company
Consolidated Electric Division
DOCKET NO.: 20240099-EI

Provide the depreciation rate and plant balances for each account or sub-account to which a separate depreciation rate is prescribed. (Include Amortization/Recovery schedule amounts) *

Type of Data Shown:
_____ Projected Test Year Ended 12/31/25
__X__ Prior Year Ended 12/31/24
_____ Historical Test Year Ended 12/31/23
Witness: Haffecke, Galtman

Line No.	(1) Account/ Sub-account Number	(2) Account/ Sub-account Title		(3) Depreciation Rate*	(4) Plant Balance Beg. of Year	(5) Total Plant Added	(6) Total Plant Retired	(7) Adjustments or Transfers	(8) Plant Balance End of Year	(9) 13-Month Average
1		Florida Common Plant								
2										
3	3030	Misc. Intangible Plant			-				-	-
4	3890	Land			596,858	-		(596,858)	-	550,946
5	3900	Structures and Improvements		2.30%	7,710,125	28,911		(7,608,298)	130,738	7,151,558
6	3910	Office machines		7.10%	87,837			(56,239)	31,598	83,511
7	3912	EDP Equipment		10.00%	85,741	-		-	85,741	85,741
8	3913	Office Furniture and Equipment		5.00%	469,104	-		(468,866)	238	433,038
9	3914	Software		10.00%	932,208	-		-	932,208	932,208
10	3921	Transportation Equipment-Cars		5.70%	67,782	33,768		-	101,549	93,757
11	3922	Transportation Equipment-Light Trucks		5.60%	539,773		(35,970)	-	503,803	506,570
12	3970	Communication Equipment		7.70%	648,524	-		(640,741)	7,784	599,237
13	3980	Miscellaneous Equipment		5.90%	39,751	-		-	39,751	39,751
14	3990	Miscellaneous Tangible Assets		20.00%	-	-		-	-	-
15		Total Common Plant			11,177,703	62,679	(35,970)	(9,371,003)	1,833,409	10,476,316
16										
17			Alloc.	Deprec.						
23		Florida Common Plant Allocated	Rate	Rate						
24	3030	Misc. Intangible Plant	15.40%		-	-	-	-	-	-
25	3890	Land	15.40%		91,916	-	-	(91,916)	-	84,846
26	3900	Structures and Improvements	15.40%	2.30%	1,187,359	4,452	-	(1,171,678)	20,134	1,101,340
27	3910	Office machines	15.40%	7.10%	13,527	-	-	(8,661)	4,866	12,861
28	3912	EDP Equipment	15.40%	10.00%	13,204	-	-	-	13,204	13,204
29	3913	Office Furniture and Equipment	15.40%	5.00%	72,242	-	-	(72,205)	37	66,688
30	3914	Software	15.40%	10.00%	143,560	-	-	-	143,560	143,560
31	3921	Transportation Equipment-Cars	15.40%	5.70%	10,438	5,200	-	-	15,639	14,439
32	3922	Transportation Equipment-Light Trucks	15.40%	5.60%	83,125	-	(5,539)	-	77,586	78,012
33	3970	Communication Equipment	15.40%	7.70%	99,873	-	-	(98,674)	1,199	92,282
34	3980	Miscellaneous Equipment	15.40%	5.90%	6,122	-	-	-	6,122	6,122
35	3990	Miscellaneous Tangible Assets	15.40%	20.00%	-	-	-	-	-	-
36		Total Allocated Florida Common Plant			1,721,366	9,653	(5,539)	(1,443,134)	282,345	1,613,353

Supporting Schedules: B-3 (2024), B-8 (2024) Recap Schedules:B-1 (2024), B-3 (2024)

FPSC EXH NO. 4
ADMITTED

J48

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: Florida Public Utilities Company
Consolidated Electric Division
DOCKET NO.: 20240099-EI

Provide the depreciation rate and plant balances for each account or sub-account to which a separate depreciation rate is prescribed. (Include Amortization/Recovery schedule amounts) *

Type of Data Shown:
_____ Projected Test Year Ended 12/31/25
__X__ Prior Year Ended 12/31/24
_____ Historical Test Year Ended 12/31/23
Witness: Haffecke, Galtman

Line No.	(1) Account/ Sub-account Number	(2) Account/ Sub-account Title	(3) Depreciation Rate*		(4) Plant Balance Beg. of Year	(5) Total Plant Added	(6) Total Plant Retired	(7) Adjustments or Transfers	(8) Plant Balance End of Year	(9) 13-Month Average
		Corporate Common Plant								
1	3010	Organization			5,966				5,966	5,966
2	3890	Land and Land Rights			94,111			596,858	690,969	140,023
3	3900	Structures & Improvements	6.67%		5,101,921	28,911		7,608,298	12,739,131	5,713,862
4	3901	Leasehold Improvements	6.67%		421,492	-		-	421,492	421,492
5	3910	Office Furn & Equipment	10.00%		1,010,674	-		56,239	1,066,913	1,015,000
6	3911	Computer and Periphery	20.00%		2,685,246	282,712	(38,873)	-	2,929,085	2,751,520
7	3912	Computer Hardware	20.00%		1,679,954	428,455		-	2,108,409	1,972,619
8	3913	Furniture and Fixtures	10.00%		133,969	400,000		468,866	1,002,836	200,805
9	3914	System Software	33.33%		3,846,924	1,165,154		-	5,012,078	4,857,924
10	3920	Transportation Equipment	20.00%		1,183,559	310,000	(44,784)	-	1,448,776	1,277,605
11	3970	Communication Equipment	10.00%		826,869			640,741	1,467,610	876,157
12		Total Corporate Common			16,990,685	2,615,232	(83,657)	9,371,003	28,893,263	19,232,973
13			Allocation	Deprec.						
14		Corporate Common Plant Allocated	Rate	Rate						
15	3010	Organization	5.50%		328	-	-	-	328	328
16	3890	Land and Land Rights	5.50%		5,176	-	-	32,827	38,003	7,701
17	3900	Structures & Improvements	5.50%	6.67%	280,606	1,590	-	418,456	700,652	314,262
18	3901	Leasehold Improvements	5.50%	6.67%	23,182	-	-	-	23,182	23,182
19	3910	Office Furn & Equipment	5.50%	10.00%	55,587	-	-	3,093	58,680	55,825
20	3911	Computer and Periphery	5.50%	20.00%	147,689	15,549	(2,138)	-	161,100	151,334
21	3912	Computer Hardware	5.50%	20.00%	92,397	23,565	-	-	115,962	108,494
22	3913	Furniture and Fixtures	5.50%	10.00%	7,368	22,000	-	25,788	55,156	11,044
23	3914	System Software	5.50%	33.33%	211,581	64,083	-	-	275,664	267,186
24	3920	Transportation Equipment	5.50%	20.00%	65,096	17,050	(2,463)	-	79,683	70,268
25	3970	Communication Equipment	5.50%	10.00%	45,478	-	-	35,241	80,719	48,189
26		Total Corporate Common Allocated			934,488	143,838	(4,601)	515,405	1,589,129	1,057,814
27										
28										
29		Total Plant With Common			176,704,244	37,648,477	(3,301,063)	(927,729)	210,123,929	187,278,333
30										

31 Note: Electric Depreciation and amortization rates per Docket No. 20230079-EI.
32 Florida Common Plant Depreciation rates per Docket No. 20220067-GU, Order No. PSC-2023-0103-FOF-GU.

Supporting Schedules: B-3 (2024), B-8 (2024) Recap Schedules:B-1 (2024), B-3 (2024)

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: Florida Public Utilities Company
Consolidated Electric Division
DOCKET NO.: 20240099-EI

Provide the depreciation rate and plant balances for each account or sub-account to which a separate depreciation rate is prescribed. (Include Amortization/Recovery schedule amounts) *

Type of Data Shown:
__x__ Projected Test Year Ended 12/31/25
_____ Prior Year Ended 12/31/24
_____ Historical Test Year Ended 12/31/23
Witness: Haffecke, Galtman

Line No.	(1) Account/ Sub-account Number	(2) Account/ Sub-account Title	(3) Depreciation Rate*	(4) Plant Balance Beg. of Year	(5) Total Plant Added	(6) Total Plant Retired	(7) Adjustments or Transfers	(8) Plant Balance End of Year	(9) 13-Month Average
1	3031	Intangible Plant	6.67%	960,644				960,644	960,644
2	3032	Intangible Plant CIS	5.00%	5,006,727	1,905,896			6,912,623	6,766,016
3		Transmission Plant							
4	3502	Rights of way	1.30%	17,629				17,629	17,629
5	352E	Structures & Improvements	1.40%	1,950,167				1,950,167	1,950,167
6	353E	Station Equipment	1.90%	11,247,133	3,700,000	(305,200)		14,641,933	11,927,779
7	354E	Towers & Fixtures	1.00%	224,802				224,802	224,802
8	355C	Poles & Fixtures - Concrete	2.00%	3,904,731				3,904,731	3,904,731
9	355S	Poles & Fixtures -SPP	2.00%	1,339,601	2,130,799	(363,804)		3,106,596	2,121,968
10	355W	Poles & Fixtures - Wood	3.00%	2,863,386				2,863,386	2,863,386
11	356E	Overhead Conductors & Devices	2.10%	4,297,055	50,000	(9,600)		4,337,455	4,296,101
12	359E	Roads & Trails	0.20%	6,788				6,788	6,788
13		Total Transmission Plant		25,851,291	5,880,799	(678,604)	-	31,053,487	27,313,351
14									
15		Distribution Plant							
16									
17	3601	Land Rights	1.10%	56,995				56,995	56,995
18	361E	Structures & Improvements	1.50%	445,820				445,820	445,820
19	362E	Station Equipment	1.70%	14,909,047	21,198,150	(2,309,400)		33,797,797	22,092,078
20	364E	Poles, Towers & Fixtures	2.90%	28,404,695	605,534	(51,328)		28,958,901	28,679,836
21	364S	Poles, Towers & Fixtures SPP	2.90%	7,914,641	4,891,835	(835,212)		11,971,264	9,710,781
22	365E	Overhead Conductors & Devices	2.10%	22,524,593	532,107	(48,356)		23,008,344	22,760,038
23	365S	Overhead Conductors & Devices	2.10%	8,630,334	7,337,753	(1,252,818)		14,715,269	11,324,543
24	366E	Underground Conduits	1.50%	8,267,137	775,127	(85,273)		8,956,991	8,389,517
25	366S	Underground Conduits	1.50%	752,883	645,242	(110,166)		1,287,959	989,797
26	367E	Underground Conductors & Devices	2.00%	11,349,985	1,969,443	(192,749)		13,126,678	11,617,314
27	368B	Line Transformers-Buried/Duct	2.30%	15,720,493	2,738,876	(228,379)		18,230,990	16,977,301
28	368H	Line Transformers-Overhead	2.30%	14,414,391	544,988	(42,239)		14,917,140	14,667,122
29	369B	Services-Buried	2.10%	7,029,576	386,025	(31,025)		7,384,576	7,207,476
30	369H	Services-Overhead	2.10%	8,107,552	262,501	(19,155)		8,350,898	8,230,246
31	370E	Meters	3.80%	6,625,182				6,625,182	6,625,182
32	371A	Install on Customer Premises-Above Ground	2.90%	2,656,975		-		2,656,975	2,656,975
33	371B	Install on Customer Premises-Underground	2.90%	1,508,952		-		1,508,952	1,508,952
34	373A	St Lighting & Signal Sys-Above Ground	2.90%	2,462,307	241,423	(18,744)		2,684,987	2,574,224
35	373B	St Lighting & Signal Sys-Underground	2.90%	846,576	157,088	(13,552)		990,112	918,433
36		Total Distribution Plant		162,628,135	42,286,092	(5,238,396)	-	199,675,831	177,432,631

Supporting Schedules: B-3 (2025), B-8 (2025) Recap Schedules:B-1 (2025), B-3 (2025)

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: Florida Public Utilities Company
Consolidated Electric Division
DOCKET NO.: 20240099-EI

Provide the depreciation rate and plant balances for each account or sub-account to which a separate depreciation rate is prescribed. (Include Amortization/Recovery schedule amounts) *

Type of Data Shown:
__x__ Projected Test Year Ended 12/31/25
_____ Prior Year Ended 12/31/24
_____ Historical Test Year Ended 12/31/23
Witness: Haffecke, Galtman

Line No.	(1) Account/ Sub-account Number	(2) Account/ Sub-account Title	(3) Depreciation Rate*	(4) Plant Balance Beg. of Year	(5) Total Plant Added	(6) Total Plant Retired	(7) Adjustments or Transfers	(8) Plant Balance End of Year	(9) 13-Month Average
1		General Plant							
2									
3	3900	Structures & Improvements	1.60%	4,315,216				4,315,216	4,315,216
4	3910	Office Furniture & Equipment	Amortized 7	207,570				207,570	207,570
5	3911	Computer & Periph	Amortized 5	4,171				4,171	4,171
6	3912	Computer Hardware	Amortized 5	-				-	-
7	3913	Furniture & Fixtures	Amortized 7	-				-	-
8	3914	System Software	Amortized 10	(35,527)				(35,527)	(35,527)
9	3930	Stores Equipment	Amortized 7	-				-	-
10	3940	Tools, Shop & Garage Equipment	Amortized 7	113,775				113,775	113,775
11	3950	Laboratory Equipment	Amortized 7	-				-	-
12	3960	Power Operated Equipment	4.10%	898,523				898,523	898,523
13	3970	Communication Equipment	Amortized 5	521,245	800,000			1,321,245	1,136,630
14	3980	Miscellaneous Equipment	Amortized 7	1,009,331				1,009,331	1,009,331
15	3990	Tangible Plant	Amortized 5	10,000				10,000	10,000
16		Total General Plant		7,044,304	800,000	-	-	7,844,304	7,659,688
17		Transportation Equipment							
18	3921	Transportation Equip-Cars	7.70%	87,863				87,863	87,863
19	3922	Transportation Equip-Light Duty Trucks/Vans	8.00%	1,541,530	585,000	(234,000)		1,892,530	1,811,530
20	3923	Transportation Equip-Heavy Duty Trucks/Bobta	3.30%	3,856,785	65,000	(26,000)		3,895,785	3,886,785
21	3924	Transportation Equip-Trailers	3.00%	380,361				380,361	380,361
22		Total Transportation Equipment		5,866,539	650,000	(260,000)	-	6,256,539	6,166,539
23		Total Depreciable Plant Balance		207,357,640	51,522,787	(6,177,000)	-	252,703,427	226,298,869
24		Non-Depreciable Property							
25	3501	Land		-				-	-
26	3600	Land		333,577				333,577	333,577
27	3890	Land & Land Rights		864,155				864,155	864,155
28		Total Non-Depreciable Property		1,197,733	-	-	-	1,197,733	1,197,733
29		Total Plant Balance		208,555,372	51,522,787	(6,177,000)	-	253,901,159	227,496,601
30		Customer Advances for Construction		302,918	9,101			312,019	307,918
31		Total Plant w/o Common		208,252,455	51,513,686	(6,177,000)	-	253,589,141	227,188,683

Supporting Schedules: B-3 (2025), B-8 (2025) Recap Schedules:B-1 (2025), B-3 (2025)

FPSC EXH NO. 4
ADMITTED

J51

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: Florida Public Utilities Company
Consolidated Electric Division
DOCKET NO.: 20240099-EI

Provide the depreciation rate and plant balances for each account or sub-account to which a separate depreciation rate is prescribed. (Include Amortization/Recovery schedule amounts) *

Type of Data Shown:
__x__ Projected Test Year Ended 12/31/25
_____ Prior Year Ended 12/31/24
_____ Historical Test Year Ended 12/31/23
Witness: Haffecke, Galtman

Line No.	(1) Account/ Sub-account Number	(2) Account/ Sub-account Title		(3) Depreciation Rate*	(4) Plant Balance Beg. of Year	(5) Total Plant Added	(6) Total Plant Retired	(7) Adjustments or Transfers	(8) Plant Balance End of Year	(9) 13-Month Average
1		Florida Common Plant								
2										
3	3030	Misc. Intangible Plant			-				-	-
4	3890	Land			-				-	-
5	3900	Structures and Improvements		2.30%	130,738				130,738	130,738
6	3910	Office machines		7.10%	31,598				31,598	31,598
7	3912	EDP Equipment		10.00%	85,741				85,741	85,741
8	3913	Office Furniture and Equipment		5.00%	238				238	238
9	3914	Software		10.00%	932,208				932,208	932,208
10	3921	Transportation Equipment-Cars		5.70%	101,549				101,549	101,549
11	3922	Transportation Equipment-Light Trucks		5.60%	503,803				503,803	503,803
12	3970	Communication Equipment		7.70%	7,784				7,784	7,784
13	3980	Miscellaneous Equipment		5.90%	39,751				39,751	39,751
14	3990	Miscellaneous Tangible Assets		20.00%	-				-	-
15		Total Common Plant			1,833,409	-	-	-	1,833,409	1,833,409
16										
22			Alloc.	Deprec.						
23		Florida Common Plant Allocated	Rate	Rate						
24	3030	Misc. Intangible Plant	14.70%		-	-	-	-	-	-
25	3890	Land	14.70%		-	-	-	-	-	-
26	3900	Structures and Improvements	14.70%	2.30%	19,218	-	-	-	19,218	19,218
27	3910	Office machines	14.70%	7.10%	4,645	-	-	-	4,645	4,645
28	3912	EDP Equipment	14.70%	10.00%	12,604	-	-	-	12,604	12,604
29	3913	Office Furniture and Equipment	14.70%	5.00%	35	-	-	-	35	35
30	3914	Software	14.70%	10.00%	137,035	-	-	-	137,035	137,035
31	3921	Transportation Equipment-Cars	14.70%	5.70%	14,928	-	-	-	14,928	14,928
32	3922	Transportation Equipment-Light Trucks	14.70%	5.60%	74,059	-	-	-	74,059	74,059
33	3970	Communication Equipment	14.70%	7.70%	1,144	-	-	-	1,144	1,144
34	3980	Miscellaneous Equipment	14.70%	5.90%	5,843	-	-	-	5,843	5,843
35	3990	Miscellaneous Tangible Assets	14.70%	20.00%	-	-	-	-	-	-
36		Total Allocated Florida Common Plant			269,511	-	-	-	269,511	269,511

Supporting Schedules: B-3 (2025), B-8 (2025) Recap Schedules:B-1 (2025), B-3 (2025)

J51

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: Florida Public Utilities Company
Consolidated Electric Division
DOCKET NO.: 20240099-EI

Provide the depreciation rate and plant balances for each account or sub-account to which a separate depreciation rate is prescribed. (Include Amortization/Recovery schedule amounts) *

Type of Data Shown:
__x__ Projected Test Year Ended 12/31/25
_____ Prior Year Ended 12/31/24
_____ Historical Test Year Ended 12/31/23
Witness: Haffecke, Galtman

Line No.	(1) Account/ Sub-account Number	(2) Account/ Sub-account Title	(3) Depreciation Rate*		(4) Plant Balance Beg. of Year	(5) Total Plant Added	(6) Total Plant Retired	(7) Adjustments or Transfers	(8) Plant Balance End of Year	(9) 13-Month Average
		Corporate Common Plant								
1	3010	Organization			5,966				5,966	5,966
2	3890	Land and Land Rights			690,969				690,969	690,969
3	3900	Structures & Improvements	6.67%		12,739,131				12,739,131	12,739,131
4	3901	Leasehold Improvements	6.67%		421,492				421,492	421,492
5	3910	Office Furn & Equipment	10.00%		1,066,913				1,066,913	1,066,913
6	3911	Computer and Periphery	20.00%		2,929,085	424,068			3,353,153	3,141,119
7	3912	Computer Hardware	20.00%		2,108,409	1,112,788			3,221,197	2,692,213
8	3913	Furniture and Fixtures	10.00%		1,002,836	-			1,002,836	1,002,836
9	3914	System Software	33.33%		5,012,078	175,000			5,187,078	5,106,309
10	3920	Transportation Equipment	20.00%		1,448,776	120,000			1,568,776	1,513,391
11	3970	Communication Equipment	10.00%		1,467,610				1,467,610	1,467,610
12		Total Corporate Common			28,893,263	1,831,856	-	-	30,725,119	29,847,948
13			Allocation	Deprec.						
14		Corporate Common Plant Allocated	Rate	Rate						
15	3010	Organization	5.00%		298	-	-	-	298	298
16	3890	Land and Land Rights	5.00%		34,548	-	-	-	34,548	34,548
17	3900	Structures & Improvements	5.00%	6.67%	636,957	-	-	-	636,957	636,957
18	3901	Leasehold Improvements	5.00%	6.67%	21,075	-	-	-	21,075	21,075
19	3910	Office Furn & Equipment	5.00%	10.00%	53,346	-	-	-	53,346	53,346
20	3911	Computer and Periphery	5.00%	20.00%	146,454	21,203	-	-	167,658	157,056
21	3912	Computer Hardware	5.00%	20.00%	105,420	55,639	-	-	161,060	134,611
22	3913	Furniture and Fixtures	5.00%	10.00%	50,142	-	-	-	50,142	50,142
23	3914	System Software	5.00%	33.33%	250,604	8,750	-	-	259,354	255,315
24	3920	Transportation Equipment	5.00%	20.00%	72,439	6,000	-	-	78,439	75,670
25	3970	Communication Equipment	5.00%	10.00%	73,380	-	-	-	73,380	73,380
26		Total Corporate Common Allocated			1,444,663	91,593	-	-	1,536,256	1,492,397
27										
28										
29		Total Plant With Common			209,966,629	51,605,279	(6,177,000)	-	255,394,908	228,950,592

30 Note: Electric Depreciation and amortization rates per Docket No. 20230079-EI.
31 Florida Common Plant Depreciation rates per Docket No. 20220067-GU, Order No. PSC-2023-0103-FOF-GU

Supporting Schedules: B-3 (2025), B-8 (2025) Recap Schedules:B-1 (2025), B-3 (2025)

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: Florida Public Utilities Company
Consolidated Electric Division
DOCKET NO.: 20240099-EI

EXPLANATION: Provide the monthly plant balances for each account or sub-account to which an individual depreciation rate is applied. These balances should be the ones used to compute the monthly depreciation expenses excluding any amortization/recovery schedules.

Type of Data Shown:
_____ Projected Test Year Ended 12/31/25
_____ Prior Year Ended 12/31/24
__X__ Historical Test Year Ended 12/31/23
Witness: Galtman

Line No.	Account Sub-account Number	Account Sub-account Title	Dec 2022	Jan 2023	Feb 2023	Mar 2023	Apr 2023	May 2023	Jun 2023	Jul 2023	Aug 2023	Sep 2023	Oct 2023	Nov 2023	Dec 2023	13-Month Average
1	3031	Intangible Plant													960,644	73,896
2		Transmission Plant														
3																
4	3501	Land Rights	17,629	17,629	17,629	17,629	17,629	17,629	17,629	17,629	17,629	17,629	17,629	17,629	17,629	17,629
5	352E	Structures & Improvements	1,943,149	1,943,149	1,943,149	1,943,149	1,943,149	1,950,167	1,950,167	1,950,167	1,950,167	1,950,167	1,950,167	1,950,167	1,950,167	1,947,468
6	353E	Station Equipment	9,542,207	9,542,207	9,542,207	9,542,207	9,542,207	9,542,207	9,542,207	9,548,212	9,548,212	9,548,212	9,548,212	9,548,212	9,548,212	9,544,979
7	354E	Towers & Fixtures	224,802	224,802	224,802	224,802	224,802	224,802	224,802	224,802	224,802	224,802	224,802	224,802	224,802	224,802
8	355C	Poles & Fixtures - Concrete	3,904,731	3,904,731	3,904,731	3,904,731	3,904,731	3,904,731	3,904,731	3,904,731	3,904,731	3,904,731	3,904,731	3,904,731	3,904,731	3,904,731
9	355S	Poles & Fixtures SPP														-
10	355W	Poles & Fixtures - Wood	2,844,272	2,846,524	2,849,348	2,877,877	2,893,068	2,959,990	2,963,699	2,978,700	2,975,951	2,975,951	2,975,662	2,974,888	2,974,500	2,930,033
11	356E	Overhead Conductors & Devices	3,737,267	3,741,594	4,223,530	4,214,298	4,214,298	4,228,863	4,228,863	4,228,863	4,253,462	4,253,462	4,253,462	4,253,462	4,253,455	4,160,375
12	359E	Roads & Trails	6,788	6,788	6,788	6,788	6,788	6,788	6,788	6,788	6,788	6,788	6,788	6,788	6,788	6,788
13		Total Transmission Plant	22,220,845	22,227,425	22,712,184	22,731,482	22,746,673	22,835,177	22,838,886	22,859,891	22,881,742	22,881,742	22,881,452	22,880,679	22,880,283	22,736,805
14																
15		Distribution Plant														
16																
17	3601	Land Rights	56,995	56,995	56,995	56,995	56,995	56,995	56,995	56,995	56,995	56,995	56,995	56,995	56,995	56,995
18	361E	Structures & Improvements	442,062	442,062	442,062	442,062	442,062	442,062	445,820	445,820	445,820	445,820	445,820	445,820	445,820	444,085
19	362E	Station Equipment	13,323,125	13,323,125	13,333,265	13,333,265	13,333,265	13,333,265	13,333,265	13,482,347	13,512,470	13,512,470	13,512,470	13,512,470	13,512,470	13,412,098
20	364E	Poles, Towers & Fixtures	27,411,695	27,406,783	27,466,291	27,692,766	27,866,961	28,126,754	28,497,316	28,881,909	29,097,309	29,324,108	27,764,736	27,862,593	27,847,676	28,095,915
21	364S	Poles, Towers & Fixtures SPP	-	-	-	-	-	-	-	-	-	-	1,916,266	1,916,266	1,916,266	442,215
22	365E	Overhead Conductors & Devices	21,580,862	21,607,761	21,646,698	21,665,516	21,678,085	21,711,244	21,736,503	21,770,315	21,787,935	21,814,394	21,823,640	21,884,160	22,080,981	21,752,930
23	365S	Overhead Conductors & Devices														-
23	366E	Underground Conduits	7,670,439	7,698,921	7,718,290	7,729,840	7,747,648	7,795,433	7,801,544	7,806,476	7,805,571	7,812,525	7,817,811	7,824,908	7,815,798	7,772,708
24	366S	Underground Conduits														-
24	367E	Underground Conductors & Devices	9,899,119	9,932,503	9,956,319	9,992,679	10,017,167	10,025,384	10,053,941	10,058,521	10,059,007	10,061,265	10,054,201	10,075,590	10,056,860	10,018,658
25	368B	Line Transformers-Buried/Duct	11,831,377	11,869,714	11,979,690	11,971,889	12,062,162	12,154,269	12,262,988	12,331,974	12,357,285	12,518,269	12,626,237	12,868,677	12,861,734	12,284,328
26	368H	Line Transformers-Overhead	13,329,933	13,339,839	13,374,084	13,408,750	13,452,486	13,458,600	13,489,320	13,590,351	13,659,909	13,669,292	13,764,188	13,839,478	13,841,219	13,555,188
27	369B	Services-Buried	6,450,675	6,455,249	6,462,825	6,519,909	6,541,985	6,616,272	6,634,237	6,701,299	6,714,484	6,746,319	6,783,313	6,849,951	6,831,744	6,639,097
28	369H	Services-Overhead	7,705,796	7,708,299	7,707,646	7,724,717	7,738,263	7,750,785	7,762,123	7,774,014	7,789,778	7,810,176	7,827,963	7,868,637	7,882,850	7,773,157
29	370E	Meters	5,833,653	5,878,033	5,906,018	5,899,257	5,899,749	6,058,026	6,104,862	6,135,744	6,140,505	6,160,321	6,210,156	6,232,448	6,242,470	6,053,942
30	371A	Install on Customer Premises-Above Ground	2,375,163	2,381,660	2,390,557	2,410,650	2,420,621	2,419,817	2,432,732	2,441,137	2,452,651	2,478,427	2,492,194	2,529,323	2,521,589	2,442,040
31	371B	Install on Customer Premises-Underground	1,355,560	1,356,467	1,360,213	1,376,967	1,384,912	1,406,827	1,418,557	1,424,462	1,429,943	1,440,670	1,453,234	1,457,694	1,460,283	1,409,676
32	373A	St Lighting & Signal Sys-Above Ground	2,180,997	2,181,332	2,181,647	2,192,229	2,196,035	2,207,861	2,211,074	2,213,542	2,216,981	2,223,934	2,237,926	2,262,028	2,258,702	2,212,637
33	373B	St Lighting & Signal Sys-Underground	709,471	707,728	707,728	707,728	711,328	711,741	712,412	713,841	713,841	713,517	713,517	716,219	715,562	711,895
34		Total Distribution Plant	132,156,922	132,346,471	132,690,326	133,125,220	133,549,725	134,275,335	134,953,690	135,828,746	136,240,484	136,788,503	137,500,669	138,203,257	138,349,020	135,077,567
35																
36		General Plant														
37																
38	3900	Structures & Improvements	4,033,316	4,238,114	4,249,024	4,268,160	4,268,160	4,291,252	4,287,495	4,295,741	4,311,402	4,315,216	4,315,216	4,315,216	4,315,216	4,269,502
39	3910	Office Furniture & Equipment	172,392	172,392	172,392	172,392	172,392	172,392	177,994	177,994	177,994	196,450	196,450	196,450	196,450	181,087
40	3911	Computer & Periph	4,171	4,171	4,171	4,171	4,171	4,171	4,171	4,171	4,171	4,171	4,171	4,171	4,171	4,171
40	3912	Computer Hardware	9,049	9,049	9,049	9,049	9,049	9,049	9,049	9,049	9,049	9,049	9,049	9,049	9,049	9,049
41	3913	Furniture & Fixtures	-	-	-	-	-	-	-	-	-	-	-	-	-	-
42	3914	System Software	973,675	899,152	899,152	899,152	899,152	899,152	899,152	899,152	899,152	899,152	899,152	899,152	(61,492)	830,989
43	3930	Stores Equipment	-	-	-	-	-	-	-	-	-	-	-	-	-	-
44	3940	Tools, Shop & Garage Equipment	119,848	95,189	102,205	102,205	103,422	117,510	124,809	124,809	127,161	129,187	131,775	131,775	131,775	118,590
45	3950	Laboratory Equipment	-	-	-	-	-	-	-	-	-	-	-	-	-	-
46	3960	Power Operated Equipment	898,523	898,523	898,523	898,523	898,523	898,523	898,523	898,523	898,523	898,523	898,523	898,523	898,523	898,523
47	3973	Communication Equipment	21,245	21,245	21,245	21,245	21,245	21,245	21,245	21,245	21,245	21,245	21,245	21,245	21,245	21,245
48	3980	Miscellaneous Equipment	117,609	117,609	117,609	117,609	121,730	121,730	123,323	123,323	138,498	140,163	140,163	144,482	405,384	148,403
49	3990	Other Tangible Plant	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
50																-
51																-
52																-
53		Total General Plant	6,359,827	6,465,445	6,483,370	6,502,507	6,507,844	6,545,025	6,555,761	6,564,008	6,597,195	6,623,158	6,625,746	6,630,065	5,930,323	6,491,559
54																

Supporting Schedules: Recap Schedules: B-1 (2023) B-3 (2023), B-6 (2023)

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: Florida Public Utilities Company
Consolidated Electric Division
DOCKET NO.: 20240099-EI

EXPLANATION: Provide the monthly plant balances for each account or sub-account to which an individual depreciation rate is applied. These balances should be the ones used to compute the monthly depreciation expenses excluding any amortization/recovery schedules.

Type of Data Shown:
_____ Projected Test Year Ended 12/31/25
_____ Prior Year Ended 12/31/24
__X__ Historical Test Year Ended 12/31/23
Witness: Galtman

Line No.	Account Sub-account Number	Account Sub-account Title	Allocation Rate	Dec 2022	Jan 2023	Feb 2023	Mar 2023	Apr 2023	May 2023	Jun 2023	Jul 2023	Aug 2023	Sep 2023	Oct 2023	Nov 2023	Dec 2023	13-Month Average
1		Transportation Equipment															
2																	
3	3921	Transportation Equip-Cars		87,863	87,863	87,863	87,863	87,863	87,863	87,863	87,863	87,863	87,863	87,863	87,863	87,863	87,863
4	3922	Transportation Equip-Light Duty Trucks/Vans		773,660	773,660	920,882	920,882	920,882	920,882	1,010,383	1,010,417	1,081,343	1,081,215	1,084,943	1,001,007	1,023,046	963,323
5	3923	Transportation Equip-Heavy Duty Trucks/Bobtails		3,734,562	3,761,260	4,008,885	4,008,885	4,008,885	4,008,885	4,008,885	4,008,896	4,284,644	4,285,125	4,285,125	3,983,147	3,983,147	4,028,487
6	3924	Transportation Equip-Trailers		380,361	380,361	380,361	380,361	380,361	380,361	380,361	380,361	380,361	380,361	380,361	380,361	380,361	380,361
7		Total Transportation Equipment		4,976,447	5,003,144	5,397,991	5,397,991	5,397,991	5,397,991	5,487,493	5,487,537	5,834,211	5,834,564	5,838,293	5,452,378	5,474,416	5,460,034
8		Total Depreciable Plant Balance		165,714,041	166,042,484	167,283,872	167,757,199	168,202,232	169,053,528	169,835,830	170,740,182	171,553,632	172,127,966	172,846,159	173,166,378	173,594,687	169,839,861
9																	
10		Non-Depreciable Property															
11																	
12	3501	Land															-
13	3600	Land		333,577	333,577	333,577	333,577	333,577	333,577	333,577	333,577	333,577	333,577	333,577	333,577	333,577	333,577
14	3890	Land & Land Rights		864,155	864,155	864,155	864,155	864,155	864,155	864,155	864,155	864,155	864,155	864,155	864,155	864,155	864,155
15		Total Non-Depreciable Property		1,197,733	1,197,733	1,197,733	1,197,733	1,197,733	1,197,733	1,197,733	1,197,733	1,197,733	1,197,733	1,197,733	1,197,733	1,197,733	1,197,733
16		Total Plant Balance		166,911,774	167,240,217	168,481,604	168,954,932	169,399,965	170,251,260	171,033,563	171,937,915	172,751,365	173,325,699	174,043,892	174,364,111	174,792,419	171,037,593
17		Customer Advances for Construction		1,011,342	1,007,579	1,001,779	1,018,732	1,028,058	1,028,058	1,028,058	1,028,058	1,024,191	1,024,191	1,009,456	1,000,989	744,029	996,502
18		Total Plant w/o Common		165,900,432	166,232,638	167,479,825	167,936,200	168,371,907	169,223,202	170,005,505	170,909,857	171,727,174	172,301,508	173,034,436	173,363,122	174,048,390	170,041,092
19																	
20																	
21		Florida Common Plant															
22	3030	Misc. Intangible Plant															
23	3890	Land		596,858	596,858	596,858	596,858	596,858	596,858	596,858	596,858	596,858	596,858	596,858	596,858	596,858	596,858
24	3900	Structures and Improvements		7,710,125	7,710,125	7,710,125	7,710,125	7,710,125	7,710,125	7,710,125	7,710,125	7,710,125	7,710,125	7,710,125	7,710,125	7,710,125	7,710,125
25	3910	Office machines		87,837	87,837	87,837	87,837	87,837	87,837	87,837	87,837	87,837	87,837	87,837	87,837	87,837	87,837
26	3912	EDP Equipment		85,741	85,741	85,741	85,741	85,741	85,741	85,741	85,741	85,741	85,741	85,741	85,741	85,741	85,741
27	3913	Office Furniture and Equipment		469,104	469,104	469,104	469,104	469,104	469,104	469,104	469,104	469,104	469,104	469,104	469,104	469,104	469,104
28	3914	Software		932,208	932,208	932,208	932,208	932,208	932,208	932,208	932,208	932,208	932,208	932,208	932,208	932,208	932,208
29	3921	Transportation Equipment-Cars		67,782	67,782	67,782	67,782	67,782	67,782	67,782	67,782	67,782	67,782	67,782	67,782	67,782	67,782
30	3922	Transportation Equipment-Light Trucks		539,773	539,773	539,773	539,773	539,773	539,773	539,773	539,773	539,773	539,773	539,773	539,773	539,773	539,773
31	3970	Communication Equipment		648,524	648,524	648,524	648,524	648,524	648,524	648,524	648,524	648,524	648,524	648,524	648,524	648,524	648,524
32	3980	Miscellaneous Equipment		46,384	46,384	42,321	42,321	42,321	42,321	42,321	42,321	42,321	42,321	42,321	42,321	39,751	42,749
33	3990	Miscellaneous Tangible Assets															
34		Total Florida Common Plant		11,184,336	11,184,336	11,180,273	11,180,273	11,180,273	11,180,273	11,180,273	11,180,273	11,180,273	11,180,273	11,180,273	11,180,273	11,177,703	11,180,701
35																	
36																	
37		AS ALLOCATED (Electric Division)	Allocation														
38	Florida Common		Rate														
39			18.98%														
40	3030	Misc. Intangible Plant	18.98%	-	-	-	-	-	-	-	-	-	-	-	-	-	-
41	3890	Land	18.98%	113,263	113,263	113,263	113,263	113,263	113,263	113,263	113,263	113,263	113,263	113,263	113,263	113,263	113,263
42	3900	Structures and Improvements	18.98%	1,463,117	1,463,117	1,463,117	1,463,117	1,463,117	1,463,117	1,463,117	1,463,117	1,463,117	1,463,117	1,463,117	1,463,117	1,463,117	1,463,117
43	3910	Office machines	18.98%	16,668	16,668	16,668	16,668	16,668	16,668	16,668	16,668	16,668	16,668	16,668	16,668	16,668	16,668
44	3912	EDP Equipment	18.98%	16,271	16,271	16,271	16,271	16,271	16,271	16,271	16,271	16,271	16,271	16,271	16,271	16,271	16,271
45	3913	Office Furniture and Equipment	18.98%	89,020	89,020	89,020	89,020	89,020	89,020	89,020	89,020	89,020	89,020	89,020	89,020	89,020	89,020
46	3914	Software	18.98%	176,901	176,901	176,901	176,901	176,901	176,901	176,901	176,901	176,901	176,901	176,901	176,901	176,901	176,901
47	3921	Transportation Equipment-Cars	18.98%	12,863	12,863	12,863	12,863	12,863	12,863	12,863	12,863	12,863	12,863	12,863	12,863	12,863	12,863
48	3922	Transportation Equipment-Light Trucks	18.98%	102,430	102,430	102,430	102,430	102,430	102,430	102,430	102,430	102,430	102,430	102,430	102,430	102,430	102,430
49	3970	Communication Equipment	18.98%	123,068	123,068	123,068	123,068	123,068	123,068	123,068	123,068	123,068	123,068	123,068	123,068	123,068	123,068
50	3980	Miscellaneous Equipment	18.98%	8,802	8,802	8,031	8,031	8,031	8,031	8,031	8,031	8,031	8,031	8,031	8,031	7,543	8,112
51	3990	Miscellaneous Tangible Assets	18.98%	-	-	-	-	-	-	-	-	-	-	-	-	-	-
52		Total Allocated Florida Common Plant		2,122,404	2,122,404	2,121,633	2,121,633	2,121,633	2,121,633	2,121,633	2,121,633	2,121,633	2,121,633	2,121,633	2,121,633	2,121,145	2,121,714

Supporting Schedules: Recap Schedules: B-1 (2023) B-3 (2023), B-6 (2023)

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: Florida Public Utilities Company
Consolidated Electric Division
DOCKET NO.: 20240099-EI

EXPLANATION: Provide the monthly plant balances for each account or sub-account to which an individual depreciation rate is applied. These balances should be the ones used to compute the monthly depreciation expenses excluding any amortization/recovery schedules.

Type of Data Shown:
_____ Projected Test Year Ended 12/31/25
_____ Prior Year Ended 12/31/24
__X__ Historical Test Year Ended 12/31/23
Witness: Galtman

Line No.	Account Sub-account Number	Account Sub-account Title	Allocation Rate	Dec 2022	Jan 2023	Feb 2023	Mar 2023	Apr 2023	May 2023	Jun 2023	Jul 2023	Aug 2023	Sep 2023	Oct 2023	Nov 2023	Dec 2023	13-Month Average
		Corporate Common Plant															
1	3010	Organization		5,966	5,966	5,966	5,966	5,966	5,966	5,966	5,966	5,966	5,966	5,966	5,966	5,966	5,966
2	3890	Land and Land Rights		94,111	94,111	94,111	94,111	94,111	94,111	94,111	94,111	94,111	94,111	94,111	94,111	94,111	94,111
3	3900	Structures & Improvements		5,101,921	5,101,921	5,101,921	5,101,921	5,101,921	5,101,921	5,101,921	5,101,921	5,101,921	5,101,921	5,101,921	5,101,921	5,101,921	5,101,921
4	3901	Leasehold Improvements		421,492	421,492	421,492	421,492	421,492	421,492	421,492	421,492	421,492	421,492	421,492	421,492	421,492	421,492
5	3910	Office Furn & Equipment		1,041,989	1,041,989	1,041,989	1,041,989	1,041,989	1,033,329	1,033,329	1,033,329	1,033,329	1,028,611	1,028,611	1,028,611	1,010,674	1,033,828
6	3911	Computer and Periphery		3,511,384	3,511,384	3,465,012	3,378,228	3,378,228	2,952,867	2,939,156	2,902,764	2,784,366	2,782,210	2,681,384	2,654,354	2,685,246	3,048,199
7	3912	Computer Hardware		876,026	952,395	958,754	963,955	961,575	997,179	1,056,008	1,095,589	1,102,038	1,161,367	1,323,514	1,333,215	1,679,954	1,112,428
8	3913	Furniture and Fixtures		133,969	133,969	133,969	133,969	133,969	133,969	133,969	133,969	133,969	133,969	133,969	133,969	133,969	133,969
9	3914	System Software		3,035,726	3,037,686	2,910,007	2,901,695	2,893,644	2,775,241	2,775,241	2,775,241	2,775,241	2,420,703	2,708,400	2,708,400	3,846,924	2,889,550
10	3920	Transportation Equipment		1,238,442	1,238,442	1,238,442	1,238,442	1,238,442	1,238,442	1,238,442	1,238,442	1,238,442	1,238,442	1,238,442	1,238,442	1,183,559	1,234,220
11	3970	Communication Equipment		838,700	838,700	838,700	827,514	827,514	827,514	826,869	826,869	826,869	826,869	826,869	826,869	826,869	829,748
12		Total Corporate Common Plant		16,299,725	16,378,054	16,210,363	16,109,282	16,098,852	15,582,033	15,626,505	15,629,694	15,517,745	15,215,661	15,564,679	15,547,351	16,990,685	15,905,433
13			Allocation														
14		Corporate Common Plant Allocated	Rate														
15	3010	Organization	7.88%	470	470	470	470	470	470	470	470	470	470	470	470	470	470
16	3890	Land and Land Rights	7.88%	7,416	7,416	7,416	7,416	7,416	7,416	7,416	7,416	7,416	7,416	7,416	7,416	7,416	7,416
17	3900	Structures & Improvements	7.88%	402,036	402,036	402,036	402,036	402,036	402,036	402,036	402,036	402,036	402,036	402,036	402,036	402,036	402,036
18	3901	Leasehold Improvements	7.88%	33,214	33,214	33,214	33,214	33,214	33,214	33,214	33,214	33,214	33,214	33,214	33,214	33,214	33,214
19	3910	Office Furn & Equipment	7.88%	82,110	82,110	82,110	82,110	82,110	81,427	81,427	81,427	81,427	81,056	81,056	81,056	79,642	81,467
20	3911	Computer and Periphery	7.88%	276,700	276,700	273,046	266,208	266,208	232,689	231,608	228,741	219,411	219,241	211,296	209,166	211,600	240,201
21	3912	Computer Hardware	7.88%	69,032	75,050	75,551	75,961	75,773	78,579	83,214	86,333	86,842	91,517	104,294	105,059	132,382	87,660
22	3913	Furniture and Fixtures	7.88%	10,557	10,557	10,557	10,557	10,557	10,557	10,557	10,557	10,557	10,557	10,557	10,557	10,557	10,557
23	3914	System Software	7.88%	239,218	239,373	229,311	228,656	228,022	218,692	218,692	218,692	218,692	190,754	213,425	213,425	303,141	227,699
24	3920	Transportation Equipment	7.88%	97,590	97,590	97,590	97,590	97,590	97,590	97,590	97,590	97,590	97,590	97,590	97,590	93,266	97,258
25	3970	Communication Equipment	7.88%	66,090	66,090	66,090	65,209	65,209	65,209	65,158	65,158	65,158	65,158	65,158	65,158	65,158	65,385
26		Total Corporate Common Plant Allocated		1,284,434	1,290,607	1,277,392	1,269,427	1,268,605	1,227,879	1,231,384	1,231,635	1,222,813	1,199,009	1,226,512	1,225,146	1,338,882	1,253,364
27																	
28	Total Plant With Common Less Customer Advances			169,307,270	169,645,648	170,878,850	171,327,259	171,762,145	172,572,714	173,358,521	174,263,124	175,071,620	175,622,149	176,382,580	176,709,901	177,508,418	173,416,169

Supporting Schedules: Recap Schedules: B-1 (2023) B-3 (2023), B-6 (2023)

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: Florida Public Utilities Company
Consolidated Electric Division
DOCKET NO.: 20240099-EI

EXPLANATION: Provide the monthly plant balances for each account or sub-account to which an individual depreciation rate is applied. These balances should be the ones used to compute the monthly depreciation expenses excluding any amortization/recovery schedules.

Type of Data Shown:
_____ Projected Test Year Ended 12/31/25
__X__ Prior Year Ended 12/31/24
_____ Historical Test Year Ended 12/31/23
Witness: Napier

Line No.	Account Sub-account Number	Account Sub-account Title	Dec 2023	Jan 2024	Feb 2024	Mar 2024	Apr 2024	May 2024	Jun 2024	Jul 2024	Aug 2024	Sep 2024	Oct 2024	Nov 2024	Dec 2024	13-Month Average
1	3031	Intangible Plant	960,644	960,644	960,644	960,644	960,644	960,644	960,644	960,644	960,644	960,644	960,644	960,644	960,644	960,644
2	3032	Intangible Plant CIS		-	-	-	-	-	-	-	5,006,727	5,006,727	5,006,727	5,006,727	5,006,727	1,925,664
3		Transmission Plant														
4	3501	Land Rights	17,629	17,629	17,629	17,629	17,629	17,629	17,629	17,629	17,629	17,629	17,629	17,629	17,629	17,629
5	352E	Structures & Improvements	1,950,167	1,950,167	1,950,167	1,950,167	1,950,167	1,950,167	1,950,167	1,950,167	1,950,167	1,950,167	1,950,167	1,950,167	1,950,167	1,950,167
6	353E	Station Equipment	9,548,212	9,548,212	9,548,212	9,548,212	11,078,238	10,828,238	10,870,637	10,870,637	10,870,637	10,933,885	10,933,885	10,933,885	11,247,133	10,520,002
7	354E	Towers & Fixtures	224,802	224,802	224,802	224,802	224,802	224,802	224,802	224,802	224,802	224,802	224,802	224,802	224,802	224,802
8	355C	Poles & Fixtures - Concrete	3,904,731	3,904,731	3,904,731	3,904,731	3,904,731	3,904,731	3,904,731	3,904,731	3,904,731	3,904,731	3,904,731	3,904,731	3,904,731	3,904,731
9	355S	Poles & Fixtures SPP	-	-	-	-	-	165,337	269,600	265,245	260,003	784,790	781,388	773,151	1,339,601	356,855
10	355W	Poles & Fixtures - Wood	2,974,500	2,974,900	2,975,154	2,975,263	2,975,460	2,863,386	2,863,386	2,863,386	2,863,386	2,863,386	2,863,386	2,863,386	2,863,386	2,906,336
11	356E	Overhead Conductors & Devices	4,253,455	4,253,455	4,253,455	4,253,455	4,253,455	4,252,655	4,251,855	4,251,055	4,250,255	4,249,455	4,248,655	4,247,855	4,297,055	4,255,085
12	359E	Roads & Trails	6,788	6,788	6,788	6,788	6,788	6,788	6,788	6,788	6,788	6,788	6,788	6,788	6,788	6,788
13		Total Transmission Plant	22,880,283	22,880,683	22,880,937	22,881,046	24,411,269	24,213,733	24,359,595	24,354,440	24,348,397	24,935,632	24,931,430	24,922,394	25,851,291	24,142,395
14																
15		Distribution Plant														
16																
17	3601	Land Rights	56,995	56,995	56,995	56,995	56,995	56,995	56,995	56,995	56,995	56,995	56,995	56,995	56,995	56,995
18	361E	Structures & Improvements	445,820	445,820	445,820	445,820	445,820	445,820	445,820	445,820	445,820	445,820	445,820	445,820	445,820	445,820
19	362E	Station Equipment	13,512,470	13,528,850	13,574,736	13,581,353	13,592,762	13,579,262	13,608,160	13,594,660	13,581,160	13,630,908	13,617,408	13,603,908	14,909,047	13,685,745
20	364E	Poles, Towers & Fixtures	27,847,676	27,867,907	27,916,771	27,986,965	28,017,861	28,055,249	28,096,597	28,137,946	28,179,294	28,220,642	28,261,990	28,303,338	28,404,695	28,099,764
21	364S	Poles, Towers & Fixtures SPP	1,916,266	1,971,398	2,065,710	2,090,801	2,158,357	2,408,127	2,897,053	2,876,630	2,852,045	5,312,948	5,296,995	5,258,370	7,914,641	3,463,026
22	365E	Overhead Conductors & Devices	22,080,981	22,064,335	22,101,261	22,123,308	22,143,519	22,178,419	22,215,794	22,253,168	22,290,543	22,327,918	22,365,293	22,402,668	22,524,593	22,236,292
23	365S	Overhead Conductors & Devices	-	-	-	-	-	374,477	1,107,518	1,076,898	1,040,039	4,729,644	4,705,725	4,647,816	8,630,334	2,024,035
23	366E	Underground Conduits	7,815,798	7,819,274	7,821,177	7,758,842	7,765,211	7,780,884	7,797,301	7,813,719	7,830,136	7,846,553	7,862,970	7,879,388	8,267,137	7,850,646
24	366S	Underground Conduits	-	-	-	-	-	32,668	96,616	93,945	90,730	412,599	410,513	405,461	752,883	176,570
24	367E	Underground Conductors & Devices	10,056,860	10,063,598	10,069,488	9,914,522	9,920,693	9,952,475	9,985,246	10,018,018	10,050,790	10,083,561	10,116,333	10,149,104	11,349,985	10,133,129
25	368B	Line Transformers-Buried/Duct	12,861,734	12,929,976	13,028,884	13,045,384	13,506,633	13,744,115	13,987,291	14,230,467	14,473,643	14,716,819	14,959,995	15,203,171	15,720,493	14,031,431
26	368H	Line Transformers-Overhead	13,841,219	14,087,243	14,109,510	14,112,905	14,122,396	14,152,097	14,186,747	14,221,398	14,256,049	14,290,699	14,325,350	14,360,001	14,414,391	14,190,770
27	369B	Services-Buried	6,831,744	6,860,700	6,762,647	6,784,074	6,728,895	6,760,783	6,794,128	6,827,473	6,860,819	6,894,164	6,927,509	6,960,854	7,029,576	6,847,951
28	369H	Services-Overhead	7,882,850	7,888,145	7,930,391	7,953,377	7,982,364	7,993,162	8,007,690	8,022,218	8,036,745	8,051,273	8,065,800	8,080,328	8,107,552	8,000,146
29	370E	Meters	6,242,470	6,238,637	6,235,560	6,234,698	6,234,290	6,274,791	6,318,859	6,362,927	6,406,995	6,451,063	6,495,131	6,539,198	6,625,182	6,358,446
30	371A	Install on Customer Premises-Above Ground	2,521,589	2,553,724	2,580,951	2,619,397	2,656,975	2,656,975	2,656,975	2,656,975	2,656,975	2,656,975	2,656,975	2,656,975	2,656,975	2,629,880
31	371B	Install on Customer Premises-Underground	1,460,283	1,468,487	1,490,788	1,498,898	1,508,952	1,508,952	1,508,952	1,508,952	1,508,952	1,508,952	1,508,952	1,508,952	1,508,952	1,499,925
32	373A	St Lighting & Signal Sys-Above Ground	2,258,702	2,277,815	2,295,336	2,311,542	2,318,371	2,332,755	2,349,248	2,365,741	2,382,234	2,398,727	2,415,220	2,431,713	2,462,307	2,353,824
33	373B	St Lighting & Signal Sys-Underground	715,562	719,691	720,566	720,618	721,931	735,083	748,558	762,034	775,509	788,984	802,460	815,935	846,576	759,501
34		Total Distribution Plant	138,349,020	138,842,594	139,206,591	139,239,500	139,882,025	141,023,087	142,865,550	143,325,984	143,775,472	150,825,245	151,297,433	151,709,997	162,628,135	144,843,895
35																
36		General Plant														
37																
38	3900	Structures & Improvements	4,315,216	4,315,216	4,315,216	4,315,216	4,315,216	4,315,216	4,315,216	4,315,216	4,315,216	4,315,216	4,315,216	4,315,216	4,315,216	4,315,216
39	3910	Office Furniture & Equipment	196,450	196,450	196,450	207,570	207,570	207,570	207,570	207,570	207,570	207,570	207,570	207,570	207,570	205,004
40	3911	Computer & Periph	4,171	4,171	4,171	4,171	4,171	4,171	4,171	4,171	4,171	4,171	4,171	4,171	4,171	4,171
40	3912	Computer Hardware	9,049	-	-	-	-	-	-	-	-	-	-	-	-	696
41	3913	Furniture & Fixtures	-	-	-	-	-	-	-	-	-	-	-	-	-	-
42	3914	System Software	(61,492)	(61,492)	(35,527)	(35,527)	(35,527)	(35,527)	(35,527)	(35,527)	(35,527)	(35,527)	(35,527)	(35,527)	(35,527)	(39,522)
43	3930	Stores Equipment	-	-	-	-	-	-	-	-	-	-	-	-	-	-
44	3940	Tools, Shop & Garage Equipment	131,775	109,628	109,628	113,775	113,775	113,775	113,775	113,775	113,775	113,775	113,775	113,775	113,775	114,522
45	3950	Laboratory Equipment	-	-	-	-	-	-	-	-	-	-	-	-	-	-
46	3960	Power Operated Equipment	898,523	898,523	898,523	898,523	898,523	898,523	898,523	898,523	898,523	898,523	898,523	898,523	898,523	898,523
47	3973	Communication Equipment	21,245	21,245	21,245	21,245	21,245	21,245	21,245	21,245	21,245	21,245	21,245	21,245	521,245	59,707
48	3980	Miscellaneous Equipment	405,384	405,384	675,237	682,901	682,901	682,901	682,901	682,901	682,901	682,901	682,901	682,901	1,009,331	664,727
49	3990	Other Tangible Plant	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
50			-													-
51			-													-
52			-													-
53		Total General Plant	5,930,323	5,899,126	6,194,943	6,217,874	6,217,874	6,217,874	6,217,874	6,217,874	6,217,874	6,217,874	6,217,874	6,217,874	7,044,304	6,233,043
54																

FPSC EXH NO. 4

ADMITTED

J57

Schedule B-8 (2024) MONTHLY PLANT BALANCES TEST YEAR - 13 MONTHS

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: Florida Public Utilities Company
Consolidated Electric Division
DOCKET NO.: 20240099-EI

EXPLANATION: Provide the monthly plant balances for each account or sub-account to which an individual depreciation rate is applied. These balances should be the ones used to compute the monthly depreciation expenses excluding any amortization/recovery schedules.

Type of Data Shown:
_____ Projected Test Year Ended 12/31/25
__X__ Prior Year Ended 12/31/24
_____ Historical Test Year Ended 12/31/23
Witness: Napier

Supporting Schedules: Recap Schedules: B-1 (2024) B-3 (2024), B-6 (2024)

Line No.	Account Sub-account Number	Account Sub-account Title	Allocation Rate	Dec 2023	Jan 2024	Feb 2024	Mar 2024	Apr 2024	May 2024	Jun 2024	Jul 2024	Aug 2024	Sep 2024	Oct 2024	Nov 2024	Dec 2024	13-Month Average
1		Transportation Equipment															
2																	
3	3921	Transportation Equip-Cars		87,863	87,863	87,863	87,863	87,863	87,863	87,863	87,863	87,863	87,863	87,863	87,863	87,863	87,863
4	3922	Transportation Equip-Light Duty Trucks/Vans		1,023,046	1,023,046	1,008,338	946,612	946,612	1,541,530	1,541,530	1,541,530	1,541,530	1,541,530	1,541,530	1,541,530	1,541,530	1,329,223
5	3923	Transportation Equip-Heavy Duty Trucks/Bobtails		3,983,147	3,970,614	3,967,115	3,790,683	3,790,683	3,856,785	3,856,785	3,856,785	3,856,785	3,856,785	3,856,785	3,856,785	3,856,785	3,873,579
6	3924	Transportation Equip-Trailers		380,361	380,361	380,361	380,361	380,361	380,361	380,361	380,361	380,361	380,361	380,361	380,361	380,361	380,361
7		Total Transportation Equipment		5,474,416	5,461,883	5,443,678	5,205,519	5,205,519	5,866,539	5,866,539	5,866,539	5,866,539	5,866,539	5,866,539	5,866,539	5,866,539	5,671,025
8		Total Depreciable Plant Balance		173,594,687	174,044,930	174,686,792	174,504,582	176,677,331	178,281,876	180,270,201	180,725,479	186,175,652	193,812,661	194,280,647	194,684,174	207,357,640	183,776,666
9																	
10		Non-Depreciable Property															
11																	
12	3501	Land		-													-
13	3600	Land		333,577	333,577	333,577	333,577	333,577	333,577	333,577	333,577	333,577	333,577	333,577	333,577	333,577	333,577
14	3890	Land & Land Rights		864,155	864,155	864,155	864,155	864,155	864,155	864,155	864,155	864,155	864,155	864,155	864,155	864,155	864,155
15		Total Non-Depreciable Property		1,197,733	1,197,733	1,197,733	1,197,733	1,197,733	1,197,733	1,197,733	1,197,733	1,197,733	1,197,733	1,197,733	1,197,733	1,197,733	1,197,733
16		Total Plant Balance		174,792,419	175,242,663	175,884,525	175,702,315	177,875,063	179,479,609	181,467,933	181,923,212	187,373,385	195,010,394	195,478,379	195,881,906	208,555,372	184,974,398
17		Customer Advances for Construction		744,029	744,029	360,010	281,670	284,120	286,570	289,021	291,471	293,912	296,353	298,759	301,144	302,918	367,231
18		Total Plant w/o Common		174,048,390	174,498,634	175,524,515	175,420,645	177,590,943	179,193,039	181,178,913	181,631,741	187,079,473	194,714,041	195,179,621	195,580,762	208,252,455	184,607,167
19																	
20																	
21		Florida Common Plant															
22	3030	Misc. Intangible Plant		-													
23	3890	Land		596,858	596,858	596,858	596,858	596,858	596,858	596,858	596,858	596,858	596,858	596,858	596,858	-	550,946
24	3900	Structures and Improvements		7,710,125	7,739,036	7,739,036	7,739,036	7,739,036	7,739,036	7,739,036	7,739,036	7,739,036	7,739,036	7,739,036	7,739,036	130,738	7,151,558
25	3910	Office machines		87,837	87,837	87,837	87,837	87,837	87,837	87,837	87,837	87,837	87,837	87,837	87,837	31,598	83,511
26	3912	EDP Equipment		85,741	85,741	85,741	85,741	85,741	85,741	85,741	85,741	85,741	85,741	85,741	85,741	85,741	85,741
27	3913	Office Furniture and Equipment		469,104	469,104	469,104	469,104	469,104	469,104	469,104	469,104	469,104	469,104	469,104	469,104	238	433,038
28	3914	Software		932,208	932,208	932,208	932,208	932,208	932,208	932,208	932,208	932,208	932,208	932,208	932,208	932,208	932,208
29	3921	Transportation Equipment-Cars		67,782	67,782	67,782	101,549	101,549	101,549	101,549	101,549	101,549	101,549	101,549	101,549	101,549	93,757
30	3922	Transportation Equipment-Light Trucks		539,773	503,803	503,803	503,803	503,803	503,803	503,803	503,803	503,803	503,803	503,803	503,803	503,803	506,570
31	3970	Communication Equipment		648,524	648,524	648,524	648,524	648,524	648,524	648,524	648,524	648,524	648,524	648,524	648,524	7,784	599,237
32	3980	Miscellaneous Equipment		39,751	39,751	39,751	39,751	39,751	39,751	39,751	39,751	39,751	39,751	39,751	39,751	39,751	39,751
33	3990	Miscellaneous Tangible Assets		-	-	-	-	-	-	-	-	-	-	-	-	-	-
34		Total Florida Common Plant		11,177,703	11,170,644	11,170,644	11,204,412	11,204,412	11,204,412	11,204,412	11,204,412	11,204,412	11,204,412	11,204,412	11,204,412	1,833,409	10,476,316
35																	
36																	
37		AS ALLOCATED (Electric Division)	Allocation														
38	Florida Common		Rate														
39			15.40%														
40	3030	Misc. Intangible Plant	15.40%	-	-	-	-	-	-	-	-	-	-	-	-	-	-
41	3890	Land	15.40%	91,916	91,916	91,916	91,916	91,916	91,916	91,916	91,916	91,916	91,916	91,916	91,916	-	84,846
42	3900	Structures and Improvements	15.40%	1,187,359	1,191,812	1,191,812	1,191,812	1,191,812	1,191,812	1,191,812	1,191,812	1,191,812	1,191,812	1,191,812	1,191,812	20,134	1,101,340
43	3910	Office machines	15.40%	13,527	13,527	13,527	13,527	13,527	13,527	13,527	13,527	13,527	13,527	13,527	13,527	4,866	12,861
44	3912	EDP Equipment	15.40%	13,204	13,204	13,204	13,204	13,204	13,204	13,204	13,204	13,204	13,204	13,204	13,204	13,204	13,204
45	3913	Office Furniture and Equipment	15.40%	72,242	72,242	72,242	72,242	72,242	72,242	72,242	72,242	72,242	72,242	72,242	72,242	37	66,688
46	3914	Software	15.40%	143,560	143,560	143,560	143,560	143,560	143,560	143,560	143,560	143,560	143,560	143,560	143,560	143,560	143,560
47	3921	Transportation Equipment-Cars	15.40%	10,438	10,438	10,438	15,639	15,639	15,639	15,639	15,639	15,639	15,639	15,639	15,639	15,639	14,439
48	3922	Transportation Equipment-Light Trucks	15.40%	83,125	77,586	77,586	77,586	77,586	77,586	77,586	77,586	77,586	77,586	77,586	77,586	77,586	78,012
49	3970	Communication Equipment	15.40%	99,873	99,873	99,873	99,873	99,873	99,873	99,873	99,873	99,873	99,873	99,873	99,873	1,199	92,282
50	3980	Miscellaneous Equipment	15.40%	6,122	6,122	6,122	6,122	6,122	6,122	6,122	6,122	6,122	6,122	6,122	6,122	6,122	6,122
51	3990	Miscellaneous Tangible Assets	0.00%	-	-	-	-	-	-	-	-	-	-	-	-	-	-
52		Total Allocated Florida Common Plant		1,721,366	1,720,279	1,720,279	1,725,479	1,725,479	1,725,479	1,725,479	1,725,479	1,725,479	1,725,479	1,725,479	1,725,479	282,345	1,613,353

Supporting Schedules: Recap Schedules: B-1 (2024) B-3 (2024), B-6 (2024)

J57

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: Florida Public Utilities Company
Consolidated Electric Division
DOCKET NO.: 20240099-EI

EXPLANATION: Provide the monthly plant balances for each account or sub-account to which an individual depreciation rate is applied. These balances should be the ones used to compute the monthly depreciation expenses excluding any amortization/recovery schedules.

Type of Data Shown:
_____ Projected Test Year Ended 12/31/25
__X__ Prior Year Ended 12/31/24
_____ Historical Test Year Ended 12/31/23
Witness: Napier

Line No.	Account Sub-account Number	Account Sub-account Title		Dec 2023	Jan 2024	Feb 2024	Mar 2024	Apr 2024	May 2024	Jun 2024	Jul 2024	Aug 2024	Sep 2024	Oct 2024	Nov 2024	Dec 2024	13-Month Average
		Corporate Common Plant															
1	3010	Organization		5,966	5,966.29	5,966.29	5,966.29	5,966.29	5,966.29	5,966.29	5,966.29	5,966.29	5,966.29	5,966.29	5,966.29	5,966.29	5,966
2	3890	Land and Land Rights		94,111	94,111	94,111	94,111	94,111	94,111	94,111	94,111	94,111	94,111	94,111	94,111	690,969	140,023
3	3900	Structures & Improvements		5,101,921	5,130,832	5,130,832	5,130,832	5,130,832	5,130,832	5,130,832	5,130,832	5,130,832	5,130,832	5,130,832	5,130,832	12,739,131	5,713,862
4	3901	Leasehold Improvements		421,492	421,492	421,492	421,492	421,492	421,492	421,492	421,492	421,492	421,492	421,492	421,492	421,492	421,492
5	3910	Office Furn & Equipment		1,010,674	1,010,674	1,010,674	1,010,674	1,010,674	1,010,674	1,010,674	1,010,674	1,010,674	1,010,674	1,010,674	1,010,674	1,066,913	1,015,000
6	3911	Computer and Periphery		2,685,246	2,685,246	2,663,334	2,646,373	2,646,373	2,681,712	2,717,051	2,752,390	2,787,729	2,823,068	2,858,407	2,893,746	2,929,085	2,751,520
7	3912	Computer Hardware		1,679,954	1,685,097	1,694,915	1,941,742	1,941,742	1,941,742	2,108,409	2,108,409	2,108,409	2,108,409	2,108,409	2,108,409	2,108,409	1,972,619
8	3913	Furniture and Fixtures		133,969	133,969	133,969	133,969	133,969	133,969	133,969	133,969	133,969	133,969	133,969	133,969	1,002,836	200,805
9	3914	System Software		3,846,924	4,925,983	4,934,321	4,937,078	4,937,078	4,937,078	4,937,078	4,937,078	4,937,078	4,937,078	4,937,078	4,937,078	5,012,078	4,857,924
10	3920	Transportation Equipment		1,183,559	1,138,776	1,138,776	1,138,776	1,198,776	1,268,776	1,268,776	1,328,776	1,328,776	1,388,776	1,388,776	1,388,776	1,448,776	1,277,605
11	3970	Communication Equipment		826,869	826,869	826,869	826,869	826,869	826,869	826,869	826,869	826,869	826,869	826,869	826,869	1,467,610	876,157
12		Total Corporate Common Plant		16,990,685	18,059,015	18,055,259	18,287,882	18,347,882	18,453,221	18,655,227	18,750,566	18,785,905	18,881,244	18,916,583	18,951,922	28,893,263	19,232,973
13			Allocation														
14		Corporate Common Plant Allocated	Rate														
15	3010	Organization	5.50%	328	328	328	328	328	328	328	328	328	328	328	328	328	328
16	3890	Land and Land Rights	5.50%	5,176	5,176	5,176	5,176	5,176	5,176	5,176	5,176	5,176	5,176	5,176	5,176	38,003	7,701
17	3900	Structures & Improvements	5.50%	280,606	282,196	282,196	282,196	282,196	282,196	282,196	282,196	282,196	282,196	282,196	282,196	700,652	314,262
18	3901	Leasehold Improvements	5.50%	23,182	23,182	23,182	23,182	23,182	23,182	23,182	23,182	23,182	23,182	23,182	23,182	23,182	23,182
19	3910	Office Furn & Equipment	5.50%	55,587	55,587	55,587	55,587	55,587	55,587	55,587	55,587	55,587	55,587	55,587	55,587	58,680	55,825
20	3911	Computer and Periphery	5.50%	147,689	147,689	146,483	145,550	145,550	147,494	149,438	151,381	153,325	155,269	157,212	159,156	161,100	151,334
21	3912	Computer Hardware	5.50%	92,397	92,680	93,220	106,796	106,796	106,796	115,962	115,962	115,962	115,962	115,962	115,962	115,962	108,494
22	3913	Furniture and Fixtures	5.50%	7,368	7,368	7,368	7,368	7,368	7,368	7,368	7,368	7,368	7,368	7,368	7,368	55,156	11,044
23	3914	System Software	5.50%	211,581	270,929	271,388	271,539	271,539	271,539	271,539	271,539	271,539	271,539	271,539	271,539	275,664	267,186
24	3920	Transportation Equipment	5.50%	65,096	62,633	62,633	62,633	65,933	69,783	69,783	73,083	73,083	76,383	76,383	76,383	79,683	70,268
25	3970	Communication Equipment	5.50%	45,478	45,478	45,478	45,478	45,478	45,478	45,478	45,478	45,478	45,478	45,478	45,478	80,719	48,189
26		Total Corporate Common Plant Allocated		934,488	993,246	993,039	1,005,833	1,009,133	1,014,927	1,026,037	1,031,281	1,033,225	1,038,468	1,040,412	1,042,356	1,589,129	1,057,814
27																	
28	Total Plant With Common Less Customer Advances			176,704,244	177,212,159	178,237,833	178,151,958	180,325,556	181,933,445	183,930,429	184,388,502	189,838,177	197,477,989	197,945,512	198,348,597	210,123,929	187,278,333

Supporting Schedules: Recap Schedules: B-1 (2024) B-3 (2024), B-6 (2024)

FPSC EXH NO. 4

ADMITTED

J59

Schedule B-8 (2025) MONTHLY PLANT BALANCES TEST YEAR - 13 MONTHS

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: Florida Public Utilities Company
Consolidated Electric Division
DOCKET NO.: 20240099-EI

EXPLANATION: Provide the monthly plant balances for each account or sub-account to which an individual depreciation rate is applied. These balances should be the ones used to compute the monthly depreciation expenses excluding any amortization/recovery schedules.

Type of Data Shown:
__x__ Projected Test Year Ended 12/31/25
_____ Prior Year Ended 12/31/24
_____ Historical Test Year Ended 12/31/23
Witness: Napier

Line No.	Account Sub-account Number	Account Sub-account Title	Dec 2024	Jan 2025	Feb 2025	Mar 2025	Apr 2025	May 2025	Jun 2025	Jul 2025	Aug 2025	Sep 2025	Oct 2025	Nov 2025	Dec 2025	13-Month Average
1	3031	Intangible Plant	960,644	960,644	960,644	960,644	960,644	960,644	960,644	960,644	960,644	960,644	960,644	960,644	960,644	960,644
2	3032	Intangible Plant CIS	5,006,727	6,912,623	6,912,623	6,912,623	6,912,623	6,912,623	6,912,623	6,912,623	6,912,623	6,912,623	6,912,623	6,912,623	6,912,623	6,766,016
3		Transmission Plant														
4	3501	Land Rights	17,629	17,629	17,629	17,629	17,629	17,629	17,629	17,629	17,629	17,629	17,629	17,629	17,629	17,629
5	352E	Structures & Improvements	1,950,167	1,950,167	1,950,167	1,950,167	1,950,167	1,950,167	1,950,167	1,950,167	1,950,167	1,950,167	1,950,167	1,950,167	1,950,167	1,950,167
6	353E	Station Equipment	11,247,133	11,247,133	11,247,133	11,357,133	11,357,133	11,846,933	11,971,933	11,956,933	11,956,933	12,081,933	12,081,933	12,066,933	14,641,933	11,927,779
7	354E	Towers & Fixtures	224,802	224,802	224,802	224,802	224,802	224,802	224,802	224,802	224,802	224,802	224,802	224,802	224,802	224,802
8	355C	Poles & Fixtures - Concrete	3,904,731	3,904,731	3,904,731	3,904,731	3,904,731	3,904,731	3,904,731	3,904,731	3,904,731	3,904,731	3,904,731	3,904,731	3,904,731	3,904,731
9	355S	Poles & Fixtures- SPP	1,339,601	1,385,201	1,437,825	1,638,867	1,954,393	2,011,406	2,151,641	2,180,147	2,528,894	2,576,622	2,582,515	2,691,877	3,106,596	2,121,968
10	355W	Poles & Fixtures - Wood	2,863,386	2,863,386	2,863,386	2,863,386	2,863,386	2,863,386	2,863,386	2,863,386	2,863,386	2,863,386	2,863,386	2,863,386	2,863,386	2,863,386
11	356E	Overhead Conductors & Devices	4,297,055	4,296,255	4,295,455	4,294,655	4,293,855	4,293,055	4,292,255	4,291,455	4,290,655	4,289,855	4,289,055	4,288,255	4,337,455	4,296,101
12	359E	Roads & Trails	6,788	6,788	6,788	6,788	6,788	6,788	6,788	6,788	6,788	6,788	6,788	6,788	6,788	6,788
13		Total Transmission Plant	25,851,291	25,896,092	25,947,916	26,258,157	26,572,884	27,118,896	27,383,332	27,396,037	27,743,984	27,915,913	27,921,006	28,014,567	31,053,487	27,313,351
14																
15		Distribution Plant														
16																
17	3601	Land Rights	56,995	56,995	56,995	56,995	56,995	56,995	56,995	56,995	56,995	56,995	56,995	56,995	56,995	56,995
18	361E	Structures & Improvements	445,820	445,820	445,820	445,820	445,820	445,820	445,820	445,820	445,820	445,820	445,820	445,820	445,820	445,820
19	362E	Station Equipment	14,909,047	14,901,147	14,893,247	18,685,747	18,677,847	24,046,663	24,163,763	24,140,863	24,132,963	24,250,063	24,242,163	26,355,697	33,797,797	22,092,078
20	364E	Poles, Towers & Fixtures	28,404,695	28,452,627	28,497,998	28,543,368	28,588,738	28,634,109	28,679,479	28,724,849	28,770,220	28,815,590	28,860,960	28,906,330	28,958,901	28,679,836
21	364S	Poles, Towers & Fixtures SPP	7,914,641	8,019,330	8,140,143	8,601,689	9,326,066	9,456,954	9,778,904	9,844,346	10,644,991	10,754,564	10,768,093	11,019,162	11,971,264	9,710,781
22	365E	Overhead Conductors & Devices	22,524,593	22,564,974	22,603,753	22,642,532	22,681,311	22,720,090	22,758,869	22,797,648	22,836,428	22,875,207	22,913,986	22,952,765	23,008,344	22,760,038
23	365S	Overhead Conductors & Devices SPP	8,630,334	8,787,368	8,968,587	9,660,906	10,747,472	10,943,804	11,426,728	11,524,891	12,725,859	12,890,218	12,910,512	13,287,115	14,715,269	11,324,543
24	366E	Underground Conduits	8,267,137	8,281,191	8,294,763	8,308,336	8,321,909	8,335,482	8,349,054	8,362,627	8,376,200	8,389,773	8,403,345	8,416,918	8,956,991	8,389,517
25	366S	Underground Conduits SPP	752,883	766,692	782,627	843,506	939,053	956,317	998,783	1,007,415	1,113,021	1,127,474	1,129,259	1,162,375	1,287,959	989,797
26	367E	Underground Conductors & Devices	11,349,985	11,376,256	11,401,885	11,427,514	11,453,143	11,478,773	11,504,402	11,530,031	11,555,661	11,581,290	11,606,919	11,632,549	13,126,678	11,617,314
27	368B	Line Transformers-Buried/Duct	15,720,493	15,933,080	16,141,981	16,350,882	16,559,783	16,768,683	16,977,584	17,186,485	17,395,386	17,604,287	17,813,188	18,022,089	18,230,990	16,977,301
28	368H	Line Transformers-Overhead	14,414,391	14,459,225	14,500,854	14,542,482	14,584,111	14,625,740	14,667,368	14,708,997	14,750,625	14,792,254	14,833,883	14,875,511	14,917,140	14,667,122
29	369B	Services-Buried	7,029,576	7,060,025	7,089,530	7,119,034	7,148,539	7,178,044	7,207,548	7,237,053	7,266,558	7,296,062	7,325,567	7,355,072	7,384,576	7,207,476
30	369H	Services-Overhead	8,107,552	8,130,044	8,150,121	8,170,199	8,190,277	8,210,354	8,230,432	8,250,510	8,270,587	8,290,665	8,310,743	8,330,820	8,350,898	8,230,246
31	370E	Meters	6,625,182	6,625,182	6,625,182	6,625,182	6,625,182	6,625,182	6,625,182	6,625,182	6,625,182	6,625,182	6,625,182	6,625,182	6,625,182	6,625,182
32	371A	Install on Customer Premises-Above Ground	2,656,975	2,656,975	2,656,975	2,656,975	2,656,975	2,656,975	2,656,975	2,656,975	2,656,975	2,656,975	2,656,975	2,656,975	2,656,975	2,656,975
33	371B	Install on Customer Premises-Underground	1,508,952	1,508,952	1,508,952	1,508,952	1,508,952	1,508,952	1,508,952	1,508,952	1,508,952	1,508,952	1,508,952	1,508,952	1,508,952	1,508,952
34	373A	St Lighting & Signal Sys-Above Ground	2,462,307	2,482,115	2,500,558	2,519,001	2,537,444	2,555,887	2,574,329	2,592,772	2,611,215	2,629,658	2,648,101	2,666,544	2,684,987	2,574,224
35	373B	St Lighting & Signal Sys-Underground	846,576	858,731	870,674	882,618	894,562	906,506	918,449	930,393	942,337	954,281	966,225	978,168	990,112	918,433
36		Total Distribution Plant	162,628,135	163,366,728	164,130,645	169,591,739	171,944,178	178,111,329	179,529,619	180,132,805	182,685,975	183,545,311	184,026,868	187,255,041	199,675,831	177,432,631
37																
38		General Plant														
39																
40	3900	Structures & Improvements	4,315,216	4,315,216	4,315,216	4,315,216	4,315,216	4,315,216	4,315,216	4,315,216	4,315,216	4,315,216	4,315,216	4,315,216	4,315,216	4,315,216
41	3910	Office Furniture & Equipment	207,570	207,570	207,570	207,570	207,570	207,570	207,570	207,570	207,570	207,570	207,570	207,570	207,570	207,570
42	3911	Computer & Periph	4,171	4,171	4,171	4,171	4,171	4,171	4,171	4,171	4,171	4,171	4,171	4,171	4,171	4,171
42	3912	Computer Hardware	-	-	-	-	-	-	-	-						-
43	3913	Furniture & Fixtures	-	-	-	-	-	-	-	-	-	-	-	-	-	-
44	3914	System Software	(35,527)	(35,527)	(35,527)	(35,527)	(35,527)	(35,527)	(35,527)	(35,527)	(35,527)	(35,527)	(35,527)	(35,527)	(35,527)	(35,527)
45	3930	Stores Equipment	-	-	-	-	-	-	-	-						-
46	3940	Tools, Shop & Garage Equipment	113,775	113,775	113,775	113,775	113,775	113,775	113,775	113,775	113,775	113,775	113,775	113,775	113,775	113,775
47	3950	Laboratory Equipment	-	-	-	-	-	-	-	-	-	-	-	-	-	-
48	3960	Power Operated Equipment	898,523	898,523	898,523	898,523	898,523	898,523	898,523	898,523	898,523	898,523	898,523	898,523	898,523	898,523
49	3973	Communication Equipment	521,245	521,245	521,245	1,321,245	1,321,245	1,321,245	1,321,245	1,321,245	1,321,245	1,321,245	1,321,245	1,321,245	1,321,245	1,136,630
50	3980	Miscellaneous Equipment	1,009,331	1,009,331	1,009,331	1,009,331	1,009,331	1,009,331	1,009,331	1,009,331	1,009,331	1,009,331	1,009,331	1,009,331	1,009,331	1,009,331
51	3990	Other Tangible Plant	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
52																-
53																-
54																-
55		Total General Plant	7,044,304	7,044,304	7,044,304	7,844,304	7,844,304	7,844,304	7,844,304	7,844,304	7,844,304	7,844,304	7,844,304	7,844,304	7,844,304	7,659,688
56																

Supporting Schedules: Recap Schedules: B-1 (2025) B-3 (2025), B-6 (2025)

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Schedule B-8 (2025)

MONTHLY PLANT BALANCES TEST YEAR - 13 MONTHS

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: Florida Public Utilities Company
Consolidated Electric Division
DOCKET NO.: 20240099-EI

EXPLANATION: Provide the monthly plant balances for each account or sub-account to which an individual depreciation rate is applied. These balances should be the ones used to compute the monthly depreciation expenses excluding any amortization/recovery schedules.

Type of Data Shown:
__x__ Projected Test Year Ended 12/31/25
_____ Prior Year Ended 12/31/24
_____ Historical Test Year Ended 12/31/23
Witness: Napier

Line No.	Account Sub-account Number	Account Sub-account Title		Dec 2024	Jan 2025	Feb 2025	Mar 2025	Apr 2025	May 2025	Jun 2025	Jul 2025	Aug 2025	Sep 2025	Oct 2025	Nov 2025	Dec 2025	13-Month Average
1		Transportation Equipment															
2																	
3	3921	Transportation Equip-Cars		87,863	87,863	87,863	87,863	87,863	87,863	87,863	87,863	87,863	87,863	87,863	87,863	87,863	87,863
4	3922	Transportation Equip-Light Duty Trucks/Vans		1,541,530	1,541,530	1,541,530	1,892,530	1,892,530	1,892,530	1,892,530	1,892,530	1,892,530	1,892,530	1,892,530	1,892,530	1,892,530	1,811,530
5	3923	Transportation Equip-Heavy Duty Trucks/Bobtails		3,856,785	3,856,785	3,856,785	3,895,785	3,895,785	3,895,785	3,895,785	3,895,785	3,895,785	3,895,785	3,895,785	3,895,785	3,895,785	3,886,785
6	3924	Transportation Equip-Trailers		380,361	380,361	380,361	380,361	380,361	380,361	380,361	380,361	380,361	380,361	380,361	380,361	380,361	380,361
7		Total Transportation Equipment		5,866,539	5,866,539	5,866,539	6,256,539	6,256,539	6,256,539	6,256,539	6,256,539	6,256,539	6,256,539	6,256,539	6,256,539	6,256,539	6,166,539
8		Total Depreciable Plant Balance		207,357,640	210,046,929	210,862,670	217,824,006	220,491,171	227,204,335	228,887,061	229,502,952	232,404,069	233,435,333	233,921,983	237,243,717	252,703,427	226,298,869
9																	
10		Non-Depreciable Property															
11																	
12	3501	Land		-													-
13	3600	Land		333,577	333,577	333,577	333,577	333,577	333,577	333,577	333,577	333,577	333,577	333,577	333,577	333,577	333,577
14	3890	Land & Land Rights		864,155	864,155	864,155	864,155	864,155	864,155	864,155	864,155	864,155	864,155	864,155	864,155	864,155	864,155
15		Total Non-Depreciable Property		1,197,733	1,197,733	1,197,733	1,197,733	1,197,733	1,197,733	1,197,733	1,197,733	1,197,733	1,197,733	1,197,733	1,197,733	1,197,733	1,197,733
16		Total Plant Balance		208,555,372	211,244,662	212,060,403	219,021,739	221,688,904	228,402,067	230,084,793	230,700,684	233,601,801	234,633,065	235,119,715	238,441,450	253,901,159	227,496,601
17		Customer Advances for Construction		302,918	304,598	305,411	306,047	306,689	307,336	307,989	308,647	309,311	309,980	310,654	311,335	312,019	307,918
18		Total Plant w/o Common		208,252,455	210,940,064	211,754,992	218,715,692	221,382,215	228,094,731	229,776,805	230,392,037	233,292,491	234,323,085	234,809,061	238,130,115	253,589,141	227,188,683
19																	
20																	
21		Florida Common Plant															
22	3030	Misc. Intangible Plant		-	-	-	-	-	-	-	-	-	-	-	-	-	
23	3890	Land		-	-	-	-	-	-	-	-	-	-	-	-	-	-
24	3900	Structures and Improvements		130,738	130,738	130,738	130,738	130,738	130,738	130,738	130,738	130,738	130,738	130,738	130,738	130,738	130,738
25	3910	Office machines		31,598	31,598	31,598	31,598	31,598	31,598	31,598	31,598	31,598	31,598	31,598	31,598	31,598	31,598
26	3912	EDP Equipment		85,741	85,741	85,741	85,741	85,741	85,741	85,741	85,741	85,741	85,741	85,741	85,741	85,741	85,741
27	3913	Office Furniture and Equipment		238	238	238	238	238	238	238	238	238	238	238	238	238	238
28	3914	Software		932,208	932,208	932,208	932,208	932,208	932,208	932,208	932,208	932,208	932,208	932,208	932,208	932,208	932,208
29	3921	Transportation Equipment-Cars		101,549	101,549	101,549	101,549	101,549	101,549	101,549	101,549	101,549	101,549	101,549	101,549	101,549	101,549
30	3922	Transportation Equipment-Light Trucks		503,803	503,803	503,803	503,803	503,803	503,803	503,803	503,803	503,803	503,803	503,803	503,803	503,803	503,803
31	3970	Communication Equipment		7,784	7,784	7,784	7,784	7,784	7,784	7,784	7,784	7,784	7,784	7,784	7,784	7,784	7,784
32	3980	Miscellaneous Equipment		39,751	39,751	39,751	39,751	39,751	39,751	39,751	39,751	39,751	39,751	39,751	39,751	39,751	39,751
33	3990	Miscellaneous Tangible Assets		-	-	-	-	-	-	-	-	-	-	-	-	-	
34		Total Florida Common Plant		1,833,409	1,833,409	1,833,409	1,833,409	1,833,409	1,833,409	1,833,409	1,833,409	1,833,409	1,833,409	1,833,409	1,833,409	1,833,409	1,833,409
35																	
36																	
37		AS ALLOCATED (Electric Division)	Allocation														
38	Florida Common		Rate														
39			14.70%														
40	3030	Misc. Intangible Plant	14.70%	-	-	-	-	-	-	-	-	-	-	-	-	-	-
41	3890	Land	14.70%	-	-	-	-	-	-	-	-	-	-	-	-	-	-
42	3900	Structures and Improvements	14.70%	19,218	19,218	19,218	19,218	19,218	19,218	19,218	19,218	19,218	19,218	19,218	19,218	19,218	19,218
43	3910	Office machines	14.70%	4,645	4,645	4,645	4,645	4,645	4,645	4,645	4,645	4,645	4,645	4,645	4,645	4,645	4,645
44	3912	EDP Equipment	14.70%	12,604	12,604	12,604	12,604	12,604	12,604	12,604	12,604	12,604	12,604	12,604	12,604	12,604	12,604
45	3913	Office Furniture and Equipment	14.70%	35	35	35	35	35	35	35	35	35	35	35	35	35	35
46	3914	Software	14.70%	137,035	137,035	137,035	137,035	137,035	137,035	137,035	137,035	137,035	137,035	137,035	137,035	137,035	137,035
47	3921	Transportation Equipment-Cars	14.70%	14,928	14,928	14,928	14,928	14,928	14,928	14,928	14,928	14,928	14,928	14,928	14,928	14,928	14,928
48	3922	Transportation Equipment-Light Trucks	14.70%	74,059	74,059	74,059	74,059	74,059	74,059	74,059	74,059	74,059	74,059	74,059	74,059	74,059	74,059
49	3970	Communication Equipment	14.70%	1,144	1,144	1,144	1,144	1,144	1,144	1,144	1,144	1,144	1,144	1,144	1,144	1,144	1,144
50	3980	Miscellaneous Equipment	14.70%	5,843	5,843	5,843	5,843	5,843	5,843	5,843	5,843	5,843	5,843	5,843	5,843	5,843	5,843
51	3990	Miscellaneous Tangible Assets	14.70%	-	-	-	-	-	-	-	-	-	-	-	-	-	-
52		Total Allocated Florida Common Plant		269,511	269,511	269,511	269,511	269,511	269,511	269,511	269,511	269,511	269,511	269,511	269,511	269,511	269,511

Supporting Schedules:

Recap Schedules: B-1 (2025) B-3 (2025), B-6 (2025)

Schedule B-8 (2025) MONTHLY PLANT BALANCES TEST YEAR - 13 MONTHS

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: Florida Public Utilities Company
Consolidated Electric Division
DOCKET NO.: 20240099-EI

EXPLANATION: Provide the monthly plant balances for each account or sub-account to which an individual depreciation rate is applied. These balances should be the ones used to compute the monthly depreciation expenses excluding any amortization/recovery schedules.

Type of Data Shown:
__x__ Projected Test Year Ended 12/31/25
_____ Prior Year Ended 12/31/24
_____ Historical Test Year Ended 12/31/23
Witness: Napier

Line No.	Account Sub-account Number	Account Sub-account Title	Allocation Rate	Dec 2024	Jan 2025	Feb 2025	Mar 2025	Apr 2025	May 2025	Jun 2025	Jul 2025	Aug 2025	Sep 2025	Oct 2025	Nov 2025	Dec 2025	13-Month Average
		Corporate Common Plant															
1	3010	Organization		5,966	5,966	5,966	5,966	5,966	5,966	5,966	5,966	5,966	5,966	5,966	5,966	5,966	5,966
2	3890	Land and Land Rights		690,969	690,969	690,969	690,969	690,969	690,969	690,969	690,969	690,969	690,969	690,969	690,969	690,969	690,969
3	3900	Structures & Improvements		12,739,131	12,739,131	12,739,131	12,739,131	12,739,131	12,739,131	12,739,131	12,739,131	12,739,131	12,739,131	12,739,131	12,739,131	12,739,131	12,739,131
4	3901	Leasehold Improvements		421,492	421,492	421,492	421,492	421,492	421,492	421,492	421,492	421,492	421,492	421,492	421,492	421,492	421,492
5	3910	Office Furn & Equipment		1,066,913	1,066,913	1,066,913	1,066,913	1,066,913	1,066,913	1,066,913	1,066,913	1,066,913	1,066,913	1,066,913	1,066,913	1,066,913	1,066,913
6	3911	Computer and Periphery		2,929,085	2,964,424	2,999,763	3,035,102	3,070,441	3,105,780	3,141,119	3,176,458	3,211,797	3,247,136	3,282,475	3,317,814	3,353,153	3,141,119
7	3912	Computer Hardware		2,108,409	2,141,742	2,175,075	2,208,408	2,241,741	2,275,074	3,021,189	3,054,522	3,087,855	3,121,188	3,154,521	3,187,854	3,221,197	2,692,213
8	3913	Furniture and Fixtures		1,002,836	1,002,836	1,002,836	1,002,836	1,002,836	1,002,836	1,002,836	1,002,836	1,002,836	1,002,836	1,002,836	1,002,836	1,002,836	1,002,836
9	3914	System Software		5,012,078	5,012,078	5,012,078	5,012,078	5,012,078	5,012,078	5,187,078	5,187,078	5,187,078	5,187,078	5,187,078	5,187,078	5,187,078	5,106,309
10	3920	Transportation Equipment		1,448,776	1,448,776	1,448,776	1,508,776	1,508,776	1,508,776	1,508,776	1,508,776	1,508,776	1,568,776	1,568,776	1,568,776	1,568,776	1,513,391
11	3970	Communication Equipment		1,467,610	1,467,610	1,467,610	1,467,610	1,467,610	1,467,610	1,467,610	1,467,610	1,467,610	1,467,610	1,467,610	1,467,610	1,467,610	1,467,610
12		Total Corporate Common Plant		28,893,263	28,961,935	29,030,607	29,159,279	29,227,951	29,296,623	30,253,077	30,321,749	30,390,421	30,519,093	30,587,765	30,656,437	30,725,119	29,847,948
13			Allocation														
14		Corporate Common Plant Allocated	Rate														
15	3010	Organization	5.00%	298	298	298	298	298	298	298	298	298	298	298	298	298	298
16	3890	Land and Land Rights	5.00%	34,548	34,548	34,548	34,548	34,548	34,548	34,548	34,548	34,548	34,548	34,548	34,548	34,548	34,548
17	3900	Structures & Improvements	5.00%	636,957	636,957	636,957	636,957	636,957	636,957	636,957	636,957	636,957	636,957	636,957	636,957	636,957	636,957
18	3901	Leasehold Improvements	5.00%	21,075	21,075	21,075	21,075	21,075	21,075	21,075	21,075	21,075	21,075	21,075	21,075	21,075	21,075
19	3910	Office Furn & Equipment	5.00%	53,346	53,346	53,346	53,346	53,346	53,346	53,346	53,346	53,346	53,346	53,346	53,346	53,346	53,346
20	3911	Computer and Periphery	5.00%	146,454	148,221	149,988	151,755	153,522	155,289	157,056	158,823	160,590	162,357	164,124	165,891	167,658	157,056
21	3912	Computer Hardware	5.00%	105,420	107,087	108,754	110,420	112,087	113,754	151,059	152,726	154,393	156,059	157,726	159,393	161,060	134,611
22	3913	Furniture and Fixtures	5.00%	50,142	50,142	50,142	50,142	50,142	50,142	50,142	50,142	50,142	50,142	50,142	50,142	50,142	50,142
23	3914	System Software	5.00%	250,604	250,604	250,604	250,604	250,604	250,604	259,354	259,354	259,354	259,354	259,354	259,354	259,354	255,315
24	3920	Transportation Equipment	5.00%	72,439	72,439	72,439	75,439	75,439	75,439	75,439	75,439	75,439	78,439	78,439	78,439	78,439	75,670
25	3970	Communication Equipment	5.00%	73,380	73,380	73,380	73,380	73,380	73,380	73,380	73,380	73,380	73,380	73,380	73,380	73,380	73,380
26		Total Corporate Common Plant Allocated		1,444,663	1,448,097	1,451,530	1,457,964	1,461,398	1,464,831	1,512,654	1,516,087	1,519,521	1,525,955	1,529,388	1,532,822	1,536,256	1,492,397
27																	
28		Total Plant With Common Less Customer Advances		209,966,629	212,657,672	213,476,033	220,443,167	223,113,124	229,829,074	231,558,970	232,177,636	235,081,523	236,118,551	236,607,960	239,932,448	255,394,908	228,950,592

Supporting Schedules: Recap Schedules: B-1 (2025) B-3 (2025), B-6 (2025)

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: Florida Public Utilities Company
Consolidated Electric Division
DOCKET NO.: 20240099-EI

EXPLANATION: Provide the depreciation reserve balances for each account or sub-account to which an individual depreciation rate is applied. (Include Amortization/Recovery schedule amounts)

Type of Data Shown:
_____ Projected Test Year Ended 12/31/25
_____ Prior Year Ended 12/31/24
__X__ Historical Test Year Ended 12/31/23
Witness: Galtman

Line No.	(1) Account/ Sub-account Number	(2) Account/ Sub-account Title	(3) Accumulated Depreciation Beg. of Year	(4) Total Depreciation Accrued	(5) Retirements	(6) Net Salvage	(7) Adjustments or Transfers	(8) Accumulated Depreciation End of Year	(9) 13-Month Average
1	3031	Intangible Plant	-	(102,325)			524,130	421,804	32,446
2		Transmission Plant							
3	3501	Land Rights	4,283	229				4,512	4,300
4	352E	Structures & Improvements	184,108	27,298				211,406	200,200
5	353E	Station Equipment	1,929,692	181,124		158,161		2,268,977	2,117,982
6	354E	Towers & Fixtures	209,795	2,248				212,043	211,775
7	355C	Poles & Fixtures - Concrete	(79,580)	78,095				(1,486)	(36,403)
8	355S	Poles & Fixtures-SPP	1,892,911	49,058		(75,598)		1,866,371	1,872,816
9	355W	Poles & Fixtures - Wood	73,671	38,763		(361)		112,073	100,734
10	356E	Overhead Conductors & Devices	599,183	90,822		(21)		689,984	648,517
11	359E	Roads & Trails	6,192	14				6,206	6,219
12		Total Transmission Plant	4,820,255	467,650	-	82,182	-	5,370,087	5,126,141
13									
14									
15									
16		Distribution Plant							
17									
18	3601	Land Rights	36,665	627				37,292	37,075
19	361E	Structures & Improvements	91,152	6,664			3,758	101,573	97,063
20	362E	Station Equipment	4,551,530	227,863		(239)		4,779,154	4,676,267
21	364E	Poles, Towers & Fixtures	11,539,841	810,751	(111,872)	(53,744)	(39,767)	12,145,209	11,914,947
22	364S	Poles, Towers & Fixtures SPP	-	13,892			39,767	53,659	11,498
23	365E	Overhead Conductors & Devices	11,830,858	458,444	(8,058)	(4,688)		12,276,556	12,115,669
24	365S	Overhead Conductors & Devices							-
25	366E	Underground Conduits	1,744,568	116,561				1,861,129	1,809,215
26	366S	Underground Conduits							-
27	367E	Underground Conductors & Devices	4,479,544	200,342	(2,222)	(7,812)		4,669,852	4,572,285
28	368B	Line Transformers-Buried/Duct	7,675,720	285,827		(39,909)		7,921,638	7,820,671
29	368H	Line Transformers-Overhead	9,016,814	311,221	(6,853)	(229)		9,320,953	9,190,500
30	369B	Services-Buried	4,223,646	139,084	(2,675)	(6,463)		4,353,591	4,301,492
31	369H	Services-Overhead	4,208,098	163,044	(20,746)	(5,957)		4,344,440	4,284,997
32	370E	Meters	3,593,287	229,453	(13,938)	(2,586)		3,806,216	3,698,054
33	371A	Install on Customer Premises-Above Gı	678,864	70,627	(35,167)	(7,183)		707,141	695,850
34	371B	Install on Customer Premises-Undergrc	926,275	40,758	(5,188)	(1,537)		960,309	942,889
35	373A	St Lighting & Signal Sys-Above Ground	1,016,490	64,055	(5,486)	(421)		1,074,639	1,066,085
36	373B	St Lighting & Signal Sys-Underground	716,462	12,108	(323)			728,247	723,273
37		Total Distribution Plant	66,329,814	3,151,323	(212,529)	(130,768)	3,758	69,141,597	67,957,831
38									

Supporting Schedules: B-6 (2023), B-9 (2023), B-10 (2023) Recap Schedules: B-1 (2023), B-6 (2023)

FPSC EXH NO. 4

ADMITTED

J63

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide the depreciation reserve balances for each account or sub-account to which an individual depreciation rate is applied. (Include Amortization/Recovery schedule amounts)

COMPANY: Florida Public Utilities Company
Consolidated Electric Division

DOCKET NO.: 20240099-EI

Type of Data Shown:
_____ Projected Test Year Ended 12/31/25
_____ Prior Year Ended 12/31/24
__X__ Historical Test Year Ended 12/31/23
Witness: Galtman

Line No.	(1) Account/ Sub-account Number	(2) Account/ Sub-account Title	(3) Accumulated Depreciation Beg. of Year	(4) Total Depreciation Accrued	(5) Retirements	(6) Net Salvage	(7) Adjustments or Transfers	(8) Accumulated Depreciation End of Year	(9) 13-Month Average
1		General Plant							
2	3891	Land Rights	6,704					6,704	6,704
3	3900	Structures & Improvements	1,251,730	68,246			(3,758)	1,316,218	1,290,756
4	3910	Office Furniture & Equipment	77,413	25,688				103,101	89,936
5	3911	Computer and Peripheral	(1,719)	834				(884)	(1,302)
6	3912	Computer Hardware	16,883	151				17,034	16,895
7	3913	Furniture & Fixtures	(143)					(143)	(143)
8	3914	System Software	370,483	142,369	(74,522)		(524,130)	(85,799)	344,961
9	3930	Stores Equipment	2,040					2,040	2,040
10	3940	Tools, Shop & Garage Equipment	51,059	16,785	(28,659)			39,185	32,609
11	3950	Laboratory Equipment	1,281					1,281	1,281
12	3960	Power Operated Equipment	446,270	36,839				483,109	464,690
13	3970	Communication Equipment	21,952	4,249				26,201	22,279
14	3980	Miscellaneous Equipment	(23,220)	15,454				(7,766)	(15,845)
15	3990	Other Tangible Property	10,000	1,000				11,000	10,077
16		Total General Plant	2,230,732	311,615	(103,181)	-	(527,887)	1,911,279	2,264,938
17									
18		Transportation Equipment							
19									
20	3921	Transportation Equip-Cars	43,706	6,765			(10,373)	40,098	43,881
21	3922	Transportation Equip-Light Duty Trucks	472,062	76,668	(117,057)	52,000	135,660	619,333	529,806
22	3923	Transportation Equip-Heavy Duty Truck	1,967,343	136,016	(290,374)		(125,287)	1,687,697	1,979,735
23	3924	Transportation Equip-Trailers	99,142	11,411				110,553	105,169
24		Total Transportation Equipment	2,582,253	230,860	(407,432)	52,000	-	2,457,681	2,658,592
25		Retirement Work In Process	198,698				(256,622)	(57,924)	56,760
26		Miscellaneous AD Clearing	(5,092)				(17,202)	(22,294)	(4,468)
27		Total Depreciable Reserve Balance	76,156,661	4,059,122	(723,142)	3,414	(273,824)	79,222,230	78,092,240
28			-					-	-
29		Depreciation Reserve Before Common	76,156,661	4,059,122	(723,142)	3,414	(273,824)	79,222,230	78,092,240
30									
31									
32									

Supporting Schedules: B-6 (2023), B-9 (2023), B-10 (2023)

Recap Schedules: B-1 (2023), B-6 (2023)

J63

FPSC EXH NO. 4

ADMITTED

J64

Schedule B-9 (2023) DEPRECIATION RESERVE BALANCES BY ACCOUNT AND SUB-ACCOUNT

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide the depreciation reserve balances for each account or sub-account to which an individual depreciation rate is applied. (Include Amortization/Recovery schedule amounts)

COMPANY: Florida Public Utilities Company
Consolidated Electric Division
DOCKET NO.: 20240099-EI

Type of Data Shown:
_____ Projected Test Year Ended 12/31/25
_____ Prior Year Ended 12/31/24
__X__ Historical Test Year Ended 12/31/23
Witness: Galtman

Line No.	(1) Account/ Sub-account Number	(2) Account/ Sub-account Title	(3) Accumulated Depreciation Beg. of Year	(4) Total Depreciation Accrued	(5) Retirements	(6) Net Salvage	(7) Adjustments or Transfers	(8) Accumulated Depreciation End of Year	(9) 13-Month Average
1		Florida Common Plant							
2									
3	3900	Structures and Improvements	555,777	177,333				733,110	644,443
4	3910	Office Furniture & Equipment	(140,301)	36,172				(104,129)	(122,751)
5	3912	Computer Hardware	244,754	(42,166)				202,588	225,607
6	3913	Furniture & Fixtures	(568,445)	145,598				(422,847)	(498,176)
7	3914	System Software	(35,373)	218,203				182,830	70,558
8	3921	Transportation Equip-Cars	63,754	3,864				67,617	65,736
9	3922	Transportation Equip-Light Duty Trucks	73,075	30,227				103,302	88,285
10	3970	Communication Equipment	265,950	53,602				319,552	292,833
11	3980	Miscellaneous Equipment	16,665	5,261	(6,633)			15,293	15,667
12	3990	Miscellaneous Tangible Assets	-					-	-
13	1080	AD Clearing	(1,300)				(5,916)	(7,216)	(7,200)
14	1089	RWIP - Retirement Work in Progress	-				17,402	17,402	13,386
15		Total Florida Common Plant	474,555	628,095	(6,633)	-	11,486	1,107,502	788,389
16									
17		Allocated Florida Common							
18									
19	3900	Structures and Improvements	105,467	33,652	-	-	-	139,119	122,293
20	3910	Office Furniture & Equipment	(26,624)	6,864	-	-	-	(19,760)	(23,294)
21	3912	Computer Hardware	46,446	(8,002)	-	-	-	38,444	42,812
22	3913	Furniture & Fixtures	(107,871)	27,630	-	-	-	(80,242)	(94,537)
23	3914	System Software	(6,713)	41,407	-	-	-	34,695	13,389
24	3921	Transportation Equip-Cars	12,098	733	-	-	-	12,831	12,474
25	3922	Transportation Equip-Light Duty Trucks	13,867	5,736	-	-	-	19,603	16,754
26	3970	Communication Equipment	50,468	10,172	-	-	-	60,640	55,570
27	3980	Miscellaneous Equipment	3,162	998	(1,259)	-	-	2,902	2,973
28	3990	Miscellaneous Tangible Assets	-	-	-	-	-	-	-
29	1080	AD Clearing	(247)	-	-	-	(1,123)	(1,369)	(1,366)
30	1089	RWIP - Retirement Work in Progress	-	-	-	-	3,302	3,302	2,540
31		Total Allocated Florida Common Plant	90,054	119,191	(1,259)	-	2,180	210,166	149,609

Supporting Schedules: B-6 (2023), B-9 (2023), B-10 (2023)

Recap Schedules: B-1 (2023), B-6 (2023)

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: Florida Public Utilities Company
Consolidated Electric Division
DOCKET NO.: 20240099-EI

EXPLANATION: Provide the depreciation reserve balances for each account or sub-account to which an individual depreciation rate is applied. (Include Amortization/Recovery schedule amounts)

Type of Data Shown:
_____ Projected Test Year Ended 12/31/25
_____ Prior Year Ended 12/31/24
__X__ Historical Test Year Ended 12/31/23
Witness: Galtman

Line No.	(1) Account/ Sub-account Number	(2) Account/ Sub-account Title	(3) Accumulated Depreciation Beg. of Year	(4) Total Depreciation Accrued	(5) Retirements	(6) Net Salvage	(7) Adjustments or Transfers	(8) Accumulated Depreciation End of Year	(9) 13-Month Average
1		Corporate Common Reserve							
2	3010	Organization	5,966					5,966	5,966
3	3890	Land and Land Rights	-					-	-
4	3900	Structures & Improvements	1,343,061	184,420				1,527,481	1,435,271
5	3901	Leasehold Improvements	194,355	42,588				236,943	215,649
6	3910	Office Furn & Equipment	469,371	108,488	(31,315)			546,544	515,811
7	3911	Computer and Periphery	2,309,834	606,311	(1,006,560)			1,909,585	2,153,676
8	3912	Computer Hardware	191,710	220,429				412,139	293,088
9	3913	Furniture and Fixtures	100,454	19,152				119,605	110,029
10	3914	System Software	1,856,843	725,521	(622,448)			1,959,916	1,928,318
11	3920	Transportation Equipment	585,960	201,771	(54,882)	41,162		774,010	688,015
12	3970	Communication Equipment	601,085	120,885	(11,831)			710,140	652,739
13		Total Corporate Common Reserve	$ 7,658,638	$ 2,229,566	$ (1,727,036)	$ 41,162	$ -	$ 8,202,329	$ 7,998,561
14									
15		Corporate Common Reserve Allocated							
16	3010	Organization	470	-	-	-	-	470	470
17	3890	Land and Land Rights	-	-	-	-	-	-	-
18	3900	Structures & Improvements	105,835	14,532	-	-	-	120,367	113,101
19	3901	Leasehold Improvements	15,315	3,356	-	-	-	18,671	16,993
20	3910	Office Furn & Equipment	36,987	8,549	(2,468)	-	-	43,068	40,646
21	3911	Computer and Periphery	182,017	47,778	(79,318)	-	-	150,477	169,712
22	3912	Computer Hardware	15,107	17,370	-	-	-	32,477	23,096
23	3913	Furniture and Fixtures	7,916	1,509	-	-	-	9,425	8,670
24	3914	System Software	146,321	57,172	(49,049)	-	-	154,443	151,953
25	3920	Transportation Equipment	46,174	15,900	(4,325)	3,244	-	60,993	54,216
26	3970	Communication Equipment	47,366	9,526	(932)	-	-	55,960	51,436
27		Corporate Common Reserve Allocated	$ 603,508	$ 175,692	$ (136,092)	$ 3,244	$ -	$ 646,352	$ 630,294
28									
29		Total Reserve With Common	$ 76,850,223	$ 4,354,005	$ (860,493)	$ 6,657	$ (271,644)	$ 80,078,748	$ 78,872,144
30		Less Capitalized Vehicle Depreciation Exp.		(147,983)					
31		Net Depreciation Charged to Expense		$ 4,206,022					

Supporting Schedules: B-6 (2023), B-9 (2023), B-10 (2023) Recap Schedules: B-1 (2023), B-6 (2023)

FPSC EXH NO. 4
ADMITTED

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FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide the depreciation reserve balances for each account or sub-account to which an individual depreciation rate is applied. (Include Amortization/Recovery schedule amounts)

COMPANY: Florida Public Utilities Company
Consolidated Electric Division
DOCKET NO.: 20240099-EI

Type of Data Shown:
_____ Projected Test Year Ended 12/31/25
__X__ Prior Year Ended 12/31/24
_____ Historical Test Year Ended 12/31/23
Witness: Napier, Haffecke

Line No.	(1) Account/ Sub-account Number	(2) Account/ Sub-account Title	(3) Accumulated Depreciation Beg. of Year	(4) Total Depreciation Accrued	(5) Retirements	(6) Net Salvage	(7) Adjustments or Transfers	(8) Accumulated Depreciation End of Year	(9) 13-Month Average
1	3031	Intangible Plant	421,804	64,043	0			485,847	453,825
2	3032	Intangible Plant CIS	-	83,445				83,445	16,047
3		Transmission Plant							
4	3502	Rights of way	4,512	229	-			4,741	4,627
5	352E	Structures & Improvements	211,406	27,302	-			238,708	225,057
6	353E	Station Equipment	2,268,977	198,672	(292,000)	(114,000)		2,061,649	2,139,647
7	354E	Towers & Fixtures	212,043	2,248	-			214,291	213,167
8	355C	Poles & Fixtures - Concrete	(1,486)	78,095	-			76,609	37,561
9	355S	Poles & Fixtures-SPP	1,866,371	8,248	(106,440)		(1,794,797)	(26,617)	726,927
10	355W	Poles & Fixtures - Wood	112,073	87,297	-	(15,329)	1,794,797	1,978,839	1,248,658
11	356E	Overhead Conductors & Devices	689,984	89,283	(6,400)	(1,600)		771,267	731,867
12	359E	Roads & Trails	6,206	14	-			6,220	6,213
13		Total Transmission Plant	5,370,087	491,388	(404,840)	(130,929)	-	5,325,706	5,333,724
14									
15									
16									
17		Distribution Plant							
18	3891	Land Rights	-					-	-
19	3601	Land Rights	37,292	627	-			37,919	37,605
20	361E	Structures & Improvements	101,573	6,687	-			108,260	104,917
21	362E	Station Equipment	4,779,154	230,925	(150,000)	(392,800)		4,467,279	4,767,910
22	364E	Poles, Towers & Fixtures	12,145,209	814,156	(111,320)	(57,581)		12,790,464	12,469,750
23	364S	Poles, Towers & Fixtures SPP	53,659	89,670	(500,931)	(364,000)		(721,602)	(210,497)
24	365E	Overhead Conductors & Devices	12,276,556	467,010	(103,426)	(34,493)		12,605,647	12,444,215
25	365S	Overhead Conductors & Devices	-	30,944	(748,344)			(717,400)	(252,707)
26	366E	Underground Conduits	1,861,129	117,239	(46,757)	(28,381)		1,903,230	1,893,653
27	366S	Underground Conduits	-	1,928	(65,283)			(63,355)	(22,203)
28	367E	Underground Conductors & Devices	4,669,852	200,634	(95,717)	(59,606)		4,715,163	4,716,838
29	368B	Line Transformers-Buried/Duct	7,921,638	319,486	(231,938)	(165,814)		7,843,372	7,937,161
30	368H	Line Transformers-Overhead	9,320,953	325,959	(85,028)	(32,718)		9,529,166	9,439,989
31	369B	Services-Buried	4,353,591	143,489	(259,085)	(23,024)		4,214,971	4,230,688
32	369H	Services-Overhead	4,344,440	167,815	(66,249)	(14,579)		4,431,427	4,394,190
33	370E	Meters	3,806,216	240,776	(99,966)	(29,171)		3,917,855	3,866,788
34	371A	Install on Customer Premises-Above G	707,141	76,201	(8,868)	(1,968)		772,506	735,988
35	371B	Install on Customer Premises-Undergr	960,309	43,476	(2,625)			1,001,160	979,740
36	373A	St Lighting & Signal Sys-Above Grounc	1,074,639	67,999	(37,974)	(13,365)		1,091,299	1,090,092
37	373B	St Lighting & Signal Sys-Underground	728,247	21,815	(14,237)	(10,582)		725,243	730,309
38		Total Distribution Plant	69,141,597	3,366,836	(2,627,747)	(1,228,083)	-	68,652,603	69,354,428

Supporting Schedules: B-6 (2024), B-9 (2024), B-10 (2024)   Recap Schedules: B-1 (2024), B-6 (2024)

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: Florida Public Utilities Company
Consolidated Electric Division
DOCKET NO.: 20240099-EI

EXPLANATION: Provide the depreciation reserve balances for each account or sub-account to which an individual depreciation rate is applied. (Include Amortization/Recovery schedule amounts)

Type of Data Shown:
_____ Projected Test Year Ended 12/31/25
__X__ Prior Year Ended 12/31/24
_____ Historical Test Year Ended 12/31/23
Witness: Napier, Haffecke

Line No.	(1) Account/ Sub-account Number	(2) Account/ Sub-account Title	(3) Accumulated Depreciation Beg. of Year	(4) Total Depreciation Accrued	(5) Retirements	(6) Net Salvage	(7) Adjustments or Transfers	(8) Accumulated Depreciation End of Year	(9) 13-Month Average
1		General Plant							
2	3890	Land	6,704					6,704	6,704
3	3900	Structures & Improvements	1,316,218	69,043	-			1,385,261	1,350,740
4	3910	Office Furniture & Equipment	103,101	29,256	-			132,357	117,591
5	3911	Computer and Peripheral	(884)	834	-			(50)	(467)
6	3912	Computer Hardware	17,034	151	(9,049)			8,135	8,820
7	3913	Furniture & Fixtures	(143)	-	-			(143)	(143)
8	3914	System Software	(85,799)	(2,332)	-			(88,131)	(86,559)
9	3930	Stores Equipment	2,040	-	-			2,040	2,040
10	3940	Tools, Shop & Garage Equipment	39,185	16,369	(22,147)			33,407	26,986
11	3950	Laboratory Equipment	1,281	-	-			1,281	1,281
12	3960	Power Operated Equipment	483,109	36,839	-			519,948	501,529
13	3970	Communication Equipment	26,201	4,249	-			30,450	28,326
14	3980	Miscellaneous Equipment	(7,766)	90,186	-			82,420	34,529
15	399	Other Tangible Property	11,000	1,751	-		1,166	13,917	12,686
16		Total General Plant	1,911,279	246,347	(31,197)	-	1,166	2,127,596	2,004,061
17									
18		Transportation Equipment							
19									
20	3921	Transportation Equip-Cars	40,098	6,765	-			46,863	43,481
21	3922	Transportation Equip-Light Duty Trucks	619,333	104,922	(61,726)			662,529	619,476
22	3923	Transportation Equip-Heavy Duty Trucl	1,687,697	127,874	(165,413)			1,650,159	1,624,675
23	3924	Transportation Equip-Trailers	110,553	11,411	-			121,964	116,258
24		Total Transportation Equipment	2,457,681	250,972	(227,139)	-	-	2,481,515	2,403,890
25		Retirement Work In Process	(57,924)				57,924	-	(27,676)
26		Miscellaneous AD Clearing	(22,294)				22,294	-	(3,135)
27		Total Depreciable Reserve Balance	79,222,230	4,503,031	(3,290,923)	(1,359,012)	81,384	79,156,714	79,535,165
28			-	-				-	-
29		Total Depreciable Reserve Balance	79,222,230	4,503,031	(3,290,923)	(1,359,012)	81,384	79,156,714	79,535,165
30									
31									
32									
33									

Supporting Schedules: B-6 (2024), B-9 (2024), B-10 (2024)   Recap Schedules: B-1 (2024), B-6 (2024)

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide the depreciation reserve balances for each account or sub-account to which an individual depreciation rate is applied. (Include Amortization/Recovery schedule amounts)

COMPANY: Florida Public Utilities Company
Consolidated Electric Division
DOCKET NO.: 20240099-EI

Type of Data Shown:
_____ Projected Test Year Ended 12/31/25
__X__ Prior Year Ended 12/31/24
_____ Historical Test Year Ended 12/31/23
Witness: Napier, Haffecke

Line No.	(1) Account/ Sub-account Number	(2) Account/ Sub-account Title	(3) Accumulated Depreciation Beg. of Year	(4) Total Depreciation Accrued	(5) Retirements	(6) Net Salvage	(7) Adjustments or Transfers	(8) Accumulated Depreciation End of Year	(9) 13-Month Average
1		Florida Common Plant							
2									
3	3900	Structures and Improvements	733,110	177,942			(885,816)	25,237	753,918
4	3910	Office Furniture & Equipment	(104,129)	36,172			30,066	(37,891)	(83,731)
5	3912	Computer Hardware	202,588	(42,166)				160,422	181,505
6	3913	Furniture & Fixtures	(422,847)	145,598			277,024	(225)	(328,738)
7	3914	System Software	182,830	218,203				401,033	291,931
8	3921	Transportation Equip-Cars	67,617	5,468		23,982		97,067	88,675
9	3922	Transportation Equip-Light Duty Trucks	103,302	28,381	(35,970)	26,000		121,713	108,360
10	3970	Communication Equipment	319,552	53,602			(366,178)	6,977	318,186
11	3980	Miscellaneous Equipment	15,293	5,070				20,364	17,829
12	3990	Miscellaneous Tangible Assets	-					-	-
13	1080	AD Clearing	(7,216)				7,216	-	(2,212)
14	1089	RWIP - Retirement Work in Progress	17,402				(17,402)	-	5,354
15		Total Florida Common Plant	1,107,502	628,270	(35,970)	49,982	(955,089)	794,695	1,351,077
16									
17		Allocated Florida Common							
18									
19	3900	Structures and Improvements	112,899	27,403	-	-	(136,416)	3,886	116,103
20	3910	Office Furniture & Equipment	(16,036)	5,570	-	-	4,630	(5,835)	(12,895)
21	3912	Computer Hardware	31,199	(6,494)	-	-	-	24,705	27,952
22	3913	Furniture & Fixtures	(65,118)	22,422	-	-	42,662	(35)	(50,626)
23	3914	System Software	28,156	33,603	-	-	-	61,759	44,957
24	3921	Transportation Equip-Cars	10,413	842	-	3,693	-	14,948	13,656
25	3922	Transportation Equip-Light Duty Trucks	15,909	4,371	(5,539)	4,004	-	18,744	16,687
26	3970	Communication Equipment	49,211	8,255	-	-	(56,391)	1,074	49,001
27	3980	Miscellaneous Equipment	2,355	781	-	-	-	3,136	2,746
28	3990	Miscellaneous Tangible Assets	-	-	-	-	-	-	-
29	1080	AD Clearing	(1,111)	-	-	-	1,111	-	(341)
30	1089	RWIP - Retirement Work in Progress	2,680	-	-	-	(2,680)	-	825
31		Total Allocated Florida Common Plant	170,555	96,754	(5,539)	7,697	(147,084)	122,383	208,066

Supporting Schedules: B-6 (2024), B-9 (2024), B-10 (2024) Recap Schedules: B-1 (2024), B-6 (2024)

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide the depreciation reserve balances for each account or sub-account to which an individual depreciation rate is applied. (Include Amortization/Recovery schedule amounts)

COMPANY: Florida Public Utilities Company
Consolidated Electric Division
DOCKET NO.: 20240099-EI

Type of Data Shown:
_____ Projected Test Year Ended 12/31/25
__X__ Prior Year Ended 12/31/24
_____ Historical Test Year Ended 12/31/23
Witness: Napier, Haffecke

Line No.	(1) Account/ Sub-account Number	(2) Account/ Sub-account Title	(3) Accumulated Depreciation Beg. of Year	(4) Total Depreciation Accrued	(5) Retirements	(6) Net Salvage	(7) Adjustments or Transfers	(8) Accumulated Depreciation End of Year	(9) 13-Month Average
1		Corporate Common Reserve							
2	3010	Organization	5,966					5,966	5,966
3	3890	Land and Land Rights	-					-	-
4	3900	Structures & Improvements	1,527,481	216,301			885,816	2,629,597	1,714,802
5	3901	Leasehold Improvements	236,943	42,259				279,202	258,110
6	3910	Office Furn & Equipment	546,544	105,090			(30,066)	621,567	597,803
7	3911	Computer and Periphery	1,909,585	552,534	(38,873)			2,423,246	2,149,862
8	3912	Computer Hardware	412,139	395,922				808,061	602,233
9	3913	Furniture and Fixtures	119,605	88,345			(277,024)	(69,074)	145,183
10	3914	System Software	1,959,916	1,404,863				3,364,779	2,647,163
11	3920	Transportation Equipment	774,010	194,047	(44,784)			923,274	825,987
12	3970	Communication Equipment	710,140	111,170			366,178	1,187,488	793,099
13		Total Corporate Common Reserve	$ 8,202,329	$ 3,110,531	$ (83,657)	$ -	$ 944,903	$ 12,174,106	$ 9,740,209
14									
15		Corporate Common Reserve Allocated							
16	3010	Organization	328	-	-	-	-	328	328
17	3890	Land and Land Rights	-	-	-	-	-	-	-
18	3900	Structures & Improvements	84,011	11,897	-	-	48,720	144,628	94,314
19	3901	Leasehold Improvements	13,032	2,324	-	-	-	15,356	14,196
20	3910	Office Furn & Equipment	30,060	5,780	-	-	(1,654)	34,186	32,879
21	3911	Computer and Periphery	105,027	30,389	(2,138)	-	-	133,279	118,242
22	3912	Computer Hardware	22,668	21,776	-	-	-	44,443	33,123
23	3913	Furniture and Fixtures	6,578	4,859	-	-	(15,236)	(3,799)	7,985
24	3914	System Software	107,795	77,267	-	-	-	185,063	145,594
25	3920	Transportation Equipment	42,571	10,673	(2,463)	-	-	50,780	45,429
26	3970	Communication Equipment	39,058	6,114	-	-	20,140	65,312	43,620
27		Corporate Common Reserve Allocated	$ 451,128	$ 171,079	$ (4,601)	$ -	$ 51,970	$ 669,576	$ 535,711
28									
29		Total Reserve With Common	$ 79,843,914	$ 4,770,864	$ (3,301,063)	$(1,351,315)	$ (13,730)	$ 79,948,672	$ 80,278,942
		Less Capitalized Vehicle Depreciation Exp.		(160,875)					
		Net Depreciation Charged to Expense		$ 4,609,989					

Supporting Schedules: B-6 (2024), B-9 (2024), B-10 (2024) Recap Schedules: B-1 (2024), B-6 (2024)

FPSC EXH NO. 4

ADMITTED

J70

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: Florida Public Utilities Company
Consolidated Electric Division
DOCKET NO.: 20240099-EI

EXPLANATION: Provide the depreciation reserve balances for each account or sub-account to which an individual depreciation rate is applied. (Include Amortization/Recovery schedule amounts)

Type of Data Shown:
__x__ Projected Test Year Ended 12/31/25
_____ Prior Year Ended 12/31/24
_____ Historical Test Year Ended 12/31/23
Witness: Napier, Haffecke

Line No.	(1) Account/ Sub-account Number	(2) Account/ Sub-account Title	(3) Accumulated Depreciation Beg. of Year	(4) Total Depreciation Accrued	(5) Retirements	(6) Net Salvage	(7) Adjustments or Transfers	(8) Accumulated Depreciation End of Year	(9) 13-Month Average
1	3031	Intangible Plant	485,847	64,043	0			549,890	517,868
2	3032	Intangible Plant CIS	83,445	251,282	0			334,728	182,463
3									
4	3502	Rights of way	4,741	19	-			4,760	4,759
5	352E	Structures & Improvements	238,708	2,501	-			241,210	240,913
6	353E	Station Equipment	2,061,649	51,773	(305,200)	(227,000)		1,581,222	1,995,102
7	354E	Towers & Fixtures	214,291	107,831	-			322,122	263,445
8	355C	Poles & Fixtures - Concrete	76,609	10,629	-			87,238	84,518
9	355S	Poles & Fixtures-SPP	(26,617)	61,197	(363,804)			(329,224)	(181,660)
10	355W	Poles & Fixtures - Wood	1,978,839	85,902	-			2,064,740	2,021,789
11	356E	Overhead Conductors & Devices	771,267	90,216	(9,600)	(2,400)		849,484	810,354
12	359E	Roads & Trails	6,220	14				6,233	6,226
13		Total Transmission Plant	5,325,706	410,083	(678,604)	(229,400)	-	4,827,785	5,245,447
14									
15									
16									
17		Distribution Plant							
18									
19	3601	Land Rights	37,919	627				38,546	38,232
20	361E	Structures & Improvements	108,260	6,687				114,948	111,604
21	362E	Station Equipment	4,467,279	358,982	(2,309,400)	(1,486,000)		1,030,861	2,291,130
22	364E	Poles, Towers & Fixtures	12,790,464	831,041	(51,328)	(49,372)		13,520,805	13,154,426
23	364S	Poles, Towers & Fixtures SPP	(721,602)	276,150	(835,212)	(679,200)		(1,959,864)	(1,349,032)
24	365E	Overhead Conductors & Devices	12,605,647	477,526	(48,356)	(46,735)		12,988,082	12,796,117
25	365S	Overhead Conductors & Devices	(717,400)	163,478	(1,252,818)			(1,806,741)	(1,281,593)
26	366E	Underground Conduits	1,903,230	125,133	(85,273)	(76,582)		1,866,508	1,884,682
27	366S	Underground Conduits	(63,355)	14,474	(110,166)			(159,047)	(111,767)
28	367E	Underground Conductors & Devices	4,715,163	229,831	(192,749)	(172,596)		4,579,649	4,646,936
29	368B	Line Transformers-Buried/Duct	7,843,372	388,075	(228,379)	(215,660)		7,787,408	7,810,982
30	368H	Line Transformers-Overhead	9,529,166	336,865	(42,239)	(38,465)		9,785,326	9,656,366
31	369B	Services-Buried	4,214,971	151,047	(31,025)	(28,680)		4,306,313	4,260,074
32	369H	Services-Overhead	4,431,427	172,624	(19,155)	(17,982)		4,566,914	4,498,783
33	370E	Meters	3,917,855	251,757	-			4,169,612	4,043,734
34	371A	Install on Customer Premises-Above Ground	772,506	77,052	-			849,558	811,032
35	371B	Install on Customer Premises-Underground	1,001,160	43,760	-			1,044,919	1,023,039
36	373A	St Lighting & Signal Sys-Above Ground	1,091,299	74,385	(18,744)	(17,402)		1,129,539	1,109,927
37	373B	St Lighting & Signal Sys-Underground	725,243	26,461	(13,552)	(13,326)		724,826	724,717
38		Total Distribution Plant	68,652,603	4,005,955	(5,238,396)	(2,842,000)	-	64,578,163	66,119,388
39									

Supporting Schedules: B-6 (2025), B-9 (2025), B-10 (2025) Recap Schedules: B-1 (2015), B-6 (2015)

J70

FPSC EXH NO. 4

ADMITTED

J71

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: Florida Public Utilities Company
Consolidated Electric Division
DOCKET NO.: 20240099-EI

EXPLANATION: Provide the depreciation reserve balances for each account or sub-account to which an individual depreciation rate is applied. (Include Amortization/Recovery schedule amounts)

Type of Data Shown:
__x__ Projected Test Year Ended 12/31/25
_____ Prior Year Ended 12/31/24
_____ Historical Test Year Ended 12/31/23
Witness: Napier, Haffecke

Line No.	(1) Account/ Sub-account Number	(2) Account/ Sub-account Title	(3) Accumulated Depreciation Beg. of Year	(4) Total Depreciation Accrued	(5) Retirements	(6) Net Salvage	(7) Adjustments or Transfers	(8) Accumulated Depreciation End of Year	(9) 13-Month Average
35		General Plant							
36	3890	Land	6,704					6,704	6,704
37	3900	Structures & Improvements	1,385,261	69,043				1,454,305	1,419,783
38	3910	Office Furniture & Equipment	132,357	29,653				162,010	147,183
39	3912	Computer Hardware	(50)	834				784	367
	3911	Computer and Peripheral	8,135					8,135	8,135
40	3913	Furniture & Fixtures	(143)	-				(143)	(143)
41	3914	System Software	(88,131)	(3,553)				(91,684)	(89,908)
42	3930	Stores Equipment	2,040	-				2,040	2,040
43	3940	Tools, Shop & Garage Equipment	33,407	16,254				49,661	41,534
44	3950	Laboratory Equipment	1,281	-				1,281	1,281
45	3960	Power Operated Equipment	519,948	36,839				556,788	538,368
46	3970	Communication Equipment	30,450	224,249				254,699	128,728
48	3980	Miscellaneous Equipment	82,420	144,190				226,611	154,516
49	3990	Other Tangible Property	13,917	2,000				15,917	14,917
50		Total General Plant	2,127,596	519,509	-	-	-	2,647,106	2,373,505
51									
52		Transportation Equipment							
53									
54	3921	Transportation Equip-Cars	46,863	6,765	-			53,629	50,246
55	3922	Transportation Equip-Light Duty Trucks/Vans	662,529	144,382	(234,000)			572,912	552,290
56	3923	Transportation Equip-Heavy Duty Trucks	1,650,159	128,239	(26,000)			1,752,398	1,694,167
57	3924	Transportation Equip-Trailers	121,964	11,411	-			133,375	127,669
58		Total Transportation Equipment	2,481,515	290,797	(260,000)	-	-	2,512,313	2,424,373
		Retirement Work In Process	-					-	-
		Miscellaneous AD Clearing	-					-	-
59		Total Depreciable Reserve Balance	79,156,714	5,541,670	(6,177,000)	(3,071,400)	-	75,449,985	76,863,044
60									
61		Depreciation Reserve Before Common	79,156,714	5,541,670	(6,177,000)	(3,071,400)	-	75,449,985	76,863,044
62									
63									
64									

Supporting Schedules: B-6 (2025), B-9 (2025), B-10 (2025) Recap Schedules: B-1 (2025), B-6 (2025)

FPSC EXH NO. 4

ADMITTED

J72

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: Florida Public Utilities Company
Consolidated Electric Division
DOCKET NO.: 20240099-EI

EXPLANATION: Provide the depreciation reserve balances for each account or sub-account to which an individual depreciation rate is applied. (Include Amortization/Recovery schedule amounts)

Type of Data Shown:
__x__ Projected Test Year Ended 12/31/25
_____ Prior Year Ended 12/31/24
_____ Historical Test Year Ended 12/31/23
Witness: Napier, Haffecke

Line No.	(1) Account/ Sub-account Number	(2) Account/ Sub-account Title	(3) Accumulated Depreciation Beg. of Year	(4) Total Depreciation Accrued	(5) Retirements	(6) Net Salvage	(7) Adjustments or Transfers	(8) Accumulated Depreciation End of Year	(9) 13-Month Average
64		Florida Common Plant							
65									
66	3900	Structures and Improvements	25,237	3,007				28,244	26,740
67	3910	Office Furniture & Equipment	(37,891)	32,141				(5,750)	(21,821)
68	3912	Computer Hardware	160,422	(42,166)				118,257	139,340
69	3913	Furniture & Fixtures	(225)	159				(66)	(145)
70	3914	System Software	401,033	218,203				619,236	510,134
71	3921	Transportation Equip-Cars	97,067	5,788				102,855	99,961
72	3922	Transportation Equip-Light Duty Trucks/Vans	121,713	28,213				149,926	135,819
73	3970	Communication Equipment	6,977	670				7,646	7,311
74	3980	Miscellaneous Equipment	20,364	5,077				25,441	22,902
75	3990	Miscellaneous Tangible Assets	-					-	-
	1080	AD Clearing	-					-	-
76	1089	RWIP - Retirement Work in Progress	-					-	-
77		Total Florida Common Plant	794,695	251,092	-	-	-	1,045,787	920,241
78									
79		Allocated Florida Common							
80									
81	3900	Structures and Improvements	3,710	442	-	-	-	4,152	3,931
82	3910	Office Furniture & Equipment	(5,570)	4,725	-	-	-	(845)	(3,208)
83	3912	Computer Hardware	23,582	(6,198)	-	-	-	17,384	20,483
84	3913	Furniture & Fixtures	(33)	23	-	-	-	(10)	(21)
85	3914	System Software	58,952	32,076	-	-	-	91,028	74,990
86	3921	Transportation Equip-Cars	14,269	851	-	-	-	15,120	14,694
87	3922	Transportation Equip-Light Duty Trucks/Vans	17,892	4,147	-	-	-	22,039	19,965
88	3970	Communication Equipment	1,026	98	-	-	-	1,124	1,075
89	3980	Miscellaneous Equipment	2,993	746	-	-	-	3,740	3,367
90	3990	Miscellaneous Tangible Assets	-	-	-	-	-	-	-
	1080	AD Clearing	-	-	-	-	-	-	-
91	1089	RWIP - Retirement Work in Progress	-	-	-	-	-	-	-
92		Total Allocated Florida Common Plant	116,820	36,911	-	-	-	153,731	135,275

Supporting Schedules: B-6 (2025), B-9 (2025), B-10 (2025) Recap Schedules: B-1 (2025), B-6 (2025)

J72

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: Florida Public Utilities Company
Consolidated Electric Division
DOCKET NO.: 20240099-EI

EXPLANATION: Provide the depreciation reserve balances for each account or sub-account to which an individual depreciation rate is applied. (Include Amortization/Recovery schedule amounts)

Type of Data Shown:
__x__ Projected Test Year Ended 12/31/25
_____ Prior Year Ended 12/31/24
_____ Historical Test Year Ended 12/31/23
Witness: Napier, Haffecke

Line No.	(1) Account/ Sub-account Number	(2) Account/ Sub-account Title	(3) Accumulated Depreciation Beg. of Year	(4) Total Depreciation Accrued	(5) Retirements	(6) Net Salvage	(7) Adjustments or Transfers	(8) Accumulated Depreciation End of Year	(9) 13-Month Average
93		Corporate Common Reserve							
94	3010	Organization	5,966					5,966	5,966
95	3890	Land and Land Rights	-					-	-
96	3900	Structures & Improvements	2,629,597	359,243				2,988,841	2,809,219
97	3901	Leasehold Improvements	279,202	42,149				321,351	300,277
98	3910	Office Furn & Equipment	621,567	106,691				728,259	674,913
99	3911	Computer and Periphery	2,423,246	631,758				3,055,003	2,732,646
100	3912	Computer Hardware	808,061	548,173				1,356,234	1,060,045
101	3913	Furniture and Fixtures	(69,074)	273,774				204,700	67,813
102	3914	System Software	3,364,779	1,488,732				4,853,511	4,103,430
103	3920	Transportation Equipment	923,274	227,816				1,151,090	1,035,682
104	3970	Communication Equipment	1,187,488	176,113				1,363,601	1,275,545
105		Total Corporate Common Reserve	$ 12,174,106	$ 3,854,450	$ -	$ -	$ -	$ 16,028,557	$ 14,065,535
106									
107		Corporate Common Reserve Allocated							
108	3010	Organization	298	-	0	0	0	298	298
109	3890	Land and Land Rights	-	-	0	0	0	-	-
110	3900	Structures & Improvements	131,480	17,962	0	0	0	149,442	140,461
111	3901	Leasehold Improvements	13,960	2,107	0	0	0	16,068	15,014
112	3910	Office Furn & Equipment	31,078	5,335	0	0	0	36,413	33,746
113	3911	Computer and Periphery	121,162	31,588	0	0	0	152,750	136,632
114	3912	Computer Hardware	40,403	27,409	0	0	0	67,812	53,002
115	3913	Furniture and Fixtures	(3,454)	13,689	0	0	0	10,235	3,391
116	3914	System Software	168,239	74,437	0	0	0	242,676	205,172
117	3920	Transportation Equipment	46,164	11,391	0	0	0	57,555	51,784
118	3970	Communication Equipment	59,374	8,806	0	0	0	68,180	63,777
119		Corporate Common Reserve Allocated	$ 608,705	$ 192,723	$ -	$ -	$ -	$ 801,428	$ 703,277
120									
121		Total Reserve With Common	$ 79,882,239	$ 5,771,303	$ (6,177,000)	$ (3,071,400)	$ -	$ 76,405,143	$ 77,701,596
122		Less Capitalized Vehicle Depreciation Exp.		(186,403)					
123		Net Depreciation Charged to Expense		$ 5,584,900					

Supporting Schedules: B-6 (2025), B-9 (2025), B-10 (2025) Recap Schedules: B-1 (2025), B-6 (2025)

FPSC EXH NO. 4

ADMITTED

J74

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide the monthly reserve balances for each account or sub-account to which an individual depreciation rate is applied.

COMPANY: Florida Public Utilities Company
Consolidated Electric Division
DOCKET NO.: 20240099-EI

Type of Data Shown:
_____ Projected Test Year Ended 12/31/25
_____ Prior Year Ended 12/31/24
__X__ Historical Test Year Ended 12/31/23
Witness: Galtman

Line No.	Account Sub-account Number	Account Sub-account Title	Dec 2022	Jan 2023	Feb 2023	Mar 2023	Apr 2023	May 2023	Jun 2023	Jul 2023	Aug 2023	Sep 2023	Oct 2023	Nov 2023	Dec 2023	13-Month Average
1	3031	Intangible Plant												0	421,804	32,446
2		Transmission Plant														
3	3502	Rights of way	4,283	4,283	4,283	4,283	4,283	4,283	4,283	4,283	4,283	4,283	4,283	4,283	4,512	4,300
4	352E	Structures & Improvements	184,108	186,861	189,614	192,366	195,119	197,872	200,635	203,397	206,160	208,923	211,686	214,448	211,406	200,200
5	353E	Station Equipment	1,929,692	1,943,988	1,958,283	1,972,579	1,986,874	2,168,958	2,183,253	2,197,549	2,211,853	2,226,158	2,240,462	2,245,140	2,268,977	2,117,982
6	354E	Towers & Fixtures	209,795	210,151	210,507	210,863	211,219	211,575	211,931	212,287	212,643	212,999	213,355	213,711	212,043	211,775
7	355C	Poles & Fixtures - Concrete	(79,580)	(72,259)	(64,937)	(57,616)	(50,295)	(42,973)	(35,652)	(28,331)	(21,009)	(13,688)	(6,367)	955	(1,486)	(36,403)
8	355S	Poles & Fixtures SPP	1,892,911	1,898,782	1,904,653	1,882,101	1,873,490	1,852,649	1,853,279	1,859,569	1,856,454	1,862,797	1,868,604	1,874,952	1,866,371	1,872,816
9	355W	Poles & Fixtures - Wood	73,671	78,432	82,943	87,805	92,529	97,112	101,985	106,859	111,738	116,603	121,469	126,329	112,073	100,734
10	356E	Overhead Conductors & Devices	599,183	606,086	616,875	625,235	633,312	641,364	649,470	657,575	665,680	673,833	681,985	690,138	689,984	648,517
11	359E	Roads & Trails	6,192	6,197	6,202	6,207	6,212	6,218	6,223	6,228	6,233	6,238	6,243	6,248	6,206	6,219
12		Total Transmission Plant	4,820,255	4,862,521	4,908,423	4,923,823	4,952,745	5,137,057	5,175,406	5,219,415	5,254,034	5,298,146	5,341,720	5,376,204	5,370,087	5,126,141
13																
14		Distribution Plant														
15																
16	3601	Land Rights	36,665	36,736	36,807	36,879	36,950	37,021	37,092	37,164	37,235	37,306	37,377	37,449	37,292	37,075
17	361E	Structures & Improvements	91,152	91,815	92,478	93,141	93,804	94,467	98,893	99,562	100,231	100,900	101,568	102,237	101,573	97,063
18	362E	Station Equipment	4,551,530	4,572,624	4,593,719	4,614,830	4,635,941	4,656,813	4,677,924	4,699,035	4,720,382	4,741,777	4,763,172	4,784,566	4,779,154	4,676,267
19	364E	Poles, Towers & Fixtures	11,539,841	11,600,200	11,668,186	11,728,266	11,800,237	11,860,450	11,929,406	12,000,856	12,069,778	12,143,300	12,169,130	12,239,457	12,145,209	11,914,947
20	364S	Poles, Towers & Fixtures SPP								-	-	-	45,195	50,625	53,659	11,498
21	365E	Overhead Conductors & Devices	11,830,858	11,880,912	11,929,876	11,979,352	12,027,674	12,075,590	12,124,492	12,173,912	12,224,104	12,274,655	12,328,607	12,377,104	12,276,556	12,115,669
22	365S	Overhead Conductors & Devices														-
23	366E	Underground Conduits	1,744,568	1,755,459	1,766,366	1,777,300	1,788,251	1,799,226	1,810,270	1,821,322	1,832,381	1,843,439	1,854,507	1,865,582	1,861,129	1,809,215
24	366S	Underground Conduits														-
24	367E	Underground Conductors & Devices	4,479,544	4,493,636	4,509,067	4,524,111	4,540,766	4,553,446	4,569,844	4,586,510	4,602,999	4,619,764	4,636,740	4,653,427	4,669,852	4,572,285
25	368B	Line Transformers-Buried/Duct	7,675,720	7,702,384	7,729,091	7,755,237	7,781,085	7,799,140	7,825,063	7,852,655	7,872,113	7,896,498	7,920,620	7,937,481	7,921,638	7,820,671
26	368H	Line Transformers-Overhead	9,016,814	9,046,390	9,076,187	9,106,931	9,135,611	9,163,603	9,193,120	9,223,211	9,253,471	9,283,052	9,312,953	9,344,203	9,320,953	9,190,500
27	369B	Services-Buried	4,223,646	4,236,741	4,250,358	4,264,964	4,277,750	4,288,565	4,301,430	4,315,804	4,330,323	4,344,871	4,359,488	4,371,865	4,353,591	4,301,492
28	369H	Services-Overhead	4,208,098	4,223,214	4,219,261	4,238,381	4,254,111	4,268,579	4,284,096	4,300,914	4,316,081	4,332,329	4,349,251	4,366,211	4,344,440	4,284,997
29	370E	Meters	3,593,287	3,610,154	3,626,857	3,644,753	3,663,434	3,677,869	3,697,052	3,715,298	3,733,123	3,750,334	3,769,841	3,786,480	3,806,216	3,698,054
30	371A	Install on Customer Premises-Above Ground	678,864	682,998	687,570	689,746	693,793	693,621	694,951	700,018	699,108	703,826	706,878	707,533	707,141	695,850
31	371B	Install on Customer Premises-Underground	926,275	928,730	931,297	932,505	935,948	938,497	942,014	945,461	949,022	952,597	955,638	959,271	960,309	942,889
32	373A	St Lighting & Signal Sys-Above Ground	1,016,490	1,025,515	1,034,497	1,043,587	1,052,721	1,061,451	1,070,457	1,079,563	1,088,389	1,095,943	1,104,099	1,111,756	1,074,639	1,066,085
33	373B	St Lighting & Signal Sys-Underground	716,462	716,978	717,486	717,995	720,944	723,027	724,186	726,125	726,636	726,824	727,335	730,308	728,247	723,273
34		Total Distribution Plant	66,329,814	66,604,485	66,869,102	67,147,978	67,439,018	67,691,367	67,980,290	68,277,411	68,555,376	68,847,413	69,142,399	69,425,555	69,141,597	67,957,831
35																
36		General Plant														
37																
38	3890	Land & Land Rights	6,704	6,704	6,704	6,704	6,704	6,704	6,704	6,704	6,704	6,704	6,704	6,704	6,704	6,704
39	3900	Structures & Improvements	1,251,730	1,258,452	1,265,516	1,272,597	1,279,711	1,286,825	1,290,213	1,297,359	1,304,518	1,311,704	1,318,896	1,326,088	1,316,218	1,290,756
40	3910	Office Furniture & Equipment	77,413	79,466	81,518	83,570	85,623	87,675	89,727	91,846	93,965	96,084	98,423	100,761	103,101	89,936
41	3911	Computer and Peripheral	(1,719)	(1,649)	(1,580)	(1,510)	(1,441)	(1,371)	(1,302)	(1,232)	(1,163)	(1,093)	(1,024)	(954)	(884)	(1,302)
42	3912	Computer Hardware	16,883	16,883	16,883	16,883	16,883	16,883	16,883	16,883	16,883	16,883	16,883	16,883	17,034	16,895
43	3913	Furniture & Fixtures	(143)	(143)	(143)	(143)	(143)	(143)	(143)	(143)	(143)	(143)	(143)	(143)	(143)	(143)
44	3914	System Software	370,483	311,303	325,403	339,502	353,602	367,701	381,801	395,901	410,000	424,100	438,199	452,299	(85,799)	344,961
45	3930	Stores Equipment	2,040	2,040	2,040	2,040	2,040	2,040	2,040	2,040	2,040	2,040	2,040	2,040	2,040	2,040
46	3940	Tools, Shop & Garage Equipment	51,059	23,827	24,960	26,176	27,393	28,624	30,023	31,509	32,995	34,509	36,047	37,616	39,185	32,609
47	3950	Laboratory Equipment	1,281	1,281	1,281	1,281	1,281	1,281	1,281	1,281	1,281	1,281	1,281	1,281	1,281	1,281
48	3960	Power Operated Equipment	446,270	449,340	452,410	455,480	458,550	461,620	464,690	467,759	470,829	473,899	476,969	480,039	483,109	464,690
49	3970	Communication Equipment	21,952	21,952	21,952	21,952	21,952	21,952	21,952	21,952	21,952	21,952	21,952	21,952	26,201	22,279
50	3980	Miscellaneous Equipment	(23,220)	(22,044)	(20,868)	(19,692)	(18,516)	(17,291)	(16,065)	(14,821)	(13,577)	(12,152)	(10,707)	(9,263)	(7,766)	(15,845)
51	3990	Other Tangible Property	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	11,000	10,077
52		Total General Plant	2,230,732	2,157,410	2,186,074	2,214,840	2,243,638	2,272,500	2,297,803	2,327,037	2,356,285	2,385,767	2,415,520	2,445,303	1,911,279	2,264,938
53																

Supporting Schedules: B-6 (2023), B-9 (2023), B-10 (2023)

Recap Schedules: B-1 (2023), B-9 (2023)

J74

FPSC EXH NO. 4
ADMITTED

J75

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide the monthly reserve balances for each account or sub-account to which an individual depreciation rate is applied.

COMPANY: Florida Public Utilities Company
Consolidated Electric Division
DOCKET NO.: 20240099-EI

Type of Data Shown:
_____ Projected Test Year Ended 12/31/25
_____ Prior Year Ended 12/31/24
__X__ Historical Test Year Ended 12/31/23
Witness: Galtman

Line No.	Account Sub-account Number	Account Sub-account Title	Allocation Rate	Dec 2022	Jan 2023	Feb 2023	Mar 2023	Apr 2023	May 2023	Jun 2023	Jul 2023	Aug 2023	Sep 2023	Oct 2023	Nov 2023	Dec 2023	13-Month Average
1		Transportation Equipment															
2																	
3	3921	Transportation Equip-Cars		43,706	43,795	43,884	43,973	44,063	44,152	44,241	44,330	44,419	44,509	44,598	44,687	40,098	43,881
4	3922	Transportation Equip-Light Duty Trucks/Vans		472,062	476,058	480,053	485,030	490,007	546,984	551,961	557,534	563,108	569,155	575,200	500,994	619,333	529,806
5	3923	Transportation Equip-Heavy Duty Trucks		1,967,343	1,976,946	1,989,274	2,000,250	2,011,225	2,022,200	2,033,175	2,044,161	2,055,136	2,067,490	2,079,846	1,801,818	1,687,697	1,979,735
6	3924	Transportation Equip-Trailers		99,142	100,156	101,171	102,185	103,199	104,213	105,228	106,242	107,256	108,271	109,285	110,299	110,553	105,169
7		Total Transportation Equipment		2,582,253	2,596,955	2,614,382	2,631,438	2,648,493	2,717,549	2,734,605	2,752,267	2,769,920	2,789,424	2,808,929	2,457,798	2,457,681	2,658,592
8		Retirement Work In Process		198,698	194,839	193,541	192,945	191,777	(12,781)	(15,127)	(31,616)	(17,578)	(20,325)	(30,465)	(48,110)	(57,924)	56,760
9		Miscellaneous AD Clearing		(5,092)	2,391	(334)	(2,687)	(2,687)	(2,687)	(2,687)	(3,283)	(3,284)	(5,135)	(5,137)	(5,162)	(22,294)	(4,468)
10		Total Depreciable Reserve Balance		76,156,661	76,418,602	76,771,188	77,108,337	77,472,984	77,803,005	78,170,290	78,541,231	78,914,753	79,295,290	79,672,966	79,651,587	79,222,230	78,092,240
11																	-
12		Total Depreciable Reserve Balance w/o Common		76,156,661	76,418,602	76,771,188	77,108,337	77,472,984	77,803,005	78,170,290	78,541,231	78,914,753	79,295,290	79,672,966	79,651,587	79,222,230	78,092,240
13																	
14																	
15		Florida Common Reserve															
16																	
17	3900	Structures and Improvements		555,777	570,555	585,332	600,110	614,888	629,666	644,443	659,221	673,999	688,777	703,554	718,332	733,110	644,443
18	3910	Office Furniture & Equipment		(140,301)	(139,265)	(139,255)	(131,258)	(128,244)	(125,229)	(122,215)	(119,201)	(116,187)	(113,172)	(110,158)	(107,144)	(104,129)	(122,751)
19	3912	Computer Hardware		244,754	259,382	244,754	234,212	230,699	227,185	223,671	220,157	216,643	213,130	209,616	206,102	202,588	225,607
20	3913	Furniture & Fixtures		(568,445)	(568,846)	(564,536)	(532,046)	(519,913)	(507,779)	(495,646)	(483,513)	(471,380)	(459,247)	(447,113)	(434,980)	(422,847)	(498,176)
21	3914	System Software		(35,373)	(37,578)	(19,836)	19,178	37,361	55,545	73,729	91,912	110,096	128,279	146,463	164,646	182,830	70,558
22	3921	Transportation Equip-Cars		63,754	64,736	64,397	64,719	65,041	65,363	65,685	66,007	66,329	66,651	66,973	67,295	67,617	65,736
23	3922	Transportation Equip-Light Duty Trucks/Vans		73,075	76,853	78,113	80,632	83,151	85,670	88,189	90,707	93,226	95,745	98,264	100,783	103,302	88,285
24	3970	Communication Equipment		265,950	272,108	274,264	279,350	283,817	288,284	292,751	297,218	301,685	306,152	310,618	315,085	319,552	292,833
25	3980	Miscellaneous Equipment		16,665	17,461	13,057	13,947	14,382	14,817	15,253	15,688	16,123	16,558	16,993	17,428	15,293	15,667
26	3990	Miscellaneous Tangible Assets		-	-	-	-	-	-	-	-	-	-	-	-	-	-
27	1080	AD Clearing		(1,300)	(6,683)	7,924	(45,079)	(4,861)	(4,861)	(4,861)	(4,861)	(4,861)	(4,861)	(4,861)	(7,216)	(7,216)	(7,200)
28	1089	RWIP - Retirement Work in Progress		-	-	-	17,402	17,402	17,402	17,402	17,402	17,402	17,402	17,402	17,402	17,402	13,386
29		Total Florida Common Reserve		474,555	508,724	544,214	601,168	693,724	746,062	798,400	850,738	903,076	955,414	1,007,751	1,057,734	1,107,502	788,389
30																	
31			Allocation														
32		Allocated Florida Common Reserve	Rate														
33																	
34	3900	Structures and Improvements	18.98%	105,467	108,272	111,076	113,880	116,685	119,489	122,293	125,098	127,902	130,706	133,510	136,315	139,119	122,293
35	3910	Office Furniture & Equipment	18.98%	(26,624)	(26,428)	(26,426)	(24,908)	(24,336)	(23,764)	(23,192)	(22,620)	(22,048)	(21,476)	(20,904)	(20,332)	(19,760)	(23,294)
36	3912	Computer Hardware	18.98%	46,446	49,222	46,446	44,445	43,779	43,112	42,445	41,778	41,111	40,445	39,778	39,111	38,444	42,812
37	3913	Furniture & Fixtures	18.98%	(107,871)	(107,947)	(107,130)	(100,964)	(98,662)	(96,359)	(94,057)	(91,754)	(89,452)	(87,149)	(84,847)	(82,544)	(80,242)	(94,537)
38	3914	System Software	18.98%	(6,713)	(7,131)	(3,764)	3,639	7,090	10,541	13,991	17,442	20,892	24,343	27,794	31,244	34,695	13,389
39	3921	Transportation Equip-Cars	18.98%	12,098	12,285	12,220	12,282	12,343	12,404	12,465	12,526	12,587	12,648	12,709	12,770	12,831	12,474
40	3922	Transportation Equip-Light Duty Trucks/Vans	18.98%	13,867	14,584	14,823	15,301	15,779	16,257	16,735	17,213	17,691	18,169	18,647	19,125	19,603	16,754
41	3970	Communication Equipment	18.98%	50,468	51,637	52,046	53,011	53,859	54,706	55,554	56,402	57,249	58,097	58,945	59,792	60,640	55,570
42	3980	Miscellaneous Equipment	18.98%	3,162	3,314	2,478	2,647	2,729	2,812	2,894	2,977	3,060	3,142	3,225	3,307	2,902	2,973
43	3990	Miscellaneous Tangible Assets	18.98%	-	-	-	-	-	-	-	-	-	-	-	-	-	-
44	1080	AD Clearing	18.98%	(247)	(1,268)	1,504	(8,554)	(922)	(922)	(922)	(922)	(922)	(922)	(922)	(1,369)	(1,369)	(1,366)
45	1089	RWIP - Retirement Work in Progress	18.98%	-	-	-	3,302	3,302	3,302	3,302	3,302	3,302	3,302	3,302	3,302	3,302	2,540
46		Total Allocated Florida Common Reserve		90,054	96,538	103,273	114,081	131,645	141,577	151,509	161,441	171,373	181,305	191,237	200,722	210,166	149,609

Supporting Schedules: B-6 (2023), B-9 (2023), B-10 (2023)

Recap Schedules: B-1 (2023), B-9 (2023)

FPSC EXH NO. 4

ADMITTED

J76

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide the monthly reserve balances for each account or sub-account to which an individual depreciation rate is applied.

Type of Data Shown:
_____ Projected Test Year Ended 12/31/25
_____ Prior Year Ended 12/31/24
__X__ Historical Test Year Ended 12/31/23
Witness: Galtman

COMPANY: Florida Public Utilities Company
Consolidated Electric Division
DOCKET NO.: 20240099-EI

Line No.	Account Sub-account Number	Account Sub-account Title	Allocation Rate	Dec 2022	Jan 2023	Feb 2023	Mar 2023	Apr 2023	May 2023	Jun 2023	Jul 2023	Aug 2023	Sep 2023	Oct 2023	Nov 2023	Dec 2023	13-Month Average
1		Corporate Common Reserve															
2	3010	Organization		5,966	5,966	5,966	5,966	5,966	5,966	5,966	5,966	5,966	5,966	5,966	5,966	5,966	5,966
3	3890	Land and Land Rights															-
4	3900	Structures & Improvements		1,343,061	1,358,430	1,373,798	1,389,166	1,404,535	1,419,903	1,435,271	1,450,640	1,466,008	1,481,376	1,496,745	1,512,113	1,527,481	1,435,271
5	3901	Leasehold Improvements		194,355	197,904	201,453	205,002	208,551	212,100	215,649	219,198	222,747	226,296	229,845	233,394	236,943	215,649
6	3910	Office Furn & Equipment		469,371	478,530	487,689	496,848	506,007	506,433	515,518	524,603	533,611	537,844	546,796	555,747	546,544	515,811
7	3911	Computer and Periphery		2,309,834	2,369,495	2,381,679	2,351,961	2,409,028	2,033,448	2,069,283	2,081,814	2,010,315	2,055,021	1,999,336	2,016,986	1,909,585	2,153,676
8	3912	Computer Hardware		191,710	206,584	222,730	238,983	255,323	271,622	288,515	306,389	324,262	343,409	363,060	385,413	412,139	293,088
9	3913	Furniture and Fixtures		100,454	102,050	103,646	105,242	106,838	108,433	110,029	111,625	113,221	114,817	116,413	118,009	119,605	110,029
10	3914	System Software		1,856,843	1,926,443	1,863,252	1,917,197	1,978,910	1,916,400	1,976,713	2,037,026	2,097,339	1,793,084	1,843,367	1,901,642	1,959,916	1,928,318
11	3920	Transportation Equipment		585,960	603,647	621,333	639,020	656,707	674,394	690,716	707,037	723,359	739,681	756,002	772,324	774,010	688,015
12	3970	Communication Equipment		601,085	611,325	621,565	620,428	630,476	640,524	649,917	659,954	669,991	680,028	690,065	700,102	710,140	652,739
13		Total Corporate Common Reserve		7,658,638	7,860,374	7,883,112	7,969,813	8,162,341	7,789,224	7,957,577	8,104,252	8,166,820	7,977,523	8,047,595	8,201,697	8,202,329	7,998,561
14			Allocation														-
15		Corporate Common Reserve Allocated	Rate														-
16	3010	Organization	7.88%	470	470	470	470	470	470	470	470	470	470	470	470	470	470
17	3890	Land and Land Rights	7.88%	-	-	-	-	-	-	-	-	-	-	-	-	-	-
18	3900	Structures & Improvements	7.88%	105,835	107,046	108,257	109,468	110,679	111,890	113,101	114,312	115,523	116,734	117,945	119,156	120,367	113,101
19	3901	Leasehold Improvements	7.88%	15,315	15,595	15,875	16,154	16,434	16,714	16,993	17,273	17,553	17,832	18,112	18,392	18,671	16,993
20	3910	Office Furn & Equipment	7.88%	36,987	37,709	38,430	39,152	39,874	39,907	40,623	41,339	42,049	42,383	43,088	43,793	43,068	40,646
21	3911	Computer and Periphery	7.88%	182,017	186,719	187,679	185,337	189,834	160,238	163,061	164,049	158,415	161,938	157,550	158,940	150,477	169,712
22	3912	Computer Hardware	7.88%	15,107	16,279	17,551	18,832	20,120	21,404	22,735	24,144	25,552	27,061	28,609	30,371	32,477	23,096
23	3913	Furniture and Fixtures	7.88%	7,916	8,042	8,167	8,293	8,419	8,545	8,670	8,796	8,922	9,048	9,173	9,299	9,425	8,670
24	3914	System Software	7.88%	146,321	151,806	146,826	151,077	155,940	151,014	155,767	160,520	165,272	141,297	145,259	149,851	154,443	151,953
25	3920	Transportation Equipment	7.88%	46,174	47,568	48,962	50,355	51,749	53,143	54,429	55,715	57,001	58,288	59,574	60,860	60,993	54,216
26	3970	Communication Equipment	7.88%	47,366	48,173	48,980	48,890	49,682	50,474	51,214	52,005	52,796	53,587	54,378	55,169	55,960	51,436
27		Total Corporate Common Reserve Allocated		603,508	619,405	621,197	628,029	643,200	613,798	627,065	638,623	643,553	628,637	634,158	646,302	646,352	630,294
28		Total Accumulated Depreciation With Common		76,850,223	77,134,545	77,495,658	77,850,447	78,247,829	78,558,380	78,948,864	79,341,295	79,729,679	80,105,231	80,498,361	80,498,610	80,078,748	78,872,144

Supporting Schedules: B-6 (2023), B-9 (2023), B-10 (2023)

Recap Schedules: B-1 (2023), B-9 (2023)

Schedule B-10 (2024) MONTHLY RESERVE BALANCES TEST YEAR - 13 MONTHS

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide the monthly reserve balances for each account or sub-account to which an individual depreciation rate is applied.

COMPANY: Florida Public Utilities Company
Consolidated Electric Division
DOCKET NO.: 20240099-EI

Type of Data Shown:
_____ Projected Test Year Ended 12/31/25
__X__ Prior Year Ended 12/31/24
_____ Historical Test Year Ended 12/31/23
Witness: Napier, Haffecke

Line No.	Account Sub-account Number	Account Sub-account Title	Dec 2023	Jan 2024	Feb 2024	Mar 2024	Apr 2024	May 2024	Jun 2024	Jul 2024	Aug 2024	Sep 2024	Oct 2024	Nov 2024	Dec 2024	13-Month Average
1	3031	Intangible Plant	421,804	427,141	432,478	437,815	443,152	448,489	453,825	459,162	464,499	469,836	475,173	480,510	485,847	453,825
2	3032	Intangible Plant CIS		-	-	-	-	-	-	-	-	20,861	41,723	62,584	83,445	16,047
3		Transmission Plant														
4	3502	Rights of way	4,512	4,531	4,550	4,569	4,588	4,607	4,627	4,646	4,665	4,684	4,703	4,722	4,741	4,627
5	352E	Structures & Improvements	211,406	213,681	215,956	218,232	220,507	222,782	225,057	227,332	229,608	231,883	234,158	236,433	238,708	225,057
6	353E	Station Equipment	2,268,977	2,284,076	2,299,175	2,314,274	2,329,392	2,013,933	2,011,577	2,028,789	2,040,501	2,043,713	2,052,525	2,066,837	2,061,649	2,139,647
7	354E	Towers & Fixtures	212,043	212,230	212,418	212,605	212,792	212,980	213,167	213,354	213,542	213,729	213,916	214,104	214,291	213,167
8	355C	Poles & Fixtures - Concrete	(1,486)	5,022	11,530	18,038	24,546	31,053	37,561	44,069	50,577	57,085	63,593	70,101	76,609	37,561
9	355S	Poles & Fixtures SPP	1,866,371	1,866,371	1,866,371	1,866,371	1,866,371	58,269	45,377	32,746	20,104	7,449	(3,894)	(15,245)	(26,617)	726,927
10	355W	Poles & Fixtures - Wood	112,073	118,922	120,211	124,584	126,494	1,928,729	1,935,888	1,943,046	1,950,205	1,957,363	1,964,522	1,971,680	1,978,839	1,248,658
11	356E	Overhead Conductors & Devices	689,984	697,428	704,871	712,315	719,758	726,202	732,644	739,085	745,524	751,962	758,398	764,834	771,267	731,867
12	359E	Roads & Trails	6,206	6,207	6,208	6,209	6,211	6,212	6,213	6,214	6,215	6,216	6,217	6,218	6,220	6,213
13		Total Transmission Plant	5,370,087	5,408,468	5,441,290	5,477,196	5,510,658	5,204,767	5,212,111	5,239,282	5,260,940	5,274,084	5,294,139	5,319,684	5,325,706	5,333,724
14																
15		Distribution Plant														
16																
17	3601	Land Rights	37,292	37,344	37,396	37,449	37,501	37,553	37,605	37,658	37,710	37,762	37,814	37,867	37,919	37,605
18	361E	Structures & Improvements	101,573	102,130	102,688	103,245	103,802	104,359	104,917	105,474	106,031	106,588	107,146	107,703	108,260	104,917
19	362E	Station Equipment	4,779,154	4,798,297	4,817,463	4,836,693	4,855,934	4,853,590	4,831,727	4,829,406	4,821,565	4,805,205	4,695,415	4,591,106	4,467,279	4,767,910
20	364E	Poles, Towers & Fixtures	12,145,209	12,186,383	12,250,935	12,306,706	12,369,911	12,422,138	12,474,457	12,526,875	12,579,393	12,632,011	12,684,729	12,737,547	12,790,464	12,469,750
21	364S	Poles, Towers & Fixtures SPP	53,659	58,039	62,803	67,795	71,301	(31,375)	(133,447)	(234,337)	(335,277)	(436,276)	(531,328)	(626,418)	(721,602)	(210,497)
22	365E	Overhead Conductors & Devices	12,276,556	12,287,995	12,324,210	12,363,896	12,399,880	12,425,376	12,450,933	12,476,555	12,502,242	12,527,995	12,553,814	12,579,698	12,605,647	12,444,215
23	365S	Overhead Conductors & Devices SPP	-	-	-	-	-	(93,543)	(186,431)	(278,036)	(369,694)	(461,417)	(546,683)	(631,991)	(717,400)	(252,707)
24	366E	Underground Conduits	1,861,129	1,870,899	1,880,673	1,890,449	1,900,148	1,900,462	1,900,796	1,901,150	1,901,525	1,901,921	1,902,337	1,902,773	1,903,230	1,893,653
25	366S	Underground Conduits SPP	-	-	-	-	-	(8,160)	(16,280)	(24,320)	(32,363)	(40,410)	(48,054)	(55,701)	(63,355)	(22,203)
25	367E	Underground Conductors & Devices	4,669,852	4,686,613	4,703,386	4,720,887	4,738,269	4,735,191	4,732,166	4,729,196	4,726,280	4,723,419	4,720,613	4,717,861	4,715,163	4,716,838
26	368B	Line Transformers-Buried/Duct	7,921,638	7,945,785	7,967,723	7,992,690	8,017,693	7,994,281	7,971,325	7,948,834	7,926,809	7,905,251	7,884,158	7,863,532	7,843,372	7,937,161
27	368H	Line Transformers-Overhead	9,320,953	9,346,042	9,371,818	9,396,904	9,423,478	9,436,465	9,449,509	9,462,619	9,475,795	9,489,038	9,502,348	9,515,724	9,529,166	9,439,989
28	369B	Services-Buried	4,353,591	4,363,734	4,249,691	4,261,526	4,178,995	4,183,290	4,187,641	4,192,050	4,196,517	4,201,043	4,205,627	4,210,270	4,214,971	4,230,688
29	369H	Services-Overhead	4,344,440	4,348,129	4,361,933	4,375,811	4,389,729	4,394,858	4,400,006	4,405,180	4,410,378	4,415,602	4,420,852	4,426,127	4,431,427	4,394,190
30	370E	Meters	3,806,216	3,820,113	3,830,611	3,835,989	3,855,732	3,863,019	3,870,434	3,877,989	3,885,683	3,893,517	3,901,490	3,909,603	3,917,855	3,866,788
31	371A	Install on Customer Premises-Above Ground	707,141	711,737	711,150	716,422	721,138	727,559	733,980	740,401	746,822	753,243	759,664	766,085	772,506	735,988
32	371B	Install on Customer Premises-Underground	960,309	963,838	964,955	968,364	971,986	975,633	979,280	982,926	986,573	990,220	993,866	997,513	1,001,160	979,740
33	373A	St Lighting & Signal Sys-Above Ground	1,074,639	1,080,098	1,085,366	1,090,850	1,095,790	1,095,093	1,094,432	1,093,810	1,093,228	1,092,686	1,092,184	1,091,722	1,091,299	1,090,092
34	373B	St Lighting & Signal Sys-Underground	728,247	729,976	731,716	733,457	735,198	733,841	732,515	731,221	729,961	728,732	727,537	726,374	725,243	730,309
35		Total Distribution Plant	69,141,597	69,337,151	69,454,517	69,699,133	69,866,485	69,749,631	69,615,563	69,504,650	69,389,180	69,266,131	69,063,528	68,867,391	68,652,603	69,354,428
36																
37		General Plant														
38																
39	3890	Land & Land Rights	6,704	6,704	6,704	6,704	6,704	6,704	6,704	6,704	6,704	6,704	6,704	6,704	6,704	6,704
40	3900	Structures & Improvements	1,316,218	1,321,972	1,327,725	1,333,479	1,339,232	1,344,986	1,350,740	1,356,493	1,362,247	1,368,001	1,373,754	1,379,508	1,385,261	1,350,740
41	3910	Office Furniture & Equipment	103,101	105,440	107,778	110,117	112,588	115,059	117,530	120,001	122,472	124,944	127,415	129,886	132,357	117,591
42	3911	Computer and Peripheral	(884)	(814)	(745)	(675)	(606)	(536)	(467)	(397)	(328)	(258)	(189)	(119)	(50)	(467)
43	3912	Computer Hardware	17,034	8,135	8,135	8,135	8,135	8,135	8,135	8,135	8,135	8,135	8,135	8,135	8,135	8,820
44	3913	Furniture & Fixtures	(143)	(143)	(143)	(143)	(143)	(143)	(143)	(143)	(143)	(143)	(143)	(143)	(143)	(143)
45	3914	System Software	(85,799)	(85,760)	(85,722)	(85,467)	(85,763)	(86,059)	(86,355)	(86,651)	(86,947)	(87,243)	(87,539)	(87,835)	(88,131)	(86,559)
46	3930	Stores Equipment-amortized	2,040	2,040	2,040	2,040	2,040	2,040	2,040	2,040	2,040	2,040	2,040	2,040	2,040	2,040
47	3940	Tools, Shop & Garage Equipment	39,185	18,607	19,912	21,217	22,571	23,926	25,280	26,635	27,989	29,344	30,698	32,053	33,407	26,986
48	3950	Laboratory Equipment	1,281	1,281	1,281	1,281	1,281	1,281	1,281	1,281	1,281	1,281	1,281	1,281	1,281	1,281
49	3960	Power Operated Equipment	483,109	486,179	489,249	492,319	495,389	498,459	501,529	504,599	507,669	510,739	513,809	516,878	519,948	501,529
50	3970	Communication Equipment	26,201	26,555	26,909	27,263	27,617	27,971	28,326	28,680	29,034	29,388	29,742	30,096	30,450	28,326
51	3980	Miscellaneous Equipment	(7,766)	(3,164)	1,438	9,253	17,382	25,512	33,642	41,772	49,901	58,031	66,161	74,291	82,420	34,529
52	3990	Other Tangible Property	11,000	11,084	11,167	12,417	12,584	12,750	12,917	13,084	13,250	13,417	13,584	13,750	13,917	12,686
53		Total General Plant	1,911,279	1,898,113	1,915,729	1,937,939	1,959,012	1,980,085	2,001,158	2,022,231	2,043,304	2,064,377	2,085,450	2,106,523	2,127,596	2,004,061
54																

Supporting Schedules: B-6 (2024), B-9 (2024), B-10 (2024) Recap Schedules: B-1 (2024), B-9 (2024)

Schedule B-10 (2024) MONTHLY RESERVE BALANCES TEST YEAR - 13 MONTHS

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide the monthly reserve balances for each account or sub-account to which an individual depreciation rate is applied.

COMPANY: Florida Public Utilities Company
Consolidated Electric Division
DOCKET NO.: 20240099-EI

Type of Data Shown:
_____ Projected Test Year Ended 12/31/25
__X__ Prior Year Ended 12/31/24
_____ Historical Test Year Ended 12/31/23
Witness: Napier, Haffecke

Line No.	Account Sub-account Number	Account Sub-account Title	Allocation Rate	Dec 2023	Jan 2024	Feb 2024	Mar 2024	Apr 2024	May 2024	Jun 2024	Jul 2024	Aug 2024	Sep 2024	Oct 2024	Nov 2024	Dec 2024	13-Month Average
1		Transportation Equipment															
2																	
3	3921	Transportation Equip-Cars		40,098	40,662	41,226	41,789	42,353	42,917	43,481	44,045	44,608	45,172	45,736	46,300	46,863	43,481
4	3922	Transportation Equip-Light Duty Trucks/Vans		619,333	626,153	632,974	577,970	584,280	590,591	600,868	611,145	621,422	631,699	641,976	652,252	662,529	619,476
5	3923	Transportation Equip-Heavy Duty Trucks		1,687,697	1,698,651	1,709,570	1,555,067	1,565,491	1,575,916	1,586,522	1,597,128	1,607,734	1,618,340	1,628,946	1,639,552	1,650,159	1,624,675
6	3924	Transportation Equip-Trailers		110,553	111,504	112,455	113,406	114,357	115,308	116,258	117,209	118,160	119,111	120,062	121,013	121,964	116,258
7		Total Transportation Equipment		2,457,681	2,476,970	2,496,224	2,288,232	2,306,481	2,324,731	2,347,129	2,369,527	2,391,924	2,414,322	2,436,720	2,459,117	2,481,515	2,403,890
8		Retirement Work In Process		(57,924)	(65,198)	(68,035)	(80,427)	(88,201)									(27,676)
9		Miscellaneous AD Clearing		(22,294)	(4,920)	(4,885)	(4,778)	(3,881)									(3,135)
10		Total Depreciable Reserve Balance		79,222,230	79,477,725	79,667,317	79,755,110	79,993,706	79,707,702	79,629,787	79,594,852	79,549,847	79,509,612	79,396,732	79,295,810	79,156,714	79,535,165
11					-	-	-	-	-	-	-	-	-	-	-	-	-
12		Total Depreciable Reserve Balance w/o Common		79,222,230	79,477,725	79,667,317	79,755,110	79,993,706	79,707,702	79,629,787	79,594,852	79,549,847	79,509,612	79,396,732	79,295,810	79,156,714	79,535,165
13																	
14																	
15		Florida Common Reserve															
16																	
17	3900	Structures and Improvements		733,110	747,887.55	762,720.70	777,553.85	792,387.00	807,220.15	822,053.30	836,886.45	851,719.60	866,552.75	881,385.90	896,219.05	25,236.70	753,918
18	3910	Office Furniture & Equipment		(104,129)	(101,115.01)	(98,100.70)	(95,086.39)	(92,072.08)	(89,057.77)	(86,043.46)	(83,029.15)	(80,014.84)	(77,000.53)	(73,986.22)	(70,971.91)	(37,891.29)	(83,731)
19	3912	Computer Hardware		202,588	199,074.28	195,560.47	192,046.66	188,532.85	185,019.04	181,505.23	177,991.42	174,477.61	170,963.80	167,449.99	163,936.18	160,422.37	181,505
20	3913	Furniture & Fixtures		(422,847)	(410,713.79)	(398,580.59)	(386,447.39)	(374,314.19)	(362,180.99)	(350,047.79)	(337,914.59)	(325,781.39)	(313,648.19)	(301,514.99)	(289,381.79)	(224.83)	(328,738)
21	3914	System Software		182,830	201,013.54	219,197.11	237,380.68	255,564.25	273,747.82	291,931.39	310,114.96	328,298.53	346,482.10	364,665.67	382,849.24	401,032.81	291,931
22	3921	Transportation Equip-Cars		67,617	67,938.98	68,260.94	92,725.28	93,207.64	93,690.00	94,172.36	94,654.72	95,137.08	95,619.44	96,101.80	96,584.16	97,066.52	88,675
23	3922	Transportation Equip-Light Duty Trucks/Vans		103,302	95,850.77	98,201.85	100,552.93	102,904.01	105,255.09	107,606.17	109,957.25	112,308.33	114,659.41	117,010.49	119,361.57	121,712.65	108,360
24	3970	Communication Equipment		319,552	324,019.00	328,485.86	332,952.72	337,419.58	341,886.44	346,353.30	350,820.16	355,287.02	359,753.88	364,220.74	368,687.60	6,976.53	318,186
25	3980	Miscellaneous Equipment		15,293	15,715.98	16,138.50	16,561.02	16,983.54	17,406.06	17,828.58	18,251.10	18,673.62	19,096.14	19,518.66	19,941.18	20,363.70	17,829
26	3990	Miscellaneous Tangible Assets		-	-	-	-	-	-	-	-	-	-	-	-	-	-
27	1080	AD Clearing		(7,216)	(7,204)	(7,091)	(7,251)										(2,212)
28	1089	RWIP - Retirement Work in Progress		17,402	17,402	17,402	17,402										5,354
29		Total Florida Common Reserve		1,107,502	1,149,869	1,202,195	1,278,390	1,320,613	1,372,986	1,425,359	1,477,732	1,530,106	1,582,479	1,634,852	1,687,225	794,695	1,351,077
30																	
31			Allocation														
32		Allocated Florida Common Reserve	Rate														
33																	
34	3900	Structures and Improvements	15.40%	112,899	115,175	117,459	119,743	122,028	124,312	126,596	128,881	131,165	133,449	135,733	138,018	3,886	116,103
35	3910	Office Furniture & Equipment	15.40%	(16,036)	(15,572)	(15,108)	(14,643)	(14,179)	(13,715)	(13,251)	(12,786)	(12,322)	(11,858)	(11,394)	(10,930)	(5,835)	(12,895)
36	3912	Computer Hardware	15.40%	31,199	30,657	30,116	29,575	29,034	28,493	27,952	27,411	26,870	26,328	25,787	25,246	24,705	27,952
37	3913	Furniture & Fixtures	15.40%	(65,118)	(63,250)	(61,381)	(59,513)	(57,644)	(55,776)	(53,907)	(52,039)	(50,170)	(48,302)	(46,433)	(44,565)	(35)	(50,626)
38	3914	System Software	15.40%	28,156	30,956	33,756	36,557	39,357	42,157	44,957	47,758	50,558	53,358	56,159	58,959	61,759	44,957
39	3921	Transportation Equip-Cars	15.40%	10,413	10,463	10,512	14,280	14,354	14,428	14,503	14,577	14,651	14,725	14,800	14,874	14,948	13,656
40	3922	Transportation Equip-Light Duty Trucks/Vans	15.40%	15,909	14,761	15,123	15,485	15,847	16,209	16,571	16,933	17,295	17,658	18,020	18,382	18,744	16,687
41	3970	Communication Equipment	15.40%	49,211	49,899	50,587	51,275	51,963	52,651	53,338	54,026	54,714	55,402	56,090	56,778	1,074	49,001
42	3980	Miscellaneous Equipment	15.40%	2,355	2,420	2,485	2,550	2,615	2,681	2,746	2,811	2,876	2,941	3,006	3,071	3,136	2,746
43	3990	Miscellaneous Tangible Assets	15.40%	-	-	-	-	-	-	-	-	-	-	-	-	-	-
44	1080	AD Clearing	15.40%	(1,111)	(1,109)	(1,092)	(1,117)	-	-	-	-	-	-	-	-	-	(341)
45	1089	RWIP - Retirement Work in Progress	15.40%	2,680	2,680	2,680	2,680	-	-	-	-	-	-	-	-	-	825
46		Total Allocated Florida Common Reserve		170,555	177,080	185,138	196,872	203,374	211,440	219,505	227,571	235,636	243,702	251,767	259,833	122,383	208,066

Supporting Schedules: B-6 (2024), B-9 (2024), B-10 (2024) Recap Schedules: B-1 (2024), B-9 (2024)

Schedule B-10 (2024) MONTHLY RESERVE BALANCES TEST YEAR - 13 MONTHS

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide the monthly reserve balances for each account or sub-account to which an individual depreciation rate is applied.

COMPANY: Florida Public Utilities Company
Consolidated Electric Division
DOCKET NO.: 20240099-EI

Type of Data Shown:
_____ Projected Test Year Ended 12/31/25
__X__ Prior Year Ended 12/31/24
_____ Historical Test Year Ended 12/31/23
Witness: Napier, Haffecke

Line No.	Account Sub-account Number	Account Sub-account Title	Allocation Rate	Dec 2023	Jan 2024	Feb 2024	Mar 2024	Apr 2024	May 2024	Jun 2024	Jul 2024	Aug 2024	Sep 2024	Oct 2024	Nov 2024	Dec 2024	13-Month Average
		Corporate Common Reserve															
1	3010	Organization		5,966	5,966	5,966	5,966	5,966	5,966	5,966	5,966	5,966	5,966	5,966	5,966	5,966	5,966
2	3890	Land and Land Rights		-	-	-	-	-	-	-	-	-	-	-	-	-	-
3	3900	Structures & Improvements		1,527,481	1,557,412	1,587,398	1,617,385	1,629,442	1,641,500	1,653,557	1,665,615	1,677,672	1,689,730	1,701,787	1,713,845	2,629,597	1,714,802
4	3901	Leasehold Improvements		236,943	240,492	244,041	247,590	251,102	254,615	258,127	261,640	265,152	268,665	272,177	275,690	279,202	258,110
5	3910	Office Furn & Equipment		546,544	556,123	565,730	575,364	583,787	592,209	600,631	609,054	617,476	625,898	634,320	642,743	621,567	597,803
6	3911	Computer and Periphery		1,909,585	1,954,722	1,977,573	2,005,087	2,049,193	2,093,888	2,139,172	2,185,045	2,231,507	2,278,559	2,326,199	2,374,428	2,423,246	2,149,862
7	3912	Computer Hardware		412,139	440,433	468,812	497,356	529,718	562,080	597,221	632,361	667,501	702,641	737,781	772,921	808,061	602,233
8	3913	Furniture and Fixtures		119,605	133,321	147,037	160,753	163,801	166,848	169,896	172,944	175,992	179,040	182,087	185,135	(69,074)	145,183
9	3914	System Software		1,959,916	2,045,879	2,165,355	2,285,072	2,404,837	2,524,602	2,644,367	2,764,133	2,883,898	3,003,663	3,123,429	3,243,194	3,364,779	2,647,163
10	3920	Transportation Equipment		774,010	743,872	758,517	773,162	788,146	804,006	819,866	836,475	853,085	870,445	887,804	905,164	923,274	825,987
11	3970	Communication Equipment		710,140	724,588	726,036	740,485	748,753	757,022	765,291	773,559	781,828	790,097	798,366	806,634	1,187,488	793,099
12		Total Corporate Common Reserve		8,202,329	8,402,807	8,646,465	8,908,218	9,154,746	9,402,737	9,654,095	9,906,792	10,160,078	10,414,703	10,669,917	10,925,719	12,174,106	9,740,209
13			Allocation														
14		Corporate Common Reserve Allocated	Rate														
15	3010	Organization	5.50%	328	328	328	328	328	328	328	328	328	328	328	328	328	328
16	3890	Land and Land Rights	5.50%	-	-	-	-	-	-	-	-	-	-	-	-	-	-
17	3900	Structures & Improvements	5.50%	84,011	85,658	87,307	88,956	89,619	90,282	90,946	91,609	92,272	92,935	93,598	94,261	144,628	94,314
18	3901	Leasehold Improvements	5.50%	13,032	13,227	13,422	13,617	13,811	14,004	14,197	14,390	14,583	14,777	14,970	15,163	15,356	14,196
19	3910	Office Furn & Equipment	5.50%	30,060	30,587	31,115	31,645	32,108	32,571	33,035	33,498	33,961	34,424	34,888	35,351	34,186	32,879
20	3911	Computer and Periphery	5.50%	105,027	107,510	108,767	110,280	112,706	115,164	117,654	120,177	122,733	125,321	127,941	130,594	133,279	118,242
21	3912	Computer Hardware	5.50%	22,668	24,224	25,785	27,355	29,134	30,914	32,847	34,780	36,713	38,645	40,578	42,511	44,443	33,123
22	3913	Furniture and Fixtures	5.50%	6,578	7,333	8,087	8,841	9,009	9,177	9,344	9,512	9,680	9,847	10,015	10,182	(3,799)	7,985
23	3914	System Software	5.50%	107,795	112,523	119,095	125,679	132,266	138,853	145,440	152,027	158,614	165,201	171,789	178,376	185,063	145,594
24	3920	Transportation Equipment	5.50%	42,571	40,913	41,718	42,524	43,348	44,220	45,093	46,006	46,920	47,874	48,829	49,784	50,780	45,429
25	3970	Communication Equipment	5.50%	39,058	39,852	39,932	40,727	41,181	41,636	42,091	42,546	43,001	43,455	43,910	44,365	65,312	43,620
26		Total Corporate Common Reserve Allocated		451,128	462,154	475,556	489,952	503,511	517,151	530,975	544,874	558,804	572,809	586,845	600,915	669,576	535,711
27		Total Accumulated Depreciation With Common		79,843,914	80,116,959	80,328,010	80,441,934	80,700,591	80,436,293	80,380,267	80,367,296	80,344,288	80,326,122	80,235,345	80,156,557	79,948,672	80,278,942

Supporting Schedules: B-6 (2024), B-9 (2024), B-10 (2024) Recap Schedules: B-1 (2024), B-9 (2024)

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide the monthly reserve balances for each account or sub-account to which an individual depreciation rate is applied.

COMPANY: Florida Public Utilities Company
Consolidated Electric Division
DOCKET NO.: 20240099-EI

Type of Data Shown:
__x__ Projected Test Year Ended 12/31/25
_____ Prior Year Ended 12/31/24
_____ Historical Test Year Ended 12/31/23
Witness: Napier, Haffecke

Line No.	Account Sub-account Number	Account Sub-account Title	Dec 2024	Jan 2025	Feb 2025	Mar 2025	Apr 2025	May 2025	Jun 2025	Jul 2025	Aug 2025	Sep 2025	Oct 2025	Nov 2025	Dec 2025	13-Month Average
1	3031	Intangible Plant	485,847	491,184	496,521	501,858	507,195	512,531	517,868	523,205	528,542	533,879	539,216	544,553	549,890	517,868
2	3032	Intangible Plant CIS	83,445	104,307	104,307	104,307	104,307	133,109	161,912	190,715	219,517	248,320	277,122	305,925	334,728	182,463
3		Transmission Plant														
4	3502	Rights of way	4,741	4,760	4,760	4,760	4,760	4,760	4,760	4,760	4,760	4,760	4,760	4,760	4,760	4,759
5	352E	Structures & Improvements	238,708	240,984	241,004	241,025	241,045	241,066	241,086	241,107	241,128	241,148	241,169	241,189	241,210	240,913
6	353E	Station Equipment	2,061,649	2,071,457	2,071,544	2,048,632	2,048,720	2,033,608	2,036,696	2,016,783	2,019,871	2,014,959	2,018,047	1,913,134	1,581,222	1,995,102
7	354E	Towers & Fixtures	214,291	214,478	223,851	233,224	242,688	252,152	262,025	272,001	281,965	291,929	301,998	312,066	322,122	263,445
8	355C	Poles & Fixtures - Concrete	76,609	83,116	83,491	83,866	84,241	84,615	84,990	85,365	85,739	86,114	86,489	86,863	87,238	84,518
9	355S	Poles & Fixtures SPP	(26,617)	(53,585)	(80,439)	(107,162)	(133,381)	(158,813)	(184,101)	(209,039)	(233,906)	(257,900)	(281,776)	(305,636)	(329,224)	(181,660)
10	355W	Poles & Fixtures - Wood	1,978,839	1,985,997	1,993,156	2,000,314	2,007,472	2,014,631	2,021,789	2,028,948	2,036,106	2,043,265	2,050,423	2,057,582	2,064,740	2,021,789
11	356E	Overhead Conductors & Devices	771,267	777,786	784,303	790,818	797,333	803,846	810,357	816,867	823,376	829,883	836,389	842,893	849,484	810,354
12	359E	Roads & Trails	6,220	6,221	6,222	6,223	6,224	6,225	6,226	6,227	6,229	6,230	6,231	6,232	6,233	6,226
13		Total Transmission Plant	5,325,706	5,331,214	5,327,892	5,301,700	5,299,102	5,282,090	5,283,828	5,263,020	5,265,268	5,260,388	5,263,729	5,159,084	4,827,785	5,245,447
14																
15		Distribution Plant														
16																
17	3601	Land Rights	37,919	37,971	38,023	38,076	38,128	38,180	38,232	38,285	38,337	38,389	38,441	38,494	38,546	38,232
18	361E	Structures & Improvements	108,260	108,818	109,375	109,932	110,489	111,047	111,604	112,161	112,718	113,276	113,833	114,390	114,948	111,604
19	362E	Station Equipment	4,467,279	4,298,000	4,136,710	2,742,809	2,586,880	1,774,940	1,728,606	1,619,438	1,533,238	1,439,026	1,352,981	1,073,924	1,030,861	2,291,130
20	364E	Poles, Towers & Fixtures	12,790,464	12,850,717	12,911,086	12,971,565	13,032,153	13,092,850	13,153,658	13,214,575	13,275,602	13,336,738	13,397,984	13,459,339	13,520,805	13,154,426
21	364S	Poles, Towers & Fixtures SPP	(721,602)	(828,676)	(935,497)	(1,042,026)	(1,147,440)	(1,251,103)	(1,354,449)	(1,457,018)	(1,559,429)	(1,659,904)	(1,760,115)	(1,860,293)	(1,959,864)	(1,349,032)
22	365E	Overhead Conductors & Devices	12,605,647	12,637,141	12,668,705	12,700,337	12,732,037	12,763,806	12,795,641	12,827,545	12,859,517	12,891,556	12,923,664	12,955,839	12,988,082	12,796,117
23	365S	Overhead Conductors & Devices SPP	(717,400)	(806,699)	(911,100)	(1,015,502)	(1,119,903)	(1,208,927)	(1,297,633)	(1,385,128)	(1,470,722)	(1,555,972)	(1,640,376)	(1,724,609)	(1,806,741)	(1,281,593)
24	366E	Underground Conduits	1,903,230	1,900,076	1,896,940	1,893,820	1,890,718	1,887,632	1,884,564	1,881,512	1,878,477	1,875,460	1,872,459	1,869,475	1,866,508	1,884,682
25	366S	Underground Conduits SPP	(63,355)	(71,594)	(79,817)	(88,019)	(96,145)	(104,152)	(112,137)	(120,069)	(127,990)	(135,779)	(143,550)	(151,319)	(159,047)	(111,767)
26	367E	Underground Conductors & Devices	4,715,163	4,703,635	4,692,150	4,680,707	4,669,308	4,657,951	4,646,637	4,635,366	4,624,137	4,612,951	4,601,808	4,590,707	4,579,649	4,646,936
27	368B	Line Transformers-Buried/Duct	7,843,372	7,836,499	7,830,035	7,823,970	7,818,306	7,813,042	7,808,179	7,803,716	7,799,654	7,795,992	7,792,730	7,789,869	7,787,408	7,810,982
28	368H	Line Transformers-Overhead	9,529,166	9,550,068	9,571,056	9,592,124	9,613,272	9,634,499	9,655,807	9,677,194	9,698,661	9,720,208	9,741,834	9,763,540	9,785,326	9,656,366
29	369B	Services-Buried	4,214,971	4,222,297	4,229,677	4,237,108	4,244,591	4,252,126	4,259,712	4,267,350	4,275,039	4,282,780	4,290,573	4,298,417	4,306,313	4,260,074
30	369H	Services-Overhead	4,431,427	4,442,521	4,453,654	4,464,822	4,476,025	4,487,263	4,498,536	4,509,845	4,521,188	4,532,567	4,543,981	4,555,430	4,566,914	4,498,783
31	370E	Meters	3,917,855	3,938,835	3,959,815	3,980,794	4,001,774	4,022,754	4,043,734	4,064,713	4,085,693	4,106,673	4,127,653	4,148,632	4,169,612	4,043,734
32	371A	Install on Customer Premises-Above Ground	772,506	778,927	785,348	791,769	798,190	804,611	811,032	817,453	823,874	830,295	836,716	843,137	849,558	811,032
33	371B	Install on Customer Premises-Underground	1,001,160	1,004,806	1,008,453	1,012,099	1,015,746	1,019,393	1,023,039	1,026,686	1,030,333	1,033,979	1,037,626	1,041,273	1,044,919	1,023,039
34	373A	St Lighting & Signal Sys-Above Ground	1,091,299	1,094,238	1,097,224	1,100,255	1,103,330	1,106,451	1,109,615	1,112,824	1,116,078	1,119,376	1,122,719	1,126,107	1,129,539	1,109,927
35	373B	St Lighting & Signal Sys-Underground	725,243	725,049	724,884	724,749	724,642	724,564	724,515	724,494	724,503	724,540	724,607	724,702	724,826	724,717
36		Total Distribution Plant	68,652,603	68,422,628	68,186,720	66,719,390	66,492,101	65,626,927	65,528,892	65,370,942	65,238,908	65,102,151	64,975,566	64,657,053	64,578,163	66,119,388
37																
38		General Plant														
39																
40	3890	Land & Land Rights	6,704	6,704	6,704	6,704	6,704	6,704	6,704	6,704	6,704	6,704	6,704	6,704	6,704	6,704
41	3900	Structures & Improvements	1,385,261	1,391,015	1,396,769	1,402,522	1,408,276	1,414,030	1,419,783	1,425,537	1,431,290	1,437,044	1,442,798	1,448,551	1,454,305	1,419,783
42	3910	Office Furniture & Equipment	132,357	134,828	137,299	139,770	142,241	144,712	147,183	149,654	152,125	154,596	157,067	159,538	162,010	147,183
43	3911	Computer and Peripheral	(50)	20	89	159	228	298	367	437	506	576	645	715	784	367
44	3912	Computer Hardware	8,135	8,135	8,135	8,135	8,135	8,135	8,135	8,135	8,135	8,135	8,135	8,135	8,135	8,135
45	3913	Furniture & Fixtures	(143)	(143)	(143)	(143)	(143)	(143)	(143)	(143)	(143)	(143)	(143)	(143)	(143)	(143)
46	3914	System Software	(88,131)	(88,428)	(88,724)	(89,020)	(89,316)	(89,612)	(89,908)	(90,204)	(90,500)	(90,796)	(91,092)	(91,388)	(91,684)	(89,908)
47	3930	Stores Equipment	2,040	2,040	2,040	2,040	2,040	2,040	2,040	2,040	2,040	2,040	2,040	2,040	2,040	2,040
48	3940	Tools, Shop & Garage Equipment	33,407	34,761	36,116	37,470	38,825	40,179	41,534	42,888	44,243	45,597	46,952	48,306	49,661	41,534
49	3950	Laboratory Equipment	1,281	1,281	1,281	1,281	1,281	1,281	1,281	1,281	1,281	1,281	1,281	1,281	1,281	1,281
50	3960	Power Operated Equipment	519,948	523,018	526,088	529,158	532,228	535,298	538,368	541,438	544,508	547,578	550,648	553,718	556,788	538,368
51	3970	Communication Equipment	30,450	39,137	47,825	56,512	78,533	100,554	122,575	144,595	166,616	188,637	210,658	232,678	254,699	128,728
52	3980	Miscellaneous Equipment	82,420	94,436	106,452	118,468	130,484	142,500	154,516	166,531	178,547	190,563	202,579	214,595	226,611	154,516
53	3990	Other Tangible Property	13,917	14,084	14,250	14,417	14,584	14,750	14,917	15,084	15,250	15,417	15,584	15,750	15,917	14,917
54		Total General Plant	2,127,596	2,160,889	2,194,181	2,227,474	2,274,100	2,320,726	2,367,351	2,413,977	2,460,603	2,507,229	2,553,855	2,600,480	2,647,106	2,373,505
55																

Supporting Schedules: B-6 (2025), B-9 (2025), B-10 (2025) Recap Schedules: B-1 (2025), B-9 (2025)

FPSC EXH NO. 4
ADMITTED

J81

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: Florida Public Utilities Company
Consolidated Electric Division
DOCKET NO.: 20240099-EI

EXPLANATION: Provide the monthly reserve balances for each account or sub-account to which an individual depreciation rate is applied.

Type of Data Shown:
__x__ Projected Test Year Ended 12/31/25
_____ Prior Year Ended 12/31/24
_____ Historical Test Year Ended 12/31/23
Witness: Napier, Haffecke

Line No.	Account Sub-account Number	Account Sub-account Title	Allocation Rate	Dec 2024	Jan 2025	Feb 2025	Mar 2025	Apr 2025	May 2025	Jun 2025	Jul 2025	Aug 2025	Sep 2025	Oct 2025	Nov 2025	Dec 2025	13-Month Average
1		Transportation Equipment															
2																	
3	3921	Transportation Equip-Cars		46,863	47,427	47,991	48,555	49,119	49,682	50,246	50,810	51,374	51,938	52,501	53,065	53,629	50,246
4	3922	Transportation Equip-Light Duty Trucks/Vans		662,529	672,806	683,083	459,360	471,977	484,594	497,210	509,827	522,444	535,061	547,678	560,295	572,912	552,290
5	3923	Transportation Equip-Heavy Duty Trucks		1,650,159	1,660,765	1,671,371	1,655,977	1,666,691	1,677,404	1,688,117	1,698,831	1,709,544	1,720,258	1,730,971	1,741,684	1,752,398	1,694,167
6	3924	Transportation Equip-Trailers		121,964	122,915	123,866	124,817	125,767	126,718	127,669	128,620	129,571	130,522	131,473	132,424	133,375	127,669
7		Total Transportation Equipment		2,481,515	2,503,913	2,526,311	2,288,708	2,313,553	2,338,398	2,363,243	2,388,088	2,412,933	2,437,778	2,462,623	2,487,468	2,512,313	2,424,373
8		Retirement Work In Process		-													-
9		Miscellaneous AD Clearing		-													-
10		Total Depreciable Reserve Balance w/o Common		79,156,714	79,014,134	78,835,931	77,143,437	76,990,357	76,213,782	76,223,095	76,149,947	76,125,773	76,089,745	76,072,111	75,754,564	75,449,985	76,863,044
11																	
13																	
14																	
15		Florida Common Reserve															
16																	
17	3900	Structures and Improvements		25,237	25,487	25,738	25,988	26,239	26,490	26,740	26,991	27,241	27,492	27,743	27,993	28,244	26,740
18	3910	Office Furniture & Equipment		(37,891)	(35,213)	(32,534)	(29,856)	(27,178)	(24,499)	(21,821)	(19,142)	(16,464)	(13,785)	(11,107)	(8,429)	(5,750)	(21,821)
19	3912	Computer Hardware		160,422	156,909	153,395	149,881	146,367	142,853	139,340	135,826	132,312	128,798	125,284	121,770	118,257	139,340
20	3913	Furniture & Fixtures		(225)	(212)	(198)	(185)	(172)	(159)	(145)	(132)	(119)	(106)	(93)	(79)	(66)	(145)
21	3914	System Software		401,033	419,216	437,400	455,584	473,767	491,951	510,134	528,318	546,501	564,685	582,868	601,052	619,236	510,134
22	3921	Transportation Equip-Cars		97,067	97,549	98,031	98,514	98,996	99,478	99,961	100,443	100,925	101,408	101,890	102,372	102,855	99,961
23	3922	Transportation Equip-Light Duty Trucks/Vans		121,713	124,064	126,415	128,766	131,117	133,468	135,819	138,170	140,521	142,872	145,223	147,575	149,926	135,819
24	3970	Communication Equipment		6,977	7,032	7,088	7,144	7,200	7,256	7,311	7,367	7,423	7,479	7,535	7,590	7,646	7,311
25	3980	Miscellaneous Equipment		20,364	20,787	21,210	21,633	22,056	22,479	22,902	23,325	23,749	24,172	24,595	25,018	25,441	22,902
26	3990	Miscellaneous Tangible Assets		-	-	-	-	-	-	-	-	-	-	-	-	-	-
27	1080	AD Clearing		-													-
28	1089	RWIP - Retirement Work in Progress		-													-
29		Total Florida Common Reserve		794,695	815,619	836,544	857,468	878,392	899,317	920,241	941,165	962,090	983,014	1,003,938	1,024,863	1,045,787	920,241
30																	
31			Allocation														
32		Allocated Florida Common Reserve	Rate														
33																	
34	3900	Structures and Improvements	14.70%	3,710	3,747	3,783	3,820	3,857	3,894	3,931	3,968	4,004	4,041	4,078	4,115	4,152	3,931
35	3910	Office Furniture & Equipment	14.70%	(5,570)	(5,176)	(4,783)	(4,389)	(3,995)	(3,601)	(3,208)	(2,814)	(2,420)	(2,026)	(1,633)	(1,239)	(845)	(3,208)
36	3912	Computer Hardware	14.70%	23,582	23,066	22,549	22,032	21,516	20,999	20,483	19,966	19,450	18,933	18,417	17,900	17,384	20,483
37	3913	Furniture & Fixtures	14.70%	(33)	(31)	(29)	(27)	(25)	(23)	(21)	(19)	(18)	(16)	(14)	(12)	(10)	(21)
38	3914	System Software	14.70%	58,952	61,625	64,298	66,971	69,644	72,317	74,990	77,663	80,336	83,009	85,682	88,355	91,028	74,990
39	3921	Transportation Equip-Cars	14.70%	14,269	14,340	14,411	14,481	14,552	14,623	14,694	14,765	14,836	14,907	14,978	15,049	15,120	14,694
40	3922	Transportation Equip-Light Duty Trucks/Vans	14.70%	17,892	18,237	18,583	18,929	19,274	19,620	19,965	20,311	20,657	21,002	21,348	21,693	22,039	19,965
41	3970	Communication Equipment	14.70%	1,026	1,034	1,042	1,050	1,058	1,067	1,075	1,083	1,091	1,099	1,108	1,116	1,124	1,075
42	3980	Miscellaneous Equipment	14.70%	2,993	3,056	3,118	3,180	3,242	3,304	3,367	3,429	3,491	3,553	3,615	3,678	3,740	3,367
43	3990	Miscellaneous Tangible Assets	14.70%	-	-	-	-	-	-	-	-	-	-	-	-	-	-
44	1080	AD Clearing	14.70%	-	-	-	-	-	-	-	-	-	-	-	-	-	-
45	1089	RWIP - Retirement Work in Progress	14.70%	-	-	-	-	-	-	-	-	-	-	-	-	-	-
46		Total Allocated Florida Common Reserve		116,820	119,896	122,972	126,048	129,124	132,200	135,275	138,351	141,427	144,503	147,579	150,655	153,731	135,275

Supporting Schedules: B-6 (2025), B-9 (2025), B-10 (2025) Recap Schedules: B-1 (2025), B-9 (2025)

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide the monthly reserve balances for each account or sub-account to which an individual depreciation rate is applied.

COMPANY: Florida Public Utilities Company
Consolidated Electric Division
DOCKET NO.: 20240099-EI

Type of Data Shown:
__x__ Projected Test Year Ended 12/31/25
_____ Prior Year Ended 12/31/24
_____ Historical Test Year Ended 12/31/23
Witness: Napier, Haffecke

Line No.	Account Sub-account Number	Account Sub-account Title		Dec 2024	Jan 2025	Feb 2025	Mar 2025	Apr 2025	May 2025	Jun 2025	Jul 2025	Aug 2025	Sep 2025	Oct 2025	Nov 2025	Dec 2025	13-Month Average
		Corporate Common Reserve															
1	3010	Organization		5,966	5,966	5,966	5,966	5,966	5,966	5,966	5,966	5,966	5,966	5,966	5,966	5,966	5,966
2	3890	Land and Land Rights		-	-	-	-	-	-	-	-	-	-	-	-	-	-
3	3900	Structures & Improvements		2,629,597	2,659,534	2,689,471	2,719,408	2,749,345	2,779,282	2,809,219	2,839,156	2,869,093	2,899,030	2,928,967	2,958,904	2,988,841	2,809,219
4	3901	Leasehold Improvements		279,202	282,714	286,227	289,739	293,252	296,764	300,277	303,789	307,301	310,814	314,326	317,839	321,351	300,277
5	3910	Office Furn & Equipment		621,567	630,458	639,349	648,240	657,131	666,022	674,913	683,804	692,695	701,586	710,477	719,368	728,259	674,913
6	3911	Computer and Periphery		2,423,246	2,472,653	2,522,649	2,573,234	2,624,408	2,676,171	2,728,523	2,781,464	2,834,994	2,889,113	2,943,821	2,999,118	3,055,003	2,732,646
7	3912	Computer Hardware		808,061	843,757	880,008	916,815	954,178	992,095	1,042,449	1,093,357	1,144,822	1,196,841	1,249,417	1,302,548	1,356,234	1,060,045
8	3913	Furniture and Fixtures		(69,074)	(46,259)	(23,445)	(630)	22,184	44,999	67,813	90,628	113,442	136,257	159,071	181,886	204,700	67,813
9	3914	System Software		3,364,779	3,486,363	3,607,948	3,729,533	3,851,117	3,972,702	4,098,532	4,224,362	4,350,191	4,476,021	4,601,851	4,727,681	4,853,511	4,103,430
10	3920	Transportation Equipment		923,274	941,384	959,493	978,353	997,213	1,016,072	1,034,932	1,053,792	1,072,651	1,092,261	1,111,871	1,131,481	1,151,090	1,035,682
11	3970	Communication Equipment		1,187,488	1,202,164	1,216,840	1,231,517	1,246,193	1,260,869	1,275,545	1,290,221	1,304,897	1,319,573	1,334,249	1,348,925	1,363,601	1,275,545
12		Total Corporate Common Reserve		12,174,106	12,478,734	12,784,507	13,092,174	13,400,986	13,710,942	14,038,168	14,366,538	14,696,052	15,027,462	15,360,015	15,693,714	16,028,557	14,065,535
13			Allocation														
14		Corporate Common Reserve Allocated	Rate														
15	3010	Organization	5.00%	298	298	298	298	298	298	298	298	298	298	298	298	298	298
16	3890	Land and Land Rights	5.00%	-	-	-	-	-	-	-	-	-	-	-	-	-	-
17	3900	Structures & Improvements	5.00%	131,480	132,977	134,474	135,970	137,467	138,964	140,461	141,958	143,455	144,951	146,448	147,945	149,442	140,461
18	3901	Leasehold Improvements	5.00%	13,960	14,136	14,311	14,487	14,663	14,838	15,014	15,189	15,365	15,541	15,716	15,892	16,068	15,014
19	3910	Office Furn & Equipment	5.00%	31,078	31,523	31,967	32,412	32,857	33,301	33,746	34,190	34,635	35,079	35,524	35,968	36,413	33,746
20	3911	Computer and Periphery	5.00%	121,162	123,633	126,132	128,662	131,220	133,809	136,426	139,073	141,750	144,456	147,191	149,956	152,750	136,632
21	3912	Computer Hardware	5.00%	40,403	42,188	44,000	45,841	47,709	49,605	52,122	54,668	57,241	59,842	62,471	65,127	67,812	53,002
22	3913	Furniture and Fixtures	5.00%	(3,454)	(2,313)	(1,172)	(32)	1,109	2,250	3,391	4,531	5,672	6,813	7,954	9,094	10,235	3,391
23	3914	System Software	5.00%	168,239	174,318	180,397	186,477	192,556	198,635	204,927	211,218	217,510	223,801	230,093	236,384	242,676	205,172
24	3920	Transportation Equipment	5.00%	46,164	47,069	47,975	48,918	49,861	50,804	51,747	52,690	53,633	54,613	55,594	56,574	57,555	51,784
25	3970	Communication Equipment	5.00%	59,374	60,108	60,842	61,576	62,310	63,043	63,777	64,511	65,245	65,979	66,712	67,446	68,180	63,777
26		Total Corporate Common Reserve Allocated		608,705	623,937	639,225	654,609	670,049	685,547	701,908	718,327	734,803	751,373	768,001	784,686	801,428	703,277
27		Total Accumulated Depreciation With Common		79,882,239	79,757,967	79,598,128	77,924,093	77,789,530	77,031,529	77,060,279	77,006,626	77,002,002	76,985,621	76,987,691	76,689,904	76,405,143	77,701,596

Supporting Schedules: B-6 (2025), B-9 (2025), B-10 (2025) Recap Schedules: B-1 (2025), B-9 (2025)

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: Florida Public Utilities Company
Consolidated Electric Division

DOCKET NO.: 20240099-EI

EXPLANATION: Itemize major capital additions to and retirements from electric plant in service in excess of 0.5% of the sum of the total balance of Account 101-Electric Plant in Service, and Account 106, Completed construction not Classified for the most recent calendar year, the test year minus one, the test year, and the test year plus one.*

Type of Data Shown:
__x_ Budgeted Year Ended 12/31/26
__x__ Projected Test Year Ended 12/31/25
__x__ Prior Year Ended 12/31/24
__x__ Historical Test Year Ended 12/31/23
Witness: Haffecke

Line No.	Description of Additions or (Retirements)	Test Year Minus One Year 12/31/2024	Test Year 12/31/2025	Test Year Plus One Year 12/31/2026	Most Recent Calendar Year 2023 (If test year is projected or non-calendar year)
1	ADDITIONS				
2	Blankets NW	5,658,993	4,715,000	5,095,000	3,854,517
3	Storm Protection Plan Hardening	18,051,295	15,005,629	11,698,825	8,041,395
4	Install New 75MVA Transformer	1,530,026	2,700,000		
5	Customer Information System	5,006,727	1,905,896		
6	AIP Substation		6,126,716		
7	JL Terry Substation		2,346,434		
8	Purchase NW Florida Substation		4,900,000		
9	Replacements NW Florida Substations		6,500,000		
10	Smart Meter Conversion			6,000,000	
11	Install Batteries for Substations			54,000,000	
12	General Ledger Software Change			1,776,620	
13					
14					
15					
16	TOTAL ADDITIONS	30,247,041	44,199,676	78,570,445	11,895,912
17					
18					
19	RETIREMENTS				
20				-	
21					
22					
23					
24					
25					
26	TOTAL RETIREMENTS	-	-	-	-
27					
28	TRANSFERS				
29					
30	TOTAL NET ADDITIONS	30,247,041	44,199,676	78,570,445	11,895,912

Supporting Schedules: Recap Schedules:

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: Florida Public Utilities Company
Consolidated Electric Division
DOCKET NO.: 20240099-EI

EXPLANATION: Provide production plant additions for the test year and the prior year that exceed 0.5% of Gross Plant. Presenting In-Service Additions classified as Environmental, Availability/Reliability, Heat Rate, Replace Existing Plant, Safety, Energy Conservation, Capacity, Aid to Construction, and Maintenance and Regulatory.

Type of Data Shown:
__x__ Projected Test Year Ended 12/31/25
__x__ Prior Year Ended 12/31/24
__x__ Historical Test Year Ended 12/31/23
Witness: Haffecke

	(A) Preliminary Engineering Growth Classification	(B) Amount
1	Environmental	
2	Availability/Reliability	
3	Heat Rate	
4	Replace Existing Plant	NONE
5	Safety	
6	Energy Conservation	
7	Capacity	
8	Aid to Construction and Maintenance	
9	Regulatory	
10		
11	Total In-Service Additions	$ 0

Supporting Schedules:

Recap Schedules:

Schedule B-13 CONSTRUCTION WORK IN PROGRESS

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: Florida Public Utilities Company
Consolidated Electric Division
DOCKET NO.: 20240099-EI

EXPLANATION: For each major construction project whose cost of completion exceeds 0.2 percent (.002) of gross plant, and for smaller projects within each category shown taken as a group, provide the requested data concerning projects for the test year.

Type of Data Shown:
__x__ Projected Test Year Ended 12/31/25
_____ Prior Year Ended 12/31/24
_____ Historical Test Year Ended 12/31/23
Witness: Haffecke

Line No.	Project Description	(1) Year End CWIP Balance	(2) Estimated Additional Project Costs	(3) Total Cost of Completion	(4) Initial Project Budget Per Construction Bid	(5) Date Construction Started	(6) Expected Completion Date	(7) Percent Complete (1) / (3)	(8) Amount of AFUDC Charged	(9) 13 Month Average Balance	(10) Jurisdictional Factor	(11) Jurisdictional Amount	
1	STEAM PRODUCTION							N/A					
2													
3	Subtotal												
4	NUCLEAR PRODUCTION							N/A					
5													
6	Subtotal												
7	HYDRAULIC PRODUCTION							N/A					
8													
9	Subtotal												
10	OTHER PRODUCTION							N/A					
11													
12	Subtotal												
13	TRANSMISSION PLANT												
14	SPP Storm Hardening Transmission	595,211		595,211	595,211	Note 1		100%	-	545,426	100%	545,426	
15	Install new 75 MVA Transformer	-	-	-	1,500,000	Oct. 2025	Dec. 2025	100%	-	138,462	100%	138,462	
16	Upgrade Lightening Arrestors	-	-	-	50,000	Jan. 2025	Dec. 2025	0%	-	21,154	100%	21,154	
17	Subtotal	595,211	-	595,211	2,145,211					705,041		705,041	
18	DISTRIBUTION PLANT												
19	SPP Storm Hardening Distributior Note 1	3,581,706		3,581,706	3,581,706	Note 1	Note 1		-	3,282,124	100%	3,282,124	
20	Blanket Continuous Projects Note 2	347,459		347,459	6,177,000	Note 2	Note 2			348,775	100%	348,775	
21	Replace Live Fronts	-			720,000	Jan. 2025	Dec. 2025	100%	-	304,615	100%	304,615	
22	Station Equipment for AIP				6,126,716	Oct. 2024	May 2025	100%	-	2,164,121	100%	2,164,121	Note 3
23	Station Equipment for JL Terry				2,346,434	Jan. 2025	Dec. 2025	100%	-	1,240,514	100%	1,240,514	Note 3
24	Self Healing Project				750,000	Jan. 2025	Dec. 2025	100%	-	317,308	100%	317,308	
25	Replace Unjacked Cable				500,000	Jan. 2025	Dec. 2025	100%	-	211,538	100%	211,538	
26	Purchase NW Fl Substation				4,900,000	Nov. 2024	March 2025	100%	-	996,154	100%	996,154	Note 3
27	Replacement NW Fl. Substations	-			6,500,000	Oct. 2024	Dec. 2025	100%	-	1,930,769	100%	1,930,769	Note 3
28	SD Substation 69 KV Loop and Switch				500,000	Oct. 2024	May 2025	100%	-	61,538	100%	61,538	
29	Substation Upgrades Closed Quarterly	40,090		40,090	40,090		Quarterly	100%	-	117,014	100%	117,014	
30	Minor Projects	77		77						369,847	100%	369,847	
31	Subtotal	3,969,332	-	3,969,332	32,141,947					11,344,318		11,344,318	

Supporting Schedules: B-3 (2025) Recap Schedules: B-1(2025), B-7 (2025)

FPSC EXH NO. 4

ADMITTED

J86

Schedule B-13 CONSTRUCTION WORK IN PROGRESS

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: Florida Public Utilities Company
Consolidated Electric Division
DOCKET NO.: 20240099-EI

EXPLANATION: For each major construction project whose cost of completion exceeds 0.2 percent (.002) of gross plant, and for smaller projects within each category shown taken as a group, provide the requested data concerning projects for the test year.

Type of Data Shown:
__x__ Projected Test Year Ended 12/31/25
_____ Prior Year Ended 12/31/24
_____ Historical Test Year Ended 12/31/23
Witness: Haffecke

Line No.	Project Description	(1) Year End CWIP Balance	(2) Estimated Additional Project Costs	(3) Total Cost of Completion	(4) Initial Project Budget Per Construction Bid	(5) Date Construction Started	(6) Expected Completion Date	(7) Percent Complete (1) / (3)	(8) Amount of AFUDC Charged	(9) 13 Month Average Balance	(10) Jurisdictional Factor	(11) Jurisdictional Amount
32	GENERAL PLANT											
33	Radio System	-	-	-	800,000	Dec. 2024	March 2025	100%		88,462	100%	88,462
34	General Ledger System	1,183,342	587,280	1,770,622	1,770,622	Feb. 2025	April 2026	100%	43,276	596,549	100%	596,549
35	Cust. Info. System Implementation	-			1,905,896	Sept. 2024	Jan. 2025	100%	12,695	134,714	100%	134,714
36	Common	-	-	-	-						100%	-
37	Subtotal	1,183,342	587,280	1,770,622	4,476,518					819,725		819,725
38	TOTAL AFUDC TREATMENT											
39	Remove CWIP with AFUDC									(731,263)	100%	(731,263)
40	TOTAL RATE BASE TREATMENT											
41	Remove SPP CWIP									(3,827,550)	100%	(3,827,550)
42												
43	See Note 3 Substation Adjustment									(6,331,559)	100%	(6,331,559)
44	TOTAL CWIP	5,747,885	587,280	6,335,165	38,763,676					1,978,712		1,978,712
45												
46	Note 1: SPP construction is part of the Storm Hardening Clause and has been removed from rate base on B-1 p. 3.											
47	Note 2: Blanket Projects are usually closed by the end of the next month after addition.											
48	Note 3: The Company is removing CWIP balances on substations and asking for a full year of these projects as plant in service											

Supporting Schedules: B-3 (2025) Recap Schedules: B-1(2025), B-7 (2025)

J86

FLORIDA PUBLIC SERVICE COMMISS

COMPANY: Florida Public Utilities Company
Consolidated Electric Division
DOCKET NO.: 20240099-EI

EXPLANATION: If the company roposes to include any AFUDC-eligible CWIP in rate base, provide a summary of the earnings test to determine to what extent CWIP should be included in the rate base along with a detail of assumptions. As a minimum, the data provided should show the impact on the utility's financial integrity indicators with and without the level of CWIP requested.

Type of Data Shown:
__x__ Projected Test Year Ended 12/31/25
__x__ Prior Year Ended 12/31/24
__x__ Historical Test Year Ended 12/31/23
Witness: Haffecke

We are not proposing any AFUDC eligible CWIP be included in plant.

Supporting Schedules: Recap Schedules:

J87

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: Florida Public Utilities Company
Consolidated Electric Division
DOCKET NO.: 20240099-EI

EXPLANATION: Provide the 13 month average balance for each item of property held for future use and calculate the jurisdictional amounts for the test year. Provide the prior year if the test year is projected. Individual properties that are less than 5 percent of the account total may be aggregated.

Type of Data Shown:
__x__ Projected Test Year Ended 12/31/25
__x__ Prior Year Ended 12/31/24
__x__ Historical Test Year Ended 12/31/23
Witness: Haffecke

Item No.	Description of Item	(1) Prior Year 2024 13 Month Average	(2) Test Year 2025 13 Month Average	(3) Test Year Jurisdictional Factor	(4) Test Year Jurisdictional Amount

NONE

Supporting Schedules: Recap Schedules:

FPSC EXH NO. 4
ADMITTED

J89

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: Florida Public Utilities Company
Consolidated Electric Division
DOCKET NO.: 20240099-EI

EXPLANATION: Provide thirteen monthly balances of nuclear fuel accounts 120.1, 120.2, 120.3, 120.4, 120.5, and 120.6 for the test year, and the prior year if the test year is projected.

($000)

Type of Data Shown:
__x__ Projected Test Year Ended 12/31/25
__x__ Prior Year Ended 12/31/24
__x__ Historical Test Year Ended 12/31/23
Witness: Haffecke

Line No.	Period	(A) Nuclear Fuel In Process 120.1	(B) Nuclear Fuel Stock Account 120.2	(C) Nuclear Fuel Assemblies in Reactor 120.3	(D) Nuclear Fuel Spent Fuel 120.4	(E) :umulated Provis for Amortization 120.5	(F) Nuclear Fuel Under Capital Leases 120.6	(G) Net Nuclear Fuel (A)+(B)+(C)+(D)-(E)+(F)

None

Supporting Schedules: Recap Schedules:

FPSC EXH NO. 4
ADMITTED

FLORIDA PUBLIC SERVICE COMMISSI(EXPLANATION: Provide a schedule showing the adjusted 13 month average working capital allowance for the test year and the prior year if the test year is projected. All adjustments are to be provided by account number. Use a balance sheet method and any other methodology the company proposes to use.

COMPANY: Florida Public Utilities Company
Consolidated Electric Division
DOCKET NO.: 20240099-EI

Type of Data Shown:
__x__ Projected Test Year Ended 12/31/25
__x__ Prior Year Ended 12/31/24
_____ Historical Test Year Ended 12/31/23
Witness: Napier

Line No.	Account No.	Component	(1) Prior Year 12/31/2024 Company Total (Schedule B-3)	(2) Test Year 12/31/2025 Company Total (Schedule B-3)	(3) Test Year Jurisdictional Factor	(4) Test Year Jurisdictional Amount (2) x (3)
1	131 to 186	Current and Accrued Assets	41,483,806.3	29,581,730	100%	29,581,730
2						
3		Adjustments to Current and				
4		Accrued Assets (Specify)				
5	186	Remove Fuel Under-recovery	(3,997,028)		100%	-
6	186	Remove 1/2 of Deferred Rate Case	(455,093)	(1,331,206)	100%	(1,331,206)
7	186	Remove SPP Under-Recovery	(593,321)	(398,941)	100%	(398,941)
8	182	Remove Hurricane Michael Assets	(11,133,831)	(3,769,633)	100%	(3,769,633)
9		Total Adjustments to Assets	(16,179,273)	(5,499,780)		(5,499,780)
10						
11		Adjusted Current and	25,304,533	24,081,950	100%	24,081,950
12		Accrued Assets				
13						
14	228.1 to 254	Current and Accrued	13,304,251	16,586,715	100%	16,586,715
15		Liabilities				
16						
17		Adjustments to Current and			100%	-
18		Accrued Liabilities				
19						
20						
21		total Adjustments to Liabilities	-	-		-
22						
23		Adjusted Current and	13,304,251	16,586,715	100%	16,586,715
24		Accrued Liabilities				
25						
26		Working Capital Allowance	12,000,282	7,495,235	100%	7,495,235
27						
28						
29		Adjustments (Specify)			100%	-
30						
31		Adjusted Working Capital	12,000,282	7,495,235		7,495,235
32		Allowance				
33		Allocated Florida Common Working Cap	5,581,196	5,272,225	100%	5,272,225
34			17,581,478	12,767,460		12,767,460

Supporting Schedules: B-3 (2024), B-3A (2024), B-3 (2025), B-3A (2025)   Recap Schedules:

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: Florida Public Utilities Company
Consolidated Electric Division

DOCKET NO.: 20240099-EI

EXPLANATION: Provide conventional fuel account balances in dollars and quantities for each fuel type for the test year, and the two preceding years Include Natural Gas even though no inventory is carried. (Give Units in Barrels, Tons, or MCF)

Type of Data Shown:
__x__ Projected Test Year Ended 12/31/25
__x__ Prior Year Ended 12/31/24
__x__ Historical Test Year Ended 12/31/23
Witness: Haffecke

Plant	Fuel Type	Beginning Balance Units / ($000) / $ / Unit	Receipts Units / ($000) / $ / Unit	Fuel Issued to Generation Units / ($000) / $ / Unit	Fuel Issued (Other) Units / ($000) / $ / Unit	Inventory Adjustments Units / ($000) / $ / Unit	Ending Balance Units / ($000) / $ / Unit	13 Month Average Units / ($000) / $ / Unit
				NONE				
System Inventory	Coal							
	Petcoke							
	Residual Oil							
	Distillate Oil							
	Natural Gas							
	Biomass							
	Other ________							

Supporting Schedules: Recap Schedules:

Note 1 - Applicable only to system fuel inventory balances.

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: Florida Public Utilities Company
Consolidated Electric Division

DOCKET NO.: 20240099-EI

EXPLANATION: Provide a schedule showing the following information for miscellaneous deferred debits for the test year. Minor items less than 5% of the account total, or amounts less than $10,000, whichever is greater, may be grouped by classes.

Type of Data Shown:
_____ Projected Test Year Ended 12/31/25
_____ Prior Year Ended 12/31/24
__X__ Historical Test Year Ended 12/31/23
Witness: Galtman

Line No.	Description	Balance at Beginning of Year	Debits	Credits Account	Credits Amount	Balance at End of Year
1	Conservation Under-recovery	-	6,354	906.0		6,354
2	SPP Under Recovery	490,458	393,678	456/421	407,010	477,126
3	Fuel Under-recovery	30,840,187	13,003,577	456/555	33,841,183	10,002,581
4	Deferred Rate Case Costs	3,865	4,750			8,615
5	Gain/Loss on Sale of Office Building 2015	59,216				59,216
6						
17						
18						
19						
20						
21						
22						
23	Totals	31,393,726	13,408,358		34,248,193	10,553,891
24						
25						
26						
27						

Supporting Schedules: Recap Schedules: B-3 (2013)

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: Florida Public Utilities Company
Consolidated Electric Division
DOCKET NO.: 20240099-EI

EXPLANATION: Provide a schedule showing the following information for miscellaneous deferred debits for the test year. Minor items less than 5% of the account total, or amounts less than $10,000, whichever is greater, may be grouped by classes.

Type of Data Shown:
_____ Projected Test Year Ended 12/31/25
__X__ Prior Year Ended 12/31/24
_____ Historical Test Year Ended 12/31/23
Witness: Napier

Line No.	Description	Balance at Beginning of Year	Debits	Credits Account	Credits Amount	Balance at End of Year
1	Conservation Under-recovery	6,354		906	6,354	(0)
2	SPP Under Recovery	477,126	3,335,318	456/421	3,115,195	697,249
3	Fuel Under-recovery	10,002,581	53,316,764	456/555	65,102,320	(1,782,975)
4	Deferred Rate Case Costs	8,615	1,480,045	928		1,488,660
5	Gain/Loss on Sale of Land	59,216				59,216
6		-				-
7						-
8						
9						
10						
11						
12						
13						
14						
15						
16						
17						
18						
19						
20						
21						
22						
23	Totals	10,553,891	58,132,127		68,223,869	462,149

Supporting Schedules: Recap Schedules: B-3(2024)

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: Florida Public Utilities Company
Consolidated Electric Division
DOCKET NO.: 20240099-EI

EXPLANATION: Provide a schedule showing the following information for miscellaneous deferred debits for the test year. Minor items less than 5% of the account total, or amounts less than $10,000, whichever is greater, may be grouped by classes.

Type of Data Shown:
__x__ Projected Test Year Ended 12/31/25
_____ Prior Year Ended 12/31/24
_____ Historical Test Year Ended 12/31/23
Witness: Napier

Line No.	Description	Balance at Beginning of Year	Debits	Credits Account	Credits Amount	Balance at End of Year
1	Conservation Under-recovery	(0)		906		-
2	SPP Under Recovery	697,249	5,604,050	456/421	6,200,665	100,634
3	Fuel Under-recovery	(1,782,975)	66,846,079	456/555	65,063,104	-
4	Deferred Rate Case Costs	1,488,660		928	341,151	1,147,509
5	Gain/Loss on Sale of Land	59,216				59,216
6						-
20						
21						
22						
23	Totals	462,149	72,450,129		71,604,920	1,307,359

Supporting Schedules: Recap Schedules: B-3 (2025)

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: Florida Public Utilities Company
Consolidated Electric Division
DOCKET NO.: 20240099-EI

EXPLANATION: Provide a Schedule showing the following information for other deferred credits for the test year. Minor items less than 5% of the account total, or amounts less than $10,000, whichever is greater, may be grouped by

Type of Data Shown:
_____ Projected Test Year Ended 12/31/25
_____ Prior Year Ended 12/31/24
__X__ Historical Test Year Ended 12/31/23
Witness: Galtman

Line No.	Description	Balance at Beginning of Year	Debits		Credits	Balance at End of Year
			Contra Accounts	Amount		
1	Overrecovery- Conservation	(213,295)	906	292,518	79,223	0
2	Storm Regulatory Liability	(670,590)	431	670,590	402,354	(402,354)
3						
4						
5						
6						
7						
8						
9						
10						
11						
12						
13						
14						
15						
16						
17						
18						
19						
20						
21						
22						
23	Total	(883,885)		963,108	481,577	(402,354)
24						
25						
26						

Supporting Schedules: Recap Schedules: B-3 (2023)

FPSC EXH NO. 4

ADMITTED

J96

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: Florida Public Utilities Company
Consolidated Electric Division
DOCKET NO.: 20240099-EI

EXPLANATION: Provide a Schedule showing the following information for other deferred credits for the test year. Minor items less than 5% of the account total, or amounts less than $10,000, whichever is greater, may be grouped by

Type of Data Shown:
_____ Projected Test Year Ended 12/31/25
__X__ Prior Year Ended 12/31/24
_____ Historical Test Year Ended 12/31/23
Witness: Napier

Line No.	Description	Balance at Beginning of Year	Debits: Contra Accounts	Debits: Amount	Credits	Balance at End of Year
1	Overrecovery- Conservation	0	906	194,008	219,649	(25,641)
2	Storm Regulatory Liability	(402,354)	431	268,236		(134,118)
3		-				
4		-				
5						
6		-				
7						
8						
9						
10						
11						
12						
13						
14						
15						
16						
17						
18						
19						
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21						
22						
23						
24	Total	(402,354)		462,244	219,649	(159,759)

Supporting Schedules: Recap Schedules: B-3 (2024)

J96

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: Florida Public Utilities Company
Consolidated Electric Division
DOCKET NO.: 20240099-EI

EXPLANATION: Provide a Schedule showing the following information for other deferred credits for the test year. Minor items less than 5% of the account total, or amounts less than $10,000, whichever is greater, may be grouped by

Type of Data Shown:
__x__ Projected Test Year Ended 12/31/2
_____ Prior Year Ended 12/31/24
_____ Historical Test Year Ended 12/31/2
Witness: Napier

Line No.	Description	Balance at Beginning of Year	Debits Contra Accounts	Debits Amount	Credits	Balance at End of Year
1	Overrecovery- Conservation	(25,641)	906	245,290	219,649	-
2	Storm Regulatory Liability	(134,118)	431	134,118		-
3		-				
4						
5						
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18						
19						
20						
21						
22						
23						
24	Total	(159,759)		379,408	219,649	-

Supporting Schedules: Recap Schedules: B-3 (2025)

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: Florida Public Utilities Company
Consolidated Electric Division
DOCKET NO.: 20240099-EI

EXPLANATION: Provide a schedule of the amounts charged to operating expenses, and the amounts accrued and charged to the provision account balances, for the last calendar year and test year. Indicate desired reserve balances and the basis for determining the desired balances.

Type of Data Shown:
__x__ Projected Test Year Ended 12/31/25
__x__ Prior Year Ended 12/31/24
__x__ Historical Test Year Ended 12/31/23
Witness: Napier

Line No.	Year	Balance Beginning of Period	Current Annual Accrual	Amount Charged to Reserve	Net Fund Income After Taxes	Transfer Between Accounts	Reserve Balance End of Period	Description Of Charge	Charged to Operating Expenses
Account 228.1									
Storm Reserve	2023	(2,183,428)	(121,620)	1,321,490			(983,558)	Storm related expenses	121,620
	2024	(983,558)	(121,620)	1,342,237			237,059		121,620
	2025	237,059	(121,620)	619,454			734,893		121,620
Account 228.2									
Self Insurance- See Note 1	2023	-	(8,333)	(111,306)		119,639	(0)	Self insurance Claims	8,333
	2024	(0)					(0)		-
	2025	(0)	-				(0)		-
Account 228.4									
None									

Note 1: The self insurance reserve was underfunded in 2023. The debit balance is currently included in account 182.3. The balance at 12/22 was $736,999 and at 12/2023 was $637,026 and at 12/23 was $719,687. Below is the information for the 183 account for self-insurance which needs to be combined with the amounts above to obtain the net balance and charges
Self Insurance Debit Account 182.3.

	Year	Balance Beginning of Period	Current Annual Accrual	Amount Charged to Reserve	Net Fund Income After Taxes	Transfer Between Accounts	Reserve Balance End of Period	Description Of Charge	Charged to Operating Expenses
	2023	736,999	(16,667)	118,994		(119,639)	719,687	Self insurance Claims	16,667
	2024	719,687	(25,000)	114,203			808,890		25,000
	2025	808,890	(25,000)	114,169			898,059		25,000
									-

Supporting Schedules: B-3 (2023, 2024, & 2025) | Recap Schedules:

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: Florida Public Utilities Company
Consolidated Electric Division
DOCKET NO.: 20240099-EI

EXPLANATION: For each of the accumulated deferred income tax accounts (Nos. 190, 281, 282, 283), provide annual balances beginning with the historical base year in the last rate case and ending with the end of the test year.

Type of Data Shown:
__x__ Projected Test Year Ended 12/31/25
__x__ Prior Year Ended 12/31/24
__x__ Historical Test Year Ended 12/31/23
Witness: Galtman

Line No.	Annual Period	Account 190 Accumulated Deferred Income Taxes Dr(Cr)	Account 281 Accumulated Deferred Income Taxes Cr(Dr)	Account 282 Accumulated Deferred Income Taxes Cr(Dr)	Account 283 Accumulated Deferred Income Taxes Cr(Dr)	Net Accumulated Deferred Income Taxes Cr(Dr)
1	2013			10,469,503	(1,492,657)	8,976,846
2	2014			13,234,179	923,891	14,158,070
3	2015			14,408,747	(293,475)	14,115,272
4	2016			15,957,885	248,465	16,206,349
5	2017			8,288,031	301,815	8,589,846
6	2018			8,550,346	817,489	9,367,836
7	2019			17,183,303	(75,941)	17,107,362
8	2020	(122,028)		17,361,210	695,071	17,934,253
9	2021	(204,522)		17,791,664	964,169	18,551,311
10	2022	(204,522)		17,889,279	6,246,665	23,931,422
11	2023	(627,174)		18,239,637	1,377,427	18,989,889
12	2024	(627,174)		19,266,302	(4,134,137)	14,504,991
13	2025	(627,174)		20,867,227	(9,018,526)	11,221,527
14						
15						
16						
17						
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23						
24						

Supporting Schedules:

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: Florida Public Utilities Company
Consolidated Electric Division
DOCKET NO.: 20240099-EI

EXPLANATION: For each of the accumulated deferred income tax accounts (Nos. 190, 281, 282, 283), provide annual balances beginning with the historical base year in the last rate case and ending with the end of the test year.

Type of Data Shown:
__x__ Projected Test Year Ended 12/31/25
__x__ Prior Year Ended 12/31/24
__x__ Historical Test Year Ended 12/31/23
Witness: Galtman

Florida Common Allocated Amounts:

Line No.	Annual Period	Account 190 Accumulated Deferred Income Taxes Dr(Cr)	Account 281 Accumulated Deferred Income Taxes Cr(Dr)	Account 282 Accumulated Deferred Income Taxes Cr(Dr)	Account 283 Accumulated Deferred Income Taxes Cr(Dr)	Net Accumulated Deferred Income Taxes Cr(Dr)	Allocated to Electric Division
1	2013			678,040	253,565	931,605	173,011
2	2014			693,656	(1,251,071)	(557,415)	(168,947)
3	2015			681,465	(1,289,508)	(608,043)	(319,896)
4	2016			738,327	(1,974,722)	(1,236,395)	(287,956)
5	2017			677,247	(1,132,259)	(455,012)	(187,260)
6	2018			686,597	(1,307,376)	(620,779)	(234,215)
7	2019			579,158	(1,349,863)	(770,705)	(190,706)
8	2020			642,977	(1,296,057)	(653,081)	(154,523)
9	2021			612,201	(682,155)	(69,954)	(1,461)
10	2022			742,078	(558,080)	183,997	75,064
11	2023			825,220	(372,876)	452,345	111,315
12	2024			311,783	125,954	437,737	89,189
13	2025			289,155	127,338	416,493	86,919
14							
15							
16							
17							
18							
19							
20							
21							
22							
23							
24							

Supporting Schedules: Recap Schedules: B-3 (2023, 2024, & 2025)

Schedule B-23 INVESTMENT TAX CREDITS - ANNUAL ANALYSIS

FLORIDA PUBLIC SERVICE COMMISSI

COMPANY: Florida Public Utilities Company
Consolidated Electric Division
DOCKET NO.: 20240099-EI

EXPLANATION: Provide an analysis of accumulated investment tax credits generated and amortization of investment tax credits on an annual basis beginning with the historical base year in the last rate case and ending with the end of the test year.

Type of Data Shown:
__x__ Projected Test Year Ended 12/31/25
__x__ Prior Year Ended 12/31/24
__x__ Historical Test Year Ended 12/31/23
Witness: Galtman

Line No.	Annual Period	Beginning Balance	Amortization	Ending Balance
1	2013			-
2	2014	NONE		-
3	2015			-
4	2016			-
5	2017			-
6	2018			-
7	2019			-
8	2020			-
9	2021			-
10	2022			-
11	2023			-
12	2024			-
13	2025			-
14				
15				
16				
17				
18				
19				
20				
21				
22				
23				
24				
25				

Supporting Schedules: Recap Schedules: B-3

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide the data specified for leasing arrangements in effect during the test year and prior year.

COMPANY: Florida Public Utilities Company
Consolidated Electric Division
DOCKET NO.: 20240099-EI

Type of Data Shown:
__x__ Projected Test Year Ended 12/31/25
__x__ Prior Year Ended 12/31/24
_____ Historical Test Year Ended 12/31/23
Witness: Galtman

Leasing Payments for prior year:	$	59,920
Leasing Payments for test year:	$	63,045
Leasing Payments, Remaining Life Contract	$	

Describe Leasing Agreements Whose Lifetime Costs Exceed $10 Million

Asset	Original Cost	Annual Payment	Life of Contract	Disposition of Asset, Provision for Purchase

There are no leasing agreements whose lifetime costs exceed $10 million.

Supporting Schedules: Recap Schedules:

FPSC EXH NO. 4
ADMITTED

J103

FLORIDA PUBLIC SERVICE COMMISSION COMPANY: Florida Public Utilities Company Consolidated Electric Division DOCKET NO.: 20240099-EI	EXPLANATION: Provide a statement of changes in accounting policy for the test year and the prior year. If appropriate, explain any changes in accounting procedures for the projected test year and the effect, if any, of the use of a non-calendar test year.	Type of Data Shown: __x__ Projected Test Year Ended 12/31/2 __x__ Prior Year Ended 12/31/24 __x__ Historical Test Year Ended 12/31/2 Witness: Galtman

NONE

Supporting Schedules: Recap Schedules:

J103

Schedule B-2 (2023) RATE BASE ADJUSTMENTS

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: Florida Public Utilities Company
Consolidated Electric Division
DOCKET NO.: 20240099-EI

EXPLANATION: List and explain all proposed adjustments to the 13-month average rate base for the test year,the prior year and the most recent historical year. List the adjustments included in the last case that are not proposed in the current case and the reasons for excluding them.

Type of Data Shown:
_____ Projected Test Year Ended 12/31/25
_____ Prior Year Ended 12/31/24
__X__ Historical Test Year Ended 12/31/23
Witness: Napier

Line No.	Adjustment Title	Reason for Adjustment or Omission (provide supporting schedule)		(1) Adjustment Amount	(2) Jurisdictional Factor	(3) Jurisdictional Amount of Adjustment (1) x (2)
1						
2	Commission Adjustment:					
3						
4	Non-Utility Plant	To remove a portion electric assets shared with other divisions in compliance with	Plant	(7,684)	100%	(7,684)
5		Commission Order PSC-14-0517-S-EI.				
6	Non-Utility Accumulated Depreciation	To remove a portion of Acc. Dep. For electric assets shared with other divisions in	Acc. Dep.	725	100%	725
7		compliance with Commission Order PSC-PSC-14-0517-S-EI.				
8				(6,959)		(6,959)
9						
10	Storm Protection Plan Clause Plant	To remove capitalized investments in the Storm Protection Plan Cost Recovery	Plant	(1,907,470)	100%	(1,907,470)
11	Remove Storm Protection Plan Clause Acc. Dep	To remove Acc. Dep. On the capitalized investments in the Storm Protection Plan	Acc. Dep.	9,677	100%	9,677
12		Recovery Clause.				
13	Remove Storm Protection Plan Clause CWIP	To remove Construction Work in Process in the Storm Protection Plan Cost	CWIP	(960,269)	100%	(960,269)
14		Clause				
15	Total			(2,858,062)	100%	(2,858,062)
16						
17						
18						
19	Remove CWIP with AFUDC	To remove construction work in process for all amounts eligible for AFUDC under FPSC Rule 25-6.0141 F.A.C.	CWIP	(647,660)	100%	(647,660)
20						
21	WORKING CAPITAL					
22	Commission Adjustment:					
23						-
24	Fuel Under-Recovery	To eliminate Fuel Under-recovery which is interest earning Per Order PSC-14-		(21,088,963)	100%	(21,088,963)
25		S-EI.				
26	Deferred Rate Case Expense	To remove 1/2 of deferred rate case balance Per Order PSC-14-0517-S-EI.		(2,240)	100%	(2,240)
27	Storm Costs	To remove storm recovery costs which were interest earning		(18,229,785)	100%	(18,229,785)
28	Storm Protection Plan	To remove under-recovery which is interest earning		(413,690)	100%	(413,690)
29				-	100%	-
30	Total			(39,734,678)		(39,734,678)
31						
32						

Supporting Schedules: B-3 (2023) Recap Schedules: B-1 (2023), B-6 (2023)

J104

FPSC EXH NO. 5

ADMITTED

J105

FLORIDA PUBLIC UTILITIES

DOCKET NO. 20240099-EI

MINIMUM FILING REQUIREMENTS

TABLE OF CONTENTS

J105

FPSC EXH NO. 5

ADMITTED

J106

FLORIDA PUBLIC UTILITIES

DOCKET NO. 20240099-EI

MINIMUM FILING REQUIREMENTS

TABLE OF CONTENTS

COST OF CAPITAL

[redacted]

COST OF SERVICE AND RATE DESIGN

[redacted]

FPSC EXH NO. 5
ADMITTED

J107

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 20240099-EI

EXPLANATION: Provide the calculation of jurisdictional net operating income for the test year, the prior year and the most recent historical year.

Type of Data Shown:
___ Projected Test Year Ended 12/31/25
___ Prior Year Ended12/31/24
_x_ Historical Test Year Ended 12/31/23
Witness: Napier

Line No.		(1) Total Company Per Books	(2) Non-Electric Utility	(3) Total Electric (1)-(2)	(4) Jurisdictional Factor	(5) Jurisdictional Amount (3)x(4)	(6) Jurisdictional Adjustments (Schedule C-2)	(7) Adjusted Jurisdictional Amount (5)+(6)
1	Operating Revenues:							
2	Sales of Electricity	112,452,695		112,452,695	100%	112,452,695	(87,875,505)	24,577,190
3	Other Operating Revenues	(5,600,034)		(5,600,034)	100%	(5,600,034)	7,265,314	1,665,280
4	Total Operating Revenues	106,852,661		106,852,661	100%	106,852,661	(80,610,191)	26,242,470
5								
6	Operating Expenses:							
7	Operation & Maintenance:							
8	Fuel			-	100%	-	-	-
9	Purchased Power	62,340,060		62,340,060	100%	62,340,060	(62,340,060)	-
10	Other	15,215,600		15,215,600	100%	15,215,600	(1,393,497)	13,822,103
11	Depreciation	4,123,145		4,123,145	100%	4,123,145	47,804	4,170,950
12	Amortization	8,766,358		8,766,358	100%	8,766,358	(7,632,424)	1,133,934
13	Decommissioning Expense			-	100%	-	-	-
14	Taxes Other Than Income Taxes	9,148,948		9,148,948	100%	9,148,948	(7,443,580)	1,705,369
15	Income Taxes (Note 1)	6,306,623		6,306,623	100%	6,306,623	(424,714)	5,881,909
16	Deferred Income Taxes-Net	(4,940,440)		(4,940,440)	100%	(4,940,440)	-	(4,940,440)
17	Investment Tax Credit-Net			-	100%	-	-	-
18	(Gain)/Loss on Disposal of Plant			-	100%	-	-	-
19	Total Operating Expenses	100,960,294		100,960,294	100%	100,960,294	(79,186,471)	21,773,824
20								
21	Net Operating Income	5,892,367		5,892,367	100%	5,892,367	(1,423,721)	4,468,646
22								
23	Note 1: Used income tax booked and not what the tax computed in C-22. Company is using income tax synchronization consistent with prior cases.							
24								
25								
26								
27								
28								
29								
30								
31								
32								

Supporting Schedules: C-2 (2023), C-4 (2023), C-5 (2023), C7 (2023)   Recap Schedules:

J107

FPSC EXH NO. 5
ADMITTED

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 20240099-EI

EXPLANATION: Provide the calculation of jurisdictional net operating income for the test year, the prior year and the most recent historical year.

Type of Data Shown:
___ Projected Test Year Ended 12/31/25
_x_ Prior Year Ended 12/31/24
___ Historical Test Year Ended 12/31/23
Witness: Napier

Line No.		(1) Total Company Per Books	(2) Non-Electric Utility	(3) Total Electric (1)-(2)	(4) Jurisdictional Factor	(5) Jurisdictional Amount (3)x(4)	(6) Jurisdictional Adjustments (Schedule C-2)	(7) Adjusted Jurisdictional Amount (5)+(6)
1	Operating Revenues:							
2	Sales of Electricity	105,630,016		105,630,016	100%	105,630,016	(80,970,338)	24,659,678
3	Other Operating Revenues	1,815,250		1,815,250	100%	1,815,250	(852,883)	962,367
4	Total Operating Revenues	107,445,266		107,445,266	100%	107,445,266	(81,823,221)	25,622,045
5								
6	Operating Expenses:							
7	Operation & Maintenance:							
8	Fuel			-	100%	-	-	-
9	Purchased Power	63,686,940		63,686,940	100%	63,686,940	(63,686,940)	-
10	Other	17,343,898		17,343,898	100%	17,343,898	(2,828,427)	14,515,471
11	Depreciation	4,609,989		4,609,989	100%	4,609,989	(131,405)	4,478,584
12	Amortization	8,093,606		8,093,606	100%	8,093,606	(7,632,424)	461,182
13	Decommissioning Expense			-	100%	-	-	-
14	Taxes Other Than Income Taxes	8,301,733		8,301,733	100%	8,301,733	(6,389,581)	1,912,152
15	Income Taxes	5,289,289		5,289,289	100%	5,289,289	(292,594)	4,996,695
16	Deferred Income Taxes-Net	(4,476,325)		(4,476,325)	100%	(4,476,325)	-	(4,476,325)
17	Investment Tax Credit-Net	-		-	100%	-	-	-
18	(Gain)/Loss on Disposal of Plant			-	100%	-	-	-
19	Total Operating Expenses	102,849,130		102,849,130	100%	102,849,130	(80,961,371)	21,887,759
20								
21	Net Operating Income	4,596,136		4,596,136	100%	4,596,136	(861,850)	3,734,286
22								
23	Note 1: Company is using income tax synchronization consistent with prior cases.							
24								
25								
26								

Supporting Schedules: C-2 (2024), C-4 (2024), C-5 (2024), C7 (2024) Recap Schedules:

J108

FPSC EXH NO. 5

ADMITTED

J109

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 20240099-EI

EXPLANATION: Provide the calculation of jurisdictional net operating income for the test year, the prior year and the most recent historical year.

Type of Data Shown:
__x_ Projected Test Year Ended 12/31/25
____ Prior Year Ended 12/31/24
____ Historical Test Year Ended 12/31/23
Witness: Napier

Line No.		(1) Total Company Per Books	(2) Non-Electric Utility	(3) Total Electric (1)-(2)	(4) Jurisdictional Factor	(5) Jurisdictional Amount (3)x(4)	(6) Jurisdictional Adjustments (Schedule C-2)	(7) Adjusted Jurisdictional Amount (5)+(6)
1	Operating Revenues:							
2	Sales of Electricity	110,052,874		110,052,874	100%	110,052,874	(85,677,286)	24,375,589
3	Other Operating Revenues	(11,796,021)		(11,796,021)	100%	(11,796,021)	12,774,378	978,357
4	Total Operating Revenues	98,256,853		98,256,853	100%	98,256,853	(72,902,908)	25,353,946
5								
6	Operating Expenses:							
7	Operation & Maintenance:							
8	Fuel			-	100%	-	-	-
9	Purchased Power	52,150,543		52,150,543	100%	52,150,543	(52,150,543)	-
10	Other	20,084,163		20,084,163	100%	20,084,163	(3,838,470)	16,245,692
11	Depreciation	5,584,900		5,584,900	100%	5,584,900	(304,626)	5,280,274
12	Amortization	8,093,606		8,093,606	100%	8,093,606	(7,632,424)	461,182
13	Decommissioning Expense			-	100%	-	-	-
14	Taxes Other Than Income Taxes	9,376,855		9,376,855	100%	9,376,855	(7,019,075)	2,357,780
15	Income Taxes	(1,466,781)		(1,466,781)	100%	(1,466,781)	(503,837)	(1,970,618)
16	Deferred Income Taxes-Net	1,988,078		1,988,078	100%	1,988,078	-	1,988,078
17	Investment Tax Credit-Net	-		-	100%	-	-	-
18	(Gain)/Loss on Disposal of Plant			-	100%	-	-	-
19	Total Operating Expenses	95,811,363		95,811,363	100%	95,811,363	(71,448,975)	24,362,388
20								
21	Net Operating Income	2,445,490		2,445,490	100%	2,445,490	(1,453,933)	991,558
22								
23								
24								

Supporting Schedules: C-2 (2025), C-4 (2025), C-5 (2025), C7 (2025)

Recap Schedules:

J109

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 20240099-EI

EXPLANATION: Provide a schedule of net operating income adjustments for the test year, the prior year and the most recent historical year. Provide the details of all adjustments on Schedule C-3.

Type of Data Shown:
___ Projected Test Year Ended 12/31/25
___ Prior Year Ended12/31/24
_x_ Historical Test Year Ended 12/31/23
Witness: Napier

			Adjustments											
Line No.		Jurisdictional Amount Schedule c1 Col. 5	(1) Eliminate Fuel	(2) Eliminate Conservation	(3) Eliminate Franchise & Gross Rec.	(4) Non-Utility	(5) Interest/ Income Tax Synch	(6) Storm Recovery	(7) Economic Development	(8) EEI Dues	(9) Remove Vehicle Dep. in Op. Exp	(10) Eliminate SPP Revenue and Expense	Total Adjustments	Adjusted Jurisdictional NOI
1	Operating Revenues:													
2	Sales of Electricity	112,452,695	(70,625,436)	(690,355)	(7,379,028)			(7,822,816)				(1,357,870)	(87,875,505)	24,577,190
3	Other Operating Revenues	(5,600,034)	7,233,158			-						32,156	7,265,314	1,665,280
4	Total Operating Revenues	106,852,661	(63,392,278)	(690,355)	(7,379,028)	-	-	(7,822,816)	-		-	(1,325,715)	(80,610,191)	26,242,470
5														
6	Operating Expenses:													
7	Operation & Maintenance:													
8	Fuel (nonrecoverable)	-											-	-
9	Purchased Power	62,340,060	(62,340,060)										(62,340,060)	-
10	Other	15,215,600		(699,895)				(21,057)	(900)	(7,500)	(82,877)	(581,268)	(1,393,497)	13,822,103
11	Depreciation	4,123,145				(615)					82,877	(34,458)	47,804	4,170,950
12	Amortization	8,766,358						(7,632,424)					(7,632,424)	1,133,934
13	Decommissioning Expense	-											-	-
14	Taxes Other Than Income Taxes	9,148,948	(50,814)	(497)	(7,379,028)			(5,514)				(7,727)	(7,443,580)	1,705,369
15	Income Taxes	6,306,623	(253,806)	2,541		156	43,777	(41,523)	228	1,901		(177,988)	(424,714)	5,881,909
16	Deferred Income Taxes-Net	(4,940,440)											-	(4,940,440)
17	Investment Tax Credit-Net	-											-	-
18	(Gain)/Loss on Disposal of Plant	-											-	-
19														
20	Total Operating Expenses	100,960,294	(62,644,680)	(697,851)	(7,379,028)	(459)	43,777	(7,700,518)	(672)	(5,599)	-	(801,441)	(79,186,471)	21,773,824
21														
22	Net Operating Income	5,892,367	(747,598)	7,496	-	459	(43,777)	(122,298)	672	5,599	-	(524,274)	(1,423,721)	4,468,646
23														
24														

Supporting Schedules: C-3 (2023) Recap Schedules: C-1 (2023)

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 20240099-EI

EXPLANATION: Provide a schedule of net operating income adjustments for the test year, the prior year and the most recent historical year. Provide the details of all adjustments on Schedule C-3.

Type of Data Shown:
____ Projected Test Year Ended 12/31/25
__x__ Prior Year Ended 12/31/24
____ Historical Test Year Ended 12/31/23
Witness: Napier

Line No.		Jurisdictional Amount Schedule c1 Col. 5	Adjustments (1) Eliminate Fuel	(2) Eliminate Conservation	(3) Remove Franchise & Gross Rec.	(4) Remove Storm Revenue & Expense	(5) Eliminate SPP Revenue and Expense	(6) Non-Utility	(7) Economic Development
1	Operating Revenues:								
2	Sales of Electricity	105,630,016	(63,626,467)	(883,573)	(6,219,429)	(7,853,981)	(2,386,888)		
3	Other Operating Revenues	1,815,250	(106,327)				(746,556)		
4	Total Operating Revenues	107,445,266	(63,732,794)	(883,573)	(6,219,429)	(7,853,981)	(3,133,444)	-	-
5									
6	Operating Expenses:								
7	Operation & Maintenance:								
8	Fuel (nonrecoverable)	-							
9	Purchased Power	63,686,940	(63,686,940)						
10	Other	17,343,898		(882,937)		(21,057)	(1,915,769)		(928)
11	Depreciation	4,609,989					(130,790)	(615)	
12	Amortization	8,093,606				(7,632,424)			
13	Decommissioning Expense	-							
14	Taxes Other Than Income Taxes	8,301,733	(45,855)	(636)	(6,219,427)	(5,655)	(120,410)		
15	Income Taxes	5,289,289	0	0	(0)	(49,383)	(244,953)	156	235
16	Deferred Income Taxes-Net	(4,476,325)							
17	Investment Tax Credit-Net	-							
18	(Gain)/Loss on Disposal of Plant	-							
19									
20	Total Operating Expenses	102,849,130	(63,732,794)	(883,573)	(6,219,427)	(7,708,519)	(2,411,922)	(459)	(693)
21									
22	Net Operating Income	4,596,136	0	-	(1)	(145,462)	(721,522)	459	693
23									
24									

Supporting Schedules: C-3 (2024) Recap Schedules: C-1 (2024)

FPSC EXH NO. 5
ADMITTED

J112

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 20240099-EI

EXPLANATION: Provide a schedule of net operating income adjustments for the test year, the prior year and the most recent historical year. Provide the details of all adjustments on Schedule C-3.

Type of Data Shown:
____ Projected Test Year Ended 12/31/25
__x__ Prior Year Ended 12/31/24
____ Historical Test Year Ended 12/31/23
Witness: Napier

Line No.		(8) EEI Dues	(9) Increase in RAF April-Dec	(10) Interest/ Income Tax Sync	Total Adjustments	Adjusted Jurisdictional NOI
1	Operating Revenues:					
2	Sales of Electricity				(80,970,338)	24,659,678
3	Other Operating Revenues				(852,883)	962,367
4	Total Operating Revenues	-	-	-	(81,823,221)	25,622,045
5						
6	Operating Expenses:					
7	Operation & Maintenance:					
8	Fuel (nonrecoverable)				-	-
9	Purchased Power				(63,686,940)	-
10	Other	(7,736)			(2,828,427)	14,515,471
11	Depreciation				(131,405)	4,478,584
12	Amortization				(7,632,424)	461,182
13	Decommissioning Expense				-	-
14	Taxes Other Than Income Taxes		2,401		(6,389,581)	1,912,152
15	Income Taxes	1,961	(608)	-	(292,594)	4,996,695
16	Deferred Income Taxes-Net				-	(4,476,325)
17	Investment Tax Credit-Net				-	-
18	(Gain)/Loss on Disposal of Plant				-	-
19						
20	Total Operating Expenses	(5,775)	1,792	-	(80,961,371)	21,887,759
21						
22	Net Operating Income	5,775	(1,792)	-	(861,850)	3,734,286
23						
24						

Supporting Schedules: C-3 (2024) Recap Schedules: C-1 (2024)

J112

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 20240099-EI

EXPLANATION Provide a schedule of net operating income adjustments for the test year, the prior year and the most recent historical year. Provide the details of all adjustments on Schedule C-3.

Type of Data Shown:
__x_ Projected Test Year Ended 12/31/25
____ Prior Year Ended 12/31/24
____ Historical Test Year Ended 12/31/23
Witness: Napier, Haffecke

Line No.		Adjustments Jurisdictional Amount Schedule c1 Col. 5	Adjustments (1) Eliminate Fuel	(2) Eliminate Conservation	(3) Remove Franchise & Gross Rec.	(4) Remove Storm Revenue & Expense	(5) Eliminate SPP Revenue and Expense	(6) Non-Utility	(7) Economic Development
1	Operating Revenues:								
2	Sales of Electricity	110,052,874	(65,063,104)	(883,887)	(6,479,844)	(7,856,775)	(5,393,676)		
3	Other Operating Revenues	(11,796,021)	12,875,012				(100,634)		
4	Total Operating Revenues	98,256,853	(52,188,092)	(883,887)	(6,479,844)	(7,856,775)	(5,494,310)	-	-
5									
6	Operating Expenses:								
7	Operation & Maintenance:								
8	Fuel (nonrecoverable)	-							
9	Purchased Power	52,150,543	(52,150,543)						
10	Other	20,084,163		(883,138)		(21,057)	(1,949,879)		(953)
11	Depreciation	5,584,900					(515,299)	(615)	
12	Amortization	8,093,606				(7,632,424)			
13	Decommissioning Expense	-							
14	Taxes Other Than Income Taxes	9,376,855	(44,218)	(749)	(6,479,844)	(6,663)	(487,601)		
15	Income Taxes	(1,466,781)		-	0	(49,836)	(644,151)	156	241
16	Deferred Income Taxes-Net	1,988,078							
17	Investment Tax Credit-Net	-							
18	(Gain)/Loss on Disposal of Plant	-							
19									
20	Total Operating Expenses	95,811,363	(52,194,761)	(883,887)	(6,479,844)	(7,709,980)	(3,596,930)	(459)	(711)
21									
22	Net Operating Income	2,445,490	6,669	-	0	(146,795)	(1,897,380)	459	711
23									
24									

Supporting Schedules: C-3 (2025) Recap Schedules: C-1 (2025)

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 20240099-EI

EXPLANATION: Provide a schedule of net operating income adjustments for the test year, the prior year and the most recent historical year. Provide the details of all adjustments on Schedule C-3.

Type of Data Shown:
__x_ Projected Test Year Ended 12/31/25
____ Prior Year Ended 12/31/24
____ Historical Test Year Ended 12/31/23
Witness: Napier, Haffecke

Line No.		Adjustments (8) EEI Dues	(9) Transfer Costs To SPP	(11) Interest/ Income Tax Sync	(12) Substation Adjustment		Total Adjustments	Adjusted Jurisdictional NOI
1	Operating Revenues:							
2	Sales of Electricity						(85,677,286)	24,375,589
3	Other Operating Revenues						12,774,378	978,357
4	Total Operating Revenues		-	-	-		(72,902,908)	25,353,946
5								
6	Operating Expenses:							
7	Operation & Maintenance:							
8	Fuel (nonrecoverable)						-	-
9	Purchased Power						(52,150,543)	-
10	Other	(7,939)	(975,504)				(3,838,470)	16,245,692
11	Depreciation				211,288		(304,626)	5,280,274
12	Amortization						(7,632,424)	461,182
13	Decommissioning Expense						-	-
14	Taxes Other Than Income Taxes						(7,019,075)	2,357,780
15	Income Taxes	2,012	247,241	(5,950)	(53,551)		(503,837)	(1,970,618)
16	Deferred Income Taxes-Net						-	1,988,078
17	Investment Tax Credit-Net						-	-
18	(Gain)/Loss on Disposal of Plant						-	-
19								
20	Total Operating Expenses	(5,927)	(728,263)	(5,950)	157,737	-	(71,448,975)	24,362,388
21								
22	Net Operating Income	5,927	728,263	5,950	(157,737)	-	(1,453,933)	991,558
23								
24								

Supporting Schedules: C-3 (2025) Recap Schedules: C-1 (2025)

FPSC EXH NO. 5

ADMITTED

J115

FLORIDA PUBLIC SERVICE COMMISSION EXPLANATION: List and explain all proposed adjustments to net operating income for the test year, the prior year and the most recent historical year.

COMPANY: FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 20240099-EI

Type of Data Shown:
___ Projected Test Year Ended 12/31/25
___ Prior Year Ended12/31/24
_x_ Historical Test Year Ended 12/31/23
Witness: Napier, Galtman, Haffecke

Line No.	Adjustment	Reason for Adjustment or Omission (Provide Supporting Schedules)	(1) Total Adjustment	(2) Jurisdictional Factor	(3) Jurisdictional Adjustment
1	Operating Revenue - Company	Eliminate Fuel Revenues	(70,625,436)	100%	(70,625,436)
2	Operating Revenue - Company	Eliminate Conservation Revenues	(690,355)	100%	(690,355)
3	Operating Revenue - Company	Eliminate Gross Receipts Revenues	(2,804,708)	100%	(2,804,708)
4	Operating Revenue - Company	Eliminate Franchise Tax Revenues	(4,574,320)	100%	(4,574,320)
5	Operating Revenue - Company	Eliminate Hurricane Michael Recovery	(7,822,816)	100%	(7,822,816)
6	Operating Revenue - Company	Eliminate Storm Protection Clause Revenues	(1,357,870)	100%	(1,357,870)
7	Operating Revenue - Company	Eliminate Storm Protection Clause Under-Recovery	32,156	100%	32,156
8	Other Revenue - Company	Eliminate Conservation and Fuel O/U	7,233,158	100%	7,233,158
9		Total Revenue Adjustments	(80,610,191)		(80,610,191)
10	Fuel Expense - Company	Eliminate Fuel Expenses	(62,340,060)	100%	(62,340,060)
11	Operating Expense - Company	Eliminate Conservation Expenses	(699,895)	100%	(699,895)
12	Operating Expense - Company	Eliminate Storm Protection Clause Operation and Maintenance Expense	(581,268)	100%	(581,268)
13	Operating Expense - Company	Eliminate 5% of Economic Development	(900)	100%	(900)
14	Operating Expense - Company	Eliminate Lobbying Portion of EEI dues	(7,500)	100%	(7,500)
15	Operating Expense - Company	Eliminate Storm Bad Debt	(21,057)	100%	(21,057)
16	Operating Expense - Company	Remove Vehicle Depreciation In Operating Accounts In B-9 Schedules	(82,877)	100%	(82,877)
17	Depreciation Expense - Company	Transfer Vehicle Depreciation From Operating Accounts In B-9 Schedules	82,877	100%	82,877
18	Depreciation Expense - Company	Exclude Non-Utility Depreciation Expense	(615)	100%	(615)
19	Depreciation Expense - Company	Eliminate Amortization of Hurricane Michael Storm Costs	(7,632,424)	100%	(7,632,424)
20	Depreciation Expense - Company	Eliminate Storm Protection Clause Depreciation Expense	(34,458)	100%	(34,458)
21	Taxes Other than Income - Company	Eliminate Taxes other than Income on Fuel	(50,814)	100%	(50,814)
22	Taxes Other than Income - Company	Eliminate Taxes other than Income on Conservation	(497)	100%	(497)
23	Taxes Other than Income - Company	Eliminate Gross Receipts Tax Expense	(2,804,708)	100%	(2,804,708)
24	Taxes Other than Income - Company	Eliminate Franchise Tax Expense	(4,574,320)	100%	(4,574,320)
25	Taxes Other than Income - Company	Eliminate Taxes Other Than Income Taxes Storm Surcharge	(5,514)	100%	(5,514)
26	Taxes Other than Income - Company	Eliminate Storm Protection Clause Taxes Other Than Income	(7,727)	100%	(7,727)
27	Income Taxes - Company	Eliminate Income Tax on Fuel	(253,806)	100%	(253,806)
28	Income Taxes - Company	Eliminate Income Tax on Conservation	2,541	100%	2,541
29	Income Taxes - Company	Eliminate Income Tax on Non-Utility	156	100%	156
30	Income Taxes - Company	Eliminate Income Tax on Economic Development	228	100%	228
31	Income Taxes - Company	Eliminate Income Tax on EEI Dues	1,901	100%	1,901
32	Income Taxes - Company	Eliminate Income Tax on Storm Surcharge	(41,523)	100%	(41,523)
33	Income Taxes - Company	Eliminate Storm Protection Clause Income Tax	(177,988)	100%	(177,988)
34	Income Taxes - Company	Interest and Income Tax Synchronization	43,777	100%	43,777
35		Total Expense Adjustments	(79,186,471)		(79,186,471)
36					

Supporting Schedules: C-4 (2013), C-5 (2013) Recap Schedules: C-2 (2013)

FPSC EXH NO. 5

ADMITTED

J116

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: List and explain all proposed adjustments to net operating income for the test year, the prior year and the most recent historical year.

COMPANY: FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 20240099-EI

Type of Data Shown:
___ Projected Test Year Ended 12/31/25
_x_ Prior Year Ended 12/31/24
___ Historical Test Year Ended 12/31/23
Witness: Napier, Galtman, Haffecke

Line No.	Adjustment	Reason for Adjustment or Omission (Provide Supporting Schedules)	(1) Total Adjustment	(2) Jurisdictional Factor	(3) Jurisdictional Adjustment
1	Operating Revenue - Company	Eliminate Fuel Revenues	(63,626,467)	100%	(63,626,467)
2	Operating Revenue - Company	Eliminate Conservation Revenues	(883,573)	100%	(883,573)
3	Operating Revenue - Company	Eliminate Gross Receipts Revenues	(2,640,647)	100%	(2,640,647)
4	Operating Revenue - Company	Eliminate Franchise Tax Revenues	(3,578,781)	100%	(3,578,781)
5	Operating Revenue - Company	Eliminate Storm Revenue	(7,853,981)	100%	(7,853,981)
6	Operating Revenue - Company	Eliminate SPP Revenue	(2,386,888)	100%	(2,386,888)
7	Other Revenue - Company	Eliminate Over/Under-Recoveries	(106,327)	100%	(106,327)
8	Other Revenue - Company	Eliminate SPP Under Recovery	(746,556)	100%	(746,556)
9		Total Revenue Adjustments	(81,823,221)	100%	(81,823,221)
10	Fuel Expense - Company	Eliminate Fuel Expenses	(63,686,940)	100%	(63,686,940)
11	Operating Expense - Company	Eliminate Conservation Expenses	(882,937)	100%	(882,937)
12	Operating Expense - Company	Eliminate SPP Expenses	(1,915,769)	100%	(1,915,769)
13	Operating Expense - Company	Eliminate 5% of Economic Development	(928)	100%	(928)
14	Operating Expense - Company	Eliminate Lobbying Portion of EEI dues	(7,736)	100%	(7,736)
15	Operating Expense - Company	Eliminate Storm Bad Debt	(21,057)	100%	(21,057)
16	Depreciation Expense - Company	Exclude Non-Utility Depreciation Expense	(615)	100%	(615)
17	Depreciation Expense - Company	Eliminate SPP Depreciation	(130,790)	100%	(130,790)
18	Amortization Expense - Company	Eliminate Amortization of Hurricane Michael Storm Costs	(7,632,424)	100%	(7,632,424)
19	Taxes Other than Income - Company	Eliminate Taxes other than Income on Fuel	(45,855)	100%	(45,855)
20	Taxes Other than Income - Company	Eliminate Taxes other than Income on Conservation	(636)	100%	(636)
21	Taxes Other than Income - Company	Eliminate Taxes other than Income on SPP	(120,410)	100%	(120,410)
22	Taxes Other than Income - Company	Eliminate Gross Receipts Tax Expense	(2,640,646)	100%	(2,640,646)
23	Taxes Other than Income - Company	Eliminate Franchise Tax Expense	(3,578,781)	100%	(3,578,781)
24	Taxes Other than Income - Company	Eliminate Taxes Other Than Income on Storm	(5,655)	100%	(5,655)
25	Taxes Other than Income - Company	Increase in RAF April to December	2,401	100%	2,401
26	Income Taxes - Company	Eliminate Income Tax on additional RAF	(608)	100%	(608)
27	Income Taxes - Company	Eliminate Income Tax on Fuel	0	100%	0
28	Income Taxes - Company	Eliminate Income Tax on Conservation	0	100%	0
29	Income Taxes - Company	Eliminate Income Tax on Non-Utility	156	100%	156
30	Income Taxes - Company	Eliminate Income Tax on Economic Development	235	100%	235
31	Income Taxes - Company	Eliminate Income Tax on EEI Dues	1,961	100%	1,961
32	Income Taxes - Company	Eliminate Income Tax on SPP	(244,953)	100%	(244,953)
33	Income Taxes - Company	Eliminate Income Tax on Storm Surcharge	(49,383)	100%	(49,383)
34	Income Taxes - Company	Interest and Income Tax Synchronization		100%	-
35		Total Expense Adjustments	(80,961,370)	100%	(80,961,370)
36					
37					

Supporting Schedules: C-4 (2014), C-5 (2014) Recap Schedules: C-2 (201

J116

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: List and explain all proposed adjustments to net operating income for the test year, the prior year and the most recent historical year.

Type of Data Shown:
__x_ Projected Test Year Ended 12/31/25
____ Prior Year Ended 12/31/24
____ Historical Test Year Ended 12/31/23
Witness: Napier, Galtman, Haffecke

COMPANY: FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 20240099-EI

Line No.	Adjustment	Reason for Adjustment or Omission (Provide Supporting Schedules)	(1) Total Adjustment	(2) Jurisdictional Factor	(3) Jurisdictional Adjustment
1	Operating Revenue - Company	Eliminate Fuel Revenues	(65,063,104)	100%	(65,063,104)
2	Operating Revenue - Company	Eliminate Conservation Revenues	(883,887)	100%	(883,887)
3	Operating Revenue - Company	Eliminate Gross Receipts Revenues	(2,751,215)	100%	(2,751,215)
4	Operating Revenue - Company	Eliminate Franchise Tax Revenues	(3,728,629)	100%	(3,728,629)
5	Operating Revenue - Company	Eliminate Storm Revenue	(7,856,775)	100%	(7,856,775)
6	Operating Revenue - Company	Eliminate SPP Revenue	(5,393,676)	100%	(5,393,676)
7	Other Revenue - Company	Eliminate SPP Under Recovery	(100,634)	100%	(100,634)
8	Other Revenue - Company	Eliminate Fuel Under-Recovery	12,875,012	100%	12,875,012
9		Total Revenue Adjustments	(72,902,908)		(72,902,908)
10	Operating Expense - Company	Eliminate Fuel Expenses	(52,150,543)	100%	(52,150,543)
11	Operating Expense - Company	Eliminate Conservation Expenses	(883,138)	100%	(883,138)
12	Operating Expense - Company	Eliminate 5% of Economic Development	(953)	100%	(953)
13	Operating Expense - Company	Eliminate Lobbying Portion of EEI dues	(7,939)	100%	(7,939)
14	Operating Expense - Company	Transfer Tree Trimming and Inspections removed from SPP for prior	(975,504)	100%	(975,504)
15		base rate case and move to Storm Protection Plan Clause.			
16	Operating Expense-Company	Remove all SPP Expenses in 2025 Filing	(1,949,879)	100%	(1,949,879)
17	Operating Expense - Company	Eliminate Storm Bad Debt	(21,057)	100%	(21,057)
18	Depreciation Expense - Company	Exclude Non-Utility Depreciation Expense	(615)	100%	(615)
19	Depreciation Expense - Company	Eliminate Depreciation Expense on SPP	(515,299)	100%	(515,299)
20	Depreciation Expense - Company	Increase Depreciation Exp. on 2025 substation additions to a full year.	211,288	100%	211,288
21	Amortization Expense - Company	Eliminate Amortization of Hurricane Michael Storm Costs	(7,632,424)	100%	(7,632,424)
22	Taxes Other than Income - Company	Eliminate Taxes other than Income on Fuel	(44,218)	100%	(44,218)
23	Taxes Other than Income - Company	Eliminate Taxes other than Income on Conservation	(749)	100%	(749)
24	Taxes Other than Income - Company	Eliminate Taxes other than Income on SPP	(487,601)	100%	(487,601)
25	Taxes Other than Income - Company	Eliminate Gross Receipts Tax Expense	(2,751,215)	100%	(2,751,215)
26	Taxes Other than Income - Company	Eliminate Franchise Tax Expense	(3,728,629)	100%	(3,728,629)
27	Taxes Other than Income - Company	Eliminate Taxes Other Than Income on Storm	(6,663)	100%	(6,663)
28	Income Taxes - Company	Eliminate Income Tax on Non-Utility Depreciation	156	100%	156
29	Income Taxes - Company	Eliminate Income Tax on Storm Surcharge	(49,836)	100%	(49,836)
30	Income Taxes - Company	Eliminate Income Tax on Economic Development	241	100%	241
31	Income Taxes - Company	Eliminate Income Tax on EEI Dues	2,012	100%	2,012
32	Income Taxes - Company	Eliminate Income Tax on SPP	(644,151)	100%	(644,151)
33	Income Taxes - Company	Eliminate Income Tax on Costs Transferred to SPP	247,241	100%	247,241
34	Income Taxes - Company	Eliminate Income Tax on Substation Adjustment	(53,551)	100%	(53,551)
35	Income Taxes - Company	Interest and Income Tax Synchronization	(5,950)	100%	(5,950)
36		Total Expense Adjustments	(71,448,975)	100%	(71,448,975)

Supporting Schedules: C-4 (2015), C-5 (2015)   Recap Schedules: C-2 (2015)

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 20240099-EI

EXPLANATION: Provide jurisdictional factors for net operating income for the test year, and the most recent historical year if the test year is projected.

Type of Data Shown:
_x__ Projected Test Year Ended 12/31/25
_x__ Prior Year Ended 12/31/24
_x__ Historical Test Year Ended 12/31/23
Witness: Haffecke

Line No.	Account No.	Account Title	Total Company	FPSC Jurisdictional	Jurisdictional Separation Factor
1		All sales of electricity in the Northwest/Marianna and Northeast/Fernandina Beach Divisions are subject to regulation by the Florida Public Service Commission.			
2		Therefore, the Jurisdictional Factor is 100%.			

Supporting Schedules: Recap Schedules: C-1

J118

FPSC EXH NO. 5

ADMITTED

J119

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 20240099-EI

EXPLANATION: Provide a schedule of operating revenue by primary account for the test year. Provide the per books amounts and the adjustments required to adjust the per books amounts to reflect the requested test year operating revenues.

Type of Data Shown:
___ Projected Test Year Ended 12/31/25
___ Prior Year Ended12/31/24
_x_ Historical Test Year Ended 12/31/23
Witness: Galtman

								Adjustments							
Line No.	Account No.	Account Title	(1) Per Books	(2) Non-Jurisdictional		(3) Jurisdictional (1)-(2)		(4) Fuel	(5) Conservation	(6) Franchise Fees	(7) Other (Gross Receipts)	(8) Other (Storm Recovery)	(9) SPP	(10) Total (4) thru (8)	(11) Adjusted Total (3)+(9)
1		SALES OF ELECTRICITY													
2	440	Residential Sales	56,920,843			56,920,843		(34,877,025)	(339,140)	(2,091,133)	(1,437,080)	(3,841,374)	(750,537)	(43,336,289)	13,584,553
3	442	Commercial Sales	49,871,387			49,871,387		(33,416,502)	(339,115)	(2,134,324)	(1,267,742)	(3,841,136)	(497,300)	(41,496,120)	8,375,267
4	442	Industrial Sales	2,175,513			2,175,513		(1,150,640)	(3,765)	(229,597)	(50,500)	(46,729)	(478)	(1,481,711)	693,802
5	443	Outdoor Lighting	2,705,304			2,705,304		(473,540)	(5,884)	(85,490)	(41,462)	(65,805)	(109,554)	(781,736)	1,923,568
6	444	Public Street & Highway Lighting	271,472			271,472		(202,992)	(2,451)	(31,704)	(6,554)	(27,772)		(271,472)	-
7	445	Other Sales to Public Authorities				-								-	-
8	449	Unbilled Fuel Revenue	454,319			454,319		(454,319)						(454,319)	-
9	446	Sales to Railroads & Railways				-								-	-
10	448	Interdepartmental Sales	53,858			53,858		(50,418)		(2,070)	(1,370)			(53,858)	-
11		Total Sales to Ultimate Consumers	112,452,695	-	-	112,452,695	-	(70,625,436)	(690,355)	(4,574,320)	(2,804,708)	(7,822,816)	(1,357,870)	(87,875,505)	24,577,190
12	447	Sales for Resale	-			-								-	-
13		TOTAL SALES OF ELECTRICITY	112,452,695	-	-	112,452,695	-	(70,625,436)	(690,355)	(4,574,320)	(2,804,708)	(7,822,816)	(1,357,870)	(87,875,505)	24,577,190
14	449.1	(Less) Provision for Rate Refunds	-			-								-	-
15		TOTAL REVENUE NET OF REFUND PROVISION	112,452,695	-	-	112,452,695	-	(70,625,436)	(690,355)	(4,574,320)	(2,804,708)	(7,822,816)	(1,357,870)	(87,875,505)	24,577,190
16															
17		OTHER OPERATING REVENUES													
18	450	Forfeited Discounts (Late Fees)	504,690			504,690								-	504,690
19	451	Miscellaneous Service Revenues	213,028			213,028								-	213,028
20	453	Sales of Water and Water Power				-								-	-
21	454	Rent from Electric Property	269,439			269,439								-	269,439
22	455	Interdepartmental Rents				-								-	-
23	456	Other Electric Revenues (in detail)												-	-
24	456	Recovery: Fuel	(7,233,158)			(7,233,158)		7,233,158						7,233,158	-
25	456	Other Revenues Customer Charge Industrial	23,395			23,395								-	23,395
26	456	SPP Over-Recovery	(32,156)			(32,156)							32,156	32,156	-
27	456	Covid Regulatory Asset Recovery	677,060			677,060								-	677,060
28	456	Unbilled Revenue	(22,332)			(22,332)								-	(22,332)
29															
30		TOTAL OTHER OPERATING REVENUES	(5,600,034)	-	-	(5,600,034)	-	7,233,158	-	-	-	-	32,156	7,265,314	1,665,280
31															
32		TOTAL ELECTRIC OPERATING REVENUES	106,852,661	-	-	106,852,661	-	(63,392,278)	(690,355)	(4,574,320)	(2,804,708)	(7,822,816)	(1,325,715)	(80,610,191)	26,242,470

Supporting Schedules: Recap Schedules: C1 (2023), C-2 (2023)

FPSC EXH NO. 5

ADMITTED

J120

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 20240099-EI

EXPLANATION: Provide a schedule of operating revenue by primary account for the test year. Provide the per books amounts and the adjustments required to adjust the per books amounts to reflect the requested test year operating revenues.

Type of Data Shown:
___ Projected Test Year Ended 12/31/25
_x_ Prior Year Ended 12/31/24
___ Historical Test Year Ended 12/31/23
Witness: Galtman

Line No.	Account No.	Account Title	(1) Per Books	(2) Non-Jurisdictional	(3) Jurisdictional (1)-(2)	Adjustments (4) Fuel	(5) Conservation	(6) Franchise Fees	(7) Gross Receipts	(8) Hurr. Michael Storm	(9) SPP	(10) Total (4) thru (8)	(11) Adjusted Total (3)+(10)
1		SALES OF ELECTRICITY											
2	440	Residential Sales	54,767,537	-	54,767,537	(32,190,838)	(437,208)	(1,855,543)	(1,369,135)	(3,886,293)	(1,311,624)	(41,050,641)	13,716,896
3	442	Commercial Sales	46,276,710	-	46,276,710	(30,078,067)	(429,554)	(1,567,871)	(1,156,873)	(3,818,254)	(867,449)	(37,918,067)	8,358,643
4	442	Industrial Sales	1,534,220	-	1,534,220	(755,307)	(6,209)	(51,980)	(38,354)	(55,194)	(12,634)	(919,678)	614,542
5	443	Outdoor Lighting	3,051,549	-	3,051,549	(602,255)	(10,602)	(103,388)	(76,286)	(94,240)	(195,181)	(1,081,951)	1,969,598
6	444	Public Street & Highway Lighting		-	-							-	-
7	445	Other Sales to Public Authorities		-	-							-	-
8	449	Other Sales		-								-	-
9	446	Sales to Railroads & Railways		-	-							-	-
10	448	Interdepartmental Sales		-	-							-	-
11		Total Sales to Ultimate Consumers	105,630,016	-	105,630,016	(63,626,467)	(883,573)	(3,578,781)	(2,640,647)	(7,853,981)	(2,386,888)	(80,970,338)	24,659,678
12	447	Sales for Resale	-	-	-							-	-
13		TOTAL SALES OF ELECTRICITY	105,630,016	-	105,630,016	(63,626,467)	(883,573)	(3,578,781)	(2,640,647)	(7,853,981)	(2,386,888)	(80,970,338)	24,659,678
14	449.1	(Less) Provision for Rate Refunds	-	-	-							-	-
15		TOTAL REVENUE NET OF REFUND PROVISION	105,630,016	-	105,630,016	(63,626,467)	(883,573)	(3,578,781)	(2,640,647)	(7,853,981)	(2,386,888)	(80,970,338)	24,659,678
16													
17		OTHER OPERATING REVENUES											
18	450	Forfeited Discounts	505,447	-	505,447							-	505,447
19	451	Miscellaneous Service Revenues	162,665	-	162,665							-	162,665
20	453	Sales of Water and Water Power		-	-							-	-
21	454	Rent from Electric Property	269,439	-	269,439							-	269,439
22	455	Interdepartmental Rents		-	-							-	-
23	456	Other Electric Revenues (in detail)										-	-
24	4561	Recovery: Fuel	106,327	-	106,327	(106,327)						(106,327)	-
25	4562	Other Revenues	24,816	-	24,816							-	24,816
26	456	SPP Under-Recovery	746,556	-	746,556						(746,556)	(746,556)	-
27	4563	Unbilled Revenue		-	-							-	-
28													
29		TOTAL OTHER OPERATING REVENUES	1,815,250	-	1,815,250	(106,327)	-	-	-	-	(746,556)	(852,883)	962,367
30													
31		TOTAL ELECTRIC OPERATING REVENUES	107,445,266	-	107,445,266	(63,732,794)	(883,573)	(3,578,781)	(2,640,647)	(7,853,981)	(3,133,444)	(81,823,221)	25,622,045
32													
33													
34													
35													
36													

Supporting Schedules: Recap Schedules: C1 (2024), C-2 (2024)

J120

FPSC EXH NO. 5
ADMITTED

J121

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 20240099-EI

EXPLANATION: Provide a schedule of operating revenue by primary accoun for the test year. Provide the per books amounts and the adjustments required to adjust the per books amounts to reflect the requested test year operating revenues

Type of Data Shown:
__x_ Projected Test Year Ended 12/31/25
____ Prior Year Ended 12/31/24
____ Historical Test Year Ended 12/31/23
Witness: Galtman

Line No.	Account No.	Account Title	(1) Per Books	(2) Non-Jurisdictional	(3) Jurisdictional (1)-(2)	Adjustments (4) Fuel	(5) Conservation	(6) Franchise Fees	(7) Gross Receipts	(8) Storm	(9) SPP	(10) Total (4) thru (8)	(11) Adjusted Total (3)+(10)
1		SALES OF ELECTRICITY											
2	440	Residential Sales	56,075,937	-	56,075,937	(31,909,244)	(433,345)	(1,899,872)	(1,401,844)	(3,851,958)	(2,916,053)	(42,412,316)	13,663,622
3	442	Commercial Sales	48,779,552	-	48,779,552	(31,268,101)	(432,452)	(1,652,668)	(1,219,441)	(3,844,015)	(1,960,911)	(40,377,588)	8,401,964
4	442	Industrial Sales	2,167,012	-	2,167,012	(1,276,213)	(7,360)	(73,419)	(54,173)	(65,421)	(69,612)	(1,546,198)	620,814
5	443	Outdoor Lighting	3,030,373	-	3,030,373	(609,546)	(10,730)	(102,670)	(75,756)	(95,381)	(447,100)	(1,341,183)	1,689,190
6	444	Public Street & Highway Lighting		-	-							-	-
7	445	Other Sales to Public Authorities		-	-							-	-
8	449	Other Sales		-	-							-	-
9	446	Sales to Railroads & Railways		-	-							-	-
10	448	Interdepartmental Sales		-	-							-	-
11		Total Sales to Ultimate Consumers	110,052,874	-	110,052,874	(65,063,104)	(883,887)	(3,728,629)	(2,751,215)	(7,856,775)	(5,393,676)	(85,677,286)	24,375,589
12	447	Sales for Resale	-	-	-							-	-
13		TOTAL SALES OF ELECTRICITY	110,052,874	-	110,052,874	(65,063,104)	(883,887)	(3,728,629)	(2,751,215)	(7,856,775)	(5,393,676)	(85,677,286)	24,375,589
14	449.1	(Less) Provision for Rate Refunds	-	-	-							-	-
15		TOTAL REVENUE NET OF REFUND PROVISION	110,052,874	-	110,052,874	(65,063,104)	(883,887)	(3,728,629)	(2,751,215)	(7,856,775)	(5,393,676)	(85,677,286)	24,375,589
16													
17		OTHER OPERATING REVENUES											
18	450	Forfeited Discounts	507,014	-	507,014							-	507,014
19	451	Miscellaneous Service Revenues	163,225	-	163,225							-	163,225
20	453	Sales of Water and Water Power		-	-							-	-
21	454	Rent from Electric Property	269,439	-	269,439							-	269,439
22	455	Interdepartmental Rents		-	-							-	-
23	456	Other Electric Revenues (in detail)		-	-							-	-
24	4561	Recovery: Fuel	(12,875,012)	-	(12,875,012)	12,875,012						12,875,012	-
25	4562	Other Revenues	38,679	-	38,679							-	38,679
26	456	SPP Under-Recovery	100,634	-	100,634						(100,634)	(100,634)	-
27	4563	Unbilled Revenue		-	-							-	-
28												-	
29		TOTAL OTHER OPERATING REVENUES	(11,796,021)	-	(11,796,021)	12,875,012	-	-	-	-	(100,634)	12,774,378	978,357
30													
31		TOTAL ELECTRIC OPERATING REVENUES	98,256,853	-	98,256,853	(52,188,092)	(883,887)	(3,728,629)	(2,751,215)	(7,856,775)	(5,494,310)	(72,902,908)	25,353,946
32													
33													
34													
35													
36													
37													

Supporting Schedules: Recap Schedules: C1 (2025), C-2 (2025)

J121

Schedule C-6 BUDGETED VERSUS ACTUAL OPERATING REVENUES AND EXPENSES

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 20240099-EI

EXPLANATION: If the test year is PROJECTED, provide the budgeted versus actual operating revenues and expenses by primary account for a historical five year period and the forecasted data for the test year and the prior year.

Type of Data Shown:
_x__ Projected Test Year Ended 12/31/25
_x__ Prior Year Ended 12/31/24
_x__ Historical Test Year Ended 12/31/23
Witness: Galtman

Line No.	Account No.	Account Title	2019 Year 1 Budget (000)	2019 Year 1 Actual (000)	2020 Year 2 Budget (000)	2020 Year 2 Actual (000)	2021 Year 3 Budget (000)	2021 Year 3 Actual (000)	2022 Year 4 Budget (000)	2022 Year 4 Actual (000)	2023 Year 5 Budget (000)	2023 Year 5 Actual (000)	2024 Projected Prior Year (000)	2025 Projected Test Year (000)
Please Note: The Company does not budget by FERC account.														
1		**BASE REVENUES**												
2													0	
3	4000.4400	RESIDENTIAL SALES	12,113	11,572	10,913	13,238	11,385	13,628	12,203	13,725	13,889	13,585	13,717	13,664
4	4000.4420	COMMERCIAL SALES	2,724	2,336	2,372	2,684	2,405	2,856	2,447	2,930	2,925	2,942	2,975	3,006
5	4000.4421	COMMERCIAL	3,943	3,382	3,487	3,753	3,660	3,989	3,523	4,070	3,961	4,048	4,031	4,091
6	4000.4422	COMMERCIAL LARGE	1,317	1,105	1,166	1,744	1,419	1,347	1,127	1,355	1,400	1,385	1,352	1,305
7	4000.4423	INDUSTRIAL	521	591	455	640	543	512	530	568	578	694	615	621
8	4000.4430	OUTDOOR LIGHTING	1,750	1,662	1,680	1,726	1,684	1,933	1,718	1,930	1,995	1,924	1,970	1,689
11	4000.4480	INTERDEPT. SALES												
12	4000.4490	RATE REFUNDS												
13														
14	4000.4500	FORFEITED DISC.	408	386	350	74	335	561	311	372	319	505	505	507
15	4000.4510	MISC. SERVICE REVENUE	263	242	258	247	243	191	214	211	197	213	163	163
16	4000.4540	RENT	275	275	250	250	250	268	250	285	152	269	269	269
17	4000.4560	MISC OTHER REVENUE		41	50	21	50	(90)	50	1,184	787	700	25	39
18	4000.4563	UNBILLED REVENUE	20	(111)	17	120	0	211	-46	118	20	(22)	-	0
19		**TOTAL BASE REVENUES**	23,334	21,481	20,997	24,497	21,974	25,407	22,327	26,747	26,223	26,242	25,621	25,354

Supporting Schedules: C-5, C-7 Recap Schedules: C-1, C-5

J122

FPSC EXH NO. 5

ADMITTED

J123

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 20240099-EI

EXPLANATION: If the test year is PROJECTED, provide the budgeted versus actual operating revenues and expenses by primary account for a historical five year period and the forecasted data for the test year and the prior year.

Type of Data Shown:
_x__ Projected Test Year Ended 12/31/25
_x__ Prior Year Ended 12/31/24
_x__ Historical Test Year Ended 12/31/23
Witness:

Line No.	Account No.	Account Title	2019 Year 1 Budget (000)	2019 Year 1 Actual (000)	2020 Year 2 Budget (000)	2020 Year 2 Actual (000)	2021 Year 3 Budget (000)	2021 Year 3 Actual (000)	2022 Year 4 Budget (000)	2022 Year 4 Actual (000)	2023 Year 5 Budget (000)	2023 Year 5 Actual (000)	2024 Projected Prior Year (000)	2024 Projected Test Year (000)
20	**OPERATING EXPENSES (LESS FUEL. STORM & CONSERVATION)**													
21														
22	4010.5600	OPERATION SUP. & ENG.	89	32	41	30	42	28	43	47	36	16	29	29
23	4010.5620	STATION EXPENSES	42	33	35	30	36	48	37	77	82	101	103	106
24	4010.5660	MIS. TRANS. EXPS.										-	0	0
25	4010.5800	OP SUPERVISION	138	189	160	164	312	320	165	245	172	246	345	356
26	4010.5810	CUSTOMER EQUIPMENT								33	47	23	50	52
27	4010.5820	STATION EXPENSES	61	124	54	118	58	96	54	73	129	86	162	363
28	4010.5830	OVHD LINES/TRANS.	130	100	139	94	150	107	120	77	79	90	161	166
29	4010.5840	UNDERGROUND LINE EXP.	36	(0)	59	-	62	-	63	-		-3	(3)	(3)
30	4010.5850	STREET LIGHT EXPENSE	5	8	5	17	6	39	6	16	0	7	6	6
31	4010.5860	METER EXPENSES	307	291	304	222	316	289	290	297	417	315	328	339
32	4010.5870	AREA LIGHT EXP.	26	18	47	48	28	87	28	137	69	58	59	61
33	4010.5880	MISC. DISTR. OFFICE EXP.	237	218	205	227	197	259	278	274	145	303	322	352
34	4010.5890	RENTS										0	0	0
35														
36	4010.9010	SUPERVISION	306	254	257	183	246	222	248	225	228	138	149	167
37	4010.9020	METER READING EXP.	211	258	241	244	243	277	197	209	238	218	275	285
38	4010.9030	CUSTOMER RECORDS	1,019	1,095	1,492	1,188	1,144	1,782	1,168	2,038	1,225	2,083	2,177	2,291
	4010.9040	UNCOLL. ACCOUNTS	225	251	204	219	345	60	232	88	216	389	378	396
39	4010.9050	MISC. CUST. ACCTS. EXP.												
40														
41														
42	4010.9110	SALES SUPERVISION		1	4	3	13	9	16	26	28	34	34	35
43	4010.9120	SELLING EXPENSE		9	23	7	69	19	6	0	8	0	0	0
44	4010.9130	ADVERTISING	83	88	122	65	131	63	164	93	89	98	101	104
45	4010.9160	MISC. SALES EXPENSE										0	0	0
46														
47	4010.9200	ADM. & GENERAL SALARIES	2,106	2,085	1,822	2,154	1,930	2,113	2,033	2,191	2,438	2,471	2,596	2,763
48	4010.9210	OFFICE SUPPLIES & EXP.	1,090	1,207	1,270	1,111	1,342	782	1,276	875	1,241	1,003	1,035	1,094
49	4010.9230	OUTSIDE SERVICES	837	534	957	613	631	569	706	631	683	715	743	1,118
50	4010.9240	PROPERTY INSURANCE	172	730	167	173	181	189	197	199	203	248	294	773
51	4010.9250	INJURIES AND DAMAGES	457	817	1,542	362	1,005	587	574	437	549	636	808	1,090
52	4010.9260	EMPLOYEE PENSION/BENEFITS	811	1,211	816	792	1,247	584	1,385	531	970	1,074	1,058	1,258
53	4010.9280	REGULATORY EXPS.	163	163	163	8	50	6	43	-	11	0	0	383
54	4010.9301	INSTITUTIONAL ADVERTISING	82	60	77	64	71	33	47	50	48	32	33	34
55	4010.9302	MISC. GENERAL EXPENSES	154	158	140	131	106	118	103	123	145	132	136	140
56	4010.9310	RENTS	109	154	93	174	123	144	77	87	74	60	62	63
57														
	TOTAL OPERATION EXPENSES		**8,897**	**10,087**	**10,439**	**8,440**	**10,085**	**8,830**	**9,554**	**9,078**	**9,570**	**10,573**	**11,440**	**13,820**

Supporting Schedules: C-5, C-7 Recap Schedules: C-1, C-5

J123

FPSC EXH NO. 5
ADMITTED

J124

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 20240099-EI

EXPLANATION: If the test year is PROJECTED, provide the budgeted versus actual operating revenues and expenses by primary account for a historical five year period and the forecasted data for the test year and the prior year.

Type of Data Shown:
_x__ Projected Test Year Ended 12/31/25
_x__ Prior Year Ended 12/31/24
_x__ Historical Test Year Ended 12/31/23
Witness:

Line No.	Account No.	Account Title	2019 Year 1 Budget (000)	2019 Year 1 Actual (000)	2020 Year 2 Budget (000)	2020 Year 2 Actual (000)	2021 Year 3 Budget (000)	2021 Year 3 Actual (000)	2022 Year 4 Budget (000)	2022 Year 4 Actual (000)	2023 Year 5 Budget (000)	2023 Year 5 Actual (000)	2024 Projected Prior Year (000)	2024 Projected Test Year (000)
58	**MAINTENANCE EXPENSE**													
59														
60	4020.5700	MAINT. STATION EQ.	16	43	6	45	6	62	6	17	77	7	7	7
61	4020.5710	MAINT. OVERHEAD LINES	18	6	17	(12)	18	316	18	2	0	3	3	3
62	4020.5730	MAINT. MISC. TRANS. PLT.												
63														
64	4020.5900	MAINT. SUPERV./ENG.									24	6	5	6
65	4020.5910	MAINT. OF STRUCTURES		6		6		6		5	8	0	(0)	(0)
66	4020.5920	MAINT. OF STATION EQUIP.	36	67	31	82	33	43	30	20	23	131	214	244
67	4020.5930	MAINT. OF POLES/COND/SER	2,134	2,605	2,276	2,084	2,402	2,737	2,008	3,310	2,448	3,160	4,029	4,179
68	4020.5940	MAINT. OF U/G LINES	273	173	280	254	328	283	315	255	354	260	289	391
69	4020.5950	MAINT. OF TRANSFORMERS	102	119	91	114	97	71	91	112	129	55	149	153
70	4020.5960	MAINT. OF STREET LIGHTS	92	86	99	137	107	66	102	149	198	87	83	86
71	4020.5970	MAINT. OF METERS	141	171	149	181	153	155	152	118	49	164	170	175
72	4020.5980	MAINT. OF MISC. DISTR. PLT.	123	92	130	107	142	74	138	52	62	11	11	11
73														
74	4020.9320	MAINT. OF GENERAL PLANT	91	62	94	54	103	48	82	64	54	59	61	62
75	4020.9350	MAINT. OF GENERAL PLANT	0	-	0	-	0	0	0	-		1	1	64
76														
77	**TOTAL MAINTENANCE EXPENSE**		**3,026**	**3,430**	**3,174**	**3,052**	**3,391**	**3,863**	**2,942**	**4,104**	**3,427**	**3,942**	**5,021**	**5,381**
78														
79	4030.1000	DEPRECIATION EXPENSE	4,328	4,785	5,193	4,274	3,870	4,631	4,635	4,731	4,815	4,171	4,479	5,280
80														
81	4070.0000	AMORT. REGULATORY ASSET	52	(73)	567	407	441	441	1,070	1,123	1,080	1,134	461	461
82														
83	4080.0000	TAXES OTHER THAN INC. TAXES	1,325	1,253	1,488	1,684	1,482	1,872	1,798	1,834	1,980	1,705	1,912	2,358
84														
85	4090.4100	INCOME TAXES CURRENT/DEF.	999	357	(31)	793	(1,301)	399	1,738	1,585	1,465	941	520	17
86														
87	4110.0000	INVESTMENT TAX CREDIT										0	0	0
88														
89	**TOTAL OPERATING EXPENSES**		**18,627**	**19,839**	**20,829**	**18,650**	**17,967**	**20,036**	**21,737**	**22,454**	**22,336**	**22,467**	**23,833**	**27,318**
90	Note: This schedule excludes fuel, conservation, franchise tax and gross receipts tax.													

Supporting Schedules: C-5, C-7 Recap Schedules: C-1, C-5

J124

Schedule C-7 (2023)

OPERATION AND MAINTENANCE EXPENSES -- TEST YEAR

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA PUBLIC UTILITIES COMPANY
CONSOLIDATED ELECTRIC DIVISION
DOCKET NO.: 20240099-EI

EXPLANATION: If the requested revenue requirements are based on a historical test year, provide actual monthly operation and maintenance expense by primary account for the test year.

Type of Data Shown:
___ Projected Test Year Ended 12/31/25
___ Prior Year Ended12/31/24
_x_ Historical Test Year Ended 12/31/23
Witness: Napier, Galtman, Haffecke

Line No.	Account No.	Account Title	(1) Jan-23	(2) Feb-23	(3) Mar-23	(4) Apr-23	(5) May-23	(6) Jun-23	(7) Jul-23	(8) Aug-23	(9) Sep-23	(10) Oct-23	(11) Nov-23	(12) Dec-23	Total
1	**OPERATING EXPENSES**														
2															
3		**Other Power Supply Expenses**													
4	555	PURCHASED POWER	4,761,428	3,386,133	3,332,846	3,263,444	3,715,172	4,650,312	5,012,398	4,998,964	4,549,071	2,176,259	3,488,724	5,141,852	48,476,600
5	555	PURCH. POWER UNDERRECOVERY	1,438,352	(17,810)	1,106,158	665,083	1,036,852	485,232	2,756,374	2,007,497	2,152,741	1,941,694	400,264	(367,988)	13,604,449
6	557	OTHER EXPENSES	32,533	31,558	16,187	17,417	13,892	83,388	6,929	(377)	23,169	9,512	13,162	11,640	259,010
7															
8	**560-567.1**	**Transmission Expenses - Operation**													
9	560	SUPERVISION AND ENGINEERING	(956.42)	892.99	(27.49)	688.71	3,354.29	2,219.31	2,439.73	1,286.94	762.52	350.77	3,351.75	1,864.46	16,228
10	562	STATION EXPENSES	6,932.83	3,905.51	5,833.00	3,975.43	4,611.39	11,416.19	9,413.75	14,388.04	13,861.90	(1,972.03)	16,405.57	12,495.39	101,267
11	566	MISC TRANSMISSION EX													-
12	**O&M EXPENSES**														
13	**580-589**	**Distribution Expenses - Operation**													
14	580	OPERATION SUPERVISION & ENG	12,104	22,987	31,296	17,385	37,359	18,837	17,508	17,009	18,770	16,122	17,862	18,651	245,890
15	581	LOAD DISPATCHING	4,076	3,745	1,320	3,843	3,441	3,456	3,537	3,387	(14,015)	7,429	1,559	1,345	23,123
16	582	STATION EXPENSES	5,833	2,829	8,528	11,841	3,372	7,765	4,618	9,344	1,823	9,083	3,446	17,129	85,611
17	5831	OPERATION OF OVERHEAD LINES	2,143	3,283	3,934	3,234	2,888	995	11,250	4,937	1,151	2,412	1,915	4,716	42,859
18	5832	REMOVING & RESETTING OH LINES	172	1,462	2,261	2,614	3,037	7,572	4,876	7,774	6,885	4,020	5,947	965	47,585
19	584	UNDERGROUND LINE								414		(3,169)			(2,755)
20	585	STREET LIGHT/SIGNAL	4,019	487	(192)		117	855	1,878	(459)					6,705
21	586	METER EXPENSES	22,548	22,690	27,743	18,330	24,463	22,836	29,702	21,321	35,935	29,593	36,285	23,652	315,099
22	5871	CUSTOMER INSTALLATIONS	4,960	10,784	6,124	6,967	6,449	4,554	(677)	326	3,953	1,121	195	3,746	48,503
23	5872	OTHER CUSTOMER INSTA	930	(60)	17,743	(407)	(360)	5	(1,082)	(4,239)	(3,033)	47	(60)	(60)	9,424
24	588	MISC DISTRIBUTION													-
25	5881	DISTRIBUTION EXPENSES	24,274	16,897	18,760	17,997	26,374	19,230	22,623	9,676	10,968	14,832	24,175	20,103	225,908
26	5882	OTHER DISTRIBUTION EXPENSE	2,220	9,367	7,073	917	11,916	3,764	3,959	14,309	13,401	3,641	12,092	(5,102)	77,557
27	589	RENTS													-
28															-
29															
30	**901-905**	**Customer Accounts - Operation**													
31	901	SUPERVISION	19,940	18,638	11,335	12,278	13,046	11,302	9,735	6,848	9,432	7,661	8,040	9,628	137,883
32	902	METER READING EXPENS	21,640	19,054	18,185	13,979	16,966	14,984	15,022	18,662	24,200	16,408	19,428	19,148	217,677
33	903	CUSTOMER RECORDS/COL	69,435	148,476	164,767	162,475	111,991	222,834	209,099	212,297	185,148	148,454	193,127	255,322	2,083,426
34	904	UNCOLLECTIBLE ACCOUNT	37,575	24,349	(72,121)	17,457	19,076	143,023	29,656	27,184	(18,279)	19,192	18,271	143,403	388,786
35	905	MISC CUSTOMER ACCOUN													-
36															
37	**906-910**	**Customer Service and Info - Operation**													
38	9061	UNDERRECOVERY: CONSERVATION	(235)	(8,901)	(61,201)	(35,110)	(44,223)	(2,518)	30,870	18,445	19,295	(15,157)	(83,191)	(37,723)	(219,649)
39	907	SUPERVISION													-
40	908	CUSTOMER ASSISTANCE	55,555	51,859	90,551	58,379	78,126	54,340	38,332	45,325	44,340	50,067	109,451	75,517	751,842
41	909	INFO & INSTRUCTIONAL	1,432	1,950	2,934	22,761	3,027	1,697	1,592	295	8,711	3,587	5,100	9,805	62,890
42	910	MISC CUSTOMER SERVICE	4,325	4,267	14,539	4,660	12,507	6,353	4,669	9,688	4,932	14,435	17,118	7,319	104,812

Supporting Schedules: C-13, C-14, C-15, C-20

Recap Schedules: C-1, C-6, C-9

J125

Schedule C-7

OPERATION AND MAINTENANCE EXPENSES -- TEST YEAR

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA PUBLIC UTILITIES COMPANY
CONSOLIDATED ELECTRIC DIVISION

DOCKET NO.: 20240099-EI

EXPLANATION: If the requested revenue requirements are based on a historical test year, provide actual monthly operation and maintenance expense by primary account for the test year.

Type of Data Shown:
___ Projected Test Year Ended 12/31/25
___ Prior Year Ended12/31/24
_x_ Historical Test Year Ended 12/31/23
Witness: Napier, Galtman, Haffecke

LINE NO.	A/C NO.	DESCRIPTION	(13) Unadjusted Total	(14) Unadjusted Payroll	(15) Unadjusted Non-Payroll	(16) Adjustments Payroll	(17) Adjustments Non Payroll	(18) HISTORIC ADJUSTED TOTAL	(19) Normalization Adjustments Payroll	(20) Normalization Adjustments Non Payroll	(21) Normalization Adjustments Total	(22) Historic Normalized Payroll	(23) Historic Normalized Non-Payroll	(24) HISTORIC NORMALIZED TOTAL
1	**OPERATING EXPENSES**													
2														
3		**Other Power Supply Expenses**												
4	555	PURCHASED POWER	48,476,600	-	48,476,600			48,476,600				-	48,476,600	48,476,600
5	555	PURCH. POWER UNDERRECOVERY	13,604,449	-	13,604,449			13,604,449				-	13,604,449	13,604,449
6	557	OTHER EXPENSES	259,010	-	259,010			259,010				-	259,010	259,010
7														
8	**560-567.1**	**Transmission Expenses - Operation**												
9	560	SUPERVISION AND ENGINEERING	16,228	327	15,901		(45)	16,183		0	-	327	15,856	16,183
10	562	STATION EXPENSES	101,267	27,538	73,729		(866)	100,401		-		27,538	72,864	100,401
11	566	MISC TRANSMISSION EX	-	-	-			-		0	-	-	-	-
12	**NON CORPORATE O&M EXPENSES**													
13	**580-589**	**Distribution Expenses - Operation**												
14	580	OPERATION SUPERVISION & ENG	245,890	162,253	83,637		(2,211)	243,679				162,253	81,425	243,679
15	581	LOAD DISPATCHING	23,123	15,499	7,624			23,123				15,499	7,624	23,123
16	582	STATION EXPENSES	85,611	66,733	18,878		(3,237)	82,374				66,733	15,641	82,374
17	5831	OPERATION OF OVERHEAD LINES	42,859	32,009	10,850		(1,069)	41,790				32,009	9,782	41,790
18	5832	REMOVING & RESETTING OH LINES	47,585	36,418	11,167		(1,897)	45,688				36,418	9,270	45,688
19	584	UNDERGROUND LINE	(2,755)	290	(3,045)		(8)	(2,763)				290	(3,053)	(2,763)
20	585	STREET LIGHT/SIGNAL	6,705	5,022	1,683		(733)	5,972				5,022	950	5,972
21	586	METER EXPENSES	315,099	261,601	53,498		760	315,859				261,601	54,258	315,859
22	5871	CUSTOMER INSTALLATIONS	48,503	29,547	18,956		(1,248)	47,255				29,547	17,709	47,255
23	5872	OTHER CUSTOMER INSTA	9,424		9,424			9,424				-	9,424	9,424
24	588	MISC DISTRIBUTION	-		-			-				-	-	-
25	5881	DISTRIBUTION EXPENSES	225,908	192,138	33,770		(1,805)	224,103				192,138	31,965	224,103
26	5882	OTHER DISTRIBUTION EXPENSE	77,557		77,557			77,557				-	77,557	77,557
27	589	RENTS	-					-				-	-	-
28	0	0	-					-						-
29														
30	**901-905**	**Customer Accounts - Operation**												
31	901	SUPERVISION	137,883	116,447	21,436		(203)	137,680				116,447	21,233	137,680
32	902	METER READING EXPENS	217,677	199,376	18,301		14,516	232,193				199,376	32,816	232,193
33	903	CUSTOMER RECORDS/COL	2,083,426	795,386	1,288,040		80	2,083,506				795,386	1,288,121	2,083,506
34	904	UNCOLLECTIBLE ACCOUNT	388,786		388,786			388,786				-	388,786	388,786
35	905	MISC CUSTOMER ACCOUN	-		-			-				-	-	-
36														
37	**906-910**	**Customer Service and Info - Operation**												
38	9061	UNDERRECOVERY: CONSERVATION	(219,649)		(219,649)			(219,649)				-	(219,649)	(219,649)
39	907	SUPERVISION	-		-			-				-	-	-
40	908	CUSTOMER ASSISTANCE	751,842	257,846	493,996			751,842				257,846	493,996	751,842
41	909	INFO & INSTRUCTIONAL	62,890		62,890			62,890				-	62,890	62,890
42	910	MISC CUSTOMER SERVICE	104,812	42,911	61,901			104,812				42,911	61,901	104,812

Supporting Schedules: C-13, C-14, C-15, C-20

Recap Schedules: C-1, C-6, C-9

Schedule C-7 (2023)

OPERATION AND MAINTENANCE EXPENSES -- TEST YEAR

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA PUBLIC UTILITIES COMPANY
CONSOLIDATED ELECTRIC DIVISION

DOCKET NO.: 20240099-EI

EXPLANATION: If the requested revenue requirements are based on a historical test year, provide actual monthly operation and maintenance expense by primary account for the test year.

Type of Data Shown:
___ Projected Test Year Ended 12/31/25
___ Prior Year Ended12/31/24
_x_ Historical Test Year Ended 12/31/23
Witness: Napier, Galtman, Haffecke

Line No.	Account No.	Account Title	(1) Jan-23	(2) Feb-23	(3) Mar-23	(4) Apr-23	(5) May-23	(6) Jun-23	(7) Jul-23	(8) Aug-23	(9) Sep-23	(10) Oct-23	(11) Nov-23	(12) Dec-23	Total
1	**911-917**	**Sales Expenses - Operation**													
2	911	SALES SUPERVISION	3,261	2,992	3,192	1,980	2,405	2,377	2,209	2,866	2,148	4,238	2,124	3,854	33,646
3	912	DEMONSTRATING & SELL													-
4	913	ADVERTISING	12,500	1,005	5,349	14,396	8,568	5,408	20,962	3,309	6,231	4,062	4,747	11,707	98,243
5	916	MISC. SALES EXPENSES													-
6															
7	**920-933**	**Administrative & General - Operation**													
8	920	ADM & GENERAL SALARI	252,306	214,544	257,741	206,055	203,477	155,206	187,448	212,955	203,195	200,381	273,339	104,124	2,470,769
9	921	OFFICE SUPPLIES AND EXP	84,857	77,261	91,287	80,843	91,740	76,651	86,448	85,496	99,427	86,477	64,907	77,355	1,002,748
10	923	OUTSIDE SERVICES	63,786	50,725	81,128	54,729	70,952	56,551	56,356	52,205	62,895	50,389	75,112	40,173	715,002
11	924	PROPERTY INSURANCE	20,631	20,631	20,631	20,631	20,631	20,631	20,631	20,631	20,631	20,631	20,630	21,255	248,194
12	925	INJURIES & DAMAGES	55,828	51,129	47,458	52,769	52,203	50,702	48,703	48,786	54,761	55,368	52,546	65,700	635,953
13	926	EMPLOYEE PENSIONS & BENEFITS	102,823	76,349	46,441	89,446	100,614	104,049	80,878	95,170	52,467	75,509	163,429	86,982	1,074,156
14	928	REGULATORY COMMISSION EXPENSE													
15	9301	MISC ADVERTISING EXP	1,502	1,622	4,388	4,516	4,983	2,314	836	1,658	4,684	1,428	264	3,463	31,658
16	9302	MISC. GENERAL EXPENS	10,073	12,908	12,724	12,200	15,598	16,629	8,933	8,888	5,309	9,729	9,853	9,428	132,272
17	931	RENTS	5,195	5,503	5,642	5,196	5,657	4,588	5,135	5,044	5,155	4,643	4,375	3,786	59,920
18															
19	**TOTAL OPERATING EXPENSES**		7,143,998	4,273,513	5,330,557	4,832,971	5,680,281	6,269,557	8,743,262	7,981,308	7,610,122	4,968,477	4,983,993	5,795,253	73,613,292
20	**Total Operating Expenses Less Fuel & Conservation**		850,609	824,456	828,543	836,337	864,929	990,753	892,098	901,472	807,863	788,080	1,033,365	954,832	10,573,337
21	**Maintenance Expenses**														
22															
23	**541-545.1**	**Hydraulic Power Gen - Maintenance**													
24	554	MAINT OF MISC POWER	-	-	-	-	-	-	-	-	-	-	-	-	-
25															
26	**568-574**	**Transmission Expenses - Maintenance**													
27	570	MAINT OF STATION EQU			2,585								1,934	2,088	6,607
28	571	MAINT OF OVERHEAD LINES			389			490		1,271	357	(973)	977	-	2,511
29	573	MAINT OF MISC TRANSMISSION													-
30															
31															
32	**590-598**	**Distribution Expenses - Maintenance**													
33	590	MAINT SUPERVISION/EN						1,994	2,878	272	(178)			640	5,605
34	591	MAINT OF STRUCTURES	(11)	28	4	11	11	21	-	34	-	15	32	(290)	(145)
35	592	MAINT OF STATION EQUIP	375	15,637	19,615	(69)	947	15,403	0	(13,415)	4,486	614	31,877	55,361	130,830
36	5931	MAINT OF POLES/TOWER	33,637	9,328	25,923	5,198	16,061	130,645	3,111	4,154	41,481	15,844	(9,844)	2,493	278,031
37	5932	MAINT OF OVERHEAD CO	199,528	202,242	176,761	178,914	208,314	207,627	218,936	236,156	252,517	192,725	224,669	243,179	2,541,568
38	5933	MAINT OF SERVICES	48,561	27,786	37,036	25,036	44,734	19,421	37,314	40,028	18,164	11,230	11,622	19,810	340,743
39	594	MAINT OF UNDERGROUND LINES	8,412	21,258	26,739	10,440	22,992	27,504	18,086	32,655	6,013	31,195	19,795	35,202	260,291
40	595	MAINT OF TRANSFORMERS	(622)	2,280	1,697	2,298	3,313	4,013	695	5,497	1,246	480	1,998	(25)	22,869
41	5951	MAINT OF LINE TRANSF	2,347	561	264	(27)	830	1,140	3,292	3,658	2,633	2,800	5,409	8,870	31,778
42	596	MAINT -STREET LIGHT/	25,329	29,261	8,253	(166)	8,679	2,714	3,463	3,329	1,274	283	166	4,034	86,620
43	597	MAINT OF METERS	7,033	9,527	5,259	7,065	5,218	6,114	4,508	6,563	80,952	15,415	5,387	11,339	164,379
44	598	MAINT OF MISC DISTRI	91	(192)	563	4,727	1,081	1,268	(252)		627	119	2,183	369	10,584
45															
46	**935**	**Administrative & General - Maintenance**													
47	932	GENERAL OFFICE EQUIPMENT	5,187	5,806	3,531	4,773	6,496	3,991	4,339	5,089	3,452	5,202	5,932	5,411	59,209
48	935	MAINT OF GENERAL PLA									888				888
49															
50	**TOTAL MAINTENANCE EXPENSES**		329,867	323,524	308,620	238,200	318,676	422,343	296,370	325,290	413,912	274,949	302,136	388,482	3,942,368
51															
52															
53															
54	**TOTAL OPERATING EXPENSES**		7,473,865	4,597,037	5,639,176	5,071,171	5,998,957	6,691,900	9,039,632	8,306,598	8,024,034	5,243,426	5,286,129	6,183,735	77,555,660
55	**TOTAL EXPENSES EXCL FUEL & CONSV**		1,180,476	1,147,980	1,137,162	1,074,537	1,183,605	1,413,096	1,188,468	1,226,762	1,221,775	1,063,029	1,335,501	1,343,314	14,515,705

Supporting Schedules: C-13, C-14, C-15, C-20

Recap Schedules: C-1, C-6, C-9

Schedule C-7

OPERATION AND MAINTENANCE EXPENSES -- TEST YEAR

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA PUBLIC UTILITIES COMPANY
CONSOLIDATED ELECTRIC DIVISION

DOCKET NO.: 20240099-EI

EXPLANATION: If the requested revenue requirements are based on a historical test year, provide actual monthly operation and maintenance expense by primary account for the test year.

Type of Data Shown:
___ Projected Test Year Ended 12/31/25
___ Prior Year Ended12/31/24
_x_ Historical Test Year Ended 12/31/23
Witness: Napier, Galtman, Haffecke

LINE NO.	A/C NO.	DESCRIPTION	(13) Unadjusted Total	(14) Unadjusted Payroll	(15) Unadjusted Non-Payroll	(16) Adjustments Payroll	(17) Adjustments Non Payroll	(18) HISTORIC ADJUSTED TOTAL	(19) Normalization Adjustments Payroll	(20) Normalization Adjustments Non Payroll	(21) Normalization Adjustments Total	(22) Historic Normalized Payroll	(23) Historic Normalized Non-Payroll	(24) HISTORIC NORMALIZED TOTAL
1	**911-917**	**Sales Expenses - Operation**												
2	911	SALES SUPERVISION	33,646	27,196	6,450		(1,290)	32,356				27,196	5,160	32,356
3	912	DEMONSTRATING & SELL	-		-			-				-	-	-
4	913	ADVERTISING	98,243		98,243			98,243				-	98,243	98,243
5	916	MISC. SALES EXPENSES	-		-			-				-	-	-
6														
7	**920-933**	**Administrative & General - Operation**												
8	920	ADM & GENERAL SALARI	2,470,769	2,470,769	(0)			2,470,769				2,470,769	(0)	2,470,769
9	921	OFFICE SUPPLIES AND EXP	1,002,748		1,002,748		(4,543)	998,205				-	998,205	998,205
10	923	OUTSIDE SERVICES	715,002		715,002			715,002				-	715,002	715,002
11	924	PROPERTY INSURANCE	248,194		248,194			248,194				-	248,194	248,194
12	925	INJURIES & DAMAGES	635,953	122,357	513,596		(2,311)	633,642				122,357	511,285	633,642
13	926	EMPLOYEE PENSIONS & BENEFITS	1,074,156		1,074,156			1,074,156				-	1,074,156	1,074,156
14	928	REGULATORY COMMISSION EXPENSE	-		-			-				-	-	-
15	9301	MISC ADVERTISING EXP	31,658		31,658			31,658				-	31,658	31,658
16	9302	MISC. GENERAL EXPENS	132,272		132,272			132,272				-	132,272	132,272
17	931	RENTS	59,920		59,920			59,920				-	59,920	59,920
18														
19	**TOTAL OPERATING EXPENSES**		73,613,291	4,861,663	68,751,628	-	(6,110)	73,607,181	-	-	-	4,861,663	68,745,519	73,607,181
20	**Total Operating Expenses Less Fuel & Conservation**		10,573,337	4,560,906	6,012,431	-	(6,110)	10,567,227	-	-	-	4,560,906	6,006,322	10,567,227
21	**Maintenance Expenses**													
22														
23	**541-545.1**	**Hydraulic Power Gen - Maintenance**												
24	554	MAINT OF MISC POWER	-	-	-	-	-	-	-	-	-	-	-	-
25														
26	**568-574**	**Transmission Expenses - Maintenance**												
27	570	MAINT OF STATION EQU	6,607	108	6,499		(11)	6,596				108	6,488	6,596
28	571	MAINT OF OVERHEAD LINES	2,511	138	2,373		(4)	2,507				138	2,369	2,507
29	573	MAINT OF MISC TRANSMISSION	-		-			-				-	-	-
30														
31														
32	**590-598**	**Distribution Expenses - Maintenance**												
33	590	MAINT SUPERVISION/EN	5,605	3,641	1,964		(342)	5,263		-	-	3,641	1,622	5,263
34	591	MAINT OF STRUCTURES	(145)		(145)			(145)				-	(145)	(145)
35	592	MAINT OF STATION EQUIP	130,830		130,830			130,830				-	130,830	130,830
36	5931	MAINT OF POLES/TOWER	278,031	64,049	213,982		(3,989)	274,042				64,049	209,992	274,042
37	5932	MAINT OF OVERHEAD CO	2,541,568	506,424	2,035,144		(35,399)	2,506,169				506,424	1,999,745	2,506,169
38	5933	MAINT OF SERVICES	340,743	216,564	124,179		(16,194)	324,549				216,564	107,985	324,549
39	594	MAINT OF UNDERGROUND LINES	260,291	84,199	176,092		(11,209)	249,082				84,199	164,883	249,082
40	595	MAINT OF TRANSFORMERS	22,869	12,112	10,757		(1,327)	21,542				12,112	9,430	21,542
41	5951	MAINT OF LINE TRANSF	31,778	23,668	8,110		(1,308)	30,470				23,668	6,803	30,470
42	596	MAINT -STREET LIGHT/	86,620	38,493	48,127		(6,377)	80,243				38,493	41,750	80,243
43	597	MAINT OF METERS	164,379	75,098	89,281		(431)	163,948				75,098	88,851	163,948
44	598	MAINT OF MISC DISTRI	10,584	3,284	7,300		(176)	10,408				3,284	7,124	10,408
45	0													
46	**935**	**Administrative & General - Maintenance**												
47	932	GENERAL OFFICE EQUIPMENT	59,209		59,209			59,209	0			-	59,209	59,209
48	935	MAINT OF GENERAL PLA	888	35	853		(1)	887	-			35	852	887
49								-						
50	**TOTAL MAINTENANCE EXPENSES**		3,942,368	1,027,813	2,914,555	-	(76,767)	3,865,601	-	-	-	1,027,813	2,837,788	3,865,601
51														
52														
53														
54	**TOTAL OPERATING EXPENSES**		77,555,659	5,889,475	71,666,184	-	(82,877)	77,472,782	-	-	-	5,889,475	71,583,307	77,472,782
55	**TOTAL EXPENSES EXCL FUEL & CONSV**		14,515,705	5,588,718	8,926,987	-	(82,877)	14,432,828	-	-	-	5,588,718	8,844,110	14,432,828

Supporting Schedules: C-13, C-14, C-15, C-20

Recap Schedules: C-1, C-6, C-9

FPSC EXH NO. 5

ADMITTED

J129

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA PUBLIC UTILITIES COMPANY
CONSOLIDATED ELECTRIC DIVISION
DOCKET NO.: 20240099-EI

EXPLANATION: If the requested revenue requirements are based on a historical test year, provide actual monthly operation and maintenance expense by primary account for the test year.

Type of Data Shown:
___ Projected Test Year Ended 12/31/25
_x_ Prior Year Ended 12/31/24
___ Historical Test Year Ended 12/31/23
Witness: Napier, Galtman, Haffecke

Line No.	Account No.	Account Title	PAYROLL TREND BASIS	NON PAY TREND BASIS	(1) Jan-24	(2) Feb-24	(3) Mar-24	(4) Apr-24	(5) May-24	(6) Jun-24	(7) Jul-24	(8) Aug-24	(9) Sep-24	(10) Oct-24	(11) Nov-24	(12) Dec-24	Total
1	**OPERATING EXPENSES**																
2																	
3		**Other Power Supply Expenses**															
4	555	PURCHASED POWER			4,264,241	3,756,103	2,786,147	2,679,313	3,822,484	5,159,586	5,159,586	5,159,586	5,159,586	5,159,586	5,159,586	5,159,586	53,425,392
5	555	PURCHASED POWER UNDERRECOVERY			61,787	(3,253)	211,404	443,423	617,379	1,238,828	1,238,828	1,238,828	1,238,828	1,238,828	1,238,828	1,238,828	10,002,538
6	557	OTHER EXPENSES			4,870	2,270	19,095	6,272	3,475	31,861	31,861	31,861	31,861	31,861	31,861	31,861	259,010
7																	
8	**560-567.1**	**Transmission Expenses - Operation**															
9	560	SUPERVISION AND ENGINEERING	5	1	-	8,764	352	578	3,010	2,277	2,277	2,277	2,277	2,277	2,277	2,277	28,645
10	562	STATION EXPENSES	5	1	59,478	21,709	10,290	25,037	14,590	(3,953)	(3,953)	(3,953)	(3,953)	(3,953)	(3,953)	(3,953)	103,434
11	566	MISC TRANSMISSION EX	16	13	-	-	-	-	-	-	-	-	-	-	-	-	-
12	**O&M EXPENSES**																
13	**580-589**	**Distribution Expenses - Operation**															
14	580	OPERATION SUPERVISION & ENG	5	13	23,568	21,708	28,251	19,280	43,554	29,833	29,833	29,833	29,833	29,833	29,833	29,833	345,194
15	581	LOAD DISPATCHING	16	13	3,710	2,687	2,724	3,450	3,145	4,931	4,931	4,931	4,931	4,931	4,931	4,931	50,234
16	582	STATION EXPENSES	16	13	2,730	(563)	5,051	4,293	10,066	20,113	20,113	20,113	20,113	20,113	20,113	20,113	162,370
17	5831	OPERATION OF OVERHEA	16	13	4,077	10,477	904	2,465	3,299	13,157	13,157	13,157	13,157	13,157	13,157	13,157	113,318
18	5832	REMOVING & RESETTING	16	13	4,727	573	(18)	8,138	1,279	4,667	4,667	4,667	4,667	4,667	4,667	4,667	47,368
19	584	UNDERGROUND LINE	16	13					1,329	(597)	(597)	(597)	(597)	(597)	(597)	(597)	(2,848)
20	585	STREET LIGHT/SIGNAL	16	13		5,796				57	57	57	57	57	57	57	6,194
21	586	METER EXPENSES	16	13	27,353	22,002	28,562	26,345	29,711	27,652	27,652	27,652	27,652	27,652	27,652	27,652	327,536
22	5871	AREA LIGHT EXPENSE	16	13	1,010	2,843	3,220	456	21	5,913	5,913	5,913	5,913	5,913	5,913	5,913	48,939
23	5872	OTHER CUSTOMER INSTA	16	13	(60)	(60)	(60)	(724)	(60)	1,526	1,526	1,526	1,526	1,526	1,526	1,526	9,721
24	588	MISC DISTRIBUTION	16	13	-	-	-	-	-	-	-	-	-	-	-	-	-
25	5881	DISTRIBUTION MAPS &	16	13	9,697	12,740	17,840	17,490	18,352	23,683	23,683	23,683	23,683	23,683	23,683	23,683	241,903
26	5882	OTHER DIST OFFICE SU	16	13	11,062	10,144	7,569	4,760	24,761	3,100	3,100	3,100	3,100	3,100	3,100	3,100	79,999
27	589	RENTS															-
28																	-
29																	
30	**901-905**	**Customer Accounts - Operation**															
31	901	SUPERVISION	16	13	10,582	4,528	7,065	7,683	8,112	14,974	14,974	14,974	16,470	16,470	16,470	16,470	148,770
32	902	METER READING EXPENS	16	13	20,569	19,055	18,097	15,443	23,521	20,591	20,591	20,591	29,095	29,095	29,095	29,095	274,837
33	903	CUSTOMER RECORDS/COL	16	13	97,714	119,623	180,554	176,719	164,379	202,197	202,197	202,197	207,843	207,843	207,843	207,843	2,176,952
34	904	UNCOLLECTIBLE ACCOUNT	0	9	27,257	24,278	(66,982)	21,089	26,005	49,433	49,433	49,433	49,433	49,433	49,433	49,433	377,676
35	905	MISC CUSTOMER ACCOUN			-	-	-	-	-	-	-	-	-	-	-	-	-
36																	
37	**906-910**	**Customer Service and Info - Operation**															
38	9061	UNDERRECOVERY: CONSE	Calculated	Calculated	85,256	13,147	(45,704)	4,592	(46,536)	(32,915)	(32,915)	(32,915)	(32,915)	(32,915)	(32,915)	(32,915)	(219,649)
39	907	SUPERVISION	Direct	Direct	-	-	-	-	-	-	-	-	-	-	-	-	-
40	908	CUSTOMER ASSISTANCE	Direct	Direct	(20,228)	46,824	92,890	22,250	103,830	98,474	98,474	98,474	98,474	98,474	98,474	98,474	934,884
41	909	INFO & INSTRUCTIONAL	Direct	Direct	6,460	-	1,927	5,067	200	7,034	7,034	7,034	7,034	7,034	7,034	7,034	62,890
42	910	MISC CUSTOMER SERVIC	Direct	Direct	4,197	5,235	9,756	24,424	13,239	6,852	6,852	6,852	6,852	6,852	6,852	6,852	104,812

Supporting Schedules: C-20 (2024) Recap Schedules: C-1 (2024), C-6

J129

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA PUBLIC UTILITIES COMPANY
CONSOLIDATED ELECTRIC DIVISION

DOCKET NO.: 20240099-EI

EXPLANATION: If the requested revenue requirements are based on a historical test year, provide actual monthly operation and maintenance expense by primary account for the test year.

Type of Data Shown:
___ Projected Test Year Ended 12/31/25
_x_ Prior Year Ended 12/31/24
___ Historical Test Year Ended 12/31/23
Witness: Napier, Galtman, Haffecke

LINE NO.	A/C NO.	DESCRIPTION	(13) Historic Adjusted Payroll	(14) Historic Adjusted Non-Payroll	(15) Historic Adjusted Total	(16) 2024 Payroll Factor	(17) 2024 Non-Payroll Factor	(18) 2024 Payroll	(19) 2024 Non Payroll	(20) 2024 Other Payroll	(21) 2024 Other Non Payroll	(22) 2024 TOTAL Excl Pass Thrus
1	**OPERATING EXPENSES**											
2												
3		**Other Power Supply Expenses**										
4	555	PURCHASED POWER	-	48,476,600	48,476,600	-	-	-	-		4,948,792	53,425,392
5	555	PURCHASED POWER UNDERRECOVERY	-	13,604,449	13,604,449	-	-	-	-		(3,601,911)	10,002,538
6	557	OTHER EXPENSES	-	259,010	259,010	-	-	-	-			259,010
7												
8	**560-567.1**	**Transmission Expenses - Operation**										
9	560	SUPERVISION AND ENGINEERING	327	15,856	16,183	1.0350	1.0284	338	16,306		12,000	28,645
10	562	STATION EXPENSES	27,538	72,864	100,401	1.0350	1.0284	28,502	74,933			103,434
11	566	MISC TRANSMISSION EX	-	-	-	1.0381	1.0315	-	-			-
12	**NON CORPORATE O&M EXPENSES**											
13	**580-589**	**Distribution Expenses - Operation**										
14	580	OPERATION SUPERVISION & ENG	162,253	81,425	243,679	1.0350	1.0315	167,932	83,989	81,843	11,430	345,194
15	581	LOAD DISPATCHING	15,499	7,624	23,123	1.0381	1.0315	16,090	7,864		26,280	50,234
16	582	STATION EXPENSES	66,733	15,641	82,374	1.0381	1.0315	69,276	16,134	76,960		162,370
17	5831	OPERATION OF OVERHEA	32,009	9,782	41,790	1.0381	1.0315	33,228	10,090		70,000	113,318
18	5832	REMOVING & RESETTING	36,418	9,270	45,688	1.0381	1.0315	37,805	9,562			47,368
19	584	UNDERGROUND LINE	290	(3,053)	(2,763)	1.0381	1.0315	301	(3,149)			(2,848)
20	585	STREET LIGHT/SIGNAL	5,022	950	5,972	1.0381	1.0315	5,214	980			6,194
21	586	METER EXPENSES	261,601	54,258	315,859	1.0381	1.0315	271,570	55,966			327,536
22	5871	AREA LIGHT EXPENSE	29,547	17,709	47,255	1.0381	1.0315	30,673	18,266			48,939
23	5872	OTHER CUSTOMER INSTA	-	9,424	9,424	1.0381	1.0315	-	9,721			9,721
24	588	MISC DISTRIBUTION	-	-	-	1.0381	1.0315	-	-			-
25	5881	DISTRIBUTION MAPS &	192,138	31,965	224,103	1.0381	1.0315	199,459	32,971	9,473		241,903
26	5882	OTHER DIST OFFICE SU	-	77,557	77,557	1.0381	1.0315	-	79,999			79,999
27	589	RENTS	-	-	-							-
28	0	0	-	-	-							-
29												
30	**901-905**	**Customer Accounts - Operation**										
31	901	SUPERVISION	116,447	21,233	137,680	1.0381	1.0315	120,884	21,902	5,984		148,770
32	902	METER READING EXPENS	199,376	32,816	232,193	1.0381	1.0315	206,973	33,850	34,014		274,837
33	903	CUSTOMER RECORDS/COL	795,386	1,288,121	2,083,506	1.0381	1.0315	825,694	1,328,677	22,581		2,176,952
34	904	UNCOLLECTIBLE ACCOUNT	-	388,786	388,786	1.0000	1.0034	-	390,091		(12,415)	377,676
35	905	MISC CUSTOMER ACCOUN	-	-	-							-
36												
37	**906-910**	**Customer Service and Info - Operation**										
38	9061	UNDERRECOVERY: CONSE	-	(219,649)	(219,649)	1.0000	1.0000	-	(219,649)			(219,649)
39	907	SUPERVISION	-	-	-	1.0000	1.0000	-	-			-
40	908	CUSTOMER ASSISTANCE	257,846	493,996	751,842	1.0000	1.0000	257,846	493,996		183,042	934,884
41	909	INFO & INSTRUCTIONAL	-	62,890	62,890	1.0000	1.0000	-	62,890			62,890
42	910	MISC CUSTOMER SERVIC	42,911	61,901	104,812	1.0000	1.0000	42,911	61,901			104,812

Supporting Schedules: C-20 (2014)   Recap Schedules: C-1 (2014), C-6

FPSC EXH NO. 5

ADMITTED

J131

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA PUBLIC UTILITIES COMPANY
CONSOLIDATED ELECTRIC DIVISION

DOCKET NO.: 20240099-EI

EXPLANATION: If the requested revenue requirements are based on a historical test year, provide actual monthly operation and maintenance expense by primary account for the test year.

Type of Data Shown:
___ Projected Test Year Ended 12/31/25
_x_ Prior Year Ended 12/31/24
___ Historical Test Year Ended 12/31/23
Witness: Napier, Galtman, Haffecke

Line No.	Account No.	Account Title	PAYROLL TREND BASIS	NON PAY TREND BASIS	(1) Jan-24	(2) Feb-24	(3) Mar-24	(4) Apr-24	(5) May-24	(6) Jun-24	(7) Jul-24	(8) Aug-24	(9) Sep-24	(10) Oct-24	(11) Nov-24	(12) Dec-24	Total
1	**911-917**	**Sales Expenses - Operation**															
2	911	SALES SUPERVISION	16	13	3,024	2,709	2,217	2,656	2,718	2,890	2,890	2,890	2,890	2,890	2,890	2,890	33,554
3	912	DEMONSTRATING & SELL	16	13						-	-	-	-	-	-	-	-
4	913	ADVERTISING	0	13	5,625	(109)	10,795	3,866	500	11,523	11,523	11,523	11,523	11,523	11,523	11,523	101,336
5	916	MISC. SALES EXPENSES	16	13	-	-	-	-	-	-	-	-	-	-	-	-	-
6																	
7	**920-933**	**Administrative & General - Operation**															
8	920	ADM & GENERAL SALARI	16	13	227,430	200,952	180,929	196,850	166,645	230,309	230,309	230,309	233,094	233,094	233,094	233,094	2,596,109
9	921	OFFICE SUPPLIES AND EXP	0	13	102,207	107,403	116,521	102,845	115,066	69,370	69,370	69,370	70,808	70,808	70,808	70,808	1,035,383
10	923	OUTSIDE SERVICES	0	13	55,591	75,810	55,441	27,074	32,447	70,897	70,897	70,897	70,897	70,897	70,897	70,897	742,639
11	924	PROPERTY INSURANCE	0	Direct	21,240	21,240	21,240	21,909	21,913	26,584	26,584	26,584	26,584	26,584	26,584	26,584	293,633
12	925	INJURIES & DAMAGES	5	Direct	52,150	54,843	55,253	54,360	54,437	76,691	76,691	76,691	76,691	76,691	76,691	76,691	807,883
13	926	EMPLOYEE PENSIONS & BENEFITS	0	16	74,366	69,998	(37,673)	62,757	77,589	115,910	115,910	115,910	115,910	115,910	115,910	115,910	1,058,409
14	928	REGULATORY COMMISSION	0	Direct	-	-	-	-	-	-	-	-	-	-	-	-	-
15	9301	MISC ADVERTISING EXP	0	13	2,833	2,082	4,233	3,916	2,729	2,409	2,409	2,409	2,409	2,409	2,409	2,409	32,655
16	9302	MISC. GENERAL EXPENS	0	13	12,381	11,420	18,137	15,747	13,385	9,338	9,338	9,338	9,338	9,338	9,338	9,338	136,437
17	931	RENTS	0	1	4,100	3,892	6,729	3,831	4,342	5,533	5,533	5,533	5,533	5,533	5,533	5,533	61,622
18																	
19	**TOTAL OPERATING EXPENSES**				5,271,003	4,656,866	3,752,754	4,013,654	5,380,916	7,550,730	7,550,730	7,550,730	7,570,598	7,570,598	7,570,598	7,570,598	76,009,775
20	**Total Operating Expenses Less Fuel & Conservation**				864,420	836,541	677,239	828,314	866,844	1,041,010	1,041,010	1,041,010	1,060,878	1,060,878	1,060,878	1,060,878	11,439,899
21	**Maintenance Expenses**																
22																	
23	**541-545.1**	**Hydraulic Power Gen - Maintenance**															
24	554	MAINT OF MISC POWER			-	-	-	-	-	-	-	-	-	-	-	-	-
25																	
26	**568-574**	**Transmission Expenses - Maintenance**															
27	570	MAINT OF STATION EQU	16	13	59			1,228		788	788	788	788	788	788	788	6,804
28	571	MAINT OF OVERHEAD LINES	16	13	9,077					(927)	(927)	(927)	(927)	(927)	(927)	(927)	2,587
29	573	MAINT OF MISC TRANSMISSION			-	-	-	-	-	-	-	-	-	-	-	-	-

Supporting Schedules: C-20 (2024) Recap Schedules: C-1 (2024), C-6

J131

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA PUBLIC UTILITIES COMPANY
CONSOLIDATED ELECTRIC DIVISION

DOCKET NO.: 20240099-EI

EXPLANATION: If the requested revenue requirements are based on a historical test year, provide actual monthly operation and maintenance expense by primary account for the test year.

Type of Data Shown:
___ Projected Test Year Ended 12/31/25
_x_ Prior Year Ended 12/31/24
___ Historical Test Year Ended 12/31/23
Witness: Napier, Galtman, Haffecke

LINE NO.	A/C NO.	DESCRIPTION	(13) Historic Adjusted Payroll	(14) Historic Adjusted Non-Payroll	(15) Historic Adjusted Total	(16) 2024 Payroll Factor	(17) 2024 Non-Payroll Factor	(18) 2024 Payroll	(19) 2024 Non Payroll	(20) 2024 Other Payroll	(21) 2024 Other Non Payroll	(22) 2024 TOTAL Excl Pass Thrus
1	**911-917**	**Sales Expenses - Operation**										
2	911	SALES SUPERVISION	27,196	5,160	32,356	1.0381	1.0315	28,232	5,322			33,554
3	912	DEMONSTRATING & SELL	-	-	-	1.0381	1.0315	-	-			-
4	913	ADVERTISING	-	98,243	98,243	1.0000	1.0315	-	101,336			101,336
5	916	MISC. SALES EXPENSES	-	-	-	1.0381	1.0315	-	-		-	-
6												
7	**920-933**	**Administrative & General - Operation**										
8	920	ADM & GENERAL SALARI	2,470,769	(0)	2,470,769	1.0381	1.0315	2,564,918	(0)	31,191		2,596,109
9	921	OFFICE SUPPLIES AND EXP	-	998,205	998,205	1.0000	1.0315	-	1,029,633		5,750	1,035,383
10	923	OUTSIDE SERVICES	-	715,002	715,002	1.0000	1.0315	-	737,514		5,125	742,639
11	924	PROPERTY INSURANCE	-	248,194	248,194	1.0000	1.0000		248,194		45,439	293,633
12	925	INJURIES & DAMAGES	122,357	511,285	633,642	1.0000	1.0000	122,357	511,285	11,647	162,594	807,883
13	926	EMPLOYEE PENSIONS & BENEFITS	-	1,074,156	1,074,156	1.0350	1.0381	-	1,074,156		(15,747)	1,058,409
14	928	REGULATORY COMMISSION	-	-	-	1.0000	Direct					-
15	9301	MISC ADVERTISING EXP	-	31,658	31,658	1.0000	1.0315		32,655			32,655
16	9302	MISC. GENERAL EXPENS	-	132,272	132,272	1.0000	1.0315	-	136,437			136,437
17	931	RENTS	-	59,920	59,920	1.0000	1.0284	-	61,622			61,622
18												
19	**TOTAL OPERATING EXPENSES**		4,861,663	68,745,519	73,607,181			5,030,203	6,525,443	273,691	1,840,379	76,009,775
20	**Total Non Corporate Operating Expenses Less Fuel & Conservation**		4,560,906	6,006,322	10,567,227			4,729,446	6,126,305	273,691	310,456	11,439,899
21	**Maintenance Expenses**											
22												
23	**541-545.1**	**Hydraulic Power Gen - Maintenance**										
24	554	MAINT OF MISC POWER	-	-	-							
25												
26	**568-574**	**Transmission Expenses - Maintenance**										
27	570	MAINT OF STATION EQU	108	6,488	6,596	1.0381	1.0315	112	6,692			6,804
28	571	MAINT OF OVERHEAD LINES	138	2,369	2,507	1.0381	1.0315	143	2,443			2,587
29	573	MAINT OF MISC TRANSMISSION	-	-	-							-

Supporting Schedules: C-20 (2014) Recap Schedules: C-1 (2014), C-6

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: If the requested revenue requirements are based on a historical test year, provide actual monthly operation and maintenance expense by primary account for the test year.

COMPANY: FLORIDA PUBLIC UTILITIES COMPANY
CONSOLIDATED ELECTRIC DIVISION
DOCKET NO.: 20240099-EI

Type of Data Shown:
___ Projected Test Year Ended 12/31/25
_x_ Prior Year Ended 12/31/24
___ Historical Test Year Ended 12/31/23
Witness: Napier, Galtman, Haffecke

Line No.	Account No.	Account Title	PAYROLL TREND BASIS	NON PAY TREND BASIS	(1) Jan-24	(2) Feb-24	(3) Mar-24	(4) Apr-24	(5) May-24	(6) Jun-24	(7) Jul-24	(8) Aug-24	(9) Sep-24	(10) Oct-24	(11) Nov-24	(12) Dec-24	Total
1	**590-598**	**Distribution Expenses - Maintenance**															
2	590	MAINT SUPERVISION/EN	5	13	284	636	(173)	224	(70)	649	649	649	649	649	649	649	5,441
3	591	MAINT OF STRUCTURES	5	13	32	16	16	16	20	(36)	(36)	(36)	(36)	(36)	(36)	(36)	(150)
4	592	MAINT OF STATION EQUIP	16	13	2,989	431	(1,280)	88,000	30,879	13,354	13,354	13,354	13,354	13,354	13,354	13,354	214,499
5	5931	MAINT OF POLES/TOWER	16	13	16,260	6,739	537	24,159	(1,502)	47,960	47,960	47,960	47,960	47,960	47,960	47,960	381,912
6	5932	MAINT OF OVERHEAD CO	16	13	273,518	202,755	230,035	210,972	232,292	308,756	308,756	308,756	308,756	308,756	308,756	308,756	3,310,862
7	5933	MAINT OF SERVICES	16	13	51,910	11,866	12,060	16,498	17,603	32,324	32,324	32,324	32,324	32,324	32,324	32,324	336,201
8	594	MAINT OF UNDERGROUND LINES	16	13	23,734	19,621	27,453	8,719	17,476	27,426	27,426	27,426	27,426	27,426	27,426	27,426	288,981
9	595	MAINT OF TRANSFORMERS	16	13	3,261	2,201	2,511	605	(392)	15,565	15,565	15,565	15,565	15,565	15,565	15,565	117,145
10	5951	MAINT OF LINE TRANSF	16	13	(576)	840	1,757	10,478	1,713	2,482	2,482	2,482	2,482	2,482	2,482	2,482	31,586
11	596	MAINT -STREET LIGHT/	16	13	1,515	(2,915)	10,082	2,645	12,371	8,475	8,475	8,475	8,475	8,475	8,475	8,475	83,025
12	597	MAINT OF METERS	16	13	10,448	8,495	53,105	32,446	27,045	5,438	5,438	5,438	5,438	5,438	5,438	5,438	169,607
13	598	MAINT OF MISC DISTRI	16	13	(69)		1,313	(340)	224	1,376	1,376	1,376	1,376	1,376	1,376	1,376	10,758
14																	
15	**935**	**Administrative & General - Maintenance**															
16	932	GENERAL OFFICE EQUIPMENT	0	1	7,172	6,360	7,299	12,893	4,926	3,177	3,177	3,177	3,177	3,177	3,177	3,177	60,891
17	935	MAINT OF GENERAL PLA	16	1						130	130	130	130	130	130	130	912
18																	
19	**TOTAL MAINTENANCE EXPENSES**				399,614	257,045	344,715	408,545	342,584	466,937	466,937	466,937	466,937	466,937	466,937	466,937	5,021,063
20																	
21																	
22																	
23	**TOTAL OPERATING EXPENSES**				5,670,617	4,913,911	4,097,468	4,422,199	5,723,499	8,017,667	8,017,667	8,017,667	8,037,535	8,037,535	8,037,535	8,037,535	81,030,838
24	**TOTAL EXPENSES EXCL FUEL & CONSV**				1,264,034	1,093,586	1,021,954	1,236,860	1,209,428	1,507,947	1,507,947	1,507,947	1,527,815	1,527,815	1,527,815	1,527,815	16,460,961

Supporting Schedules: C-20 (2024) Recap Schedules: C-1 (2024), C-6

Index	Projection Basis	Historical Year to Projected Year	Projected Year to Projected Test Year	Historical Year to Projected Test Year
		2024	**2025**	**Combined**
0	**No Change**	**1.0000**	**1.0000**	**1.0000**
1	**Inflation**	**1.0284**	**1.0231**	**1.0522**
2	**Cust Growth**	**1.0030**	**1.0031**	**1.0061**
5	**Payroll**	**1.0350**	**1.0350**	**1.0712**
9	**Revenues (Base)**	**1.0034**	**0.9885**	**0.9918**
13	**Inflation and Customer Growth**	**1.0315**	**1.0263**	**1.0586**
16	**Payroll and Customer Growth**	**1.0381**	**1.0382**	**1.0778**
Direct	**Direct Calculation**	**Direct**	**Direct**	**Direct**

J133

FPSC EXH NO. 5

ADMITTED

J134

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA PUBLIC UTILITIES COMPANY
CONSOLIDATED ELECTRIC DIVISION

DOCKET NO.: 20240099-EI

EXPLANATION: If the requested revenue requirements are based on a historical test year, provide actual monthly operation and maintenance expense by primary account for the test year.

Type of Data Shown:
___ Projected Test Year Ended 12/31/25
_x_ Prior Year Ended 12/31/24
___ Historical Test Year Ended 12/31/23
Witness: Napier, Galtman, Haffecke

LINE N0.	A/C NO.	DESCRIPTION	(13) Historic Adjusted Payroll	(14) Historic Adjusted Non-Payroll	(15) Historic Adjusted Total	(16) 2024 Payroll Factor	(17) 2024 Non-Payroll Factor	(18) 2024 Payroll	(19) 2024 Non Payroll	(20) 2024 Other Payroll	(21) 2024 Other Non Payroll	(22) 2024 TOTAL Excl Pass Thrus
1	**590-598**	**Distribution Expenses - Maintenance**										
2	590	MAINT SUPERVISION/EN	3,641	1,622	5,263	1.0350	1.0315	3,768	1,673			5,441
3	591	MAINT OF STRUCTURES	-	(145)	(145)	1.0350	1.0315	-	(150)			(150)
4	592	MAINT OF STATION EQUIP	-	130,830	130,830	1.0381	1.0315	-	134,949		79,550	214,499
5	5931	MAINT OF POLES/TOWER	64,049	209,992	274,042	1.0381	1.0315	66,490	216,604		98,818	381,912
6	5932	MAINT OF OVERHEAD CO	506,424	1,999,745	2,506,169	1.0381	1.0315	525,722	2,062,707		722,433	3,310,862
7	5933	MAINT OF SERVICES	216,564	107,985	324,549	1.0381	1.0315	224,816	111,385			336,201
8	594	MAINT OF UNDERGROUND LINES	84,199	164,883	249,082	1.0381	1.0315	87,407	170,074	31,500		288,981
9	595	MAINT OF TRANSFORMERS	12,112	9,430	21,542	1.0381	1.0315	12,574	9,726		94,844	117,145
10	5951	MAINT OF LINE TRANSF	23,668	6,803	30,470	1.0381	1.0315	24,569	7,017			31,586
11	596	MAINT -STREET LIGHT/	38,493	41,750	80,243	1.0381	1.0315	39,960	43,065			83,025
12	597	MAINT OF METERS	75,098	88,851	163,948	1.0381	1.0315	77,959	91,648			169,607
13	598	MAINT OF MISC DISTRI	3,284	7,124	10,408	1.0381	1.0315	3,409	7,349			10,758
14	0											
15	**935**	**Administrative & General - Maintenance**										
16	932	GENERAL OFFICE EQUIPMENT	-	59,209	59,209	1.0000	1.0284	-	60,891			60,891
17	935	MAINT OF GENERAL PLA	35	852	887	1.0381	1.0284	36	876		-	912
18												
19	**TOTAL MAINTENANCE EXPENSES**		1,027,813	2,837,788	3,865,601			1,066,966	2,926,951	31,500	995,645	5,021,063
20												
21												
22												
23		**TOTAL OTHER NON CORPORATE OPERATING EXPENSES**	5,889,475	71,583,307	77,472,782	-	-	6,097,169	9,452,394	305,191	2,836,024	81,030,838
24		**TOTAL NON CORPORATE EXPENSES EXCL FUEL & CONSV**	5,588,718	8,844,110	14,432,828	(5)	(5)	5,796,412	9,053,256	305,191	1,306,102	16,460,961

Supporting Schedules: C-20 (2014)

Recap Schedules: C-1 (2014), C-6

J134

FPSC EXH NO. 5

ADMITTED

J135

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY FLORIDA PUBLIC UTILITIES COMPANY
CONSOLIDATED ELECTRIC DIVISION

DOCKET NO.: 20240099-EI

EXPLANATION: If the requested revenue requirements are based on a historical test year, provide actual monthly operation and maintenance expense by primary account for the test year.

Type of Data Shown:
__x_ Projected Test Year Ended 12/31/25
____ Prior Year Ended 12/31/24
____ Historical Test Year Ended 12/31/23
Witness: Napier, Galtman, Haffecke

Line No.	Account No.	Account Title	PAYROLL TREND BASIS	NON PAY TREND BASIS	(1) Jan-25	(2) Feb-25	(3) Mar-25	(4) Apr-25	(5) May-25	(6) Jun-25	(7) Jul-25	(8) Aug-25	(9) Sep-25	(10) Oct-25	(11) Nov-25	(12) Dec-25	Total
1	**OPERATING EXPENSES**																
2																	
3		**Other Power Supply Expenses**															
4	555	PURCHASED POWER			4,324,294	4,324,294	4,324,294	4,324,294	4,324,294	4,324,294	4,324,294	4,324,294	4,324,294	4,324,294	4,324,294	4,324,294	51,891,533
5	555	PURCHASED POWER UNDERRECOVERY			-	-	-	-	-	-	-	-	-	-	-	-	-
6	557	OTHER EXPENSES			21,584	21,584	21,584	21,584	21,584	21,584	21,584	21,584	21,584	21,584	21,584	21,584	259,010
7																	
8	**560-567.1**	**Transmission Expenses - Operation**															
9	560	SUPERVISION AND ENGINEERING	5	1	2,419	2,419	2,419	2,419	2,419	2,419	2,419	2,419	2,419	2,419	2,419	2,419	29,033
10	562	STATION EXPENSES	5	1	8,847	8,847	8,847	8,847	8,847	8,847	8,847	8,847	8,847	8,847	8,847	8,847	106,163
11	566	MISC TRANSMISSION EX	16	13	-	-	-	-	-	-	-	-	-	-	-	-	-
12	**O&M EXPENSES**																
13	**580-589**	**Distribution Expenses - Operation**															
14	580	OPERATION SUPERVISION & ENG	5	13	29,650	29,650	29,650	29,650	29,650	29,650	29,650	29,650	29,650	29,650	29,650	29,650	355,806
15	581	LOAD DISPATCHING	16	13	4,305	4,305	4,305	4,305	4,305	4,305	4,305	4,305	4,305	4,305	4,305	4,305	51,662
16	582	STATION EXPENSES	16	13	30,217	30,217	30,217	30,217	30,217	30,217	30,217	30,217	30,217	30,217	30,217	30,217	362,608
17	5831	OPERATION OF OVERHEA	16	13	9,746	9,746	9,746	9,746	9,746	9,746	9,746	9,746	9,746	9,746	9,746	9,746	116,953
18	5832	REMOVING & RESETTING	16	13	4,089	4,089	4,089	4,089	4,089	4,089	4,089	4,089	4,089	4,089	4,089	4,089	49,063
19	584	UNDERGROUND LINE	16	13	(243)	(243)	(243)	(243)	(243)	(243)	(243)	(243)	(243)	(243)	(243)	(243)	(2,920)
20	585	STREET LIGHT/SIGNAL	16	13	535	535	535	535	535	535	535	535	535	535	535	535	6,419
21	586	METER EXPENSES	16	13	28,282	28,282	28,282	28,282	28,282	28,282	28,282	28,282	28,282	28,282	28,282	28,282	339,382
22	5871	AREA LIGHT EXPENSE	16	13	4,216	4,216	4,216	4,216	4,216	4,216	4,216	4,216	4,216	4,216	4,216	4,216	50,591
23	5872	OTHER CUSTOMER INSTA	16	13	831	831	831	831	831	831	831	831	831	831	831	831	9,976
24	588	MISC DISTRIBUTION	16	13	-	-	-	-	-	-	-	-	-	-	-	-	-
25	5881	DISTRIBUTION MAPS &	16	13	22,528	22,528	22,528	22,528	22,528	22,528	22,528	22,528	22,528	22,528	22,528	22,528	270,330
26	5882	OTHER DIST OFFICE SU	16	13	6,842	6,842	6,842	6,842	6,842	6,842	6,842	6,842	6,842	6,842	6,842	6,842	82,101
27	589	RENTS															-
28																	-
29																	
30	**901-905**	**Customer Accounts - Operation**															
31	901	SUPERVISION	16	13	13,880	13,880	13,880	13,880	13,880	13,880	13,880	13,880	13,880	13,880	13,880	13,880	166,559
32	902	METER READING EXPENS	16	13	23,713	23,713	23,713	23,713	23,713	23,713	23,713	23,713	23,713	23,713	23,713	23,713	284,556
33	903	CUSTOMER RECORDS/COL	16	13	190,911	190,911	190,911	190,911	190,911	190,911	190,911	190,911	190,911	190,911	190,911	190,911	2,290,938
34	904	UNCOLLECTIBLE ACCOUNT	0	9	32,968	32,968	32,968	32,968	32,968	32,968	32,968	32,968	32,968	32,968	32,968	32,968	395,619
35	905	MISC CUSTOMER ACCOUN			-	-	-	-	-	-	-	-	-	-	-	-	-
36																	
37	**906-910**	**Customer Service and Info - Operation**															
38	9061	UNDERRECOVERY: CONSE	Calculated	Calculated	(18,304)	(18,304)	(18,304)	(18,304)	(18,304)	(18,304)	(18,304)	(18,304)	(18,304)	(18,304)	(18,304)	(18,304)	(219,649)
39	907	SUPERVISION	Direct	Direct	-	-	-	-	-	-	-	-	-	-	-	-	-
40	908	CUSTOMER ASSISTANCE	Direct	Direct	77,924	77,924	77,924	77,924	77,924	77,924	77,924	77,924	77,924	77,924	77,924	77,924	935,085
41	909	INFO & INSTRUCTIONAL	Direct	Direct	5,241	5,241	5,241	5,241	5,241	5,241	5,241	5,241	5,241	5,241	5,241	5,241	62,890
42	910	MISC CUSTOMER SERVIC	Direct	Direct	8,734	8,734	8,734	8,734	8,734	8,734	8,734	8,734	8,734	8,734	8,734	8,734	104,812

Supporting Schedules: C-14, C-15, C-20 (2025) Recap Schedules: C-1 (2025), C-6

J135

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA PUBLIC UTILITIES COMPANY
CONSOLIDATED ELECTRIC DIVISION
DOCKET NO.: 20240099-EI

EXPLANATION: If the requested revenue requirements are based on a historical test year, provide actual monthly operation and maintenance expense by primary account for the test year.

Type of Data Shown:
__x_ Projected Test Year Ended 12/31/25
____ Prior Year Ended 12/31/24
____ Historical Test Year Ended 12/31/23
Witness: Napier, Galtman, Haffecke

LINE NO.	A/C NO.	DESCRIPTION	(13) Historic Adjusted Payroll	(14) Historic Adjusted Non-Payroll	(15) Historic Adjusted Total	(16) 2025 Payroll Factor	(17) 2025 Non Payroll Factor	(18) 2025 Payroll	(19) 2025 Non Payroll	(20) 2025 Other Payroll	(21) 2025 Other Non-Payroll	(22) 2025 TOTAL Excl Pass Thrus
1		**OPERATING EXPENSES**										
2												
3		**Other Power Supply Expenses**										
4	555	PURCHASED POWER	-	48,476,600	48,476,600	-		-			3,414,933	51,891,533
5	555	PURCHASED POWER UNDERRECOVERY	-	13,604,449	13,604,449						(13,604,449)	-
6	557	OTHER EXPENSES	-	259,010	259,010							259,010
7												
8	**560-567.1**	**Transmission Expenses - Operation**										
9	560	SUPERVISION AND ENGINEERING	327	15,856	16,183	1.0712	1.0522	350.2	16,683		12,000	29,033
10	562	STATION EXPENSES	27,538	72,864	100,401	1.0712	1.0522	29,499	76,664			106,163
11	566	MISC TRANSMISSION EX	-	-	-	1.0778	1.0586	-	-			-
12		**NON CORPORATE O&M EXPENSES**										
13	**580-589**	**Distribution Expenses - Operation**										
14	580	OPERATION SUPERVISION & ENG	162,253	81,425	243,679	1.0712	1.0586	173,810	86,196	84,060	11,740	355,806
15	581	LOAD DISPATCHING	15,499	7,624	23,123	1.0778	1.0586	16,705	8,070		26,887	51,662
16	582	STATION EXPENSES	66,733	15,641	82,374	1.0778	1.0586	71,923	16,558	200,545	73,582	362,608
17	5831	OPERATION OF OVERHEA	32,009	9,782	41,790	1.0778	1.0586	34,498	10,355		72,100	116,953
18	5832	REMOVING & RESETTING	36,418	9,270	45,688	1.0778	1.0586	39,250	9,813			49,063
19	584	UNDERGROUND LINE	290	(3,053)	(2,763)	1.0778	1.0586	312	(3,232)			(2,920)
20	585	STREET LIGHT/SIGNAL	5,022	950	5,972	1.0778	1.0586	5,413	1,006			6,419
21	586	METER EXPENSES	261,601	54,258	315,859	1.0778	1.0586	281,946	57,437			339,382
22	5871	AREA LIGHT EXPENSE	29,547	17,709	47,255	1.0778	1.0586	31,844	18,746			50,591
23	5872	OTHER CUSTOMER INSTA	-	9,424	9,424	1.0778	1.0586	-	9,976			9,976
24	588	MISC DISTRIBUTION	-	-	-	1.0778	1.0586	-	-			-
25	5881	DISTRIBUTION MAPS &	192,138	31,965	224,103	1.0778	1.0586	207,081	33,838	29,412		270,330
26	5882	OTHER DIST OFFICE SU	-	77,557	77,557	1.0778	1.0586	-	82,101			82,101
27	589	RENTS	-	-	-							-
28	0	0	-	-	-							-
29												
30	**901-905**	**Customer Accounts - Operation**										
31	901	SUPERVISION	116,447	21,233	137,680	1.0778	1.0586	125,503	22,477	18,579		166,559
32	902	METER READING EXPENS	199,376	32,816	232,193	1.0778	1.0586	214,882	34,739	34,936		284,556
33	903	CUSTOMER RECORDS/COL	795,386	1,288,121	2,083,506	1.0778	1.0586	857,242	1,363,584	70,112		2,290,938
34	904	UNCOLLECTIBLE ACCOUNT	-	388,786	388,786	1.0000	0.9918	-	385,597		10,022	395,619
35	905	MISC CUSTOMER ACCOUN	-	-	-							-
36												
37	**906-910**	**Customer Service and Info - Operation**										
38	9061	UNDERRECOVERY: CONSE	-	(219,649)	(219,649)	1.0000	1.0000	-	(219,649)			(219,649)
39	907	SUPERVISION	-	-	-	1.0000	1.0000	-	-			-
40	908	CUSTOMER ASSISTANCE	257,846	493,996	751,842	1.0000	1.0000	257,846	493,996		183,243	935,085
41	909	INFO & INSTRUCTIONAL	-	62,890	62,890	1.0000	1.0000	-	62,890			62,890
42	910	MISC CUSTOMER SERVIC	42,911	61,901	104,812	1.0000	1.0000	42,911	61,901			104,812

Supporting Schedules: C-14, C-15, C-20 (2015) Recap Schedules: C-1 (2025), C-6

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY FLORIDA PUBLIC UTILITIES COMPANY
CONSOLIDATED ELECTRIC DIVISION
DOCKET NO.: 20240099-EI

EXPLANATION: If the requested revenue requirements are based on a historical test year, provide actual monthly operation and maintenance expense by primary account for the test year.

Type of Data Shown:
__x_ Projected Test Year Ended 12/31/25
____ Prior Year Ended 12/31/24
____ Historical Test Year Ended 12/31/23
Witness: Napier, Galtman, Haffecke

Line No.	Account No.	Account Title	PAYROLL TREND BASIS	NON PAY TREND BASIS	(1) Jan-25	(2) Feb-25	(3) Mar-25	(4) Apr-25	(5) May-25	(6) Jun-25	(7) Jul-25	(8) Aug-25	(9) Sep-25	(10) Oct-25	(11) Nov-25	(12) Dec-25	Total
43	**911-917**	**Sales Expenses - Operation**															
44	911	SALES SUPERVISION	16	13	2,898	2,898	2,898	2,898	2,898	2,898	2,898	2,898	2,898	2,898	2,898	2,898	34,773
45	912	DEMONSTRATING & SELL	16	13	-	-	-	-	-	-	-	-	-	-	-	-	-
46	913	ADVERTISING	0	13	8,667	8,667	8,667	8,667	8,667	8,667	8,667	8,667	8,667	8,667	8,667	8,667	103,998
47	916	MISC. SALES EXPENSES	16	13	-	-	-	-	-	-	-	-	-	-	-	-	-
48																	
49	**920-933**	**Administrative & General - Operation**															
50	920	ADM & GENERAL SALARI	16	13	230,246	230,246	230,246	230,246	230,246	230,246	230,246	230,246	230,246	230,246	230,246	230,246	2,762,951
51	921	OFFICE SUPPLIES AND EXP	0	13	91,182	91,182	91,182	91,182	91,182	91,182	91,182	91,182	91,182	91,182	91,182	91,182	1,094,184
52	923	OUTSIDE SERVICES	0	13	93,188	93,188	93,188	93,188	93,188	93,188	93,188	93,188	93,188	93,188	93,188	93,188	1,118,252
53	924	PROPERTY INSURANCE	0	Direct	64,443	64,443	64,443	64,443	64,443	64,443	64,443	64,443	64,443	64,443	64,443	64,443	773,322
54	925	INJURIES & DAMAGES	0	Direct	90,829	90,829	90,829	90,829	90,829	90,829	90,829	90,829	90,829	90,829	90,829	90,829	1,089,948
55	926	EMPLOYEE PENSIONS & BENEFITS	0	16	104,833	104,833	104,833	104,833	104,833	104,833	104,833	104,833	104,833	104,833	104,833	104,833	1,257,994
56	928	REGULATORY COMMISSION	0	Direct	31,894	31,894	31,894	31,894	31,894	31,894	31,894	31,894	31,894	31,894	31,894	31,894	382,727
57	9301	MISC ADVERTISING EXP	0	13	2,793	2,793	2,793	2,793	2,793	2,793	2,793	2,793	2,793	2,793	2,793	2,793	33,513
58	9302	MISC. GENERAL EXPENS	0	13	11,668	11,668	11,668	11,668	11,668	11,668	11,668	11,668	11,668	11,668	11,668	11,668	140,021
59	931	RENTS	0	1	5,254	5,254	5,254	5,254	5,254	5,254	5,254	5,254	5,254	5,254	5,254	5,254	63,045
60																	
61	**TOTAL OPERATING EXPENSES**				5,571,104	5,571,104	5,571,104	5,571,104	5,571,104	5,571,104	5,571,104	5,571,104	5,571,104	5,571,104	5,571,104	5,571,104	66,853,246
62	**Total Operating Expenses Less Fuel & Conservation**				1,151,630	1,151,630	1,151,630	1,151,630	1,151,630	1,151,630	1,151,630	1,151,630	1,151,630	1,151,630	1,151,630	1,151,630	13,819,565
63	**Maintenance Expenses**																
64																	
65	**541-545.1**	**Hydraulic Power Gen - Maintenance**															
66	554	MAINT OF MISC POWER			-	-	-	-	-	-	-	-	-	-	-	-	-
67																	
68	**568-574**	**Transmission Expenses - Maintenance**															
69	570	MAINT OF STATION EQU	16	13	582	582	582	582	582	582	582	582	582	582	582	582	6,984
70	571	MAINT OF OVERHEAD LINES	16	13	221	221	221	221	221	221	221	221	221	221	221	221	2,657
71	573	MAINT OF MISC TRANSMISSION			-	-	-	-	-	-	-	-	-	-	-	-	-

Supporting Schedules: C-14, C-15, C-20 (2025) Recap Schedules: C-1 (2025), C-6

J137

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA PUBLIC UTILITIES COMPANY
CONSOLIDATED ELECTRIC DIVISION
DOCKET NO.: 20240099-EI

EXPLANATION: If the requested revenue requirements are based on a historical test year, provide actual monthly operation and maintenance expense by primary account for the test year.

Type of Data Shown:
__x_ Projected Test Year Ended 12/31/25
____ Prior Year Ended 12/31/24
____ Historical Test Year Ended 12/31/23
Witness: Napier, Galtman, Haffecke

LINE NO.	A/C NO.	DESCRIPTION	(13) Historic Adjusted Payroll	(14) Historic Adjusted Non-Payroll	(15) Historic Adjusted Total	(16) 2025 Payroll Factor	(17) 2025 Non Payroll Factor	(18) 2025 Payroll	(19) 2025 Non Payroll	(20) 2025 Other Payroll	(21) 2025 Other Non-Payroll	(22) 2025 TOTAL Excl Pass Thrus
43	**911-917**	**Sales Expenses - Operation**										
44	911	SALES SUPERVISION	27,196	5,160	32,356	1.0778	1.0586	29,311	5,462			34,773
45	912	DEMONSTRATING & SELL	-	-	-	1.0778	1.0586	-	-			-
46	913	ADVERTISING	-	98,243	98,243	1.0000	1.0586	-	103,998			103,998
47	916	MISC. SALES EXPENSES	-	-	-	1.0778	1.0586	-	-		-	-
48												
49	**920-933**	**Administrative & General - Operation**										
50	920	ADM & GENERAL SALARI	2,470,769	(0)	2,470,769	1.0778	1.0586	2,662,920	(0)	100,031		2,762,951
51	921	OFFICE SUPPLIES AND EXP	-	998,205	998,205	1.0000	1.0586	-	1,056,684		37,500	1,094,184
52	923	OUTSIDE SERVICES	-	715,002	715,002	1.0000	1.0586	-	756,890		361,362	1,118,252
53	924	PROPERTY INSURANCE	-	248,194	248,194	1.0000	1.0000		248,194		525,128	773,322
54	925	INJURIES & DAMAGES	122,357	511,285	633,642	1.0000	1.0000	122,357	511,285	15,659	440,647	1,089,948
55	926	EMPLOYEE PENSIONS & BENEFITS	-	1,074,156	1,074,156	1.0000	1.0778	-	1,157,693		100,301	1,257,994
56	928	REGULATORY COMMISSION	-	-	-	1.0000	1.0000		-		382,727	382,727
57	9301	MISC ADVERTISING EXP	-	31,658	31,658	1.0000	1.0586	-	33,513			33,513
58	9302	MISC. GENERAL EXPENS	-	132,272	132,272	1.0000	1.0586	-	140,021			140,021
59	931	RENTS	-	59,920	59,920	1.0000	1.0522	-	63,045			63,045
60												
61		**TOTAL OPERATING EXPENSES**	4,861,663	68,745,519	73,607,181			5,205,602	6,706,528	553,334	(7,952,276)	66,853,246
62		**Total Operating Expenses Less Fuel & Conservation**	4,560,906	6,006,322	10,567,227			4,904,845	6,307,390	553,334	2,053,996	13,819,565
63		**Maintenance Expenses**										
64												
65	**541-545.1**	**Hydraulic Power Gen - Maintenance**										
66	554	MAINT OF MISC POWER	-	-	-							
67												
68	**568-574**	**Transmission Expenses - Maintenance**										
69	570	MAINT OF STATION EQU	108	6,488	6,596	1.0778	1.0586	116	6,868			6,984
70	571	MAINT OF OVERHEAD LINES	138	2,369	2,507	1.0778	1.0586	149	2,508			2,657
71	573	MAINT OF MISC TRANSMISSION	-	-	-							-

Supporting Schedules: C-14, C-15, C-20 (2015) Recap Schedules: C-1 (2025), C-6

FPSC EXH NO. 5
ADMITTED

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY FLORIDA PUBLIC UTILITIES COMPANY
CONSOLIDATED ELECTRIC DIVISION
DOCKET NO.: 20240099-EI

EXPLANATION: If the requested revenue requirements are based on a historical test year, provide actual monthly operation and maintenance expense by primary account for the test year.

Type of Data Shown:
__x_ Projected Test Year Ended 12/31/25
____ Prior Year Ended 12/31/24
____ Historical Test Year Ended 12/31/23
Witness: Napier, Galtman, Haffecke

Line No.	Account No.	Account Title	PAYROLL TREND BASIS	NON PAY TREND BASIS	(1) Jan-25	(2) Feb-25	(3) Mar-25	(4) Apr-25	(5) May-25	(6) Jun-25	(7) Jul-25	(8) Aug-25	(9) Sep-25	(10) Oct-25	(11) Nov-25	(12) Dec-25	Total
72	**590-598**	**Distribution Expenses - Maintenance**															
73	590	MAINT SUPERVISION/EN	5	13	468	468	468	468	468	468	468	468	468	468	468	468	5,617
74	591	MAINT OF STRUCTURES	5	13	(13)	(13)	(13)	(13)	(13)	(13)	(13)	(13)	(13)	(13)	(13)	(13)	(153)
75	592	MAINT OF STATION EQUIP	16	13	20,375	20,375	20,375	20,375	20,375	20,375	20,375	20,375	20,375	20,375	20,375	20,375	244,495
76	5931	MAINT OF POLES/TOWER	16	13	32,102	32,102	32,102	32,102	32,102	32,102	32,102	32,102	32,102	32,102	32,102	32,102	385,220
77	5932	MAINT OF OVERHEAD CO	16	13	287,205	287,205	287,205	287,205	287,205	287,205	287,205	287,205	287,205	287,205	287,205	287,205	3,446,460
78	5933	MAINT OF SERVICES	16	13	28,976	28,976	28,976	28,976	28,976	28,976	28,976	28,976	28,976	28,976	28,976	28,976	347,718
79	594	MAINT OF UNDERGROUND LINES	16	13	32,607	32,607	32,607	32,607	32,607	32,607	32,607	32,607	32,607	32,607	32,607	32,607	391,289
80	595	MAINT OF TRANSFORMERS	16	13	10,038	10,038	10,038	10,038	10,038	10,038	10,038	10,038	10,038	10,038	10,038	10,038	120,451
81	5951	MAINT OF LINE TRANSF	16	13	2,726	2,726	2,726	2,726	2,726	2,726	2,726	2,726	2,726	2,726	2,726	2,726	32,710
82	596	MAINT -STREET LIGHT/	16	13	7,140	7,140	7,140	7,140	7,140	7,140	7,140	7,140	7,140	7,140	7,140	7,140	85,683
83	597	MAINT OF METERS	16	13	14,583	14,583	14,583	14,583	14,583	14,583	14,583	14,583	14,583	14,583	14,583	14,583	174,994
84	598	MAINT OF MISC DISTRI	16	13	923	923	923	923	923	923	923	923	923	923	923	923	11,081
85																	
86	**935**	**Administrative & General - Maintenance**															
87	932	GENERAL OFFICE EQUIPMENT	0	1	5,191	5,191	5,191	5,191	5,191	5,191	5,191	5,191	5,191	5,191	5,191	5,191	62,297
88	935	MAINT OF GENERAL PLA	16	1	5,330	5,330	5,330	5,330	5,330	5,330	5,330	5,330	5,330	5,330	5,330	5,330	63,958
89																	
90	**TOTAL MAINTENANCE EXPENSES**				448,455	448,455	448,455	448,455	448,455	448,455	448,455	448,455	448,455	448,455	448,455	448,455	5,381,460
91																	
92																	
93																	
94	**TOTAL OPERATING EXPENSES**				6,019,559	6,019,559	6,019,559	6,019,559	6,019,559	6,019,559	6,019,559	6,019,559	6,019,559	6,019,559	6,019,559	6,019,559	72,234,706
95	**TOTAL EXPENSES EXCL FUEL & CONSV**				1,600,085	1,600,085	1,600,085	1,600,085	1,600,085	1,600,085	1,600,085	1,600,085	1,600,085	1,600,085	1,600,085	1,600,085	19,201,025

Supporting Schedules: C-14, C-15, C-20 (2025)

Recap Schedules: C-1 (2025), C-6

Index	**Projection Basis**	**Historical Year to Projected Year**	**Projected Year to Projected Test Year**	**Historical Year to Projected Test Year**
		2024	**2025**	**Combined**
0	**No Change**	**1.0000**	**1.0000**	**1.0000**
1	**Inflation**	**1.0284**	**1.0231**	**1.0522**
2	**Cust Growth**	**1.0030**	**1.0031**	**1.0061**
5	**Payroll**	**1.0350**	**1.0350**	**1.0712**
9	**Revenues (Base)**	**1.0034**	**0.9885**	**0.9918**
13	**Inflation and Customer Growth**	**1.0315**	**1.0263**	**1.0586**
16	**Payroll and Customer Growth**	**1.0381**	**1.0382**	**1.0778**
Direct	**Direct Calculation**	**Direct**	**Direct**	**Direct**

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: If the requested revenue requirements are based on a historical test year, provide actual monthly operation and maintenance expense by primary account for the test year.

COMPANY: FLORIDA PUBLIC UTILITIES COMPANY
CONSOLIDATED ELECTRIC DIVISION
DOCKET NO.: 20240099-EI

Type of Data Shown:
__x_ Projected Test Year Ended 12/31/25
____ Prior Year Ended 12/31/24
____ Historical Test Year Ended 12/31/23
Witness: Napier, Galtman, Haffecke

LINE NO.	A/C NO.	DESCRIPTION	(13) Historic Adjusted Payroll	(14) Historic Adjusted Non-Payroll	(15) Historic Adjusted Total	(16) 2025 Payroll Factor	(17) 2025 Non Payroll Factor	(18) 2025 Payroll	(19) 2025 Non Payroll	(20) 2025 Other Payroll	(21) 2025 Other Non-Payroll	(22) 2025 TOTAL Excl Pass Thrus
72	**590-598**	**Distribution Expenses - Maintenance**										
73	590	MAINT SUPERVISION/EN	3,641	1,622	5,263	1.0712	1.0586	3,900	1,717			5,617
74	591	MAINT OF STRUCTURES	-	(145)	(145)	1.0712	1.0586	-	(153)			(153)
75	592	MAINT OF STATION EQUIP	-	130,830	130,830	1.0778	1.0586	-	138,495		106,000	244,495
76	5931	MAINT OF POLES/TOWER	64,049	209,992	274,042	1.0778	1.0586	69,030	222,295		93,895	385,220
77	5932	MAINT OF OVERHEAD CO	506,424	1,999,745	2,506,169	1.0778	1.0586	545,809	2,116,898		783,754	3,446,460
78	5933	MAINT OF SERVICES	216,564	107,985	324,549	1.0778	1.0586	233,406	114,312			347,718
79	594	MAINT OF UNDERGROUND LINES	84,199	164,883	249,082	1.0778	1.0586	90,747	174,542	126,000		391,289
80	595	MAINT OF TRANSFORMERS	12,112	9,430	21,542	1.0778	1.0586	13,054	9,982		97,414	120,451
81	5951	MAINT OF LINE TRANSF	23,668	6,803	30,470	1.0778	1.0586	25,508	7,201			32,710
82	596	MAINT -STREET LIGHT/	38,493	41,750	80,243	1.0778	1.0586	41,487	44,196			85,683
83	597	MAINT OF METERS	75,098	88,851	163,948	1.0778	1.0586	80,938	94,056			174,994
84	598	MAINT OF MISC DISTRI	3,284	7,124	10,408	1.0778	1.0586	3,539	7,542			11,081
85	0											
86	**935**	**Administrative & General - Maintenance**										
87	932	GENERAL OFFICE EQUIPMENT	-	59,209	59,209	1.0000	1.0522	-	62,297		-	62,297
88	935	MAINT OF GENERAL PLA	35	852	887	1.0778	1.0522	38	896		63,024	63,958
89												
90		**TOTAL MAINTENANCE EXPENSES**	1,027,813	2,837,788	3,865,601			1,107,721	3,003,651	126,000	1,144,088	5,381,460
91												
92												
93												
94		**TOTAL OTHER NON CORPORATE OPERATING EXPENSES**	5,889,475	71,583,307	77,472,782			6,313,323	9,710,178	679,334	(6,808,189)	72,234,706
95		**TOTAL NON CORPORATE EXPENSES EXCL FUEL & CONSV**	5,588,718	8,844,110	14,432,828			6,012,566	9,311,040	679,334	3,198,084	19,201,025

Supporting Schedules: C-14, C-15, C-20 (2025) Recap Schedules: C-1 (2025), C-6

C-7 (2024, 2025)

FLORIDA PUBLIC SERVICE COMMISSION

COMPAN FLORIDA PUBLIC UTILITIES COMPANY
CONSOLIDATED ELECTRIC DIVISION

DOCKET NO.: 20240099-EI

Type of Data Shown:
__x_ Projected Test Year Ended 12/31/25
__x_ Prior Year Ended 12/31/24
____ Historical Test Year Ended 12/31/23
Witness: As shown below

FPU ELECTRIC

Over and Under Adjustments

Account #	2024	2025	Over and Under Adjustments Reason	Witness	Electric %	2024	2025
555	$ 4,948,792	$ 3,414,933	Adjust purchase power costs to 2024 and 2025 estimates	Michelle Napier	100%	$ 4,948,792	$ 3,414,933
555	$ (3,601,911)	$ (13,604,449)	Adjust under-recovery of fuel to most recent estimates.	Michelle Napier	100%	$ (3,601,911)	$ (13,604,449)
560	$ 12,000	$ 12,000	Transmission Engineering study scheduled in Q1 2024 at $60,000 amortized over 5 years	William Haffecke	100%	$ 12,000	$ 12,000
580	$ 151,608	$ 155,717	2024 Restructure of Supervisor of Engineering (GM450) departmental duties resulting in increased expense to electric due to additional time related to substation maintenance planning, more focus on vegetation management, transmission/distribution relay modifications, and monitoring feeder loading.	William Haffecke	39.2%	$ 59,431	$ 61,041
580	$ 554,788	$ 569,823	Because of more underground facilities, beginning in 2024, the Damage Prevention department (MG119) is spending more time on the electric division. Costs are being spent in electric in order to provide a more active presence on the website and local activities to reinforce the need to call 811 and follow up when damages occur.	William Haffecke	6.1%	$ 33,842	$ 34,759
581	$ 69,530	$ 71,136	Costs related to Energy Logistics for Increased subscription expenses for S&P Global Platts CSM package used to forecast costs associated with the purchase power agreements with other generators.	William Haffecke	38%	$ 26,280	$ 26,887
582		$ 195,082	An additional IMC Technician will be needed due to the new NW Florida substation along with annual training. The new substation will also generate a need for additional equipment, supplies, and annual maintenance costs.	William Haffecke	100%		$ 195,082
582	$ 76,960	$ 79,045	Additional IMC Technician I in the NE region hired in September 2023; accounting for YoY variance January-August. This position is focusing on metering requirements such as programming, testing, and account verification, in addition to substation upgrades, substation maintenance, and additions workload to support the SPP program.	William Haffecke	100%	$ 76,960	$ 79,045
583	$ 70,000	$ 72,100	Additional costs for joint inspections 2024; to occur annually beginning in Q4 2024. The contractors will verify the joint attachments and verify the JWA payment. Not related to SPP.	William Haffecke	100%	$ 70,000	$ 72,100
588.1	$ 16,855	$ 52,335	Reclassification of an employee in EN403 who was working on a capital project that was completed. She will now work with the Field Service Management System that was part of the CIS conversion.	Michael Galtman & Kim Estrada	56.2%	$ 9,473	$ 29,412
592	$ 79,550	$ 106,000	Necessary substation maintenance up beginning in 2024.	William Haffecke	100%	$ 79,550	$ 106,000
5931	$ 98,818	$ 93,895	Increase in SPP Inspection Costs as filed in the SPP projection filing. The inspection costs are then removed in MFR C-2 because they are not part of base rates.	William Haffecke	100%	$ 98,818	$ 93,895
5932	$ 722,433	$ 783,754	Increase in SPP Tree Trimming as filed in the SPP projection filing. The tree trimming costs are then removed in MFR C-2 because they are not part of base rates.	William Haffecke	100%	$ 722,433	$ 783,754
594	$ 29,199	$ 59,276	Electric Line Operation Supervisor in the NE beginning October 2024 needed to manage daily operations of the Field and Meter services along with construction and maintenance activities. They will provide oversight of fleet maintenance, compliance, and qualifications of all FTE's.	William Haffecke	100%	$ 13,125	$ 52,500
594	$ -	$ 84,481	Electric Line Operation Supervisor in the NW beginning October 2024 needed to manage daily operations of the Field and Meter services along with construction and maintenance activities. They willl provide oversight of fleet maintenance, compliance, and qualifications of all FTE's.	William Haffecke	100%	$ 18,375	$ 73,500

FPSC EXH NO. 5

ADMITTED

J142

C-7 (2024, 2025)

FLORIDA PUBLIC SERVICE COMMISSION

COMPAN FLORIDA PUBLIC UTILITIES COMPANY
CONSOLIDATED ELECTRIC DIVISION

DOCKET NO.: 20240099-EI

Type of Data Shown:
__x_ Projected Test Year Ended 12/31/25
__x_ Prior Year Ended 12/31/24
____ Historical Test Year Ended 12/31/23
Witness: As shown below

595	$	84,279	$	86,811	Increased inventory usage and costs (EL451) normalized. Costs have also increased since COVID.	William Haffecke	100%	$	94,844	$ 97,414
901	$	44,923	$	139,482	Employees who beginning in September 2024 will be filling positions related to operating and maintaining the new system which provides a much higher level of customer experience. The company did not hire or backfill in 2023 because of the experienced resources that would become available at the completion of the project and are needed to provide an additional level of service that is possible due to the conversion.	Mike Galtman & Kim Estrada	13.32%	$	5,984	$ 18,579
903	$	169,526	$	526,365		Mike Galtman & Kim Estrada	13.32%	$	22,581	$ 70,112
920	$	69,514	$	215,836		Mike Galtman & Kim Estrada	13.32%	$	9,259	$ 28,749
902	$	34,014	$	34,936	Annualization of a Meter Reader (EL442) hired in October 2023.	William Haffecke	100%	$	34,014	$ 34,936
904		(12,415)		10,022	Bad Debt Increase due to an under-accrual of the reserve.	Michael Galtman	100%		(12,415)	10,022
908V		183,042		183,243	To estimate conservation expenses.	Michelle Napier	100%		183,042	183,243
920		316,058		981,336	Reclassification of Business Information Systems employees from capitalization of the CIS system to fill jobs in operation and maintenance of the system. The enhanced functionalities of the system requires additional staffing by the in-house resources who are capable of completing these tasks.	Michael Galtman & Vik Gadgil	5.99%		18,932	58,782
920		60,000		250,000	Cyber-Security IT control and compliance lead and an analyst position	Vik Gadgil	5.00%		3,000	12,500
921		115,000		750,000	Cyber Security Monitoring and Asset Maintenance Costs	Vik Gadgil	5.00%		5,750	37,500
923				2,657,336	CIS Cloud Annual Fees Less Current Vertex	Vik Gadgil	13.40%		-	356,083
923		75,369		77,630	Additional costs related to a Safety Data Management System.	Michael Galtman	6.80%		5,125	5,279
924		-		446,979.00	Increase Storm Reserve to the $1.5M approved in Order PSC-2019-0114-FOF-EI for amount underfunded amortized over 5 years.	Michelle Napier	100%			446,979
924		385,988		663,852	Increase Property Insurance for latest estimates.	Noah Russell	12%		45,439	78,149
925		-		189,432	Increase in Self Insurance Reserve due to additional claims and the under-funded reserve balance.	Noah Russell	100%			189,432
925		2,287,104		3,561,522	Increase in Insurance for the latest estimates.	Noah Russell	6.9%		156,784	244,020
925	$	214,288	$	283,543	Additional resources, uniforms and supplies to improve safety and compliance and utilize a new safety data management system.	Michael Galtman	8.06%		17,457	22,854
926	$	(410,341)		(411,406)	Decrease in Pension Expense	Michael Galtman	29.38%		(120,544)	(120,857)
926					Benefits related to Payroll increases above	Michael Galtman			104,797	221,158
928				350,000	Rate Case Expense amortized over 4 years.	Michelle Napier	100%			382,727
935				57,360	Security system service plan and monitoring	William Haffecke	100%		0	63,024
		Total Over/Under Adjustments						$	3,141,216	$ (6,128,855)
		Total Excluding Conservation and Fuel						$	1,611,293	$ 3,877,418

Adjustments to 2023 expenses before inflating for inflation and growth

Account		2023
Various	Remove vehicle depreciation expense charged to operating accounts	(82,877)

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA PUBLIC UTILITIES
Consolidated Electric Division

DOCKET NO.: 20240099-EI

EXPLANATION: Provide the changes in primary accounts that exceed 1/20th of one percent (.0005) of total operating expenses and ten percent from the prior year to the test year. Quantify each reason for the change.

Type of Data Shown:
_x_ Projected Test Year Ended 12/31/25
_x_ Prior Year Ended 12/31/24
___ Historical Test Year Ended 12/31/23
Witness: Napier, Galtman, Haffecke

(1) Account Number	(2) Account	(3) Test Year Ended 12/31/2025	(4) Prior Year Ended 12/31/2024	(5) Increase / (Decrease) Dollars (3)-(4) ($)	(6) Increase / (Decrease) Percent (5)/(4) (%)	(7) Reason(s) for Change
OPERATING EXPENSES (LESS FUEL & CONSERVATION)						
DISTRIBUTION EXPENSES-OPERATION						
582	Station Expense	362,608	162,370	200,238	123%	New IMC Technicians needed for additional plant in service and new substation.
588.1	Distribution Expenses	269,705	241,255	28,450	12%	Employee capitalized in 2023 now working on operating the field service management system.
CUSTOMER ACCOUNTS-OPERATION						
901	Supervision	166,559	148,770	17,790	12%	Transition of employees capitalized as part of CIS project to operating the new system.
ADMINISTRATIVE & GENERAL						
923	Outside Services	1,118,252	742,639	375,612	51%	Increase in consulting and cloud fees for the new Customer Information System over the current provider.
924	Property Insurance	773,322	293,633	479,689	163%	Increase in insurance costs based on current estimates and additional amount for storm reserve to increase the reserve to $1.5M over 4 years.
925	Injuries and Damages	1,089,948	807,883	282,065	35%	Increase in insurance costs based on current estimates.
926	Employee Pension and Benefits	1,257,994	1,058,409	199,585	19%	Additional benefits related to increase in employees on C-7 over and under.
928	Regulatory Commission Expense	382,727	-	382,727	100%	Amortization of rate case expenses for this rate case.
		4,622,242	2,902,564	1,719,678		
MAINTENANCE EXPENSES						
592	Maintenance of Station Equipment	244,495	214,499	29,995	14%	Additional necessary substation maintenance schedule.
594	Maintenance of Underground Lines	391,289	288,981	102,308	35%	Increase due to new NE line supervisor starting in mid-2024 and NW line supervisor starting in 2025.
		635,784	503,481	132,303		
TOTAL EXPENSES (EXCL FUEL & CONSERVATION)		**5,258,026**	**3,406,045**	**1,851,981**		

Supporting Schedules: C-7 (2024), C-7 (2025)

Recap Schedules:

FPSC EXH NO. 5

ADMITTED

J144

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide a schedule showing the change in cost, by functional group, for the last five years.

COMPANY: FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 20240099-EI

Type of Data Shown:
___ Projected Test Year Ended 12/31/25
___ Prior Year Ended12/31/24
_x_ Historical Test Year Ended 12/31/23
Witness: Napier, Galtman, Haffecke

Description of Functional Group	Type of Cost	2019 Dollars (000)	Percent Change	2020 Dollars (000)	Percent Change	2021 Dollars (000)	Percent Change	2022 Dollars (000)	Percent Change	2023 Dollars (000)	Percent Change
Purchased Power (1)	Variable	54,339	-4%	42,918	-21%	43,679	2%	45,586	4%	62,340	36.8%
Interchange	Semi-Variable									0	
Production	Semi-Variable									-	
Transmission	Semi-Variable	113	-35%	93	-18%	454	389%	143	-68%	127	-11.7%
Distribution	Semi-Variable	4,266	12%	3,855	-10%	4,633	20%	5,172	12%	4,999	-3.3%
Customer Account	Semi-Variable	1,858	7%	1,834	-1%	2,341	28%	2,560	9%	2,828	10.4%
Customer Service & Information & Sales (1)	Semi-Variable	733	0%	866	18%	1,020	18%	968	-5%	832	-14.1%
Administrative and General	Semi-Variable	7,182	12%	5,636	-22%	5,173	-8%	5,187	0%	6,431	24.0%
Depreciation & Amortization	Fixed	4,712	17%	4,681	-1%	5,072	8%	5,854	15%	5,305	-9.4%
Taxes (Exclude Revenue)	Semi-Variable	1,253	-1%	1,684	34%	1,872	11%	1,834	-2%	1,705	-7.0%
Interest (without AFUDC)	Semi-Variable	1,885	-1%	1,408	-25%	645	-54%	1,132	76%	941	-16.8%
TOTAL		76,341		62,975		64,889		68,436		85,507	

Note (1): Purchased Power, Storm Recoveries, and Conservation are recovered through the Purchased Power and Conservation Clauses and various storm recovery petitions in other dockets but, are shown here. Interest is FPU only.

Supporting Schedules: C-6 (2023), C-7 (2023), C-8 (2023), C-12 (2023) Recap Schedules:

J144

FPSC EXH NO. 5
ADMITTED

J145

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY:FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 20240099-EI

EXPLANATION: Provide a detailed breakdown of rate case expenses by service provided for each outside consultant, attorney, engineer or other consultant providing professional services for the case.

Type of Data Shown:
__x_ Projected Test Year Ended 12/31/25
____ Prior Year Ended 12/31/24
____ Historical Test Year Ended 12/31/23
Witness: Napier

(1) Vendor Name	(2) Counsel, Consultant, Or Witness	(3) Specific Services Rendered	(4) Fee ($)	(5) Basis Of Charge	(6) Travel Expenses ($)	(7) Other ($)	(8) Total (4+6+7) ($)	(9) Type of Services (a)
Atrium Economics LLC	Consultant & Witness	Cost of Service and Rate Design	244,641	Hourly			244,641	R,S
Pierpont & Mclelland, LLC	Consultant & Witness	Tariff	35,214	Hourly		-	35,214	O
Kathy L. Welch	Consultant	Minimum Filing Requirements, Audit and Data Requests	240,000	Hourly			240,000	A,O
Christensen	Witness	Cost of Capital Witness	75,000	Hourly			75,000	B
Dawn Sard	Consultant	Billing Consultant	1,250	Hourly			1,250	R
TOTAL OUTSIDE CONSULTANTS							596,105	
Gunster	Counsel	Rate Proceeding, legal work	133,500	Hourly			133,500	L
TOTAL OUTSIDE LEGAL SERVICES							133,500	
Various Vendors	Temporary Help	Accounting and operations related work	165,440	Hourly			165,440	A, C, O
Employees	Additional resources above normal levels necessary to prepare rate case filings.	Rate Case related work	486,638	Hourly	28,805		515,443	A, C, O
Miscellaneous		Mailing, printing, hearing and rate notices	120,419	Varies			120,419	O
TOTAL OTHER RATE CASE COSTS							801,302	
					TOTAL RATE CASE COS		1,530,907	

Note: Costs are based on PAA Case and would increase if protested.
(a) PLACE THE APPROPRIATE LETTER(S) IN COLUMN (9)
A = ACCOUNTING
B = COST OF CAPITAL
C = ENGINEERING
L = LEGAL
O = OTHER
R = RATE DESIGN
S = COST OF SERVICE

SCHEDULE OF RATE CASE EXPENSE AMORTIZATION IN TEST YEAR

Rate Case	Total Expenses	Rate Order Date	Amortization Period	Unamortized Amount	Test Year Amortization
DOCKET NO.: 20240099-EI	1,530,907	Pending	4 years		382,727
			Total Annual Rate Case Amortization		$ 382,727

Supporting Schedules: Recap Schedules: C12 (2025), C7 (2025)

J145

FPSC EXH NO. 5
ADMITTED

J146

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 20240099-EI

EXPLANATION: Provide the following information concerning bad debts for the four most recent historical years and the test year. In addition, provide a calculation of the bad debt component of the Revenue Expansion Factor.

Type of Data Shown:
_x__ Projected Test Year Ended 12/31/25
_x__ Prior Year Ended 12/31/24
_x__ Historical Test Year Ended 12/31/23
Witness: Galtman

Line No.	(1) Year	(2) Write-Offs (Retail)	(3) Gross Revenues From Sales Of Electricity (Retail)	(4) Adjustments to Gross Revenues (Specify)	(5) Adjusted Gross Revenues	(6) Bad Debt Factor (2)/(5)	
1	2019	391,678	86,210,231		86,210,231	0.45%	Note 1
2							
3	2020	257,585	83,571,311		83,571,311	0.31%	Note 1
4							
5	2021	695,892	82,105,481		82,105,481	0.85%	
6							
7	2022	574,775	87,783,494		87,783,494	0.65%	
8							
9	Total	1,919,930	339,670,517	0	339,670,517	0.57%	
10							
11	2023 Historic Test Year	546,472	112,452,695		112,452,695	0.49%	
12							
13	Total	2,466,402	452,123,212	0	452,123,212	0.55%	
14							
15	Prior Year 2024	565,161	105,630,016		105,630,016	0.54%	
16							
17	Test Year 2025	602,010	110,052,874		110,052,874	0.55%	
18							
19							
20							
21					Average Rate	0.5227%	
22							
23							
24							
25	Note 1: 2019 and 2020 are unreasonably low due to COVID.						
26							
27							
28							
29							
30							
31							

Supporting Schedules: Recap Schedules: C-44

J146

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 20240099-EI

EXPLANATION: Provide a schedule of jurisdictional administrative, general, customer service, R & D, and other miscellaneous expenses by category and on a per customer basis for the test year and the most recent historical year.

Type of Data Shown:
_x_ Projected Test Year Ended 12/31/25
___ Prior Year Ended 12/31/24
_x__ Historical Test Year Ended 12/31/23
Witness: Galtman

Line No.	(1) Jurisdictional Administrative Expenses Excluding Recoverable Conservation	(2) Test Year Ended 12/31/2025	(3) Historical Year Ended 12/31/2023	(4) Difference (2)-(3)	(5) Percent Increase/(Decrease) (4)/(3)
1	Customer Accounts Expense	3,137,672	2,827,771	309,901	10.96%
2					
3	Sales Expense	138,771	131,889	6,882	5.22%
4					
5	Administrative and General Expenses	8,842,210	6,430,769	2,411,441	37.50%
6					
7	Total Administrative Expenses	12,118,654	9,390,430	2,728,224	29.05%
8					
9	Average Number of Customers	33,290	33,090	200	0.60%
10					
11	Administrative Expenses Per Customer	364	284	80	28.28%
12					
13					
14					
15					
16					
17					
18					
19					
20					
21					
22					
23					
24					
25					
26					
27					
28					
29					
30					
31					

Supporting Schedules: C-7 (2023) and (2025) Recap Schedules: C-7

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 20240099-EI

EXPLANATION: Provide a schedule of charges to Account 930.2 (Miscellaneous General Expenses) by type of charge for the most recent historical year. Aggregate all charges that do not exceed $100,000 and all similar charges that exceed $100,000.

Type of Data Shown:
___ Projected Test Year Ended 12/31/25
___ Prior Year Ended12/31/24
_x_ Historical Test Year Ended 12/31/23
Witness: Galtman

Line No	Description	Electric Utility 2023	Jurisdictional Factor	Jurisdictional Amount
1	Total Miscellaneous General			
2	Expenses of $100,000 or Less			
3				
4	Misc General Expenses	21,209	100%	21,209
5	Memberships & Subscriptions	4,313	100%	4,313
6				
7				
8	Miscellaneous General Expenses			
9	Exceeding $100,000 (Specify)			
10	Investor Expenses	106,750	100%	106,750
11				
12				
13	Total Miscellaneous General Expenses	132,272	100%	132,272
14				
15	Average Number of Customers	33,090		
16				
17	Miscellaneous General Expenses Per Customer	$ 4.00		
18				
19				
20				
21				
22				
23				
24				
25				
26				
27				
28				
29				
30				
31				
32				

Supporting Schedules: Recap Schedules: C-7 (2023)

FPSC EXH NO. 5

ADMITTED

J149

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 20240099-EI

EXPLANATION: Provide a schedule of advertising expenses by subaccounts for the test year and the most recent historical year for each type of advertising that is included in base rate cost of service.

Type of Data Shown:
_x_ Projected Test Year Ended 12/31/25
___ Prior Year Ended 12/31/24
_x__ Historical Test Year Ended 12/31/23
Witness: Galtman

Line No.	Account/ Sub-Account Number	Account/ Sub-Account Title		2023 Electric Utility	2025 Electric Utility	Jurisdictional Factor	Jurisdictional Amount
1							
2	ACCOUNT 909	Info & Instructional	Note 1	62,890	62,890	100%	62,890
3							
4	Total Account 909			62,890	62,890	100%	62,890
5							
6							
7	ACCOUNT 913	Advertising		98,243	103,998	100%	103,998
8							
9	Total Account 913			98,243	103,998	100%	103,998
10							
11							
12	ACCOUNT 930.1	General Advertising Expenses		31,658	33,513	100%	
13							
14	Total Account 930.1			31,658	33,513	100%	33,513
15							
16							
17	Total Advertising Expenses			192,791	200,401	100%	200,401
18							
19	Average Number of Customers			33,090	33,290		
20							
21	Advertising Expenses per Customer			6	6		
22							
23							
24							
25							
26	Note 1: All Account 909 expenses are recovered in the Conservation Recovery Clause and not included in base rates						
27							
28							
29							
30							

Supporting Schedules: Recap Schedules: C-7 (2023) (2025)

J149

FPSC EXH NO. 5

ADMITTED

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 20240099-EI

EXPLANATION: Provide a schedule of industry association dues included in cost of service by organization for the test year and the most recent historical year. Indicate the nature of each organization. Individual dues less than $10,000 may be aggregated.

Type of Data Shown:
_x_ Projected Test Year Ended 12/31/25
___ Prior Year Ended 12/31/24
_x__ Historical Test Year Ended 12/31/23
Witness: Galtman

Line No.	Name and Nature of Organization	Electric Utility 2023	Electric Utility 2025	Jurisdictional Factor	Jurisdictional Amount
1	Florida Electric Power Coordinating Group	1,000	1,059	100%	1,059
2	Southeastern Electric Exchange	3,313	3,507	100%	3,507
3	Edison Electric Institute	61,000	64,574	100%	64,574
4	North American Electric Reliability Corp.	26,780	28,349	100%	28,349
5					
6					
7	Total Industry Association Dues	92,092	97,488	100%	97,488
8					
9	Average Number of Customers	33,090	33,290		33,290
10					
11	Dues Per Customer	2.78	2.93		2.93
12					
13		-	-		11.91
14	Note: In 2023, the lobbying portion of dues was inadvertently recorded in above the line expenses.				
15	They have been removed in an adjustment on MFR C-2 and C-3.				
16					
17					
18					
19					

Supporting Schedules: Recap Schedules: C-7 (2023) (2025)

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 20240099-EI

EXPLANATION: Provide the following information regarding the use of outside professional services during the test year. Segregate the services by types such as accounting, financial, engineering, legal or other. If a projected test period is used, provide on both a projected and a historical basis for services exceeding the greater of $1,000,000 or .5% (.005) of operation and maintenance expenses.

Type of Data Shown:
_x__ Projected Test Year Ended 12/31/25
_x__ Prior Year Ended 12/31/24
_x__ Historical Test Year Ended 12/31/23
Witness: Galtman

Line No.	Type of Service or Vendor	Vendor	Description of Service(s)	Account(s) Charged	Historic Test Year Costs 2023	Projected Test Year Costs 2024	Projected Test Year Costs 2025
1	Mtc. Of Overhead Lines	The Davey Tree Expert Company	Tree Trimming	5932 (7250)	1,810,198	2,589,625	2,700,000
2							
3	Note: No other outside services exceed one million dollars. In addition, the Company is requesting that all tree trimming be removed from base rates and						
4	moved to the Storm Protection Plan Clause. Please refer to MFR C-3 page 3.						
5							
6							
7							
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10							
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22							

Supporting Schedules: Recap Schedules:

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 20240099-EI

EXPLANATION: Provide the following information concerning pension cost for the test year, and the most recent historical year if the test year is projected.

Type of Data Shown:
_x__ Projected Test Year Ended 12/31/25
_x__ Prior Year Ended 12/31/24
_x__ Historical Test Year Ended 12/31/23
Witness: Galtman

Line No.	Description		Projected Test Year 2025	Prior Year 2024	Historical Year 2023
	FPU Pension				
1	Service Cost				
2	Interest Cost		693,133	677,129	698,566
3	Actual Return on Assets (Note 1)		(788,668)	(801,253)	(747,517)
4	Net Amortization and Deferral		53,943	82,829	114,055
5	Net Periodic Pension Cost		(41,593)	(41,295)	65,105
6	Amortization of Prior Service Costs				
7	Total Periodic Pension Cost		(41,593)	(41,295)	65,105
8	For the Year:				
9	Expected Return on Assets (Note 1)		(788,668)	(801,253)	(747,517)
10	Assumed Rate of Return on Plan Assets		6.00%	6.00%	6.00%
11	Amortization of Transition Asset or Obligation		N/A	N/A	N/A
12	Percent of Pension Cost Capitalized		N/A	N/A	N/A
13	Pension Cost Recorded in Account 926		(41,593) *	(41,295) *	65,105 *
14	Minimum Required Contribution Per IRS		N/A	N/A	N/A
15	Maximum Allowable Contribution Per IRS		25,000,000	25,000,000	41,616,163
16	Actual Contribution Made to the Trust Fund				
17	Actuarial Attribution Approach Used for Funding		Projected Unit Credit	Projected Unit Credit	Unit Credit
18	Assumed Discount Rate for Computing Funding		5.00%	5.07%	5.20%
19	Allocation Method Used to Assign Costs if the Utility Is Not the		Historic Payroll	Historic Payroll	Historic Payroll
20	Sole Participant in the Plan. Attach the Relevant Procedures.				
21					
22	At Year End:				
23	Accumulated Benefit Obligation		12,771,155	13,112,955	13,903,856
24	Projected Benefit Obligation		12,771,155	13,112,955	13,903,856
25	Vested Benefit Obligation		12,735,396	13,076,239	13,864,925
26	Assumed Discount Rate (Settlement Rate)		5.50%	5.50%	5.00%
27	Assumed Rate for Salary Increases		N/A	N/A	N/A
28	Fair Value of Plan Assets		13,408,133	13,654,398	13,840,903
29	Market Related Value of Assets		13,408,133	13,654,398	13,840,903
30	Balance in Working Capital (Specify Account No.)	228.3 Account *	(60,568)	(281,503)	(2,150,181)
31					
32	* The balance provided is for the allocated portion for both the pension plan and OPRB of the Florida Common business unit (B-3A) net of the amount in the				
33	electric business unit balance sheet (B-3).				
34	Note 1: The plan is unfunded and has no assets. It is not qualified under the IRC and has no minimum funding requirement.				
35	The plan only applies to Companies that existed prior to the merger with Chesapeake Utilities.				
36					
37					

Supporting Schedules: Recap Schedules:

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 20240099-EI

EXPLANATION: Provide the following information concerning pension cost for the test year, and the most recent historical year if the test year is projected.

Type of Data Shown:
_x__ Projected Test Year Ended 12/31/25
_x__ Prior Year Ended 12/31/24
_x__ Historical Test Year Ended 12/31/23
Witness: Galtman

Line No.	Description		Amount: Projected Test Year 2025	Amount: Prior Year 2024	Amount: Historical Year 2023
	OPRB				
1	Service Cost				
2	Interest Cost		5,261	5,261	9,560
3	Actual Return on Assets (Note 1)		-	-	-
4	Net Amortization and Deferral		(12,551)	(12,551)	(8,354)
5	Net Periodic Pension Cost		(7,290)	(7,290)	1,206
6	Amortization of Pre-Merger Unrecognized Cost				
7	Total Periodic Pension Cost		(7,290)	(7,290)	1,206
8	For the Year:				
9	Expected Return on Assets (Note 1)		N/A	N/A	N/A
10	Assumed Rate of Return on Plan Assets		N/A	N/A	N/A
11	Amortization of Transition Asset or Obligation		N/A	N/A	N/A
12	Percent of Pension Cost Capitalized		N/A	N/A	N/A
13	Pension Cost Recorded in Account 926		(7,290) *	(7,290) *	1,206 *
14	Minimum Required Contribution Per IRS		N/A	N/A	N/A
15	Maximum Allowable Contribution Per IRS		N/A	N/A	N/A
16	Actual Contribution Made to the Trust Fund		9,667	9,817	69,138
17	Actuarial Attribution Approach Used for Funding		Projected Unit Credit	Projected Unit Credit	Unit Credit
18	Assumed Discount Rate for Computing Funding		N/A	N/A	N/A
19	Allocation Method Used to Assign Costs if the Utility Is Not the				
20	Sole Participant in the Plan. Attach the Relevant Procedures.		Historic Payroll	Historic Payroll	Historic Payroll
21					
22	At Year End:				
23	Accumulated Benefit Obligation		102,015	- 106,421	110,977
24	Projected Benefit Obligation		102,015	106,421	110,977
25	Vested Benefit Obligation		N/A	N/A	N/A
26	Assumed Discount Rate (Settlement Rate)		4.96%	4.96%	4.96%
27	Assumed Rate for Salary Increases		N/A	N/A	N/A
28	Fair Value of Plan Assets		N/A	N/A	N/A
29	Market Related Value of Assets		N/A	N/A	N/A
30	Balance in Working Capital (Specify Account No.)	228.3 Account *	(60,568)	(281,503)	(2,150,181)
31					
32	* The balance provided is for the allocated portion for both the pension plan and OPRB of the Florida Common business unit (B-3A) net of the amount in the				
33	electric business unit balance sheet (B-3).				
34	Note 1: The plan is unfunded and has no assets. It is not qualified under the IRC and has no minimum funding requirement.				
35	The plan only applies to Companies that existed prior to the merger with Chesapeake Utilities.				
36					
37					

Supporting Schedules: Recap Schedules:

FPSC EXH NO. 5
ADMITTED

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 20240099-EI

EXPLANATION: Provide a schedule, by organization, of any expenses for lobbying, civic, political and related activities or for civic/charitable contributions included for recovery in cost of service for the test year and the most recent historical year.

Type of Data Shown:
_x_ Projected Test Year Ended 12/31/25
___ Prior Year Ended 12/31/24
_x__ Historical Test Year Ended 12/31/23
Witness: Galtman

Line No.	Account/ Sub-Account Number	Account/ Sub-Account Title	2023 Amount	2025 Amount	Organization
1	921/6260	Memberships & Subscriptions	$ 7,500	$ 7,939	Edison Electric Institute
2					
3					
4					
5		There are no lobbying, civic, political, or charitable/civic contributions included in the cost of service for the test year, except for the above amount.			
6		This amount was removed in the adjustments on C-2 and C-3.			
7		Contributions are recorded in a below the line account, 4261.			
8		Political expenses are recorded in a below the line account 4264.			
9					
10					
11					
12					
13					
14					
15					
16					
17					
18					
19					
20					
21					
22					
23					
24					
25					
26					
27					
28					
29					

Supporting Schedules: Recap Schedules:

J154

FPSC EXH NO. 5

ADMITTED

J155

FLORIDA PUBLIC SERVICE C EXPLANATION: Provide a schedule for each Amortization/Recovery amoun by account or sub-account currently in effect or propose(and not shown on Schedule B-9

COMPANY: FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 20240099-EI

Type of Data Shown:
_x_ Projected Test Year Ended 12/31/25
___ Prior Year Ended 12/31/24
_x__ Historical Test Year Ended 12/31/23
Witness: Galtman

(1) Line No.	(2) Account/ Sub-account No.	(3) Plant Account Title	(4) Total Amort/Recovery Expense 2023	(5) Total Amort/Recovery Expense 2025	Total Amount Asset/ Liability	Effective Date	Recovery Period	Reason
1	405.0	Amortization of Tax Reform Regulatory Asset	$ (237,240)	$ (232,932)	$ (7,155,154)	1/1/2018	1/1/18-unknown	Order No. PSC-2019-0010-AS-EI
2								Changes annually based on IRS protected bal
3	407.3	Amortization of Accumulated Depreciation Hurricane Michael and Doriar	$ 684,238	$ 684,238	$ 6,842,378	1/1/2020	1/1/20-12/31/29	Order No. PSC-2020-037-AS-EI
4	407.3	Amortization of Acquisition Adjustment Federal Tax Rate Change	$ 9,876	$ 9,876	$ 208,220	11/1/2009	11/1/09-10/31/35	Order No. PSC-2014-0517-S-EI
5	407.3	COVID Regulatory Asset Amortizatior	$ 677,060	$ -	$ 1,354,120	1/1/2022	1/1/22-12/31/23	Order No. PSC-2020-0404-PAA-PU
6	407.3	Amortization of Hurricane Michael and Dorian Storm Costs	$ 7,632,424	$ 7,632,424	$ 45,794,544	1/1/2020	1/1/20-12/31/25	Order No. PSC-2020-037-AS-EI
8								
9			$ 8,766,358	$ 8,093,606	$ 1,249,564			
10								
11								
12								
13								
14								
15								
16								
17								
18								
19								
20								
21								
22								
23								
24								

Supporting Schedules: Recap Schedules:

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 20240099-EI

EXPLANATION: Provide a schedule of taxes other than income taxes for the historical base year, historical base year + 1, and the test year. For each tax, indicate the amount charged to operating expenses. Complete columns 5, 6 and 7 for the historical base year and test year only.

Type of Data Shown:
___ Projected Test Year Ended 12/31/25
___ Prior Year Ended12/31/24
_x_ Historical Test Year Ended 12/31/23
Witness: Galtman

Line No.	Type of Tax	(1) Rate	(2) Tax Basis ($)	(3) Total Amount	(4) Amount Charged to Operating Expenses	(5) Jurisdictional Factor	(6) Jurisdictional Amount	(7) Jurisdictional Amount Charged to Operating Expenses
1	Federal Unemployment	0.600%	SEE NOTE #1	1,722	1,722	100%	1,722	1,722
2								
3	State Unemployment	0.480%	SEE NOTE #2	2,427	2,427	100%	2,427	2,427
4								
5	FICA (Note 1)	7.650%	SEE NOTE #3	603,429	381,053	100%	381,053	381,053
6								
7	Federal Vehicle	N/A	N/A		-	100%	-	-
8								
9	State Intangible	N/A	N/A		-	100%	-	-
10								
11	Utility Assessment Fee	0.072%	114,117,975	86,086	86,086	100%	86,086	86,086
12								
13	Property	VARIOUS	ASSESSED VALUE	1,360,051	1,333,960	100%	1,333,960	1,333,960
14								
15	Gross Receipts	2.50%	SEE NOTE #4	2,804,708	2,804,708	100%	2,804,708	2,804,708
16								
17	Franchise Fee	VARIOUS	SEE NOTE #5	4,538,992	4,538,992	100%	4,538,992	4,538,992
18								
19	Occupational License	N/A	N/A			100%	-	
20								
21	Other				-	100%	-	-
22				9,397,415	9,148,948		9,148,948	9,148,948
23	Total							
24								
25								

26 Note 1: Federal Unemployment: Applied to taxable wages of each employee up to a maximum of $7,000.
27 Note 2: State Unemployment: Applied to taxable wages of each employee up to a maximum of $7,000.
28 Note 3: FICA: Applied to taxable wages of each employee at a rate of 6.2% up to a maximum of $200,000 in 2023, and 1.45% for Medicare up to $200,000 and additonal .9% over $200,000.
29 Note 4: Gross Recipts: Applied to revenues collected from the sale of electricity.
30 Note 5: Franchise Fee: Applies to base revenues from electric sales including fuel and other clause adjustments for customer classes specified in the individual franchise ordinances.

Supporting Schedules: C-7 (2023) C-21 Recap Schedules: C-1 (2023)

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 20240099-EI

EXPLANATION: Provide a schedule of taxes other than income taxes for the historical base year, historical base year + 1, and the test year. For each tax, indicate the amount charged to operating expenses. Complete columns 5, 6 and 7 for the historical base year and test year only

Type of Data Shown:
___ Projected Test Year Ended 12/31/25
_x_ Prior Year Ended 12/31/24
___ Historical Test Year Ended 12/31/23
Witness: Galtman, Haffecke

Line No.	Type of Tax	(1) Rate		(2) Tax Basis ($)	(3) Total Amount	(4) Amount Charged to Operating Expenses	(5) Jurisdictional Factor	(6) Jurisdictional Amount	(7) Jurisdictional Amount Charged to Operating Expenses
1	Federal Unemployment	0.006		SEE NOTE #1	1,787	1,787	100%	1,787	1,787
2									
3	State Unemployment	0.054		SEE NOTE #2	2,519	2,519	100%	2,519	2,519
4									
5	FICA	0.0765	Note 6	SEE NOTE #3	648,821	466,773	100%	466,772.70	466,773
6									
7	Payroll Tax From Corporate					-	100%	-	-
8									
9	Federal Vehicle	N/A				-	100%	-	-
10									
11	State Intangible	N/A				-	100%	-	-
12									
13	Utility Assessment Fee Note 6	0.072%		106,592,383	76,747	76,747	100%	76,747	76,747
14									
15	Property	VARIOUS		ASSESSED VALUE	1,534,480	1,534,480	100%	1,534,480	1,534,480
16									
17	Gross Receipts	0.025		SEE NOTE #4	2,640,646	2,640,646	100%	2,640,646	2,640,646
18									
19	Franchise Fee	VARIOUS		SEE NOTE #5	3,578,781	3,578,781	100%	3,578,781	3,578,781
20									
21	Occupational License	N/A					100%	-	-
22									
23	Other (Specify)	N/A							
24					8,483,781	8,301,733		8,301,733	8,301,733
25	Total								

Note 1: Federal Unemployment: Applied to taxable wages of each employee up to a maximum of $7,000
Note 2: State Unemployment: Applied to taxable wages of each employee up to a maximum of $7,000
Note 3: FICA: Applied to taxable wages of each employee at a rate of 6.2% up to a maximum of $200,000 in 2023, and 1.45% for Medicare up to $200,000 and additonal .9% over $200,000
Note 4: Gross Recipts: Applied to revenues collected from the sale of electricity
Note 5: Franchise Fee: Applies to base revenues from electric sales including fuel and other clause adjustments for customer classes specified in the individual franchise ordinance
Note 6: The 2024 Regulatory Assessment Fee was changed in April 2024. It has been calculated at the old rate on this schedule and adjusted on C-2 for the partial yea

Supporting Schedules: C-7 (2024) C-21 Recap Schedules: C-1 (2024)

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 20240099-EI

EXPLANATION: Provide a schedule of taxes other than income taxes for the historical base year, historical base year + 1, and the test year. For each tax, indicate the amount charged to operating expenses. Complete columns 5, 6 and 7 for the historical base year and test year only.

Type of Data Shown:
__x_ Projected Test Year Ended 12/31/25
____ Prior Year Ended 12/31/24
____ Historical Test Year Ended 12/31/23
Witness: Galtman, Haffecke

Line No.	Type of Tax	(1) Rate	(2) Tax Basis ($)	(3) Total Amount	(4) Amount Charged to Operating Expenses	(5) Jurisdictional Factor	(6) Jurisdictional Amount	(7) Jurisdictiona Amount Charged to Operating Expenses
1	Federal Unemployment	0.006	SEE NOTE #1	1,849	1,849	100%	1,849	1,849
2								
3	State Unemployment	0.054	SEE NOTE #2	2,606	2,606	100%	2,606	2,606
4								
5	FICA	0.0765	SEE NOTE #3	700,350	511,930	100%	511,930.39	511,930
6								
7	Payroll Tax From Corporate					100%	-	-
8								
9	Federal Vehicle	N/A			-	100%	-	-
10								
11	State Intangible	N/A			-	100%	-	-
12								
13	Utility Assessment Fee	0.085%	111,031,231	94,154	94,154	100%	94,154	94,154
14								
15	Property	VARIOUS	ASSESSED VALUE	2,286,471	2,286,471	100%	2,286,471	2,286,471
16								
17	Gross Receipts	0.025	SEE NOTE #4	2,751,215	2,751,215	100%	2,751,215	2,751,215
18								
19	Franchise Fee	VARIOUS	SEE NOTE #5	3,728,629	3,728,629	100%	3,728,629	3,728,629
20								
21	Occupational License	N/A				100%	-	-
22								
23	Other (Specify)	N/A						
24				9,565,274	9,376,855		9,376,855	9,376,855
25	Total							

Note 1: Federal Unemployment: Applied to taxable wages of each employee up to a maximum of $7,000.
Note 2: State Unemployment: Applied to taxable wages of each employee up to a maximum of $7,000.
Note 3: FICA: Applied to taxable wages of each employee at a rate of 6.2% up to a maximum of $200,000 in 2023, and 1.45% for Medicare up to $200,000 and additonal .9% over $200,000.
Note 4: Gross Recipts: Applied to revenues collected from the sale of electricity.
Note 5: Franchise Fee: Applies to base revenues from electric sales including fuel and other clause adjustments for customer classes specified in the individual franchise ordinances.

Supporting Schedules: C-7 (2025) C-21 Recap Schedules: C-1 (2025)

Schedule C-21 REVENUE TAXES

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 20240099-EI

EXPLANATION: Provide a calculation of the Gross Receipt Tax and Regulatory Assessment Fee for the historical base year, historical base year + 1, and the test year.

Type of Data Shown:
_x__ Projected Test Year Ended 12/31/25
_x__ Prior Year Ended 12/31/24
_x__ Historical Test Year Ended 12/31/23
Witness: Galtman

Line No.		GROSS RECEIPTS TAX HISTORICAL BASE YEAR	GROSS RECEIPTS TAX HISTORICAL BASE YEAR + 1	GROSS RECEIPTS TAX TEST YEAR	REGULATORY ASSESSMENT FEE HISTORICAL BASE YEAR	REGULATORY ASSESSMENT FEE HISTORICAL BASE YEAR + 1	REGULATORY ASSESSMENT FEE TEST YEAR
1	TOTAL OPERATING REVENUES	106,852,661	107,445,266	98,256,853	106,852,661	107,445,266	98,256,853
2							
3	ADJUSTMENTS:						
4							
5	Overrecoveries	7,233,158	(106,327)	12,875,012	7,233,158	(106,327)	12,875,012
6	Other Operating Revenue	(504,690)	(505,447)	(507,014)			
7	Miscellaneous Service Revenue	(213,028)	(162,665)	(163,225)			
8	Rent from Electric Properties	(269,439)	(269,439)	(269,439)			
9	Other Customer Charge Industrial	(23,395)	(24,816)	-			
10	SPP Over-Recovery	32,156	(746,556)	(100,634)	32,156	(746,556)	(100,634)
11	Covid Recovery	(677,060)	-	-			
12	Unbilled Revenue	(454,319)	-	-			
13	Other Adjustment		-	-			
14							
15							
16	TOTAL ADJUSTMENTS	5,123,383	(1,815,250)	11,834,700	7,265,314	(852,883)	12,774,378
17							
18	ADJUSTED OPERATING REVENUES	111,976,044	105,630,016	110,091,553	114,117,975	106,592,383	111,031,231
19							
20	TAX RATE	2.50%	2.50%	2.50%	0.0720%	0.0720% Note 1	0.0848%
21							
22	TAX AMOUNT	2,799,401	2,640,750	2,752,289	82,165	76,747	94,154
23	ACCRUAL ADJUSTMENT	5,307	(104)	(1,074)	3,921		
24	TAX AMOUNT	2,804,708	2,640,646	2,751,215	86,086	76,747	94,154

Note 1: Rate changed in April 2024. The partial year was adjusted in C-2 (2024).

Supporting Schedules: Recap Schedules: C-7 (2023) (2024) (2025), C-20 (2023) (2024) (2025)

SCHEDULE C-22 (2023) STATE AND FEDERAL INCOME TAX CALCULATION

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: PROVIDE THE CALCULATION OF STATE AND FEDERAL INCOME TAXES FOR THE HISTORICAL BASE YEAR AND THE PROJECTED TEST YEAR

COMPANY: FLORIDA PUBLIC UTILITIES
Consolidated Electric Division

DOCKET NO.: 20240099-EI

Type of Data Shown:
___ Projected Test Year Ended 12/31/25
___ Prior Year Ended12/31/24
_x_ Historical Test Year Ended 12/31/23
Witness: Galtman

LINE NO.	DESCRIPTION	CURRENT TAX STATE	CURRENT TAX FEDERAL	CURRENT TAX TOTAL	DEFERRED TAX STATE	DEFERRED TAX FEDERAL	DEFERRED TAX TOTAL
1	NET UTILITY OPERATING INCOME	$ 5,892,367	$ 5,892,367				
2	ADD INCOME TAX ACCOUNTS	1,366,183	1,366,183				
3	LESS INTEREST CHARGES (FROM C-23)	(1,695,504)	(1,695,504)				
4							
5	TAXABLE INCOME PER BOOKS	$ 5,563,046	$ 5,563,046				
6							
7	TEMPORARY ADJUSTMENTS TO TAXABLE INCOME (LIST)						
8							
9	Book to Tax depreciation	(1,020,824)	(1,020,824)		1,020,824	1,020,824	
10	Allowance for bad debts	(114,616)	(114,616)		114,616	114,616	
11	Pension	73,422	73,422		(73,422)	(73,422)	
12	Conservation	(219,649)	(219,649)		219,649	219,649	
13	Reserve for insurance deductibles	(38,209)	(38,209)		38,209	38,209	
14	Purchased power adjustment	20,837,606	20,837,606		(20,837,606)	(20,837,606)	
15	Rate case expenses	(4,750)	(4,750)		4,750	4,750	
18	Storm reserve	(1,199,870)	(1,199,870)		1,199,870	1,199,870	
19	Customer based intangible	(35,700)	(35,700)		35,700	35,700	
20	Capitalized Interest/Overhead	154,500	154,500		(154,500)	(154,500)	
21	Asset Gain/Loss	(136,017)	(136,017)		136,017	136,017	
22	Post Retirement	(80,929)	(80,929)		80,929	80,929	
23	Miscellaneous Reserve	(23,983)	(23,983)		23,983	23,983	
24	Allowance for Funds Used During Construction	(7,601)	(7,601)		7,601	7,601	
25							
26							
27							
28	TOTAL TEMPORARY DIFFERENCES	$ 18,183,380	$ 18,183,380		$ (18,183,380)	$ (18,183,380)	
29							
30	PERMANENT ADJUSTMENTS TO TAXABLE INCOME (LIST)						
31							
32	Non-deductible meals	13,968	13,968				
33	Not Deductible for Tax-Other	15,384	15,384				
34							
35							
36	TOTAL PERMANENT ADJUSTMENTS	$ 29,352	$ 29,352				
37							
38	STATE TAXABLE INCOME (L5+L28+L34)	$ 23,775,779			$ (18,183,380)		
39	STATE INCOME TAX (5.5% OR APPLICABLE RATE OF L36)	$ 1,307,668			$ (1,000,086)		
40	ADJUSTMENTS TO STATE INCOME TAX (LIST)						
41	Prior period tax adjustment						
42	Florida decoupling tax adjustment	491,372			(491,372)		
43							
44							
45	TOTAL ADJUSTMENTS TO STATE INCOME TAX	$ 491,372			$ (491,372)		
46							
47	STATE INCOME TAX	$ 1,799,040		$ 1,799,040	$ (1,491,458)		$ (1,491,458)

SUPPORTING SCHEDULES: C-2 (2023) RECAP SCHEDULES: C-1 (2023)

J160

FPSC EXH NO. 5
ADMITTED

SCHEDULE C-22 STATE AND FEDERAL INCOME TAX CALCULATION

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: PROVIDE THE CALCULATION OF STATE AND FEDERAL INCOME TAXES FOR THE HISTORICAL BASE YEAR AND THE PROJECTED TEST YEAR

COMPANY: FLORIDA PUBLIC UTILITIES
Consolidated Electric Division

DOCKET NO.: 20240099-EI

Type of Data Shown:
___ Projected Test Year Ended 12/31/25
___ Prior Year Ended12/31/24
_x_ Historical Test Year Ended 12/31/23
Witness: Galtman

LINE NO.	DESCRIPTION	CURRENT TAX STATE	CURRENT TAX FEDERAL	CURRENT TAX TOTAL	DEFERRED TAX STATE	DEFERRED TAX FEDERAL	DEFERRED TAX TOTAL
46	FEDERAL TAXABLE INCOME (L5+L28+L34-L37state)		$ 21,976,739			$ (16,691,922)	
47	FEDERAL INCOME TAX (21% OR APPLICABLE RATE)		$ 4,615,115			$ (3,505,304)	
48							
49	ADJUSTMENTS TO FEDERAL INCOME TAX						
50	ORIGINATING ITC		$			$ 0	
51							
52	WRITE OFF OF EXCESS DEFERRED TAXES					$ 0	
53							
54	OTHER ADJUSTMENTS (LIST)						
55	Prior period tax adjustment						
56	Reg liability amortization					56,323	
	Reverse of prior year consolidated NOL						
	Other Adjustments						
57	TOTAL ADJUSTMENTS TO FEDERAL INCOME TAX		$ 0			$ 56,323	
58							
59	FEDERAL INCOME TAX		$ 4,615,115	4,615,115		$ (3,448,981)	(3,448,981)
60							
61	ITC AMORTIZATION					$ 0	
62						$ 0	0
63							
64							
65							
66							
67							
68							
69							
70							

LINE NO.	SUMMARY OF INCOME TAX EXPENSE:	FEDERAL	STATE	TOTAL
71	**SUMMARY OF INCOME TAX EXPENSE:**			
72		FEDERAL	STATE	TOTAL
73	CURRENT TAX EXPENSE	4,615,115	1,799,040	6,414,155
74	DEFERRED INCOME TAXES	(3,448,981)	(1,491,458)	(4,940,439)
75	INVESTMENT TAX CREDITS, NET	0		0
76	TOTAL INCOME TAX PROVISION	1,166,134	307,582	1,473,716

SUPPORTING SCHEDULES: C-2 (2023) RECAP SCHEDULES: C-1 (2023)

SCHEDULE C-22 (2025) STATE AND FEDERAL INCOME TAX CALCULATION

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: PROVIDE THE CALCULATION OF STATE AND FEDERAL INCOME TAXES FOR THE HISTORICAL BASE YEAR AND THE PROJECTED TEST YEAR

COMPANY: FLORIDA PUBLIC UTILITIES
Consolidated Electric Division

DOCKET NO.: 20240099-EI

Type of Data Shown:
__x_ Projected Test Year Ended 12/31/25
____ Prior Year Ended 12/31/24
____ Historical Test Year Ended 12/31/23
Witness: Galtman

		CURRENT TAX			DEFERRED TAX		
LINE NO.	DESCRIPTION	STATE	FEDERAL	TOTAL	STATE	FEDERAL	TOTAL
1	NET UTILITY OPERATING INCOME	$ 2,445,490	$ 2,445,490				
2	ADD INCOME TAX ACCOUNTS	521,297	521,297				
3	LESS INTEREST CHARGES (FROM C-23)	(940,130)	(940,130)				
4							
5	TAXABLE INCOME PER BOOKS	$ 2,026,657	$ 2,026,657				
6							
7	TEMPORARY ADJUSTMENTS TO TAXABLE INCOME (LIST)						
8							
9	Book to Tax depreciation	(6,316,533)	(6,316,533)		6,316,533	6,316,533	
10	Pension and postretirement benefits	(114,616)	(114,616)		114,616	114,616	
11	Short-term bonus	73,422	73,422		(73,422)	(73,422)	
12	Conservation	(219,649)	(219,649)		219,649	219,649	
13	Deferred litigation cost - regulatory asset	(38,209)	(38,209)		38,209	38,209	
14	Purchased power adjustment	0	0		0	0	
15	Rate case expenses	(4,750)	(4,750)		4,750	4,750	
18	Storm reserve	(1,199,870)	(1,199,870)		1,199,870	1,199,870	
19	Customer based intangible	(35,700)	(35,700)		35,700	35,700	
20	Other regulatory assets and liabilities	154,500	154,500		(154,500)	(154,500)	
21		0	0		0	0	
22		(80,929)	(80,929)		80,929	80,929	
23		(23,983)	(23,983)		23,983	23,983	
24		(7,601)	(7,601)		7,601	7,601	
25							
26							
27							
28	TOTAL TEMPORARY DIFFERENCES	$ (7,813,917)	$ (7,813,917)		$ 7,813,917	$ 7,813,917	
29							
30	PERMANENT ADJUSTMENTS TO TAXABLE INCOME (LIST)						
31							
32	Non-deductible meals						
	Amortization of tax gain regulatory liability						
33							
34	TOTAL PERMANENT ADJUSTMENTS	$ 0	$ 0				
35							
36	STATE TAXABLE INCOME (L5+L28+L34)	$ (5,787,260)			$ 7,813,917		
37	STATE INCOME TAX (5.5% OR APPLICABLE RATE OF L36)	$ (318,299)			$ 429,765		
38	ADJUSTMENTS TO STATE INCOME TAX (LIST)						
39	Prior period tax adjustment				1,738		
40	Florida decoupling tax adjustment				0		
41							
42							
43	TOTAL ADJUSTMENTS TO STATE INCOME TAX	$ 0			$ 1,738		
44							
45	STATE INCOME TAX	$ (318,299)		$ (318,299)	$ 431,503		$ 431,503

SUPPORTING SCHEDULES: C-2 (2025) RECAP SCHEDULES: C-1 (2025)

SCHEDULE C-22 (2025) STATE AND FEDERAL INCOME TAX CALCULATION

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: PROVIDE THE CALCULATION OF STATE AND FEDERAL INCOME TAXES FOR THE HISTORICAL BASE YEAR AND THE PROJECTED TEST YEAR

COMPANY: FLORIDA PUBLIC UTILITIES
Consolidated Electric Division

DOCKET NO.: 20240099-EI

Type of Data Shown:
__x_ Projected Test Year Ended 12/31/25
____ Prior Year Ended 12/31/24
____ Historical Test Year Ended 12/31/23
Witness: Galtman

LINE NO.	DESCRIPTION	CURRENT TAX STATE	CURRENT TAX FEDERAL	CURRENT TAX TOTAL	DEFERRED TAX STATE	DEFERRED TAX FEDERAL	DEFERRED TAX TOTAL
46	FEDERAL TAXABLE INCOME (L5+L28+L34-L37state)		$ (5,468,961)			$ 7,382,414	
47	FEDERAL INCOME TAX (21% OR APPLICABLE RATE)		$ (1,148,482)			$ 1,550,307	
48							
49	ADJUSTMENTS TO FEDERAL INCOME TAX						
50	ORIGINATING ITC		$			$ 0	
51							
52	WRITE OFF OF EXCESS DEFERRED TAXES					$ 0	
53							
54	OTHER ADJUSTMENTS (LIST)						
55	Prior period tax adjustment						
56	Amortization of deferred tax step-up and shortfall - tax gross-up						
57	Reverse of prior year consolidated NOL						
58	Other Adjustments					6,268	
59	TOTAL ADJUSTMENTS TO FEDERAL INCOME TAX		$ 0			$ 6,268	
60							
61	FEDERAL INCOME TAX		$ (1,148,482)	$ (1,148,482)		$ 1,556,575	$ 1,556,575
62							
63	ITC AMORTIZATION					$	
64						$ 0	$ -
65							
66							
67							
68							
69							
70							
71							
72							

LINE NO.		FEDERAL	STATE	TOTAL
73	**SUMMARY OF INCOME TAX EXPENSE:**			
74		FEDERAL	STATE	TOTAL
75	CURRENT TAX EXPENSE	(1,148,482)	(318,299)	(1,466,781)
76	DEFERRED INCOME TAXES	1,556,575	431,503	1,988,078
77	INVESTMENT TAX CREDITS, NET	0		0
78	TOTAL INCOME TAX PROVISION	408,093	113,204	521,297

SUPPORTING SCHEDULES: C-2 (2025) RECAP SCHEDULES: C-1 (2025)

Schedule C-23 | INTEREST IN TAX EXPENSE CALCULATION |

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 20240099-EI

EXPLANATION: Provide the amount of interest expense used to calculate net operating income taxes on Schedule C-22. If the basis for allocating interest used in the tax calculation differs from the basis used in allocating current income tax expense the differing bases should be clearly identified.

Type of Data Shown:
_x_ Projected Test Year Ended 12/31/25
___ Prior Year Ended 12/31/24
_x__ Historical Test Year Ended 12/31/23
Witness: Russell

Line No.	Description	(1) Historical Base Year Ended 2023	(2) Test Year Ended 2025
1	Interest on Long Term Debt	1,256,705	738,488
2			
3	Amortization of Debt Discount, Premium, Issuing	10,432	3,396
4	Expense & Loss on Reacquired Debt		
5			
6	Interest on Short Term Debt	341,119	116,268
7			
8	Interest on Customer Deposits	87,248	81,978
9			
10	Other Interest Expense		
11			
12	Less Allowance for Funds Used During Construction		
13			
14			
15	Total Interest Expense	1,695,504	940,130

Supporting Schedules: D-1 (2023) (2025) Recap Schedules: C-22 (2023) (2025)

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FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 20240099-EI

EXPLANATION: Provide information required in order to adjust income tax expenses by reason of interest expense of parent(s) that may be invested in the equity of the utility in question. If a projected test period is used, provide on both a projected and historical basis.

Type of Data Shown:
_x_ Projected Test Year Ended 12/31/25
___ Prior Year Ended 12/31/24
_x__ Historical Test Year Ended 12/31/23
Witness: Galtman

Line No.		Amount	Percent of Capital	Cost Rate	Weighted Cost
1	Long Term Debt	$	%	%	%
2					
3	Short Term Debt				
4					
5	Preferred Stock				
6					
7	Common Equity				
8			A parent debt adjustment is not applicable in the electric division because		
9	Deferred Income Tax		the electric division does not have it's own debt or stock. All debt and equity		
10			is allocated from the parent thru the intercompany payable/receivable account.		
11	Investment Tax Credits		Please refer to decision in Docket 20220067-GU.		
12					
13	Other (specify)				
14					
15	Total	$	100.00%		%
16					
17					
18					
19					
20					
21					
22					
23	Weighted cost of parent debt x 25.345% (or applicable consolidated tax rate) x equity of subsidiary			= %	
24					
25					

**NOTE: CONSOLIDATED ELECTRIC DIVISION IS A DIVISION OF FLORIDA PUBLIC UTILTIES COMPANY AND CHESAPEAKE UTILITIES CORPORATION AND AS SUCH SHARES THE "COMMON" SOURCES OF CAPITAL WITH OTHER OPERATIONS. THE "COMMON" SOURCES OF CAPITAL ARE COMMON AND PREFERRED EQUITY , AND LONG AND SHORT TERM DEBT (SCHEDULE D-1). THE BASIS OF SHARING IS THE APPLICABLE RATE BASE (SCHEDULE B-1). THE ALLOCATION OF "COMMON" CAPITAL IS SHOWN ON SCHEDULE D-1.

Supporting Schedules: B-2, D-1 Recap Schedules:

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 20240099-EI

EXPLANATION: To provide information required to present the excess/deficient deferred tax balances due to protected and unprotected timing differences at statutory tax rates different from the current tax rate. The protected deferred tax balances represent timing differences due to Life and Method effect on depreciation rates.

Type of Data Shown:
_x__ Projected Test Year Ended 12/31/25
_x__ Prior Year Ended 12/31/24
_x__ Historical Test Year Ended 12/31/23
Witness: Galtman

Line No.		Protected	Unprotected	Total (Excess/Deficient)
1	Balance at Beginning of the Historical Year	4,992,643		4,992,643
2	Historical Year Amortization	(232,934)		(232,934)
3				
4	Balance at Beginning of Historical Year + 1	4,759,709		4,759,709
5	Historical Year + 1 Amortization	(217,988)		(217,988)
6				
7	Balance at Beginning of Projected Test Year	4,541,721	-	4,541,721
8	Projected Test Year Amortization	(217,994)		(217,994)
9				
10	Balance at End of Projected Test Year	4,323,727	-	4,323,727
11				

Supporting Schedules: B-22 Recap Schedules:

FLORIDA PUBLIC SERVICE COMMISSION COMPANY: FLORIDA PUBLIC UTILITIES Consolidated Electric Division DOCKET NO.: 20240099-EI	EXPLANATION: Provide a copy of the company's most recent consolidated Federal Income Tax Return, State Income Tax Return and most recent final IRS revenue agent's report.	Type of Data Shown: ___ Projected Test Year Ended 12/31/25 ___ Prior Year Ended12/31/24 _x_ Historical Test Year Ended 12/31/23 Witness: Galtman

Since the acquisition by Chesapeake Utilities Corporation (the "Parent") in October 2009, Florida Public Utilities Company ("FPUC") files a consolidated federal income tax return with the Parent and its affiliates. FPUC files a separate state income tax return in the state of Florida.

FPU-Electric is a division within FPUC.

The returns and IRS Revenue agent's report are confidential and can be reviewed with prior arrangement at the Gunster law firm offices in Tallahassee.

Supporting Schedules: Recap Schedules:

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide the requested miscellaneous tax information.

COMPANY: FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 20240099-EI

Type of Data Shown:
___ Projected Test Year Ended 12/31/25
___ Prior Year Ended12/31/24
_x_ Historical Test Year Ended 12/31/23
Witness: Galtman

1. For profit and loss purposes, which IRC section 1552 method is used for tax allocation?

A. The tax liability of the group is allocated to the members of the group on the basis of the percentage of the total tax which the tax of such member, if computed on a separate return, would bear to the total amount of the taxes of all members of the group so computed.

2. What tax years are open with the IRS?

A. 2022, 2021, 2020

3. For the last three tax years, what dollars were paid to or received from the parent for federal income taxes?

A.

	2022	2021	2020
Federal income taxes paid (received)	$0	$0	$0

4. How were the amounts in (3) treated?

A. Since the Electric operation of Florida Public Utilities Company does not have a separate cash account, all tax payments are made or refunds are received by its parent and other affiliates.

5. For each of the last three years, what was the dollar amount of interest deducted on the parent ONLY tax return?

A.

	2022	2021	2020
Interest deducted on Chesapeake ONLY return	$19,459,006	$20,136,491	$21,764,841

6. Complete the following chart for the last three years:

	Income/(Loss)					
				Tax Basis Year		
	2022	2021	2020	2022	2021	2020
Parent Only	$87,463	$92,394	($1,682)	($87,114)	($23,367,922)	($3,549,835)
Applicant Only	$3,951,405	$5,084,201	$4,393,226	($14,459,873)	($7,692,133)	($12,814,496)
Total Group	$89,795,882	$83,466,096	$71,497,533	$25,197,795	$16,046,511	$20,333,913
Total Group Excluding Parent & Applicant	$85,757,013	$ 78,289,501	$ 67,105,989	$39,744,782	$31,722,300	$11,069,252

Note - The information provide in this schedule is calendar year based since tax returns are filed for each calendar year.
Tax returns for 2023 have not been filed. Therefore, the information for 2022 is the most recent tax year available.

Supporting Schedules:

Recap Schedules:

FLORIDA PUBLIC SERVICE COMMISSION COMPANY: FLORIDA PUBLIC UTILITIES Consolidated Electric Division DOCKET NO.: 20240099-EI	EXPLANATION: Provide a summary of the specific tax effects (in dollars) of filing a consolidated return for the test year. Identify the nature and amount of benefits to the company and to the ratepayers.	Type of Data Shown: ___ Projected Test Year Ended 12/31/25 ___ Prior Year Ended12/31/24 _x_ Historical Test Year Ended 12/31/23 Witness: Galtman

Florida Public Utilities Company ("FPUC") files a consolidated federal income tax return with its parent and other affiliates. FPUC files a separate a separate state income tax return in the state of Florida.
FPU-Electric is a business unit within FPUC.

Tax is allocated to each of the consolidated entities, divisions and operations based on its respective taxable income and tax credit as if it is computed on a separate return. It is not anticipated that there will be any significant benefit or detriment to the rate payers, FPUC or its parent in the way the tax returns are prepared and tax is allocated.

Supporting Schedules: Recap Schedules:

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 20240099-EI

EXPLANATION: Provide a schedule of gains and losses on deposition of plant and property previously used in providing electric service for the test year and the four prior years. List each item with a gain or loss of $1 million or more, or more than .1% of total plant. List amounts allowed in prior cases, and the test year of such prior cases.

Type of Data Shown:
___ Projected Test Year Ended 12/31/25
___ Prior Year Ended12/31/24
_x_ Historical Test Year Ended 12/31/23
Witness: Galtman

Description of Property	Date Acquired	Date Disposed	Original Classification Account	Reclassification Account(s)	Reclassification Date(s)	Original Amount Recorded	Additions or (Retirements)	Depreciation and Amortization	Net Book Value on Disposal Date	Gain or (Loss)	Amounts Allowed Prior Cases	Prior Cases Test Year Ended 12/31/2008

There are no gains or losses exceeding .1% of total plant.

Supporting Schedules: Recap Schedules:

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide a schedule detailing transactions with affiliated companies and related parties for the test year including intercompany charges, licenses, contracts and fees.

COMPANY: FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 20240099-EI

Type of Data Shown:
__x_ Projected Test Year Ended 12/31/25
____ Prior Year Ended 12/31/24
____ Historical Test Year Ended 12/31/23
Witness: Galtman

Line No.	Name of Company or Related Party	Relation to Utility		Type of Service Provided or Received	Effective Contract Date	Charge or Credit During Year Amount (000)	Charge or Credit During Year Acct. No.	Amount Included In Test Year (000)	Allocation Method Used to Allocate Charges Between Companies
1	Eight Flags Energy	Affiliate	R	Eight Flags Energy sells Power to FPUC Electric	6/1/2016	17,621	Note 1	17,621	Contract Price
2	Forida Public Utilities Company	Parent	R	FPUC Electric is allocated power from FPUC offices		42	Note 1	42	Tariff
3	Flo-Gas Corporation	Affiliate	P	Purchase Power from FPUC Electric		(3)	Note 1	(3)	Tariff
4	Penninsula Pipeline Company, Inc.	Affiliate	P	Purchase Power from FPUC Electric		(2)	Note 1	(2)	Tariff
5	Chesapeake Utilities Corporation	Parent	P	Expenses Allocated to FPUC Electric for Corporate Overhead		1,858	Note 1	1,858	Note 2
6	Chesapeake Utilities Corporation	Parent	P	Expenses Allocated to FPUC Electric for Corporate Services		2,322	Note 1	2,322	Note 2
7	Chesapeake Utilities Corporation	Parent	P	Expenses Allocated to FPUC Electric for Shared Services		1,697	Note 1	1,697	Note 2
8	Florida Public Utilities Company	Parent	P	Expenses Allocated to FPUC Electric for Shared Services		1,427	Note 1	1,427	Note 2
9									
10									
11									
12									
13									
14									
15									
16									
17	Note 1: Actuals will be charged to various O & M and capital accounts through FERC account 146.								
18	Note 2: Allocations are based on specific drivers or the Modified Distrigas 3 factor method described in the cost allocation manual.								
19									
20									
21									

Supporting Schedules: Recap Schedules:

Schedule C-31 AFFILIATED COMPANY RELATIONSHIPS Page 1 of 1

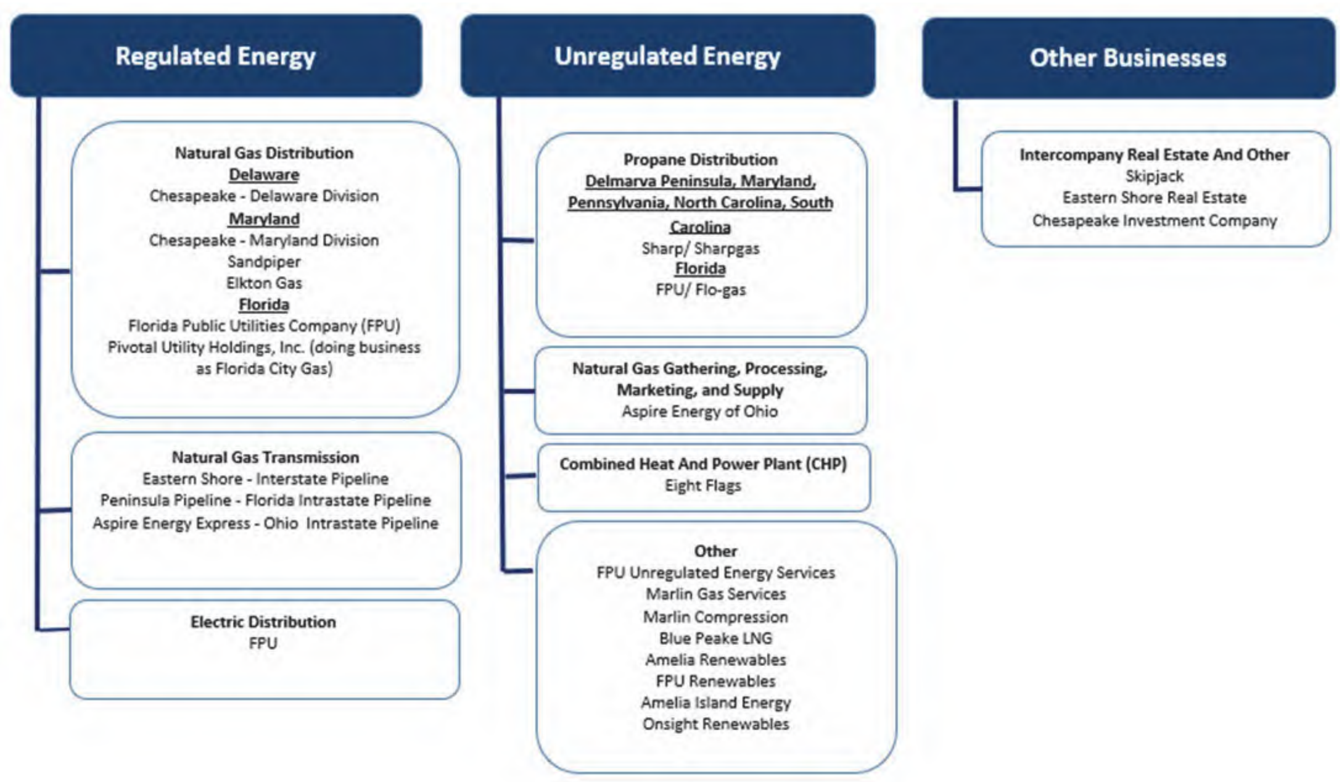
FLORIDA PUBLIC SERVICE COMMISSION COMPANY: FLORIDA PUBLIC UTILITIES Consolidated Electric Division DOCKET NO.: 20240099-EI	EXPLANATION:	Provide a copy of the Diversification Report included in the company's most recently filed Annual Report as required by Rule 25-6.135, Florida Administrative Code. Provide any subsequent changes affecting the test year.	Type of Data Shown: _x__ Projected Test Year Ended 12/31/25 _x__ Prior Year Ended 12/31/24 _x__ Historical Test Year Ended 12/31/23 Witness: Galtman

See pages 454 to 461 from FERC FORM NO. 1 (2023) attached.
There are no material changes expected in 2024 or 2025.

Supporting Schedules: Recap Schedules:

CORPORATE STRUCTURE

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



Analysis of Diversification Activity

New or Amended Contracts with Affiliated Companies

COMPANY: Florida Public Utilities Company - Electric Division
For The Year Ended December 31, 2023

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	

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

COMPANY: Florida Public Utilities Company - Electric Division
For The Year Ended December 31, 2023

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

Name of Affiliate (a)	Description of Transaction (b)	Dollar Amount (c)
Eight Flags Energy LLC	Purchased Power	$ 17,901,184

Analysis of Diversification Activity

Summary of Affiliated Transfers and Cost Allocations

Company: Florida Public Utilities Company - Electric Division

For The Year Ended December 31, 2023

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	Type of Service and/or Name of Product	Relevant Contract or Agreement and Effective Date	"p" or "s"	Total Charge for Year	
				Account Number	Dollar Amount
(a)	(b)	(c)	(d)	(e)	(f)
Chesapeake Utilities Corporation	Parent Company:				
	Shared Services		p		$ 829,938
	Corporate Services		p		$ 484,637
	Corporate Overheads		p		$ 405,558

Analysis of Diversification Activity

ASSETS OR RIGHTS PURCHASED FROM OR SOLD TO AFFILIATES

FLORIDA PUBLIC UTILITIES COMPANY - Electric Division
For The Year Ended December 31, 2023

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

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

Analysis of Diversification Activity

Employee Transfers

Company: Florida Public Utilities Company - Electric Division

For The Year Ended December 31, 2023

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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Analysis of Diversification Activity
Non-Tariffed Services and Products Provided by the Utility
Company: Florida Public Utilities Company - Electric Division
For The Year Ended December 31, 2023

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

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

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Florida Public Utilities Company Electric Division	An Original	For the Year Ended December 31, 2023

NONUTILITY PROPERTY (Account 121)

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

Line No.	Description and Location (a)	Balance at Beginning of Year (b)	Purchases, Sales, Transfers, etc. (c)	Balance at End of Year (d)
1	None			
2				
3				
4				
5				
6				
7				
8				
9				
10				
11				
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13				
14				
15				
16				
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FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 20240099-EI

EXPLANATION: Provide an analysis of all non-utility operations such as orange groves, parking lots, etc. that utilized all or part of any utility plant that are not included in Schedule C-31.

Type of Data Shown:
___ Projected Test Year Ended 12/31/25
___ Prior Year Ended12/31/24
_x_ Historical Test Year Ended 12/31/23
Witness: Haffecke, Galtman

(1) Line Number	(2) Account Number	(3) Description	(4) Original Purchase Cost	(5) Test Year Revenues (All Accts. 454)	(6) Expense Amounts	(7) Net Revenues	(8) Percent Not Utility	(9) Expense Removed
1	3922	Transportation Equipment-	153,683	0	12,295	(12,295)	5%	(614.75)
2		Light Duty Trucks						
3								
4								
5								
6								

There are no non-utility operations in the electric division. The electric division does get an allocation of common plant and corporate common plant and the depreciation expense associated with it.
There are some vehicles owned by FE which are now used by employees who perform some work for other divisions.
See MFR B-7, B-8, B-9, and B-10 for amounts and allocations.

Supporting Schedules: Recap Schedules: C-3

Schedule C-33 PERFORMANCE INDICES

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 20240099-EI

EXPLANATION: Provide a schedule for the last four prior years and the test year of other operation and maintenance expense summary by average customer selected growth indices, selected growth rates and average number of customers.

Type of Data Shown:
_x__ Projected Test Year Ended 12/31/25
_x__ Prior Year Ended 12/31/24
_x__ Historical Test Year Ended 12/31/23
Witness: Haffecke, Galtman

Line No.		2021 Year	2022 Year	2023 Year	2024 Year	2025 Year
1	SUMMARY OF OTHER O&M EXPENSES (DOLLARS PER CUSTOMER)					
2	Power Production Expense					
3	Transmission Expenses	14	4	3.83	4	4
4	Distribution Expenses	142	157	151	192	208
5	Customer Account Expenses	72	78	85	90	94
6	Sales Expenses (Includes Conservation)	31	29	25	31	31
7	Administration & General Expenses	158	158	194	206	266
8	Total Other O & M Expenses	417	427	460	523	603
9						
10						
11	GROWTH INDICES					
12	Consumer Price Index	271.0	297.0	304.7	313.4	320.6
13	Average Customer	32,676	32,846	33,090	33,188	33,290
14	CPI Percent Increase	0.87%	2.13%	2.44%	2.84%	2.31%
15	Average Customer Percent Increase	0.58%	1.07%	0.50%	0.30%	0.31%
16	Index Percent CPI x Customer Growth	1.46%	3.22%	2.95%	3.14%	2.63%
17	Average Customer Increase	350	170	244	98	102
18						
19						
20	DOLLAR AMOUNTS, IN CURRENT DOLLARS AND ANNUAL GROWTH RATES FOR:					
21	O & M Expense Less Fuel per KWH Sold	0.0320	0.0352	0.0328	0.0353	0.0404
22	Capital Cost per Installed Kilowatt of Capacity	N/A	N/A	N/A	N/A	N/A
23	Revenue per KWH Sold	0.0406	0.0420	0.0383	0.0379	0.0375
24						
25						
26	AVERAGE NUMBER OF CUSTOMERS					
27	Residential	25,347	25,507	25,719	25,806	25,896
28	Commercial	4,393	4,441	4,466	4,480	4,490
29	Industrial	2	2	2	2	2
30	Street Lighting	2,934	2,896	2,903	2,900	2,902
31	Total	32,676	32,846	33,090	33,188	33,290
32	KWH	625,817,639	637,356,164	684,873,242	675,705,188	675,982,802

Supporting Schedules: C-7 (2023) (2024) (2025) Recap Schedules: C-34

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide the following statistical data for the company, by calendar year for the most recent 5 historical years.

COMPANY: FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 20240099-EI

Type of Data Shown:
___ Projected Test Year Ended 12/31/25
___ Prior Year Ended12/31/24
_x_ Historical Test Year Ended 12/31/23
Witness: Haffecke

		Year 2019	Year 2020	Year 2021	Year 2022	Year 2023	Average Annual Growth Rate
1	THE LEVEL AND ANNUAL GROWTH RATES FOR:						
2							
3	Peak Load MW	139.4	186.8	176.2	158.8	141.8	1.94%
4							
5	Peak Load Per Customer (KW)	4.38	5.78	5.39	4.83	4.29	0.91%
6							
7	Energy Sales (MWH)	646,572	613,466	625,818	637,356	684,873	1.55%
8							
9	Energy Sales Per Customer	20.32	18.98	19.15	19.4	20.7	0.58%
10							
11	Number of Customers (Average)	31,817	32,326	32,676	32,846	33,090	0.99%
12							
13	Installed Generating Capacity (MW)	0	0	0	0	0	0.00%
14							
15	Population of Service Area (Estimates)	19,287	19,229	19,143	19,709	20,941	2.11%
16							
17	End of Year Miles of Distribution Lines	896.1	900.2	905.6	907.9	915.1	0.52%
18							
19	End of Year Miles of Jurisdictional Transmission Lines	15.8	15.8	15.8	15.8	15.8	0.00%
20							
21							
22							
23							
24							
25							
26							
27							
28							
29							
30							
31							
32							

Supporting Schedules: Recap Schedules:

FPSC EXH NO. 5
ADMITTED

J184

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 20240099-EI

EXPLANATION: Provide the following Payroll and Fringe Benefits data for the historical test year and two prior years. If a projected tes year is used, provide the same data for the projected tes year and for prior years to include two historical years

Type of Data Shown:
_x__ Projected Test Year Ended 12/31/25
_x__ Prior Year Ended 12/31/24
_x__ Historical Test Year Ended 12/31/23
Witness: Galtman

Line No.		12/31/2022 Amount	% Increase	CPI	Amount	Historic Test Year 12/31/2023 %Increase	CPI	Amount	Projected Test Year 12/31/2024 %Increase	CPI	Amount	Projected Test Year 12/31/2025 %Increase	CPI
1	Total Company Basis Chesapeake												
2													
3	Gross Payroll	98,756,188	N/A	9.59%	110,716,605	12.11%	2.61%	130,991,382	18.31%	2.84%	141,939,200	8.36%	2.31%
4	Gross Average Salary Per Employee	96,536	N/A	9.59%	100,105	3.70%	2.61%	103,714	3.61%	2.84%	106,321	2.51%	2.31%
5													
6	Fringe Benefits												
7													
8	Life Insurance	139,397	N/A	9.59%	155,993	11.91%	2.61%	161,937.11	3.81%	2.84%	168,124	3.82%	2.31%
9	Medical Insurance	7,402,364	N/A	9.59%	10,959,039	48.05%	2.61%	12,324,748.00	12.46%	2.84%	13,973,235	13.38%	2.31%
10	Retirement Plan		N/A	9.59%		0.00%	2.61%	-	0.00%	2.84%	-	0.00%	2.31%
11	Employee Savings Plan		N/A	9.59%		0.00%	2.61%	-	0.00%	2.84%	-	0	2.31%
12	Federal Insurance Contributions Ac	6,553,338	N/A	9.59%	7,239,189	10.47%	2.61%	9,055,460.00	25.09%	2.84%	10,145,538	12.04%	2.31%
13	Federal & State Unemployment Taxes	137,696	N/A	9.59%	116,788	-15.18%	2.61%	146,090.00	25.09%	2.84%	163,676	12.04%	2.31%
14	Worker's Compensation	386,906	N/A	9.59%	426,177	10.15%	2.61%	585,123.00	37.30%	2.84%	605,218	3.43%	2.31%
15	Other-Specify			9.59%			2.61%	-		2.84%	-	0.00%	2.31%
16	401K	6,424,740	N/A	9.59%	7,345,838	14.34%	2.61%	8,388,601.62	14.20%	2.84%	9,586,210.88	14.28%	2.31%
17	Tuition Reimbursement	24,010	N/A	9.59%	16,133	-32.81%	2.61%	28,136.00	74.40%	2.84%	18,096	-35.68%	2.31%
18	Relocation Expenses	336,897	N/A	9.59%	73,834	100.00%	2.61%	75,930.89	2.84%	2.84%	77,685	2.31%	2.31%
19	Retiree benefits	21,046	N/A	9.59%	5,736	-72.75%	2.61%	5,898.90	2.84%	2.84%	6,035	0.00%	2.31%
20	Other health-related benefits (Note 1)	405,830	N/A	9.59%	543,169	33.84%	2.61%	237,256.10	-56.32%	2.84%	159,753	-32.67%	2.31%
21	Other benefits (Note 2)	48,556	N/A	9.59%	273,122	462.49%	2.61%	145,766.89	-46.63%	2.84%	145,086	-0.47%	2.31%
22			N/A	9.59%		0.00%	2.61%		0.00%	2.84%	-	0.00%	2.31%
23	Sub Total-Fringes	21,880,780	N/A	9.59%	27,155,018	24.10%	2.61%	31,154,949	14.73%	2.84%	35,048,657	12.50%	2.31%
24													
25	Total Payroll and Fringes	120,636,968	N/A	9.59%	137,871,623	14.29%	2.61%	162,146,331	17.61%	2.84%	176,987,857	9.15%	2.31%
26													
27	Average Employees	1,023	N/A		1,106	8.11%		1,263	14.20%		1,335	5.70%	
28													
29	Payroll and Fringes Per Employee	117,925	N/A	9.59%	124,658	5.71%	2.61%	128,382	2.99%	2.84%	132,575	3.27%	2.31%
30													
31													
32	Note 1: Includes employee assistance program costs, family medical leave, long-term care and disability insurance												
33	Note 2: Includes service awards, safety awards, and car allowances												
34													
35													
36													

Supporting Schedules: Recap Schedules:

J184

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 20240099-EI

EXPLANATION: Provide a comparison of the change in operation and maintenance expenses (excluding fuel) for the last three years and the test year to the CPI.

Type of Data Shown:
_x__ Projected Test Year Ended 12/31/25
_x__ Prior Year Ended 12/31/24
_x__ Historical Test Year Ended 12/31/23
Witness: Haffecke, Galtman

Line No.			2021	2022	2023	2024		2025
1	Non-Fuel Operations & Maintenance		12,692,614	13,181,670	13,822,103	14,515,471		16,245,692
2	Expenses (Excluding Conservation,							
3	Adjusted for Regulatory Adjustments).							
4								
5	Percent Change in Non-Fuel	Note 2:	10.45%	3.85%	4.86%	5.02%	Note 1:	11.92%
6	Operations & Maintenance Expense							
7	Over Previous Year.							
8								
9	Percent Change in CPI Over		4.70%	9.59%	2.61%	2.84%		2.31%
10	Previous Year.							
11								
12	Difference Between Change in	Note 2:	5.75%	-5.74%	2.25%	2.18%	Note 1:	9.61%
13	CPI and Non-Fuel Operations							
14	& Maintenance Expense.							

Note 1: Please refer to MFR C-7 over and under adjustments for reason for increase.
Note 2: The main drivers for the 2021 year-over-year increase in Non-Fuel O&M were increased call center costs and storm hardening activities.

Supporting Schedules: Recap Schedules:

FPSC EXH NO. 5

ADMITTED

J186

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA PUBLIC UTILITIES
CONSOLIDATED ELECTRIC DIVISION
DOCKET NO.: 20240099-EI

EXPLANATION: For test year functionalized O & M expenses, provide the benchmark variances.

Type of Data Shown:
__x_ Projected Test Year Ended 12/31/25
____ Prior Year Ended 12/31/24
____ Historical Test Year Ended 12/31/23
Witness: Napier

Line No.	(1) Function	(2) Test Year Total Company Per Books 2025	(3) O & M Adjustments 2025	(4) Adjusted Test Year O & M 2025	(5) Base Year Adjusted O & M 9/30/2015	(6) Compound Multiplier	(7) Test Year Benchmark (5) x (6)	(8) Unadjusted Benchmark Variance	(9) Unadjusted Benchmark Variance Excluding: ________	Adjusted Benchmark Variance
1	Production - Steam									
2										
3	Production - Nuclear									
4										
5	Production - Other	52,150,543	(52,150,543)	-	-		-	-		
6										
7	Transmission	144,837		144,837	130,290	1.4239	185,520	(40,683)		(40,683)
8										
9	Distribution	6,937,534	(1,949,879)	4,987,655	4,231,486	1.4239	6,025,213	(1,037,558)		(1,037,558)
10										
11	Customer Accounts	3,137,672	(21,057)	3,116,615	1,982,624	1.4239	2,823,058	293,557		293,557
12										
13	Customer Service and	883,138	(883,138)	-	-					
14	Information									
15										
16	Sales Expenses	138,771		138,771	252,494	1.4239	359,526	(220,755)		(220,755)
17										
18	Administrative and General	8,842,210	(8,892)	8,833,318	5,468,777	1.4239	7,786,992	1,046,326		1,046,326
19										
20	Total	72,234,706	(55,013,510)	17,221,196	12,065,671		17,180,309	40,887		40,887

Supporting Schedules: C-2 (2025), C-7 (2025), C-12, C38, C-39, C-40, C-41

Recap Schedules:

J186

FPSC EXH NO. 5
ADMITTED

J187

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide the detail of adjustments made to test year per books O & M expenses by function.

COMPANY: FLORIDA PUBLIC UTILITIES
CONSOLIDATED ELECTRIC DIVISIONS
DOCKET NO.: 20240099-EI

Type of Data Shown:
__x_ Projected Test Year Ended 12/31/25
____ Prior Year Ended 12/31/24
____ Historical Test Year Ended 12/31/23
Witness: Napier

Line No.	Function	Adjustment	Explanation
1	Production - Steam		
2			
3	Production - Nuclear		
4			
5	Production - Other	(52,150,543)	To remove Purchased Power costs which are recovered through the fuel docket.
6			
7	Transmission		
8			
9	Distribution	(1,949,879)	To remove the increase in costs related to the Storm Protection Plan Clause. Amounts in Base Rates were not removed.
10			
11	Customer Accounts	(21,057)	To remove bad debt related to Hurricane Michael storm costs
12			
13	Customer Service and	(883,138)	To remove Conservation costs which are recovered through the conservation docket.
14	Information		
15			
16	Sales		
17			
18	Administrative and General	(8,892)	To remove 5% of Economic Development & Lobby portion of dues
19			
20	TOTAL ADJUSTMENTS	(55,013,510)	
21			
22			
23	Note: Adjustments to transfer $975,504 to the Storm Protection Clause are not included since the methodology has not been approved at this time. and because these amounts were the amounts included in base rates in the last case.		

Supporting Schedules: C-2 (2025) Recap Schedules: C-37

J187

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY FLORIDA PUBLIC UTILITIES
CONSOLIDATED ELECTRIC DIVISION
DOCKET NO.: 20240099-EI

EXPLANATION: Provide adjustments to benchmark year O & M expenses related to expenses recoverable through mechanisms other than base rates. Explain any adjustments.

Type of Data Shown:
___ Projected Test Year Ended 12/31/25
___ Prior Year Ended12/31/24
_x_ Historical Test Year Ended 12/31/23
Witness: Napier

Line No.	Function	Benchmark Year Actual O & M	Adjustments for Non-Base Rate Expense Recoveries	$	Benchmark Year Adjusted O & M	
1	Production - Steam	-				
2						
3	Production - Nuclear	-				
4						
5	Other Power Supply					
6	Expenses	62,039,821	Purchased Power Recovery Clause	(62,039,821)	-	
7						
8	Transmission	130,290			130,290	
9						
10	Distribution	4,231,486			4,231,486	
11						
12	Customer Accounts	1,982,624			1,982,624	
13						
14	Customer Service and					
15	Information	641,666	Conservation Recovery Clause	(641,666)	-	
16						
17	Sales Expense	252,494			252,494	
18						
19	Administrative and	5,563,777	Reduce general liability reserve to settlement	(95,000)	5,468,777	
20	General					
21						
22	Total	74,842,158		(62,776,487)	12,065,671	(1)
23						
24						
25	(1) INCLUDES FIGURES AS FILED LAST RATE CASE PLUS FPSC ADJUSTMENTS PER ORDER NO. PSC-2008-0327-FOF-EI,					
26	Limited Proceeding for Storm Hardening.					

Supporting Schedules: Recap Schedules: C-37

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA PUBLIC UTILITIES
CONSOLIDATED ELECTRIC DIVISIONS
DOCKET NO.: 20240099-EI

EXPLANATION: For each year since the benchmark year, provide the amounts and percent increases associated with customers and average CPI. Show the calculation for each compound multiplier.

Type of Data Shown:
__x_ Projected Test Year Ended 12/31/25
____ Prior Year Ended 12/31/24
____ Historical Test Year Ended 12/31/23
Witness: Napier

	Total Customers			Average CPI-U (1982 = 100)			
Year	Amount	% Increase	Compound Multiplier	Amount	% Increase	Compound Multiplier	Inflation and Growth Compound Multiplier
Sept. 2015	31,502		1.0000	237.945		1.0000	1.0000
2016	31,686	0.58%	1.0058	240.007	0.87%	1.0087	1.0146
2017	32,025	1.07%	1.0166	245.120	2.13%	1.0302	1.0473
2018	32,185	0.50%	1.0217	251.104	2.44%	1.0553	1.0782
2019	31,817	-1.14%	1.0100	263.120	4.79%	1.1058	1.1169
2020	32,326	1.60%	1.0262	258.811	-1.64%	1.0877	1.1162
2021	32,676	1.08%	1.0373	270.970	4.70%	1.1388	1.18130
2022	32,846	0.52%	1.0427	296.963	9.59%	1.248	1.30130
2023	33,090	0.74%	1.0504	304.702	2.61%	1.2806	1.34510
2024 Forecast	33,188	0.30%	1.0535	313.352	2.84%	1.3169	1.38740
2025 Forecast	33,290	0.31%	1.0568	320.604	2.31%	1.3474	1.42390

Supporting Schedules: Recap Schedules: C-37

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 20240099-EI

EXPLANATION: Provide a schedule of operation and maintenance expense by function for the test year, the benchmark year and the variance. For each functional benchmark variance, provide the reason(s) for the difference.

Type of Data Shown:
__x_ Projected Test Year Ended 12/31/25
____ Prior Year Ended 12/31/24
____ Historical Test Year Ended 12/31/23
Witness: Galtman, Haffecke

	BENCHMARK VARIANCE	
Transmission	(40,683)	(1)
Distribution	(1,037,558)	(1)
Customer Accounts	293,557	(2)
Sales Expenses	(220,755)	(3)
Administrative and General	1,046,326	(4)

(1) These costs were less than benchmark primarily due to improved effectiveness of systems due to reliability improvements and centralization of certain operating functions.

(2) Projected costs have increased due to new customer service initiatives including more customer service personnel, and better customer systems. The new platform provides flexibility thru easy updates to call flow options and messaging for inbound contacts. We've implemented a workforce management system and performance dashboards. The new customer information system which will be going live in August, 2024. The new system streamlines interactions and improves the customer experience.
Another benefit of the system will be the increased security for our customer data along with robust data management capabilities.
We are also implementing a modern field service management system to enhance the customer experience.
In addition, costs increased due to hiring a new meter reader.

(3) These costs were less than benchmark primarily due to decreased advertising.

(4) The increase is due to:
a. Increased cloud fees for the new customer information system discussed above.
b. Increase in IT and Cyber-security costs which are necessary to protect both the customers and the company from data theft. Please refer to testimony of Witness Gadgil. Customer expectations related to technology have increased since our last case and cyber attacks have made data security essential.
c. Increase in the accrual for storm reserve to increase fund to $1.5M level as approved in Order PSC-2019-0114-ROF-EI.
d. Increase in property insurance based on latest estimates from our carrier.
e. Increased corporate costs due to the increase in regulatory staff due to increases in the complexity and the filings, audits, and data requests, additional legal staff to better understand the laws and regulations impacting the Company and develop risk mitigation strategies. There have also been reorganizations of the Human Resource department department in order to adequately meet the employees needs and continue to improve employee safety.

Supporting Schedules: C-37 Recap Schedules:

FPSC EXH NO. 5
ADMITTED

Schedule C-42 HEDGING COSTS

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 20240099-EI

EXPLANATION: Provide hedging expenses and plant balances by primary account for the test year and the preceding three years. Hedging refers to initiating and/or maintaining a non-speculative financial and/or physical hedging program designed to mitigate fuel and purchased power price volatility for the utility's retail ratepayers, exclusive of the costs referenced in Paragraph 3 , Page 5 of Order No. PSC-02-1484-FOF-EI. Show hedging expenses and plant recovered through base rates separate from hedging expenses and plant recovered through the fuel clause.

Type of Data Shown:
_x__ Projected Test Year Ended 12/31/25
_x__ Prior Year Ended 12/31/24
_x__ Historical Test Year Ended 12/31/23
Witness: Galtman

Line No.	Account No.	Account Title		2023 Year Base Rates	2023 Year Clause	2024 Year Base Rates	2024 Year Clause	2025 Year Base Rates	2025 Year Clause
1				EXPENSES					
2									
3		Hedging Expense							
4									
5									
6									
7									
8									
9			No Hedging Activity						
10									
11									
12									
13									
14		Total Hedging Expense							
15									
16									
17									
18									
19									
20				ANNUAL PLANT IN SERVICE					
21									
22		Hedging related capital investment							
23									
24									
25									
26									
27									
28									
29									
30		Total Hedging investment							
31									
32									

Supporting Schedules: Recap Schedules:

SECURITY COSTS

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 20240099-EI

EXPLANATION: Provide a schedule of security expenses and security plant balance by primary account and totals for the test year and the preceding three years. Show the security expenses recovered through base rates separate from security expenses recovered through the fuel/capacity clauses. Show the plant balances supporting base rates separate from the plant balances supporting the fuel/capacity clauses. Provide only those security costs incurred after, and as a result of, the terrorist events of September 11, 2001.

Type of Data Shown:
_x__ Projected Test Year Ended 12/31/25
_x__ Prior Year Ended 12/31/24
_x__ Historical Test Year Ended 12/31/23
Witness: Galtman

Line No.	Account No.	Account Title	12/31/2023 Year Base Rates	12/31/2023 Year Clauses	12/31/2024 Year Base Rates	12/31/2024 Year Clauses	12/31/2025 Year Base Rates	12/31/2025 Year Clauses
1								
2	920		7,825		8,099		8,382	
3	921	OFFICE SUPPLIES AND EXP	5,466		5,643		5,754	
4	925		6		6		6	
5	926		1,371		1,414		1,477	
6	935	MAINTENANCE OF GENERAL PLANT					63,024	
7								
8								
9								
10								
11								
12								
13								
14		Total Security Expense	6,843		7,063		70,261	
15								
16								
17								
18					ANNUAL PLANT IN SERVICE			
19								
20		Security capital investment			326,430			
21								
22								
23								
24								
25								
26								
27								
28								
29								
30								
31								
32								
33		Total Security investment						

Supporting Schedules: Recap Schedules:

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 20240099-EI

EXPLANATION: Provide the calculation of the revenue expansion factor for the test year.

Type of Data Shown:
__x_ Projected Test Year Ended 12/31/25
____ Prior Year Ended 12/31/24
____ Historical Test Year Ended 12/31/23
Witness: Galtman

Line No.	Description	Percent
1	Revenue Requirement	100.0000%
2		
3	Gross Receipts Tax Rate	0.0000%
4		
5	Regulatory Assessment Rate	0.0848%
6		
7	Bad Debt Rate	0.5227%
8		
9	Net Before Income Taxes	
10	(1) - (2) - (3) - (4)	99.3925%
11		
12	State Income Tax Rate	5.5000%
13		
14	State Income Tax (5) x (6)	5.4666%
15		
16	Net Before Federal Income Tax (5) - (7)	93.9259%
17		
18	Federal Income Tax Rate	21.0000%
19		
20	Federal Income Tax (8) x (9)	19.7244%
21		
22	Revenue Expansion Factor (8) - (10)	74.2015%
23		
24	Net Operating Income Multiplier	1.3477
25	(100% / Line 11)	
26		

Supporting Schedules: C-11, C-20 (2025), C-22 Recap Schedules:

FPSC EXH NO. 6
ADMITTED

FLORIDA PUBLIC UTILITIES
DOCKET NO. 20240099-EI
MINIMUM FILING REQUIREMENTS
TABLE OF CONTENTS

FPSC EXH NO. 6

ADMITTED

J195

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide the company's 13-month average cost of capital for the test year, the prior year, and historical base year.

COMPANY: Florida Public Utilities Company
Consolidated Electric Division
DOCKET NO.: 20240099-EI

Type of Data Shown:
___ Projected Test Year Ended 12/31/2025
___ Prior Year Ended 12/31/2024
x Historic Year Ended 12/31/2023
Witness: Noah Russell

HISTORICAL YEAR, 2023

Line No.	Class of Capital	(A) Company Total Per Books	(B) Specific Adjustments	(C) Pro Rata Adjustments	(D) System Adjusted	(E) Jurisdictional Factor	(F) Pro-Rata Allocation	(G) Jurisdictional Capital Structure	(H) Ratio	(I) Cost Rate	(J) Weighted Cost Rate	(K) Interest Expense
	Regulatory Capital Structure, 2023											
1	Long Term Debt	725,924,822			725,924,822	100%	4.80%	34,811,456	0.2984	3.67%	1.10%	1,277,580
2	Short Term Debt	132,960,125			132,960,125	100%	4.80%	6,376,054	0.0547	5.35%	0.29%	341,119
3	Preferred Stock	0			0	100%	4.80%	0	0.0000	0.00%	0.00%	
4	Common Equity	918,729,847	1,902,100		920,631,947	100%	4.80%	44,148,563	0.3784	10.25%	3.88%	
5	Customer Deposits	3,930,084			3,930,084	100%		3,930,084	0.0337	2.22%	0.07%	87,153
6	Deferred Income Taxes	22,517,273			22,517,273	100%		22,517,273	0.1930	0.00%	0.00%	
7	Regulatory Tax Liability	4,883,526			4,883,526	100%		4,883,526	0.0419	0.00%	0.00%	
8	ITC-Zero Cost				0	100%		0	0.0000	0.00%	0.00%	
9	ITC- Weighted Cost				0	100%		0	0.0000	7.20%	0.00%	
10												
11	TOTAL	1,808,945,676	1,902,100		1,810,847,776			116,666,955	1.0000		5.34%	1,705,853
12												
13												

Line No.	Class of Capital	Company Total Per Books	Ratio	Cost Rate	Weighted Cost Rate
14					
15					
16					
17	**Conventional Capital Structure, 2023**				
18	Long Term Debt	725,924,822	40.793%	3.67%	1.50%
19	Short Term Debt	132,960,125	7.472%	5.35%	0.40%
20	Preferred Stock	0	0.000%	0.00%	0.00%
21	Common Equity	920,631,947	51.735%	10.25%	5.30%
22	TOTAL	1,779,516,894	100.000%		7.20%

Pro-Rata Factors:

Rate Base	116,666,956
Direct Components	31,330,882
	85,336,074
Pro-Rata Factors	4.80%

Supporting Schedules: B-1 (2023), B-3 (2023), D-3, D-4a, D-5, D-6

Recap Schedules:

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide the company's 13-month average cost of capital for the test year, the prior year, and historical base year.

COMPANY: Florida Public Utilities Company
Consolidated Electric Division

DOCKET NO.: 20240099-EI

Type of Data Shown:
___ Projected Test Year Ended 12/31/2025
x Prior Year Ended 12/31/2024
___ Historic Year Ended 12/31/2023
Witness: Noah Russell

YEAR, 2024

Line No.	Class of Capital	(A) Company Total Per Books	(B) Specific Adjustments	(C) Pro Rata Adjustments	(D) System Adjusted	(E) Jurisdictional Factor	(F) Pro-Rata Allocation	(G) Jurisdictional Capital Structure	(H) Ratio	(I) Cost Rate	(J) Weighted Cost Rate	(K) Interest Expense
	Regulatory Capital Structure, 2014											
1	Long Term Debt	1,188,404,108			1,188,404,108	100%	3.62%	43,065,436	34.40%	5.04%	1.73%	2,170,498
2	Short Term Debt	228,599,377			228,599,377	100%	3.62%	8,283,993	6.62%	6.42%	0.42%	531,626
3	Preferred Stock	0			0	100%	3.62%	0	0.00%	0.00%	0.00%	
4	Common Equity	1,304,178,789	1,906,344		1,306,085,133	100%	3.62%	47,329,963	37.80%	10.25%	3.87%	
5	Customer Deposits	3,983,222			3,983,222	100%		3,983,222	3.18%	2.18%	0.07%	86,880
6	Deferred Income Taxes	17,871,253			17,871,253	100%		17,871,253	14.27%	0.00%	0.00%	
7	Regulatory Tax Liability	4,662,221			4,662,221	100%		4,662,221	3.72%	0.00%	0.00%	
8	ITC- Weighted Cost	0			0	100%		0	0.00%	7.65%	0.00%	0
9						100%						
10	TOTAL	2,747,698,969	1,906,344		2,749,605,313			125,196,088	100.00%		6.10%	2,789,004
11												
12												

Line No.	Class of Capital	Company Total Per Books	Ratio	Cost Rate	Weighted Cost Rate
15					
16	**Conventional Capital Structure, 2024**				
17	Long Term Debt	1,188,404,108	43.642%	5.04%	2.20%
18	Short Term Debt	228,599,377	8.395%	6.42%	0.54%
19	Preferred Stock	0	0.000%	0.00%	0.00%
20	Common Equity	1,306,085,133	47.963%	10.25%	4.92%
21	TOTAL	2,723,088,617	100.000%		7.65%

Pro-Rata Factors:

Rate Base	125,196,083
Direct Components	26,516,696
	98,679,387
Pro-Rata Factors	3.62%

Supporting Schedules: B-1 (2024), B-3 (2024), D-3, D-4a, D-5, D-6

Recap Schedules:

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide the company's 13-month average cost of capital for the test year, the prior year, and historical base year.

Type of Data Shown:
x Projected Test Year Ended 12/31/2025
Prior Year Ended 12/31/2024
Historic Year Ended 12/31/2023
Witness: Noah Russell

COMPANY: Florida Public Utilities Company
Consolidated Electric Division
DOCKET NO.: 20240099-EI

PROJECTED TEST YEAR, 2025

Line No.	Class of Capital	(A) Company Total Per Books	(B) Specific Adjustments	(C) Pro Rata Adjustments	(D) System Adjusted	(E) Jurisdictional Factor	(F) Pro-Rata Allocation	(G) Jurisdictional Capital Structure	(H) Ratio	(I) Cost Rate	(J) Weighted Cost Rate	(K) Interest Expense
	Regulatory Capital Structure, 2015											
1	Long Term Debt	1,331,883,955			1,331,883,955	100%	4.27%	56,888,413	37.91%	5.21%	1.98%	741,884
2	Short Term Debt	169,856,296			169,856,296	100%	4.27%	7,255,028	4.83%	5.81%	0.28%	116,268
3	Preferred Stock	0			0	100%	4.27%	0	0.00%	0.00%	0.00%	
4	Common Equity	1,502,431,540	1,886,844		1,504,318,384	100%	4.27%	64,253,557	42.82%	11.30%	4.84%	
5	Customer Deposits	4,001,097			4,001,097	100%		4,001,097	2.67%	2.20%	0.06%	81,978
6	Deferred Income Taxes	13,206,708			13,206,708	100%		13,206,708	8.80%	0.00%	0.00%	
7	Regulatory Tax Liability	4,448,275			4,448,275	100%		4,448,275	2.96%	0.00%	0.00%	
8	ITC- Weighted Cost	0			0	100%		0	0.00%	8.29%	0.00%	0
9												
10	TOTAL	3,025,827,871	1,886,844		3,027,714,715			150,053,078	100.00%		7.15%	1,185,039
11												
12												

Line No.	Class of Capital	Company Total Per Books	Ratio	Cost Rate	Weighted Cost Rate
15					
16	**Conventional Capital Structure, 2025**				
17	Long Term Debt	1,331,883,955	44.31%	5.21%	2.31%
18	Short Term Debt	169,856,296	5.65%	5.81%	0.33%
19	Preferred Stock	0	0.00%	0.00%	0.00%
20	Common Equity	1,504,318,384	50.04%	11.30%	5.65%
21	TOTAL	3,006,058,635	100.00%		8.29%

Pro-Rata Factors:

Rate Base	150,053,096
Direct Components	21,656,080
	128,397,015
Pro-Rata Factor	4.27%

Supporting Schedules: B-1 (2025), B-3 (2025), D-3, D-4a, D-5, D-6

Recap Schedules:

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide the company's 13-month average cost of capital for the test year, the prior year, and historical base year.

COMPANY: Florida Public Utilities Company
Consolidated Electric Division
DOCKET NO.: 20240099-EI

Type of Data Shown:
___ Projected Test Year Ended 12/31/2025
___ Prior Year Ended 12/31/2024
x Historic Year Ended 12/31/2023
Witness: Noah Russell

HISTORICAL YEAR, 2023 -SUPPLEMENT

Line No.	Class of Capital	(A) Company Total Per Books	(B) Specific Adjustments	(C) Pro Rata Adjustments	(D) System Adjusted	(E) Jurisdictional Factor	(F) Pro-Rata Allocation	(G) Jurisdictional Capital Structure	(H) Ratio	(I) Cost Rate	(J) Weighted Cost Rate	(K) Interest Expense
	Regulatory Capital Structure, 2023											
1	Long Term Debt	725,924,822			725,924,822	100%	4.80%	34,811,456	29.84%	3.64%	1.09%	1,267,137
2	Short Term Debt	132,960,125			132,960,125	100%	4.80%	6,376,054	5.47%	5.35%	0.29%	341,119
3	Preferred Stock	0			0	100%	4.80%	0	0.00%	0.00%	0.00%	
4	Common Equity	918,729,847	1,902,100		920,631,947	100%	4.80%	44,148,563	37.84%	10.25%	3.88%	
5	Customer Deposits	3,930,084			3,930,084	100%		3,930,084	3.37%	2.22%	0.07%	87,248
6	Deferred Income Taxes	22,517,273			22,517,273	100%		22,517,273	19.30%	0.00%	0.00%	
7	Regulatory Tax Liability	4,883,526			4,883,526	100%		4,883,526	4.19%	0.00%	0.00%	
8	ITC-Zero Cost				0	100%		0	0.00%	0.00%	0.00%	
9	ITC- Weighted Cost				0	100%		0	0.00%	7.19%	0.00%	
10									0.00%			
11	TOTAL	1,808,945,676	1,902,100		1,810,847,776			116,666,955	100.00%		5.33%	1,695,504
12												
13												

Line No.	Class of Capital	Company Total Per Books	Ratio	Cost Rate	Weighted Cost Rate
16					
17	**Conventional Capital Structure, 2023**				
18	Long Term Debt	725,924,822	40.793%	3.64%	1.48%
19	Short Term Debt	132,960,125	7.472%	5.35%	0.40%
20	Preferred Stock	0	0.000%	0.00%	0.00%
21	Common Equity	920,631,947	51.735%	10.25%	5.30%
22	TOTAL	1,779,516,894	100.000%		7.19%
23					

Note 1

Pro-Rata Factors:

Rate Base	116,666,956
Direct Components	31,330,882
	85,336,074
Pro-Rata Factors	4.80%

24 Note 1: To benefit the electric customers, the debt interest rate has been reduced for the higher cost debt attributed to the acquisition of City Gas. Please refer to D-4a Supplement Schedules.

Supporting Schedules: B-1 (2023), B-3 (2023), D-3, D-4a supplement, D-5, D-6

Recap Schedules:

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide the company's 13-month average cost of capital for the test year, the prior year, and historical base year.

COMPANY: Florida Public Utilities Company
Consolidated Electric Division
DOCKET NO.: 20240099-EI

Type of Data Shown:
Projected Test Year Ended 12/31/2025
x Prior Year Ended 12/31/2024
Historic Year Ended 12/31/2023
Witness: Noah Russell

YEAR, 2024 SUPPLEMENT

Line No.	Class of Capital	(A) Company Total Per Books	(B) Specific Adjustments	(C) Pro Rata Adjustments	(D) System Adjusted	(E) Jurisdictional Factor	(F) Pro-Rata Allocation	(G) Jurisdictional Capital Structure	(H) Ratio	(I) Cost Rate	(J) Weighted Cost Rate	(K) Interest Expense
	Regulatory Capital Structure, 2014											
1	Long Term Debt	1,188,404,108			1,188,404,108	100%	3.62%	43,065,436	0.3440	4.12%	1.42%	1,774,296
2	Short Term Debt	228,599,377			228,599,377	100%	3.62%	8,283,993	0.0662	6.42%	0.42%	531,626
3	Preferred Stock	0			0	100%	3.62%	0	0.0000	0.00%	0.00%	
4	Common Equity	1,304,178,789	1,906,344		1,306,085,133	100%	3.62%	47,329,963	0.3780	10.25%	3.87%	
5	Customer Deposits	3,983,222			3,983,222	100%		3,983,222	0.0318	2.18%	0.07%	86,880
6	Deferred Income Taxes	17,871,253			17,871,253	100%		17,871,253	0.1427	0.00%	0.00%	
7	ITC-Zero Cost	4,662,221			4,662,221	100%		4,662,221	0.0372	0.00%	0.00%	
8	ITC- Weighted Cost	0			0	100%		0	0.0000	7.25%	0.00%	0
9						100%						
10	TOTAL	2,747,698,969	1,906,344		2,749,605,313			125,196,088	1.0000		5.79%	2,392,802
11												
12												

Line No.	Class of Capital	Company Total Per Books	Ratio	Cost Rate	Weighted Cost Rate			
15							Pro-Rata Factors:	
16	**Conventional Capital Structure, 2024**							
17	Long Term Debt	1,188,404,108	43.642%	4.12%	1.80%	Note 1	Rate Base	125,196,083
18	Short Term Debt	228,599,377	8.395%	6.42%	0.54%		Direct Components	26,516,696
19	Preferred Stock	0	0.000%	0.00%	0.00%			98,679,387
20	Common Equity	1,306,085,133	47.963%	10.25%	4.92%		Pro-Rata Factors	3.62%
21	TOTAL	2,723,088,617	100.000%		7.25%			
21								

21 Note 1: To benefit the electric customers, the debt interest rate has been reduced for the higher cost debt attributed to the acquisition of City Gas. Please refer to D-4a Supplement Schedules.

Supporting Schedules: B-1 (2024), B-3 (2024), D-3, D-4a, D-5, D-6 Recap Schedules:

FPSC EXH NO. 6
ADMITTED

J200

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide the company's 13-month average cost of capital for the test year, the prior year, and historical base year.

COMPANY: Florida Public Utilities Company
Consolidated Electric Division
DOCKET NO.: 20240099-EI

Type of Data Shown:
x Projected Test Year Ended 12/31/2025
Prior Year Ended 12/31/2024
Historic Year Ended 12/31/2023
Witness: Noah Russell

PROJECTED TEST YEAR, 2025 SUPPLEMENT

Line No.	Class of Capital	(A) Company Total Per Books	(B) Specific Adjustments	(C) Pro Rata Adjustments	(D) System Adjusted	(E) Jurisdictional Factor	(F) Pro-Rata Allocation	(G) Jurisdictional Capital Structure	(H) Ratio	(I) Cost Rate	(J) Weighted Cost Rate	(K) Interest Expense
	Regulatory Capital Structure, 2025											
1	Long Term Debt	1,331,883,955			1,331,883,955	100%	4.27%	56,888,413	0.3791	4.51%	1.71%	741,884
2	Short Term Debt	169,856,296			169,856,296	100%	4.27%	7,255,028	0.0483	5.81%	0.28%	116,268
3	Preferred Stock	0			0	100%	4.27%	0	0.0000	0.00%	0.00%	
4	Common Equity	1,502,431,540	1,886,844		1,504,318,384	100%	4.27%	64,253,557	0.4282	11.30%	4.84%	
5	Customer Deposits	4,001,097			4,001,097	100%		4,001,097	0.0267	2.20%	0.06%	81,978
6	Deferred Income Taxes	13,206,708			13,206,708	100%		13,206,708	0.0880	0.00%	0.00%	
7	Regulatory Tax Liability	4,448,275			4,448,275	100%		4,448,275	0.0296	0.00%	0.00%	
8	ITC- Weighted Cost	0			0	100%		0	0.0000	7.98%	0.00%	0
9												
10	TOTAL	3,025,827,871	1,886,844		3,027,714,715			150,053,078	1.0000		6.89%	940,130
11												
12												

Line No.	Class of Capital	Company Total Per Books	Ratio	Cost Rate	Weighted Cost Rate		Pro-Rata Factors	
15							Pro-Rata Factors:	
16	**Conventional Capital Structure, 2025**							
17	Long Term Debt	1,331,883,955	44.31%	4.51%	2.00%	Note 1	Rate Base	150,053,096
18	Short Term Debt	169,856,296	5.65%	5.81%	0.33%		Direct Components	21,656,080
19	Preferred Stock	0	0.00%	0.00%	0.00%			128,397,015
20	Common Equity	1,504,318,384	50.04%	11.30%	5.65%		Pro-Rata Factor	4.27%
21	TOTAL	3,006,058,635	100.00%		7.98%			

21
21 Note 1: To benefit the electric customers, the debt interest rate has been reduced for the higher cost debt attributed to the acquisition of City Gas. Please refer to D-4a Supplement Schedules.

Supporting Schedules: B-1 (2025), B-3 (2025), D-3, D-4a, D-5, D-6
Recap Schedules:

FPSC EXH NO. 6

ADMITTED

J201

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: Florida Public Utilities Company
Consolidated Electric Division

DOCKET NO.: 20240099-EI

EXPLANATION:
1.) List and describe the basis for the specific adjustments appearing on Schedule D-1a.
2.) List and describe the basis for the pro-rata adjustments appearing on Schedule D-1a.

Type of Data Shown:
x Projected Test Year Ended 12/31/2025
x Prior Year Ended 12/31/2024
x Historic Year Ended 12/31/2023
Witness: Noah Russell

Line No.	Class of Capital	Description	Historic Base Year	Prior Year	Test Year
1		Specific Adjustments			
2					
3	Equity	Other Comprehensive Income Loss which is related to the	$ 1,902,100	$ 1,906,344	$ 1,886,844
4		valuation of the employees pension plans was removed from			
5		equity. It was included in test year equity as a debit. This			
6		adjustment removes the debit.			
7					
8		Pro Rata Adjustments			
9					
10	Equity	The prorata adjustment on D-1a for 2023, 2024, and the			
11		Test Year 2025, were made to allocate CU capital to rate base			
12		as calculated on D-1a for each year.			
13					

Supporting Schedules:

Recap Schedules: D-1 (2023, 2024, & 2025)

J201

FPSC EXH NO. 6
ADMITTED

J202

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 20240099-EI

EXPLANATION: For the subject Florida utility, all other regulated utility operations combined, all non-regulated operations combined, the parent company, and on a consolidated basis, provide the year-end capital structure for investor capital (i.e. common equity, preferred stock, long-term debt, and short-term debt) for the five years through the end of the projected test year.

Type of Data Shown:
x Projected Test Year Ended 12/31/202
x Prior Year Ended 12/31/2024
x Historic Year Ended 12/31/2023
Witness: Noah Russell

Line No.	Class of Capital	12/31/2021 Year Amount (000)	12/31/2021 Year Percent of Total	12/31/2022 Year Amount (000)	12/31/2022 Year Percent of Total	12/31/2023 Year Amount (000)	12/31/2023 Year Percent of Total	12/31/2024 Year Amount (000)	12/31/2024 Year Percent of Total	12/31/2025 Year Amount (000)	12/31/2025 Year Percent of Total
1	Common Equity	772,827	49.80%	834,180	51.28%	1,248,841	47.56%	1,389,790	48.43%	1,600,860	51.14%
2											
3	Preferred Stock			-	0.00%	-	0.00%	-	0.00%	0	0.00%
4											
5	Long-Term Debt(includng current)	557,766	35.94%	590,708	36.32%	1,197,373	45.60%	1,180,948	41.16%	1,406,005	44.92%
6											
7	Short Term Debt	221,169	14.25%	201,684	12.40%	179,345	6.83%	298,746	10.41%	123,287	3.94%
8											
9		1,551,762	100.00%	1,626,572	100.00%	2,625,559	100.00%	2,869,484	100.00%	3,130,152	100.00%
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Supporting Schedules: Recap Schedules:

J202

Schedule D-3 | SHORT-TERM DEBT | Page 1 of 1

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: Florida Public Utilities Company
Consolidated Electric Division

DOCKET NO.: 20240099-EI

EXPLANATION: 1.) Provide the specified data on short-term debt issues on a 13-month average basis for the test year, prior year, and historical base year

2.) Provide a narrative description of the Company's policies regarding short-term financing. The following topics should be covered: ratio of short-term debt to total capital, plant expansion, working capital, timing of long-term financing, method of short-term financing (bank loans, commercial paper, etc.), and other uses of short-term financing.

Type of Data Shown:
x Projected Test Year Ended 12/31/2025
x Prior Year Ended 12/31/2024
x Historic Year Ended 12/31/2023
Witness: Noah Russell

	Maturity Date	Interest Rate	Interest Expense	13-month Average Amount Outstanding During the Year	Weighted Average Cost of Short-term Debt
			For Historical Year 2023		
2023	2024	5.35%	$7,114,255	$ 132,960,125	5.35%
			For Prior Year 2024		
2024	2025	6.42%	14,670,384	$ 228,599,377	6.42%
			For Projected Test Year 2025		
2025	2026	5.81%	$ 9,875,457	$ 169,856,296	5.81%

Florida Public Utilities Company ("FPU") is a wholly-owned subsidiary of Chesapeake Utilities Corporation ("Chesapeake"). The Company targets an equity/debt capitalization ratio of 55/45 and adjusts its capitalization among the various components (short-term debt, long-term debt and equity) to achieve this target over the long-term.

Chesapeake currently maintains a multi-tranche short-term borrowing facility ("Revolver") with a total capacity of $375,000,000. The two tranches of the facility consist of a $175,000,000 364-day short-term debt tranche and a $200,000,000 five-year tranche. Chesapeake uses its short-term credit lines to finance working capital, plant expansions, retirement of long-term debt and seasonal cash requirements as necessary.

In terms of determining when short-term borrowing is refinanced as long-term debt or equity, the Company considers many factors, including the availability of capital, the current economic environment, and forecasted costs of capital. The balance of short-term borrowing has historically ranged between $90 million and $225 million. As new growth captial projects come online we issue additional long-term debt and equity to maintian a strng balance sheet and contined access to capital.

Supporting Schedules: | Recap Schedules:

FPSC EXH NO. 6
ADMITTED

J204

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: Florida Public Utilities Company
Consolidated Electric Division

DOCKET NO.: 20240099-EI

EXPLANATION: Provide the specified data on long-term debt issues on a 13-month average basis for the test year, prior year, and historical base year. Arrange by type of issue (i.e., first mortgage bonds)

Type of Data Shown:
___ Projected Test Year Ended 12/31/2025
___ Prior Year Ended 12/31/2024
x Historic Year Ended 12/31/2023
Witness: Noah Russell

HISTORICAL YEAR, 2023

(1) Line No.	(2) Description, Coupon Rate	(3) Issue Date	(4) Maturity Date	(5) Principal Amount Sold (Face Value)	(6) 13-Month Average Principal Amt. Outstanding	(7) Discount (Premium) on Principal Amount Sold	(8) Issuing Expense On Principal Amount Sold	(9) Life (Years)	(10) Annual Amortization (7+8)/(9)	(11) Interest Expense (Coupon Rate) (2) x (6)	(12) Total Annual Cost (10)+(11)	(13) Unamortized Discount (Premium) Associated With (6)	(14) Average Unamort. Issuing Expense & Loss on Reacquired Debt
1	5.93% SN7	10/31/2008	10/31/2023	$ 30,000,000	$ 1,615,385	N/A	$ 39,518	15	$ 284	$ 103,776 (1)	$ 104,060	N/A	$ 110
2	5.68% SN8	6/24/2011	6/30/2026	$ 29,000,000	$ 10,038,462	N/A	$ 34,794	15	$ 2,320	$ 570,185	$ 572,504	N/A	$ 1,953
3	6.43% SN9	5/2/2013	5/2/2028	$ 7,000,000	$ 3,715,385	N/A	$ 12,789	15	$ 853	$ 238,899	$ 239,752	N/A	$ 1,747
4	3.73% SN10	12/16/2013	12/16/2028	$ 20,000,000	$ 11,846,154	N/A	$ 68,794	15	$ 4,586	$ 441,862	$ 446,448	N/A	$ 11,562
5	3.88% SN11	5/15/2014	5/15/2029	$ 50,000,000	$ 31,923,077	N/A	$ 192,790	15	$ 12,853	$ 1,238,615	$ 1,251,468	N/A	$ 37,134
6	3.25% SN12	4/21/2017	4/30/2032	$ 70,000,000	$ 62,461,538	N/A	$ 150,539	15	$ 10,036	$ 2,030,000	$ 2,040,036	N/A	$ 59,727
7	3.48% SN13	5/21/2018	5/31/2038	$ 50,000,000	$ 50,000,000	N/A	$ 99,400	20	$ 4,970	$ 1,740,000	$ 1,744,970	N/A	$ 66,801
8	3.58% SN14	11/15/2018	11/30/2038	$ 50,000,000	$ 50,000,000	N/A	$ 95,036	20	$ 4,752	$ 1,790,000	$ 1,794,752	N/A	$ 67,156
9	3.98% SN15	8/13/2019	8/20/2039	$ 100,000,000	$ 100,000,000	N/A	$ 167,966	20	$ 8,398	$ 3,980,000	$ 3,988,398	N/A	$ 126,426
10	2.98% SN16	12/20/2019	12/20/2034	$ 70,000,000	$ 70,000,000	N/A	$ 165,643	15	$ 11,043	$ 2,086,000	$ 2,097,043	N/A	$ 110,428
11	3.00% SN17	7/15/2020	7/15/2035	$ 50,000,000	$ 50,000,000	N/A	$ 92,476	15	$ 6,165	$ 1,500,000	$ 1,506,165	N/A	$ 66,788
12	2.96% SN18	8/15/2020	8/15/2035	$ 40,000,000	$ 40,000,000	N/A	$ 72,953	15	$ 4,864	$ 1,184,000	$ 1,188,864	N/A	$ 53,267
13	2.49% SN19	12/20/2021	1/25/2037	$ 50,000,000	$ 50,000,000	N/A	$ 161,664	15	$ 10,778	$ 1,245,000	$ 1,255,778	N/A	$ 138,751
14	2.95% SN20	3/15/2022	3/15/2042	$ 50,000,000	$ 50,000,000	N/A	$ 98,738	20	$ 4,937	$ 1,475,000	$ 1,479,937	N/A	$ 92,567
15	5.43% SN21	3/14/2023	3/14/2038	$ 80,000,000	$ 61,538,462	N/A	$ 117,035	15	$ 8,360	$ 3,463,133 (1)	$ 3,471,493	N/A	$ 86,812
16	6.39% SN22	11/28/2023	12/28/2026	$ 100,000,000	$ 15,384,615	N/A	$ 588,623	3	$ 15,385	$ 585,750 (1)	$ 601,135	N/A	$ 42,606
17	6.44% SN23	11/28/2023	12/28/2027	$ 100,000,000	$ 15,384,615	N/A	$ 536,123	4	$ 10,546	$ 590,333 (1)	$ 600,879	N/A	$ 38,939
18	6.45% SN24	11/28/2023	12/28/2028	$ 100,000,000	$ 15,384,615	N/A	$ 572,373	5	$ 9,066	$ 591,250 (1)	$ 600,316	N/A	$ 41,842
19	6.62% SN25	11/28/2023	12/28/2030	$ 100,000,000	$ 15,384,615	N/A	$ 566,123	7	$ 6,432	$ 606,833 (1)	$ 613,265	N/A	$ 41,564
20	6.71% SN26	11/28/2023	12/28/2033	$ 100,000,000	$ 15,384,615	N/A	$ 453,873	10	$ 3,591	$ 615,083 (1)	$ 618,674	N/A	$ 33,148
21	6.73% SN27	11/28/2023	12/28/2038	$ 50,000,000	$ 7,692,308	N/A	$ 218,311	15	$ 1,750	$ 308,458 (1)	$ 310,208	N/A	$ 15,913
22													
23													
24													
25											$ -	N/A	
26	Loss on Re-acquired Debt								$ 73,704		$ 73,704		$ 610,803
27	Unamortized Shelf Agreements								$ 18,585		$ 18,585		$ 82,980
28													
29	Total				**$ 727,753,846**		$ 4,505,560		$ 234,256	$26,384,177	$26,618,433	$0	$ 1,829,024
30	Issuance Expense (13) + (14).				$ 1,829,024								
31	Net LTD Outstanding				$ 725,924,822								
32													
33	Embedded Cost of LTD (12)				$26,618,433								
34					3.67%								
35													

36 Note 1: A majority of Chesapeake Utilities Corporation's long-term debt have annual amortization payments beginning in the sixth year after the issuance and the amortization of debt issuance costs involves systematically allocating the costs
37 over the life of the underlying debt instrument. This is typically done using the effective interest method, which results in a constant rate of interest over the period. The amortization amount is calculated by applying the effective interest rate to
38 the book value of the debt at the beginning of each period, subtracting the actual interest paid and then attributing the remainder to the amortization of the issuance costs. This process continues until the debt matures or is extinguished.
39 The effective interest method provides a more accurate reflection of the costs of borrowing over time compared to the straight-line method, which allocates the same amount of expenses to each period regardless of the declining balance of the
40 debt. The straight line method would result in fluctuations in the overall cost of debt over its term. Columns 10 and 11 have been adjusted to reflect the actual interest and amortization expense that has been or will be recorded for the
41 Chesapeake notes with annual principle payments.
42
43

Supporting Schedules: Recap Schedules: D-1 (2023)

J204

FPSC EXH NO. 6

ADMITTED

J205

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: Florida Public Utilities Company
Consolidated Electric Division

DOCKET NO.: 20240099-EI

EXPLANATION: Provide the specified data on long-term debt issues on a 13-month average basis for the test year, prior year, and historical base year. Arrange by type of issue (i.e., first mortgage bonds)

Type of Data Shown:
___ Projected Test Year Ended 12/31/2025
_x_ Prior Year Ended 12/31/2024
___ Historic Year Ended 12/31/2023
___ Witness: Noah Russell

Prior Year 2024

(1) Line No.	(2) Description, Coupon Rate		(3) Issue Date	(4) Maturity Date	(5) Principal Amount Sold (Face Value)	(6) 13-Month Average Principal Amt. Outstanding	(7) Discount (Premium) on Principal Amount Sold	(8) Issuing Expense On Principal Amount Sold	(9) Life (Years)	(10) Annual Amortization (7+8)/(9) Note 1	(11) Interest Expense (Coupon Rate) (2) x (6) Note 1	(12) Total Annual Cost (10)+(11)	(13) Unamortized Discount (Premium) Associated With (6)	(14) Average Unamort. Issuing Expense & Loss on Reacquired Debt
1	5.68%	SN8	6/24/2011	6/30/2026	$ 29,000,000	$ 7,138,462	N/A	$ 34,794	15	$ 807	$ 411,800	$ 412,607	N/A	$ 979
2	6.43%	SN9	5/2/2013	5/2/2028	$ 7,000,000	$ 3,069,231	N/A	$ 12,789	15	$ 532	$ 195,168	$ 195,700	N/A	$ 1,153
3	3.73%	SN10	12/16/2013	12/16/2028	$ 20,000,000	$ 9,846,154	N/A	$ 68,794	15	$ 3,247	$ 369,892	$ 373,139	N/A	$ 7,984
4	3.88%	SN11	5/15/2014	5/15/2029	$ 50,000,000	$ 26,923,077	N/A	$ 192,790	15	$ 9,871	$ 1,042,211	$ 1,052,082	N/A	$ 26,338
5	3.25%	SN12	4/21/2017	4/30/2032	$ 70,000,000	$ 55,461,538	N/A	$ 150,539	15	$ 11,832	$ 1,810,521	$ 1,822,353	N/A	$ 47,151
6	3.48%	SN13	5/21/2018	5/31/2038	$ 50,000,000	$ 50,000,000	N/A	$ 99,400	20	$ 6,413	$ 1,740,000	$ 1,746,413	N/A	$ 60,389
7	3.58%	SN14	11/15/2018	11/30/2038	$ 50,000,000	$ 50,000,000	N/A	$ 95,036	20	$ 6,083	$ 1,790,000	$ 1,796,083	N/A	$ 61,073
8	3.98%	SN15	8/13/2019	8/20/2039	$ 100,000,000	$ 100,000,000	N/A	$ 167,966	20	$ 10,836	$ 3,980,000	$ 3,990,836	N/A	$ 115,589
9	2.98%	SN16	12/20/2019	12/20/2034	$ 70,000,000	$ 70,000,000	N/A	$ 165,643	15	$ 15,776	$ 2,086,000	$ 2,101,776	N/A	$ 94,653
10	3.00%	SN17	7/15/2020	7/15/2035	$ 50,000,000	$ 50,000,000	N/A	$ 92,476	15	$ 8,807	$ 1,500,000	$ 1,508,807	N/A	$ 57,981
11	2.96%	SN18	8/15/2020	8/15/2035	$ 40,000,000	$ 40,000,000	N/A	$ 72,953	15	$ 6,948	$ 1,184,000	$ 1,190,948	N/A	$ 46,319
12	2.49%	SN19	12/20/2021	1/25/2037	$ 50,000,000	$ 50,000,000	N/A	$ 161,664	15	$ 15,275	$ 1,245,000	$ 1,260,275	N/A	$ 123,475
13	2.95%	SN20	3/15/2022	3/15/2042	$ 50,000,000	$ 50,000,000	N/A	$ 98,738	20	$ 4,937	$ 1,475,000	$ 1,479,937	N/A	$ 87,630
14	5.43%	SN21	3/14/2023	3/14/2038	$ 80,000,000	$ 80,000,000	N/A	$ 117,035	15	$ 11,146	$ 4,344,000	$ 4,355,146	N/A	$ 103,103
15	6.39%	SN22	11/28/2023	12/28/2026	$ 100,000,000	$ 100,000,000	N/A	$ 588,623	3	$ 191,080	$ 6,390,000	$ 6,581,080	N/A	$ 476,209
16	6.44%	SN23	11/28/2023	12/28/2027	$ 100,000,000	$ 100,000,000	N/A	$ 536,123	4	$ 131,394	$ 6,440,000	$ 6,571,394	N/A	$ 458,391
17	6.45%	SN24	11/28/2023	12/28/2028	$ 100,000,000	$ 100,000,000	N/A	$ 572,373	5	$ 112,662	$ 6,450,000	$ 6,562,662	N/A	$ 505,488
18	6.62%	SN25	11/28/2023	12/28/2030	$ 100,000,000	$ 100,000,000	N/A	$ 566,123	7	$ 79,956	$ 6,620,000	$ 6,699,956	N/A	$ 518,224
19	6.71%	SN26	11/28/2023	12/28/2033	$ 100,000,000	$ 100,000,000	N/A	$ 453,873	10	$ 45,028	$ 6,710,000	$ 6,755,028	N/A	$ 426,280
20	6.73%	SN27	11/28/2023	12/28/2038	$ 50,000,000	$ 50,000,000	N/A	$ 218,311	15	$ 14,437	$ 3,365,000	$ 3,379,437	N/A	$ 208,592
21														
22														
23														
24														
25	Loss on Re-acquired Debt									$ 73,704		$ 73,704		$ 537,101
26	Unamortized Shelf Agreements									$ 20,940		$ 20,940		$ 70,252
27														
28														
29	Total					$ 1,192,438,462		$ 4,466,042		$ 781,711	$ 59,148,592	$ 59,930,303	N/A	$ 4,034,354
30	Issuance Expense (13) + (14).					$ 4,034,354								
31	Net LTD Outstanding					$ 1,188,404,108								
32														
33	Embedded Cost of LTD (12)					$ 59,930,303								
34						5.04%								
35														

36 Note 1: A majority of Chesapeake Utilities Corporation's long-term debt have annual amortization payments beginning in the sixth year after the issuance and the amortization of debt issuance costs involves systematically allocating the costs
37 over the life of the underlying debt instrument. This is typically done using the effective interest method, which results in a constant rate of interest over the period. The amortization amount is calculated by applying the effective interest rate to
38 the book value of the debt at the beginning of each period, subtracting the actual interest paid and then attributing the remainder to the amortization of the issuance costs. This process continues until the debt matures or is extinguished.
39 The effective interest method provides a more accurate reflection of the costs of borrowing over time compared to the straight-line method, which allocates the same amount of expenses to each period regardless of the declining balance of the
40 debt. The straight line method would result in fluctuations in the overall cost of debt over its term. Columns 10 and 11 have been adjusted to reflect the actual interest and amortization expense that has been or will be recorded for the
41 Chesapeake notes with annual principle payments.
42
43

Supporting Schedules: Recap Schedules: D-1 (2024)

J205

FPSC EXH NO. 6

ADMITTED

J206

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: Florida Public Utilities Company
Consolidated Electric Division

DOCKET NO.: 20240099-EI

EXPLANATION: Provide the specified data on long-term debt issues on a 13-month average basis for the test year, prior year, and historical base year. Arrange by type of issue (i.e., first mortgage bonds)

___ Type of Data Shown:
_x_ Projected Test Year Ended 12/31/2025
___ Prior Year Ended 12/31/2024
___ Historic Year Ended 12/31/2023
Witness: Noah Russell

Projected Test YEAR, 2025

(1) Line No.	(2) Description, Coupon Rate		(3) Issue Date	(4) Maturity Date	(5) Principal Amount Sold (Face Value)	(6) 13-Month Average Principal Amt. Outstanding	(7) Discount (Premium) on Principal Amount Sold	(8) Issuing Expense On Principal Amount Sold	(9) Life (Years)	(10) Annual Amortization (7+8)/(9) Note 1	(11) Interest Expense (Coupon Rate) (2) x (6) Note 1	(12) Total Annual Cost (10)+(11)	(13) Unamortized Discount (Premium) Associated With (6)	(14) Average Unamort. Issuing Expense & Loss on Reacquired Debt
1	5.68%	SN8	6/24/2011	6/30/2026	$ 29,000,000	$ 4,238,462	N/A	$ 34,794	15	$ 473	$ 247,080	$ 247,553	N/A	$ 339
2	6.43%	SN9	5/2/2013	5/2/2028	$ 7,000,000	$ 2,369,231	N/A	$ 12,789	15	$ 409	$ 150,158	$ 150,567	N/A	$ 683
3	3.73%	SN10	12/16/2013	12/16/2028	$ 20,000,000	$ 7,846,154	N/A	$ 68,794	15	$ 2,587	$ 295,292	$ 297,879	N/A	$ 5,067
4	3.88%	SN11	5/15/2014	5/15/2029	$ 50,000,000	$ 21,923,077	N/A	$ 192,790	15	$ 8,020	$ 848,211	$ 856,231	N/A	$ 17,392
5	3.25%	SN12	4/21/2017	4/30/2032	$ 70,000,000	$ 48,461,538	N/A	$ 150,539	15	$ 10,346	$ 1,583,021	$ 1,593,367	N/A	$ 36,062
6	3.48%	SN13	5/21/2018	5/31/2038	$ 50,000,000	$ 50,000,000	N/A	$ 99,400	20	$ 6,413	$ 1,740,000	$ 1,746,413	N/A	$ 53,976
7	3.58%	SN14	11/15/2018	11/30/2038	$ 50,000,000	$ 50,000,000	N/A	$ 95,036	20	$ 6,083	$ 1,790,000	$ 1,796,083	N/A	$ 54,990
8	3.98%	SN15	8/13/2019	8/20/2039	$ 100,000,000	$ 100,000,000	N/A	$ 167,966	20	$ 10,836	$ 3,980,000	$ 3,990,836	N/A	$ 104,753
9	2.98%	SN16	12/20/2019	12/20/2034	$ 70,000,000	$ 69,461,538	N/A	$ 165,643	15	$ 15,776	$ 2,079,626	$ 2,095,402	N/A	$ 78,878
10	3.00%	SN17	7/15/2020	7/15/2035	$ 50,000,000	$ 50,000,000	N/A	$ 92,476	15	$ 8,807	$ 1,500,000	$ 1,508,807	N/A	$ 49,174
11	2.96%	SN18	8/15/2020	8/15/2035	$ 40,000,000	$ 40,000,000	N/A	$ 72,953	15	$ 6,948	$ 1,184,000	$ 1,190,948	N/A	$ 39,371
12	2.49%	SN19	12/20/2021	1/25/2037	$ 50,000,000	$ 50,000,000	N/A	$ 161,664	15	$ 15,275	$ 1,245,000	$ 1,260,275	N/A	$ 108,200
13	2.95%	SN20	3/15/2022	3/15/2042	$ 50,000,000	$ 50,000,000	N/A	$ 98,738	20	$ 4,937	$ 1,475,000	$ 1,479,937	N/A	$ 82,693
14	5.43%	SN21	3/14/2023	3/14/2038	$ 80,000,000	$ 80,000,000	N/A	$ 117,035	15	$ 11,146	$ 4,344,000	$ 4,355,146	N/A	$ 91,957
15	6.39%	SN22	11/28/2023	12/28/2026	$ 100,000,000	$ 100,000,000	N/A	$ 588,623	3	$ 191,080	$ 6,390,000	$ 6,581,080	N/A	$ 286,619
16	6.44%	SN23	11/28/2023	12/28/2027	$ 100,000,000	$ 100,000,000	N/A	$ 536,123	4	$ 131,394	$ 6,440,000	$ 6,571,394	N/A	$ 328,486
17	6.45%	SN24	11/28/2023	12/28/2028	$ 100,000,000	$ 100,000,000	N/A	$ 572,373	5	$ 112,662	$ 6,450,000	$ 6,562,662	N/A	$ 394,316
18	6.62%	SN25	11/28/2023	12/28/2030	$ 100,000,000	$ 100,000,000	N/A	$ 566,123	7	$ 79,956	$ 6,620,000	$ 6,699,956	N/A	$ 439,758
19	6.71%	SN26	11/28/2023	12/28/2033	$ 100,000,000	$ 100,000,000	N/A	$ 453,873	10	$ 45,028	$ 6,710,000	$ 6,755,028	N/A	$ 382,741
20	6.73%	SN27	11/28/2023	12/28/2038	$ 50,000,000	$ 50,000,000	N/A	$ 218,311	15	$ 14,437	$ 3,365,000	$ 3,379,437	N/A	$ 194,900
21	5.75%	SN28	1/1/2025	1/1/2035	$ 150,000,000	$ 138,461,538	N/A	$ 675,000	10	$ 67,500	$ 8,625,000	$ 8,692,500	N/A	$ 589,327
22	5.75%	SN29	10/1/2025	10/1/2035	$ 100,000,000	$ 23,076,923	N/A	$ 450,000	10	$ 11,250	$ 1,437,500	$ 1,448,750	N/A	$ 102,115
23														
24														
25	Loss on Re-acquired Debt									$ 73,704		$ 73,704		$ 463,397
26	Unamortized Shelf Agreements									$ 20,940		$ 20,940		$ 49,312
27														
28														
29	Total					$ 1,335,838,461		$ 5,591,042		$ 856,007	$ 68,498,888	$ 69,354,895	N/A	$ 3,954,506
30	Issuance Expense (13) + (14).					$ 3,954,506								
31	Net LTD Outstanding					$ 1,331,883,955								
32														
33	Embedded Cost of LTD (12)					$69,354,895								
34						5.21%								
35														

36 Note 1: A majority of Chesapeake Utilities Corporation's long-term debt have annual amortization payments beginning in the sixth year after the issuance and the amortization of debt issuance costs involves systematically allocating the costs
37 over the life of the underlying debt instrument. This is typically done using the effective interest method, which results in a constant rate of interest over the period. The amortization amount is calculated by applying the effective interest rate to
38 the book value of the debt at the beginning of each period, subtracting the actual interest paid and then attributing the remainder to the amortization of the issuance costs. This process continues until the debt matures or is extinguished.
39 The effective interest method provides a more accurate reflection of the costs of borrowing over time compared to the straight-line method, which allocates the same amount of expenses to each period regardless of the declining balance of the
40 debt. The straight line method would result in fluctuations in the overall cost of debt over its term. Columns 10 and 11 have been adjusted to reflect the actual interest and amortization expense that has been or will be recorded for the
41 Chesapeake notes with annual principle payments.
42
43

Supporting Schedules: Recap Schedules: D-1 (2025)

J206

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: Florida Public Utilities Company
Consolidated Electric Division

DOCKET NO.: 20240099-EI

EXPLANATION: Provide the specified data on long-term debt issues on a 13-month average basis for the test year, prior year, and historical base year. Arrange by type of issue (i.e., first mortgage bonds)

Type of Data Shown:
___ Projected Test Year Ended 12/31/2025
___ Prior Year Ended 12/31/2024
_x_ Historic Year Ended 12/31/2023
Witness: Noah Russell

HISTORICAL YEAR, 2023

(1) Line No.	(2) Description, Coupon Rate	(3) Issue Date	(4) Maturity Date	(5) Principal Amount Sold (Face Value)	(6) 13-Month Average Principal Amt. Outstanding	(7) Discount (Premium) on Principal Amount Sold	(8) Issuing Expense On Principal Amount Sold	(9) Life (Years)	(10) Annual Amortization (7+8)/(9)	(11) Interest Expense (Coupon Rate) (2) x (6)	(12) Total Annual Cost (10)+(11)	(13) Unamortized Discount (Premium) Associated With (6)	(14) Average Unamort. Issuing Expense & Loss on Reacquired Debt
1	5.93% SN7	10/31/2008	10/31/2023	$ 30,000,000	$ 1,615,385	N/A	$ 39,518	15	$ 284	$ 103,776 (1)	$ 104,060	N/A	$ 110
2	5.68% SN8	6/24/2011	6/30/2026	$ 29,000,000	$ 10,038,462	N/A	$ 34,794	15	$ 2,320	$ 570,185	$ 572,504	N/A	$ 1,953
3	6.43% SN9	5/2/2013	5/2/2028	$ 7,000,000	$ 3,715,385	N/A	$ 12,789	15	$ 853	$ 238,899	$ 239,752	N/A	$ 1,747
4	3.73% SN10	12/16/2013	12/16/2028	$ 20,000,000	$ 11,846,154	N/A	$ 68,794	15	$ 4,586	$ 441,862	$ 446,448	N/A	$ 11,562
5	3.88% SN11	5/15/2014	5/15/2029	$ 50,000,000	$ 31,923,077	N/A	$ 192,790	15	$ 12,853	$ 1,238,615	$ 1,251,468	N/A	$ 37,134
6	3.25% SN12	4/21/2017	4/30/2032	$ 70,000,000	$ 62,461,538	N/A	$ 150,539	15	$ 10,036	$ 2,030,000	$ 2,040,036	N/A	$ 59,727
7	3.48% SN13	5/21/2018	5/31/2038	$ 50,000,000	$ 50,000,000	N/A	$ 99,400	20	$ 4,970	$ 1,740,000	$ 1,744,970	N/A	$ 66,801
8	3.58% SN14	11/15/2018	11/30/2038	$ 50,000,000	$ 50,000,000	N/A	$ 95,036	20	$ 4,752	$ 1,790,000	$ 1,794,752	N/A	$ 67,156
9	3.98% SN15	8/13/2019	8/20/2039	$ 100,000,000	$ 100,000,000	N/A	$ 167,966	20	$ 8,398	$ 3,980,000	$ 3,988,398	N/A	$ 126,426
10	2.98% SN16	12/20/2019	12/20/2034	$ 70,000,000	$ 70,000,000	N/A	$ 165,643	15	$ 11,043	$ 2,086,000	$ 2,097,043	N/A	$ 110,428
11	3.00% SN17	7/15/2020	7/15/2035	$ 50,000,000	$ 50,000,000	N/A	$ 92,476	15	$ 6,165	$ 1,500,000	$ 1,506,165	N/A	$ 66,788
12	2.96% SN18	8/15/2020	8/15/2035	$ 40,000,000	$ 40,000,000	N/A	$ 72,953	15	$ 4,864	$ 1,184,000	$ 1,188,864	N/A	$ 53,267
13	2.49% SN19	12/20/2021	1/25/2037	$ 50,000,000	$ 50,000,000	N/A	$ 161,664	15	$ 10,778	$ 1,245,000	$ 1,255,778	N/A	$ 138,751
14	2.95% SN20	3/15/2022	3/15/2042	$ 50,000,000	$ 50,000,000	N/A	$ 98,738	20	$ 4,937	$ 1,475,000	$ 1,479,937	N/A	$ 92,567
15	5.43% SN21	3/14/2023	3/14/2038	$ 80,000,000	$ 61,538,462	N/A	$ 117,035	15	$ 8,360	$ 3,463,133 (1)	$ 3,471,493	N/A	$ 86,812
16	6.39% SN22	11/28/2023	12/28/2026	$ 21,411,000	$ 3,294,000	N/A	$ 126,030	3	$ 3,294	$ 125,415 (1)	$ 128,709	N/A	$ 9,122
17	6.44% SN23	11/28/2023	12/28/2027	$ 21,411,000	$ 3,294,000	N/A	$ 114,789	4	$ 2,258	$ 126,396 (1)	$ 128,654	N/A	$ 8,337
18	6.45% SN24	11/28/2023	12/28/2028	$ 21,411,000	$ 3,294,000	N/A	$ 122,551	5	$ 1,941	$ 126,593 (1)	$ 128,534	N/A	$ 8,959
19	6.62% SN25	11/28/2023	12/28/2030	$ 21,411,000	$ 3,294,000	N/A	$ 121,213	7	$ 1,377	$ 129,929 (1)	$ 131,306	N/A	$ 8,899
20	6.71% SN26	11/28/2023	12/28/2033	$ 21,411,000	$ 3,294,000	N/A	$ 97,179	10	$ 769	$ 131,695 (1)	$ 132,464	N/A	$ 7,097
21	6.73% SN27	11/28/2023	12/28/2038	$ 10,705,500	$ 1,647,000	N/A	$ 46,743	15	$ 375	$ 66,044 (1)	$ 66,419	N/A	$ 3,407
22													
23													
24													
25											$ -	N/A	
26	Loss on Re-acquired Debt								$ 73,704		$ 73,704		$ 610,803
27	Unamortized Shelf Agreements								$ 18,585		$ 18,585		$ 82,980
28													
29	Total				**$ 661,255,463**		$ 2,198,639		$ 197,500	$23,792,542	$23,990,042	$0	$ 1,660,834
30	Issuance Expense (13) + (14).				$ 1,660,834								
31	Net LTD Outstanding				$ 659,594,629								
32													
33	Embedded Cost of LTD (12)				$23,990,042								
34					3.64%								
35													

36 Note 1: A majority of Chesapeake Utilities Corporation's long-term debt have annual amortization payments beginning in the sixth year after the issuance and the amortization of debt issuance costs involves systematically allocating the costs
37 over the life of the underlying debt instrument. This is typically done using the effective interest method, which results in a constant rate of interest over the period. The amortization amount is calculated by applying the effective interest rate to
38 the book value of the debt at the beginning of each period, subtracting the actual interest paid and then attributing the remainder to the amortization of the issuance costs. This process continues until the debt matures or is extinguished.
39 The effective interest method provides a more accurate reflection of the costs of borrowing over time compared to the straight-line method, which allocates the same amount of expenses to each period regardless of the declining balance of the
40 debt. The straight line method would result in fluctuations in the overall cost of debt over its term. Columns 10 and 11 have been adjusted to reflect the actual interest and amortization expense that has been or will be recorded for the
41 Chesapeake notes with annual principle payments.
42 Note 2: To reflect that the 11/23 debt issuances were obtained mainly for the City Gas acquisition and, therefore at a cost that was higher than may have been obtained in the Company's normal financing, only the portion of the debt obtained that was
43 not used for the City Gas purchase is included in this calculation of debt costs. This lower cost of debt has been included to benefit the customers of the business units owned prior to City Gas.

Supporting Schedules: Recap Schedules: D-1 (2023)

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: Florida Public Utilities Company
Consolidated Electric Division

DOCKET NO.: 20240099-EI

EXPLANATION: Provide the specified data on long-term debt issues on a 13-month average basis for the test year, prior year, and historical base year. Arrange by type of issue (i.e., first mortgage bonds)

Type of Data Shown:
___ Projected Test Year Ended 12/31/2025
_x_ Prior Year Ended 12/31/2024
___ Historic Year Ended 12/31/2023
Witness: Noah Russell

Prior Year 2024

(1) Line No.	(2) Description, Coupon Rate	(3) Issue Date	(4) Maturity Date	(5) Principal Amount Sold (Face Value)	(6) 13-Month Average Principal Amt. Outstanding	(7) Discount (Premium) on Principal Amount Sold	(8) Issuing Expense On Principal Amount Sold	(9) Life (Years)	(10) Annual Amortization (7+8)/(9) Note 1	(11) Interest Expense (Coupon Rate) (2) x (6) Note 1	(12) Total Annual Cost (10)+(11)	(13) Unamortized Discount (Premium) Associated With (6)	(14) Average Unamort. Issuing Expense & Loss on Reacquired Debt
1	5.68% SN8	6/24/2011	6/30/2026	$ 29,000,000	$ 7,138,462	N/A	$ 34,794	15	$ 807	$ 411,800	$ 412,607	N/A	$ 979
2	6.43% SN9	5/2/2013	5/2/2028	$ 7,000,000	$ 3,069,231	N/A	$ 12,789	15	$ 532	$ 195,168	$ 195,700	N/A	$ 1,153
3	3.73% SN10	12/16/2013	12/16/2028	$ 20,000,000	$ 9,846,154	N/A	$ 68,794	15	$ 3,247	$ 369,892	$ 373,139	N/A	$ 7,984
4	3.88% SN11	5/15/2014	5/15/2029	$ 50,000,000	$ 26,923,077	N/A	$ 192,790	15	$ 9,871	$ 1,042,211	$ 1,052,082	N/A	$ 26,338
5	3.25% SN12	4/21/2017	4/30/2032	$ 70,000,000	$ 55,461,538	N/A	$ 150,539	15	$ 11,832	$ 1,810,521	$ 1,822,353	N/A	$ 47,151
6	3.48% SN13	5/21/2018	5/31/2038	$ 50,000,000	$ 50,000,000	N/A	$ 99,400	20	$ 6,413	$ 1,740,000	$ 1,746,413	N/A	$ 60,389
7	3.58% SN14	11/15/2018	11/30/2038	$ 50,000,000	$ 50,000,000	N/A	$ 95,036	20	$ 6,083	$ 1,790,000	$ 1,796,083	N/A	$ 61,073
8	3.98% SN15	8/13/2019	8/20/2039	$ 100,000,000	$ 100,000,000	N/A	$ 167,966	20	$ 10,836	$ 3,980,000	$ 3,990,836	N/A	$ 115,589
9	2.98% SN16	12/20/2019	12/20/2034	$ 70,000,000	$ 70,000,000	N/A	$ 165,643	15	$ 15,776	$ 2,086,000	$ 2,101,776	N/A	$ 94,653
10	3.00% SN17	7/15/2020	7/15/2035	$ 50,000,000	$ 50,000,000	N/A	$ 92,476	15	$ 8,807	$ 1,500,000	$ 1,508,807	N/A	$ 57,981
11	2.96% SN18	8/15/2020	8/15/2035	$ 40,000,000	$ 40,000,000	N/A	$ 72,953	15	$ 6,948	$ 1,184,000	$ 1,190,948	N/A	$ 46,319
12	2.49% SN19	12/20/2021	1/25/2037	$ 50,000,000	$ 50,000,000	N/A	$ 161,664	15	$ 15,275	$ 1,245,000	$ 1,260,275	N/A	$ 123,475
13	2.95% SN20	3/15/2022	3/15/2042	$ 50,000,000	$ 50,000,000	N/A	$ 98,738	20	$ 4,937	$ 1,475,000	$ 1,479,937	N/A	$ 87,630
14	5.43% SN21	3/14/2023	3/14/2038	$ 80,000,000	$ 80,000,000	N/A	$ 117,035	15	$ 11,146	$ 4,344,000	$ 4,355,146	N/A	$ 103,103
15	6.39% SN22	11/28/2023	12/28/2026	$ 21,411,000	$ 21,411,000	N/A	$ 126,030	3	$ 40,912	$ 1,368,163	$ 1,409,075	N/A	$ 101,961
16	6.44% SN23	11/28/2023	12/28/2027	$ 21,411,000	$ 21,411,000	N/A	$ 114,789	4	$ 28,133	$ 1,378,868	$ 1,407,001	N/A	$ 98,146
17	6.45% SN24	11/28/2023	12/28/2028	$ 21,411,000	$ 21,411,000	N/A	$ 122,551	5	$ 24,122	$ 1,381,010	$ 1,405,132	N/A	$ 108,230
18	6.62% SN25	11/28/2023	12/28/2030	$ 21,411,000	$ 21,411,000	N/A	$ 121,213	7	$ 17,119	$ 1,417,408	$ 1,434,528	N/A	$ 110,957
19	6.71% SN26	11/28/2023	12/28/2033	$ 21,411,000	$ 21,411,000	N/A	$ 97,179	10	$ 9,641	$ 1,436,678	$ 1,446,319	N/A	$ 91,271
20	6.73% SN27	11/28/2023	12/28/2038	$ 10,705,500	$ 10,705,500	N/A	$ 46,743	15	$ 3,091	$ 720,480	$ 723,571	N/A	$ 44,662
21													
22													
23													
24													
25	Loss on Re-acquired Debt								$ 73,704		$ 73,704		$ 537,101
26	Unamortized Shelf Agreements								$ 20,940		$ 20,940		$ 70,252
27													
28													
29	Total				$760,198,962		$2,159,121		$330,172	$30,876,199	$31,206,372	N/A	$ 1,996,396
30	Issuance Expense (13) + (14).				$1,996,396								
31	Net LTD Outstanding				$758,202,565								
32													
33	Embedded Cost of LTD (12)				$31,206,372								
34					4.12%								
35													

36 Note 1: A majority of Chesapeake Utilities Corporation's long-term debt have annual amortization payments beginning in the sixth year after the issuance and the amortization of debt issuance costs involves systematically allocating the costs
37 over the life of the underlying debt instrument. This is typically done using the effective interest method, which results in a constant rate of interest over the period. The amortization amount is calculated by applying the effective interest rate to
38 the book value of the debt at the beginning of each period, subtracting the actual interest paid and then attributing the remainder to the amortization of the issuance costs. This process continues until the debt matures or is extinguished.
39 The effective interest method provides a more accurate reflection of the costs of borrowing over time compared to the straight-line method, which allocates the same amount of expenses to each period regardless of the declining balance of the
40 debt. The straight line method would result in fluctuations in the overall cost of debt over its term. Columns 10 and 11 have been adjusted to reflect the actual interest and amortization expense that has been or will be recorded for the
41 Chesapeake notes with annual principle payments.
42 Note 2: To reflect that the 11/23 debt issuances were obtained mainly for the City Gas acquisition and, therefore at a cost that was higher than may have been obtained in the Company's normal financing, only the portion of the debt obtained that w
43 not used for the City Gas purchase is included in this calculation of debt costs. This lower cost of debt has been included to benefit the customers of the business units owned prior to City Gas.

Supporting Schedules: Recap Schedules: D-1 (2024)

FPSC EXH NO. 6

ADMITTED

J209

FLORIDA PUBLIC SERVICE COMMISSION	EXPLANATION:	Provide the specified data on long-term debt issues on a 13-month average basis for the test year, prior year, and historical base year. Arrange by type of issue (i.e., first mortgage bonds)	Type of Data Shown:
COMPANY: Florida Public Utilities Company Consolidated Electric Division			x Projected Test Year Ended 12/31/2025
			___ Prior Year Ended 12/31/2024
			___ Historic Year Ended 12/31/2023
DOCKET NO.: 20240099-EI			Witness: Noah Russell

Projected Test YEAR, 2025

(1) Line No.	(2) Description, Coupon Rate		(3) Issue Date	(4) Maturity Date	(5) Principal Amount Sold (Face Value)	(6) 13-Month Average Principal Amt. Outstanding	(7) Discount (Premium) on Principal Amount Sold	(8) Issuing Expense On Principal Amount Sold	(9) Life (Years)	(10) Annual Amortization (7+8)/(9) Note 1	(11) Interest Expense (Coupon Rate) (2) x (6) Note 1	(12) Total Annual Cost (10)+(11)	(13) Unamortized Discount (Premium) Associated With (6)	(14) Average Unamort. Issuing Expense & Loss on Reacquired Debt
1	5.68%	SN8	6/24/2011	6/30/2026	$ 29,000,000	$ 4,238,462	N/A	$ 34,794	15	$ 473	$ 247,080	$ 247,553	N/A	$ 339
2	6.43%	SN9	5/2/2013	5/2/2028	$ 7,000,000	$ 2,369,231	N/A	$ 12,789	15	$ 409	$ 150,158	$ 150,567	N/A	$ 683
3	3.73%	SN10	12/16/2013	12/16/2028	$ 20,000,000	$ 7,846,154	N/A	$ 68,794	15	$ 2,587	$ 295,292	$ 297,879	N/A	$ 5,067
4	3.88%	SN11	5/15/2014	5/15/2029	$ 50,000,000	$ 21,923,077	N/A	$ 192,790	15	$ 8,020	$ 848,211	$ 856,231	N/A	$ 17,392
5	3.25%	SN12	4/21/2017	4/30/2032	$ 70,000,000	$ 48,461,538	N/A	$ 150,539	15	$ 10,346	$ 1,583,021	$ 1,593,367	N/A	$ 36,062
6	3.48%	SN13	5/21/2018	5/31/2038	$ 50,000,000	$ 50,000,000	N/A	$ 99,400	20	$ 6,413	$ 1,740,000	$ 1,746,413	N/A	$ 53,976
7	3.58%	SN14	11/15/2018	11/30/2038	$ 50,000,000	$ 50,000,000	N/A	$ 95,036	20	$ 6,083	$ 1,790,000	$ 1,796,083	N/A	$ 54,990
8	3.98%	SN15	8/13/2019	8/20/2039	$ 100,000,000	$ 100,000,000	N/A	$ 167,966	20	$ 10,836	$ 3,980,000	$ 3,990,836	N/A	$ 104,753
9	2.98%	SN16	12/20/2019	12/20/2034	$ 70,000,000	$ 69,461,538	N/A	$ 165,643	15	$ 15,776	$ 2,079,626	$ 2,095,402	N/A	$ 78,878
10	3.00%	SN17	7/15/2020	7/15/2035	$ 50,000,000	$ 50,000,000	N/A	$ 92,476	15	$ 8,807	$ 1,500,000	$ 1,508,807	N/A	$ 49,174
11	2.96%	SN18	8/15/2020	8/15/2035	$ 40,000,000	$ 40,000,000	N/A	$ 72,953	15	$ 6,948	$ 1,184,000	$ 1,190,948	N/A	$ 39,371
12	2.49%	SN19	12/20/2021	1/25/2037	$ 50,000,000	$ 50,000,000	N/A	$ 161,664	15	$ 15,275	$ 1,245,000	$ 1,260,275	N/A	$ 108,200
13	2.95%	SN20	3/15/2022	3/15/2042	$ 50,000,000	$ 50,000,000	N/A	$ 98,738	20	$ 4,937	$ 1,475,000	$ 1,479,937	N/A	$ 82,693
14	5.43%	SN21	3/14/2023	3/14/2038	$ 80,000,000	$ 80,000,000	N/A	$ 117,035	15	$ 11,146	$ 4,344,000	$ 4,355,146	N/A	$ 91,957
15	6.39%	SN22	11/28/2023	12/28/2026	$ 21,411,000	$ 21,411,000	N/A	$ 126,030	3	$ 40,912	$ 1,368,163	$ 1,409,075	N/A	$ 61,368
16	6.44%	SN23	11/28/2023	12/28/2027	$ 21,411,000	$ 21,411,000	N/A	$ 114,789	4	$ 28,133	$ 1,378,868	$ 1,407,001	N/A	$ 70,332
17	6.45%	SN24	11/28/2023	12/28/2028	$ 21,411,000	$ 21,411,000	N/A	$ 122,551	5	$ 24,122	$ 1,381,010	$ 1,405,132	N/A	$ 84,427
18	6.62%	SN25	11/28/2023	12/28/2030	$ 21,411,000	$ 21,411,000	N/A	$ 121,213	7	$ 17,119	$ 1,417,408	$ 1,434,528	N/A	$ 94,157
19	6.71%	SN26	11/28/2023	12/28/2033	$ 21,411,000	$ 21,411,000	N/A	$ 97,179	10	$ 9,641	$ 1,436,678	$ 1,446,319	N/A	$ 81,949
20	6.73%	SN27	11/28/2023	12/28/2038	$ 10,705,500	$ 10,705,500	N/A	$ 46,743	15	$ 3,091	$ 720,480	$ 723,571	N/A	$ 41,730
21	5.75%	SN28	1/1/2025	1/1/2035	$ 150,000,000	$ 138,461,538	N/A	$ 675,000	10	$ 67,500	$ 8,625,000	$ 8,692,500	N/A	$ 589,327
22	5.75%	SN29	10/1/2025	10/1/2035	$ 100,000,000	$ 23,076,923	N/A	$ 450,000	10	$ 11,250	$ 1,437,500	$ 1,448,750	N/A	$ 102,115
23														
24														
25	Loss on Re-acquired Debt									$ 73,704		$ 73,704		$ 463,397
26	Unamortized Shelf Agreements									$ 20,940		$ 20,940		$ 49,312
27														
28														
29	Total					$ 903,598,961		$ 3,284,121		$ 404,468	$40,226,495	$ 40,630,964	N/A	$ 2,361,648
30	Issuance Expense (13) + (14).					$ 2,361,648								
31	Net LTD Outstanding					$ 901,237,313								
32														
33	Embedded Cost of LTD (12)					$40,630,964								
34						4.51%								
35														

36 Note 1: A majority of Chesapeake Utilities Corporation's long-term debt have annual amortization payments beginning in the sixth year after the issuance and the amortization of debt issuance costs involves systematically allocating the costs
37 over the life of the underlying debt instrument. This is typically done using the effective interest method, which results in a constant rate of interest over the period. The amortization amount is calculated by applying the effective interest rate to
38 the book value of the debt at the beginning of each period, subtracting the actual interest paid and then attributing the remainder to the amortization of the issuance costs. This process continues until the debt matures or is extinguished.
39 The effective interest method provides a more accurate reflection of the costs of borrowing over time compared to the straight-line method, which allocates the same amount of expenses to each period regardless of the declining balance of the
40 debt. The straight line method would result in fluctuations in the overall cost of debt over its term. Columns 10 and 11 have been adjusted to reflect the actual interest and amortization expense that has been or will be recorded for the
41 Chesapeake notes with annual principle payments.
42 Note 2: To reflect that the 11/23 debt issuances were obtained mainly for the City Gas acquisition and, therefore at a cost that was higher than may have been obtained in the Company's normal financing, only the portion of the debt obtained that wa
43 not used for the City Gas purchase is included in this calculation of debt costs. This lower cost of debt has been included to benefit the customers of the business units owned prior to City Gas.

Supporting Schedules: Recap Schedules: D-1 (2025)

J209

REACQUIRED BONDS

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY:

DOCKET NO.: 20240099-EI

EXPLANATION: Supply a statement of the company's policy on treatment of profit or loss from reacquired bonds. Detail any profit or loss on recquired bonds for the test year and prior year.

Type of Data Shown:
x Projected Test Year Ended 12/31/2025
x Prior Year Ended 12/31/2024
x Historic Year Ended 12/31/2023
Witness: Noah Russell

Not Applicable

Supporting Schedules:

Recap Schedules:

FPSC EXH NO. 6
ADMITTED

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: Florida Public Utilities Company
Consolidated Electric Division
DOCKET NO.: 20240099-EI

EXPLANATION: Provide the data as specified for preferred stock on a 13-month average basis for the test year, prior year, and historical base year.

__ Type of Data Shown:
x Projected Test Year Ended 12/31/2025
x Prior Year Ended 12/31/2024
x Historic Year Ended 12/31/2023
__ Witness: Noah Russell

(1) Line No.	(2) Description, Coupon Rate	(3) Issue Date	(4) Call Provisions or Special Restrictions	(5) Principal Amount Sold	(6) 13-month Average Principal Amt. Outstanding	(7) (Discount) Premium on Principal Amount Sold	(8) (Discount) Premium Associated with (6)	(9) Issuing Expense on Principal Amount Sold	(10) Issuing Expense Associated with (6)	(11) Net Proceeds (6)+(8)-(10)	(12) Dollar Dividend on Face Value (2) X (6)	(13) Effective Cost Rate (12)/(11)
1												
2												
3												
4												
5												
6												
7			The Company does not have Preferred Stock Outstanding.									
8												
9												
10												
11												
12												
13												
14												
15												
16												
17												
18												
19												
20												
21												
22												
23												
24												
25												
26												

Supporting Schedules: Recap Schedules:

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: Florida Public Utilities Company
Consolidated Electric Division

DOCKET NO.: 20240099-EI

EXPLANATION Provide monthly balances, interest rates, and interest payments on customer deposits for the test year, the prior year, and historical base year.

Type of Data Shown:
__ Projected Test Year Ended 12/31/2025
__ Prior Year Ended 12/31/2024
x Historic Year Ended 12/31/2023
Witness: Galtman

(1) Line No.	(2) Month and Year	(3) Active Customer Deposits at 2.00%	(4) Active Customer Deposits at 3.00%	(5) Inactive Customer Deposits	(6) Total Deposits (3)+(4)+(5)	(7) Interest Payments (3) X 2%/12	(8) Interest Payments (3) X 3%/12	(9) Total Interest (7) + (8)	(10) Actual Payments and Credits on Bills
1	December 2022	2,820,534	1,045,447	79,844	3,945,826	4,701	2,614		
2	January	2,786,313	1,053,031	99,586	3,938,930	4,644	2,633	7,276	5,975
3	February	2,723,257	1,100,833	109,271	3,933,361	4,539	2,752	7,291	15,598
4	March	2,700,285	1,100,582	112,930	3,913,798	4,500	2,751	7,252	22,646
5	April	2,635,644	1,171,610	119,240	3,926,494	4,393	2,929	7,322	16,583
6	May	2,644,165	1,168,837	114,455	3,927,457	4,407	2,922	7,329	21,154
7	June	2,640,653	1,150,890	125,939	3,917,482	4,401	2,877	7,278	20,637
8	July	2,654,012	1,124,949	125,095	3,904,056	4,423	2,812	7,236	19,471
9	August	2,673,237	1,104,146	154,324	3,931,707	4,455	2,760	7,216	14,291
10	September	2,699,610	1,093,316	134,153	3,927,079	4,499	2,733	7,233	30,684
11	October	2,687,662	1,095,225	116,459	3,899,347	4,479	2,738	7,218	14,501
12	November	2,741,675	1,056,109	162,363	3,960,147	4,569	2,640	7,210	12,985
13	December 2023	2,783,050	1,050,464	131,894	3,965,408	4,638	2,626	7,265	17,849
14									
15	13 Month Average				$ 3,930,084				
16									
17	12 Month Total					$53,949	$33,175	$87,124	
18									
19									
20	Effective Interest Rate								
21	12 Month Interest								
22	Expense (9) divided								
23	by Total Deposits (6)			2.22%					
24									

Supporting Schedules: Recap Schedules: D-1 (2023)

J212

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: Florida Public Utilities Company
Consolidated Electric Division

DOCKET NO.: 20240099-EI

EXPLANATION: Provide monthly balances, interest rates, and interest payments on customer deposits for the test year, the prior year, and historical base year.

Type of Data Shown:
__ Projected Test Year Ended 12/31/2025
x Prior Year Ended 12/31/2024
__ Historic Year Ended 12/31/2023
Witness: Galtman

(1) Line No.	(2) Month and Year	(3) Active Customer Deposits at 2.00%	(4) Active Customer Deposits at 3.00%	(5) Inactive Customer Deposits	(6) Total Deposits (3)+(4)+(5)	(7) Interest Payments (3) X 2%/12	(8) Interest Payments (3) X 3%/12	(9) Total Interest (7) + (8)	(10) Actual Payments and Credits on Bills
1	December 2023	2,783,050	1,050,464	131,894	3,965,408	4,638	2,626		
2	January	2,854,922	1,012,636	99,020	3,966,578	4,758	2,532	7,290	18,607.96
3	February	2,843,177	995,730	110,271	3,949,178	4,739	2,489	7,228	27,340.96
4	March	2,892,905	958,832	131,206	3,982,943	4,822	2,397	7,219	20,246.73
5	April	2,894,204	959,322	131,268	3,984,793	4,824	2,398	7,222	19,910.02
6	May	2,895,502	959,812	131,329	3,986,644	4,826	2,400	7,225	19,919.26
7	June	2,896,801	960,302	131,391	3,988,494	4,828	2,401	7,229	19,928.50
8	July	2,898,100	960,793	131,452	3,990,345	4,830	2,402	7,232	19,937.75
9	August	2,899,399	961,283	131,514	3,992,195	4,832	2,403	7,236	19,946.98
10	September	2,900,697	961,773	131,575	3,994,046	4,834	2,404	7,239	19,956.23
11	October	2,901,996	962,263	131,637	3,995,896	4,837	2,406	7,242	19,965.48
12	November	2,903,295	962,753	131,698	3,997,747	4,839	2,407	7,246	19,974.71
13	December 2024	2,798,635	1,056,347	132,633	3,987,614	4,664	2,641	7,305	19,917.54
14									
15	13 Month Average				$ 3,983,222				
16									
17	12 Month Total					$57,633	$29,280	$86,912	
18									
19									
20	Effective Interest Rate								
21	12 Month Interest								
22	Expense (9) divided								
23	by Total Deposits (6)			2.18%					
24									

Supporting Schedules: Recap Schedules: D-1 (2024)

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: Florida Public Utilities Company
Consolidated Electric Division
DOCKET NO.: 20240099-EI

EXPLANATION Provide monthly balances, interest rates, and interest payments on customer deposits for the test year, the prior year, and historical base year.

Type of Data Shown:
x Projected Test Year Ended 12/31/2025
Prior Year Ended 12/31/2024
Historic Year Ended 12/31/2023
Witness: Galtman

(1) Line No.	(2) Month and Year	(3) Active Customer Deposits at 2.00%	(4) Active Customer Deposits at 3.00%	(5) Inactive Customer Deposits	(6) Total Deposits (3)+(4)+(5)	(7) Interest Payments (3) X 2%/12	(8) Interest Payments (3) X 3%/12	(9) Total Interest (7) + (8)	(10) Actual Payments and Credits on Bills
1	December 2024	2,798,635	1,056,347	132,633	3,987,614	4,664	2,641		
2	January	2,800,212	1,056,942	132,707	3,989,861	4,667	2,642	7,309	19,928.76
3	February	2,801,789	1,057,537	132,782	3,992,108	4,670	2,644	7,313	19,939.99
4	March	2,803,366	1,058,132	132,857	3,994,355	4,672	2,645	7,318	19,951.21
5	April	2,804,943	1,058,728	132,932	3,996,603	4,675	2,647	7,322	19,962.43
6	May	2,806,520	1,059,323	133,006	3,998,850	4,678	2,648	7,326	19,973.65
7	June	2,808,097	1,059,918	133,081	4,001,097	4,680	2,650	7,330	19,984.88
8	July	2,809,675	1,060,513	133,156	4,003,344	4,683	2,651	7,334	19,996.10
9	August	2,811,252	1,061,109	133,231	4,005,591	4,685	2,653	7,338	20,007.33
10	September	2,812,829	1,061,704	133,305	4,007,838	4,688	2,654	7,342	20,018.55
11	October	2,814,406	1,062,299	133,380	4,010,085	4,691	2,656	7,346	20,029.78
12	November	2,815,983	1,062,894	133,455	4,012,332	4,693	2,657	7,351	20,041.00
13	December 2025	2,817,560	1,063,490	133,529	4,014,579	4,696	2,659	7,355	20,052.23
14									
15	13 Month Average				$ 4,001,097				
16									
17	12 Month Total					$56,178	$31,806	$87,984	
18									
19									
20	Effective Interest Rate								
21	12 Month Interest								
22	Expense (9) divided								
23	by Total Deposits (6)			2.20%					
24									

Supporting Schedules: Recap Schedules: D-1 (2025)

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: Florida Public Utilities Company
Consolidated Electric Division
DOCKET NO.: 20240099-EI

EXPLANATION: Provide the most recent five year data for the company, or consolidated parent if the company is not publicly traded as indicated. To the extent the requested data is available from other sources, the Company can reference and attach the information to comply with the requirements of this MFR.

Type of Data Shown:
_____ Projected Test Year Ended 12/31/2025
_____ Prior Year Ended 12/31/2024
x Historic Year Ended 12/31/2023
Witness: Noah Russell

Line No.	Calendar	2023 Year	2022 Year	2021 Year	2020 Year	2019 Year
1	Pre-tax Interest Coverage Ratio (x)	4.1	6.1	6.6	5.4	4.9
2						
3	Earned Returns on Average Book Equity (%)	8.4%	11.2%	11.3%	11.4%	12.1%
4						
5	Book Value/Share ($)	$ 56.58	$ 45.34	$ 41.90	$ 37.66	$ 32.93
6						
7	Dividends/Share ($) - Declared	$ 2.305	$ 2.085	$ 1.880	$ 1.725	$ 1.585
8						
9	Earnings/Share ($) - Dilutted	$ 4.73	$ 5.04	$ 4.73	$ 4.26	$ 3.96
10						
11	Market Value/Share ($)	$ 105.63	$ 118.18	$ 145.81	$ 108.21	$ 95.83
12						
13	Market/Book Ratio (%)	187%	261%	348%	287%	291%
14						
15	Price/Earning Ratio (6) / (5)	22.33	23.45	30.83	25.40	24.20
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J215

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: Florida Public Utilities Company
Consolidated Electric Division
DOCKET NO.: 20240099-EI

EXPLANATION:
1.) If the test year is projected, provide a summary of financing plans and assumptions.

2.) Provide the company's capital structure objectives, the basis for assumptions (such as those for issue cost and interest rates), and any other significant assumptions.
Provide a statement of the Company's policy on the timing of the entrance into capital markets.

Type of Data Shown:
x Projected Test Year Ended 12/31/2025
Prior Year Ended 12/31/2024
Historic Year Ended 12/31/2023
Witness: Noah Russell

Confidential

Financing Plans for the Year Ending 12/31/2025

Line No.	Type of Issue	Date of Issue/ Retirement	For Bonds: Capitalization (Thousands)	For Bonds: Interest Rate	For Bonds: Life in Years	For Stock: No. of Shares	For Stock: Market Price	Issue Costs (Thousands)	Principal Amount (Thousands)
1	Senior Notes	Jan-25	$ 150,000	5.75%	10				
2									
3	Senior Notes	Oct-25	$ 100,000	5.75%	10				
4									
5	Common Stock	[redacted]							
6									
7	Company Stock Programs								
8									
9	Capital Structure Objectives:				Percent of Total				
10									
11									
12	Debt				40-50%				
13	Preferred Stock				0%				
14	Common Equity				50-60%				
15									
16									

17 Interest Rate Assumptions: Short-term interest rates (Secured Overnight Financing Rate ("SOFR")) are expected to begin gradually declining from historical levels in the projected test year.
18 Long-term interest rates (10 Year Treasuries) are expected to remain elevated during the projected test year.
19
20 Company's Policy on the Timing of Entrance into Capital Markets:
21
22 Chesapeake's target capital structure is 40%-60% equity as a percentage of total capitalization (including short-term debt). This target capital structure has been approved by the Board of Directors. Over time,
23 we strive to approximate the midpoint of 55% equity to total capitalization. Earnings retained and reinvested in the business partially help the Corporation fund our growth capital construction program. Any
24 capital spend that is in excess of earnings retained is initially funded with short-term debt. As projects come online, we issue additional long-term debt and equity to stay within the target capital range and,
25 accordingly, reduce our short-term debt balances. As the time for completing larger projects has extended, that has resulted, from time to time, in our capital structure falling below the target capital structure for a brief
26 period before resuming within the target range. Cash requirements are forecasted to increase significantly over the forecasted period due to plant expansions and infrastructure reliability improvements.

Supporting Schedules: Recap Schedules:

FLORIDA PUBLIC SERVICE COMMISSION
COMPANY: Florida Public Utilities Company
Consolidated Electric Division
DOCKET NO.: 20240099-EI

EXPLANATION: Provide financial indicators for the test year under current and proposed rates, the prior year, and historical base year.

Type of Data Shown:
x Projected Test Year Ended 12/31/2025
x Prior Year Ended 12/31/2024
x Historic Year Ended 12/31/2023
Witness: Noah Russell

Line No.	Indicator	Historic Base Year 12/31/2023	Prior Year 12/31/2024	Test Year Current Rates 12/31/2025	Test Year Proposed Rates
1	Interest Coverage Ratios:				
2	Including AFUDC in Income Before Interest Charges	3.36	2.68	2.88	2.88
3	Excluding AFUDC in Income Before Interest Charges	3.17	2.55	2.73	2.73
4	AFUDC as a percent of Income Available for Common	2.5%	3.1%	2.8%	2.8%
5	Percent of Construction Funds Generated Internally	N/A	N/A	N/A	N/A
6					
7	Fixed Charges:				
8	Interest	36,951,275	70,614,397	76,450,728	76,450,728
9	Lease Payments	N/A	N/A	N/A	N/A
10	Sinking Funds Payments	N/A	N/A	N/A	N/A
11	Tax on Sinking Fund Payments	N/A	N/A	N/A	N/A
12					
13	Ratio of Earnings to Fixed Charges				
14	Including AFUDC	3.83	3.18	3.46	3.46
15	Excluding AFUDC	3.58	2.98	3.24	3.24
16					
17					
18					
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27					

Supporting Schedules: Recap Schedules:

FLORIDA PUBLIC UTILITIES
DOCKET NO. 20240099-EI
MINIMUM FILING REQUIREMENTS
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FPSC EXH NO. 7

ADMITTED

FLORIDA PUBLIC UTILITIES

DOCKET NO. 20240099-EI

MINIMUM FILING REQUIREMENTS

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J219

COMPANY: FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 20240099-EI

Explanation: Provide under separate cover a cost of service study that allocates production and transmission plant using the average of the twelve monthly coincident peaks and 1/13 weighted average demand (12 CP and 1/13th) method. In addition, if the company is proposing a different cost allocation method, or if a different method was adopted in its last rate case, provide cost of service studies using these methods as well. All studies filed must be at both present and proposed rates. The cost of service analysis must be done separately for each rate class. If it is not possible to separate the costs of the lighting classes, the lighting classes can be combined.

Each cost study must include a schedule showing total revenues, total expenses, NOI, rate base, rate of return, rate of return index, revenue requirements at an equalized rate of return, revenue excess/deficiency, and revenue requirements index, for each rate class and for the total retail jurisdiction for the test year.

In all cost of service studies filed, the average of the 12 monthly peaks method must be used for the jurisdictional separation of the production and transmission plant and expenses unless the FERC has approved another method in the utility's latest wholesale rate case. The minimum distribution system concept must not be used. The jurisdictional rate base and net operating income in the studies must equal the fully adjusted rate base in Schedule B-1 and the fully adjusted net operating income in Schedule C-1.

Costs and revenues for recovery clauses, franchise fees, and other items not recovered through base rates must be excluded from the cost of service study. Costs for service charges must be allocated consistently with the allocation of the collection of the revenues from these charges. Any other miscellaneous revenues must be allocated consistent with the allocation of the expense associated with the facilities used or services purchased.

If an historic test year is used, the twelve monthly peaks must be the hour of each month having the highest FIRM load, (i.e., exclude the load of non-firm customers in determining the peak hours).

Type of Data Shown:
X Projected Test Year Ended 12/31/2025
___ Prior Year Ended 12/31/2024
___ Historical Test Year Ended 12/31/2023
Witness: Taylor

The Summary worksheet from the required cost of service study is provided on page 2. The Excel workbook will be provided as a working Excel workpaper.

Supporting Schedules:

COMPANY: FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 20240099-EI

Explanation: Provide under separate cover a cost of service study.

Type of Data Shown:
X__ Projected Test Year Ended 12/31/2025
___ Prior Year Ended 12/31/2024
___ Historical Test Year Ended 12/31/2023
Witness: Taylor

Line No.	Category Description	Total System	RS	GS	GSD	GSLD	GSLDI	LS
1	**Rate Base**							
2	Plant in Service	$ 218,555,092	$ 114,762,342	$ 24,698,889	$ 47,177,973	$ 17,515,512	$ 4,243,398	$ 10,156,978
3	Accumulated Reserve	(80,961,538)	(42,009,895)	(9,169,100)	(17,723,008)	(6,535,352)	(978,593)	(4,545,590)
4	Other Rate Base Items	12,459,542	5,958,395	1,376,263	3,073,403	1,170,845	354,174	526,462
5	**Total Rate Base**	**$ 150,053,096**	**$ 78,710,841**	**$ 16,906,053**	**$ 32,528,369**	**$ 12,151,005**	**$ 3,618,979**	**$ 6,137,850**
6	**Revenue at Current Rates**							
7	Sales Revenue	$ 24,375,589	$ 13,663,622	$ 3,005,981	$ 4,090,524	$ 1,305,459	$ 620,814	$ 1,689,189
8	**Subtotal Base Revenue at Current Rates**	**$ 24,375,589**	**$ 13,663,622**	**$ 3,005,981**	**$ 4,090,524**	**$ 1,305,459**	**$ 620,814**	**$ 1,689,189**
9	Other Revenues	$ 978,357	$ 538,862	$ 117,873	$ 177,127	$ 59,560	$ 23,287	$ 61,649
10	**Total Revenue at Current Rates**	**$ 25,353,946**	**$ 14,202,483**	**$ 3,123,853**	**$ 4,267,651**	**$ 1,365,020**	**$ 644,101**	**$ 1,750,838**
11	**Expenses at Current Rates**							
12	O&M and A&G Expenses	16,245,692	10,470,731	1,921,453	2,262,758	770,394	225,393	594,963
13	Depreciation and Amortization Expense	5,741,456	3,118,959	649,766	1,141,698	417,202	101,098	312,733
14	Taxes Other Than Income	2,357,780	1,313,980	269,703	461,010	168,507	42,052	102,527
15	Current Gross Receipts Tax	-	-	-	-	-	-	-
16	Deferred Income Taxes	1,988,078	1,042,853	223,991	430,974	160,991	47,948	81,321
17	Current Income Taxes	(1,970,618)	(1,033,694)	(222,024)	(427,189)	(159,577)	(47,527)	(80,607)
18	**Total Expenses at Current Rates**	**$ 24,362,388**	**$ 14,912,829**	**$ 2,842,889**	**$ 3,869,250**	**$ 1,357,518**	**$ 368,964**	**$ 1,010,938**
19	**Operating Income at Current Rates**	**$ 991,558**	**$ (710,345)**	**$ 280,964**	**$ 398,401**	**$ 7,502**	**$ 275,137**	**$ 739,900**
20	Current Rate of Return	0.66%	-0.90%	1.66%	1.22%	0.06%	7.60%	12.05%
21	Relative Rate of Return	1.00	(1.37)	2.51	1.85	0.09	11.51	18.24
22	Current Revenue to Cost Ratio	0.67	0.64	0.71	0.63	0.56	0.92	1.12
23	Current Parity Ratio	1.00	0.96	1.07	0.94	0.83	1.38	1.67
24	**Current Revenue at Equal Rates of Return**	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
25	Current Rate of Return	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%
26	Current Operating Income at Equal ROR	$ 991,558	$ 520,125	$ 111,716	$ 214,949	$ 80,294	$ 23,914	$ 40,559
27	Current Income Taxes - Equal ROR	(1,970,618)	(1,033,694)	(222,024)	(427,189)	(159,577)	(47,527)	(80,607)
28	Current Gross Receipts Tax - Equal ROR	-	-	-	-	-	-	-
29	Other Expenses - Equal ROR	26,333,006	15,946,523	3,064,913	4,296,439	1,517,095	416,492	1,091,545
30	**Total Margin at Equal Rates of Return**	**$ 25,353,946**	**$ 15,432,954**	**$ 2,954,605**	**$ 4,084,199**	**$ 1,437,812**	**$ 392,879**	**$ 1,051,497**
31	Current (Subsidies)/Excesses	$ -	$ (1,230,470)	$ 169,248	$ 183,452	$ (72,793)	$ 251,222	$ 699,341
32	**Revenue Requirement at Equal Rates of Return**							
33	Required Return	6.89%	6.89%	6.89%	6.89%	6.89%	6.89%	6.89%
34	Required Operating Income	$ 10,336,088	$ 5,421,829	$ 1,164,537	$ 2,240,647	$ 836,996	$ 249,286	$ 422,793

Supporting Schedules:

FPSC EXH NO. 7

ADMITTED

J222

COMPANY: FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 20240099-EI

Explanation: Provide under separate cover a cost of service study.

Type of Data Shown:
X__ Projected Test Year Ended 12/31/2025
___ Prior Year Ended 12/31/2024
___ Historical Test Year Ended 12/31/2023
Witness: Taylor

Line No.	Category Description	Total System	RS	GS	GSD	GSLD	GSLDI	LS
35	**Expenses at Required Return**							
36	O&M and A&G Expenses	16,245,692	10,470,731	1,921,453	2,262,758	770,394	225,393	594,963
37	Depreciation and Amortization Expense	5,741,456	3,118,959	649,766	1,141,698	417,202	101,098	312,733
38	Taxes Other Than Income	2,357,780	1,313,980	269,703	461,010	168,507	42,052	102,527
39	Gross Receipts Tax	-	-	-	-	-	-	-
40	Deferred Income Taxes	1,988,078	1,042,853	223,991	430,974	160,991	47,948	81,321
41	Current Income Taxes	(1,970,618)	(1,033,694)	(222,024)	(427,189)	(159,577)	(47,527)	(80,607)
42	Gross-up Federal Income Tax	2,484,042	1,303,012	279,870	538,488	201,153	59,910	101,609
43	Gross-up State Utility Tax	688,432	361,119	77,564	149,238	55,748	16,604	28,160
44	Gross-up Bad Debts	65,822	34,527	7,416	14,269	5,330	1,587	2,692
45	Gross-up Annual Filing Fee	10,623	5,573	1,197	2,303	860	256	435
46	**Total Expenses at Required Return**	**$ 27,611,308**	**$ 16,617,060**	**$ 3,208,936**	**$ 4,573,548**	**$ 1,620,609**	**$ 447,322**	**$ 1,143,833**
47	**Total Revenue Requirement at Equal Rates of Return**	**$ 37,947,396**	**$ 22,038,889**	**$ 4,373,473**	**$ 6,814,195**	**$ 2,457,605**	**$ 696,607**	**$ 1,566,626**
48	LESS							
49	Other Revenues	978,357	538,862	117,873	177,127	59,560	23,287	61,649
50	Increase in Other Revenues	164,495	90,601	19,818	29,781	10,014	3,915	10,365
51	**Total Base Rate Revenue Requirement at Equal Rates of Ret**	**$ 36,804,544**	**$ 21,409,426**	**$ 4,235,782**	**$ 6,607,287**	**$ 2,388,031**	**$ 669,405**	**$ 1,494,612**
52	**Base Rate Margin (Deficiency)/Surplus**	**$ (12,428,955)**	**$ (7,745,805)**	**$ (1,229,802)**	**$ (2,516,763)**	**$ (1,082,571)**	**$ (48,591)**	**$ 194,577**
53	**Proposed Margin (Decrease)/Increase**	**$ 12,428,955**	**$ 6,014,587**	**$ 2,067,503**	**$ 2,813,449**	**$ 897,891**	**$ 170,798**	**$ 464,727**
54	**Total Revenue at Proposed Rates**	**$ 37,947,396**	**$ 20,307,672**	**$ 5,211,175**	**$ 7,110,881**	**$ 2,272,924**	**$ 818,814**	**$ 2,225,930**
55	**Total Base Rate Revenue at Proposed Rates**	**$ 36,804,544**	**$ 19,678,209**	**$ 5,073,484**	**$ 6,903,973**	**$ 2,203,350**	**$ 791,612**	**$ 2,153,917**
56	Proposed Percentage Change to Total Revenue	49.0%	42.3%	66.2%	65.9%	65.8%	26.5%	26.5%
57	**Operating Income at Proposed Rates**							
58	Operating Expenses	$ 26,333,006	$ 15,946,523	$ 3,064,913	$ 4,296,439	$ 1,517,095	$ 416,492	$ 1,091,545
59	Proposed Revenue Related Expenses	76,445	40,873	10,538	14,340	4,577	1,644	4,474
60	Operating Income Prior to Taxes	11,537,944	4,320,276	2,135,724	2,800,102	751,253	400,678	1,129,912
61	Income Taxes	1,201,856	450,024	222,469	291,674	78,255	41,737	117,698
62	**Total Operating Income at Proposed Rates**	$ 10,336,088	$ 3,870,252	$ 1,913,255	$ 2,508,428	$ 672,998	$ 358,941	$ 1,012,214
63	Proposed Rate of Return	6.89%	4.92%	11.32%	7.71%	5.54%	9.92%	16.49%
64	Relative Rate of Return	1.00	0.71	1.64	1.12	0.80	1.44	2.39
65	Proposed Revenue to Cost Ratio	1.00	0.92	1.19	1.04	0.92	1.18	1.42
66	Proposed Parity Ratio	1.00	0.92	1.19	1.04	0.92	1.18	1.42

Supporting Schedules:

J222

Schedule E-2 | Explanation of Variations From Cost of Service Study Approved In Company's Last Rate Case |

Florida Public Service Commission

COMPANY: FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 20240099-EI

Explanation: Explain the differences between the cost of service study approved in the company's last rate case and that same study filed as part of Schedule E-1 in this rate case (e.g., classification of plant, allocation factor used for certain plant or expenses, etc.)

Type of Data Shown:
X__ Projected Test Year Ended 12/31/2025
___ Prior Year Ended 12/31/2024
___ Historical Test Year Ended 12/31/2023
Witness: Taylor

The cost of service study prepared for this rate case uses a model based in Microsoft Excel that employs the same allocation methods utilized in the last rate case.

Supporting Schedules:

Recap Schedules:

Florida Public Service Commission

COMPANY: FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 20240099-EI

Explanation: For each cost of service study filed, provide the allocation of rate base components as listed below to rate schedules.

Type of Data Shown:
X__ Projected Test Year Ended 12/31/2025
___ Prior Year Ended 12/31/2024
___ Historical Test Year Ended 12/31/2023
Witness: Taylor

Allocation Method:________________________________

Rate Base Component	Total Amount	Total Percent		Residential Service (RS) Amount	Percent	General Service (GS) Amount	Percent	General Demand (GSD) Amount	Percent	General Dem. Large (GSLD) Amount	Percent	General Service Large Demand 1 (GSLDI) Amount	Percent	Lighting Services (LS) Amount	Percent
Demand															
Production		0%			0.0%		0.0%		0.0%		0.0%		0.0%		0.0%
Transmission	19,764,276	100%	#	9,557,340	48.4%	2,003,739	10.1%	4,382,932	22.2%	1,847,672	9.3%	1,851,613	9.4%	120,979	0.6%
Distribution - Primary	52,085,633	100%	#	26,716,959	51.3%	6,109,795	11.7%	12,881,234	24.7%	4,737,627	9.1%	1,030,160	2.0%	609,858	1.2%
Distribution - Secondary	32,678,288	100%	#	17,081,075	52.3%	3,906,305	12.0%	8,242,549	25.2%	3,058,455	9.4%	-	0.0%	389,904	1.2%
General Plant	5,290,551	100%	#	2,743,520	51.9%	626,620	11.8%	1,322,160	25.0%	488,758	9.2%	47,290	0.9%	62,203	1.2%
Other Plant	1,673,054	100%	#	858,834	51.3%	194,021	11.6%	411,258	24.6%	154,845	9.3%	35,766	2.1%	18,330	1.1%
Working Capital	11,993,499	100%	#	6,108,200	50.9%	1,373,220	11.4%	2,916,538	24.3%	1,106,375	9.2%	362,373	3.0%	126,793	1.1%
Intangible	216,697	100%	#	112,373	51.9%	25,666	11.8%	54,155	25.0%	20,019	9.2%	1,937	0.9%	2,548	1.2%
Subtotal	123,702,000	100%	#	63,178,302	51.1%	14,239,365	11.5%	30,210,826	24.4%	11,413,751	9.2%	3,329,139	2.7%	1,330,616	1.1%
Energy															
Production Plant															
General Plant															
Other Plant															
Working Capital															
Intangible															
Subtotal	0														
Customer															
Meters	2,581,449	100.0%	#	1,959,841	75.9%	327,083	12.7%	99,025	3.8%	3,545	0.1%	191,954	7.4%	-	0.0%
Service Drops	6,678,866	100.0%	#	3,533,227	52.9%	808,021	12.1%	1,704,975	25.5%	632,643	9.5%	-	0.0%	-	0.0%
Customer Accounts		0.0%	#		0.0%		0.0%		0.0%		0.0%		0.0%		0.0%
Customer Service	3,989,869	100.0%	#	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	3,989,869	100.0%
General Plant	5,519,580	100.0%	#	4,277,058	77.5%	652,592	11.8%	162,393	2.9%	15,494	0.3%	96,628	1.8%	315,416	5.7%
Other Plant	305,659	100.0%	#	135,716	44.4%	27,840	9.1%	43,143	14.1%	15,132	5.0%	5,066	1.7%	78,762	25.8%
Working Capital	466,043	100.0%	#	(149,805)	-32.1%	3,043	0.7%	156,865	33.7%	64,470	13.8%	(8,200)	-1.8%	399,669	85.8%
Intangible	6,809,631	100.0%	#	5,776,502	84.8%	848,108	12.5%	151,143	2.2%	5,970	0.1%	4,390	0.1%	23,518	0.3%
Subtotal	26,351,096		#	15,532,539		2,666,687		2,317,542		737,254		289,840		4,807,234	
			#												
Total	150,053,096		#	78,710,841		16,906,053		32,528,369		12,151,005		3,618,979		6,137,850	

Supporting Schedules: E-4, E-5, E-13

Recap Schedules: E-6a

FPSC EXH NO. 7

ADMITTED

J225

Florida Public Service Commission

COMPANY: FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 20240099-EI

Explanation: For each cost of service study filed, provide the allocation of test year expenses to rate schedules.

Type of Data Shown:
X__ Projected Test Year Ended 12/31/2025
___ Prior Year Ended 12/31/2024
___ Historical Test Year Ended 12/31/2023
Witness: Taylor

Allocation Method:______________________

	Total			Rate Schedules											
				Residential Service		General Service		General Demand		General Dem. Large		General Service Large Demand 1		Lighting Services	
Expense Component	Amount	Percent		Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent
Demand															
Production															
Transmission	493,723	100.0%	-	238,748	48.4%	50,055	10.1%	109,488	22.2%	46,156	9.3%	46,254	9.4%	3,022	0.6%
Distribution - Primary	3,729,156	100.0%	-	1,922,273	51.5%	439,597	11.8%	926,799	24.9%	340,870	9.1%	55,737	1.5%	43,879	1.2%
Distribution - Secondary	2,367,923	100.0%	-	1,237,723	52.3%	283,057	12.0%	597,269	25.2%	221,621	9.4%	-	0.0%	28,253	1.2%
General	417,426	100.0%	-	216,464	51.9%	49,440	11.8%	104,319	25.0%	38,563	9.2%	3,731	0.9%	4,908	1.2%
Other	6,448,329	100.0%	-	3,332,054	51.7%	758,155	11.8%	1,602,232	24.8%	596,095	9.2%	85,789	1.3%	74,005	1.1%
Subtotal	**13,456,556**	**100.0%**	-	**6,947,262**	**51.6%**	**1,580,304**	**11.7%**	**3,340,106**	**24.8%**	**1,243,305**	**9.2%**	**191,512**	**1.4%**	**154,067**	**1.1%**
Energy															
Production															
General															
Other															
Subtotal															
Customer															
Meters	2,098,456	100.0%	-	1,593,152	75.9%	265,886	12.7%	80,497	3.8%	2,882	0.1%	156,040	7.4%	-	0.0%
Service Drops	653,571	100.0%	-	345,749	52.9%	79,070	12.1%	166,843	25.5%	61,908	9.5%	-	0.0%	-	0.0%
Customer Accounts	7,362,634	100.0%	-	6,026,665	81.9%	917,629	12.5%	281,804	3.8%	49,423	0.7%	21,412	0.3%	65,700	0.9%
Customer Lights	791,171	100.0%	-	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	791,171	100.0%
Subtotal	**10,905,832**	**100.0%**	-	**7,965,567**	**73.0%**	**1,262,585**	**11.6%**	**529,144**	**4.9%**	**114,213**	**1.0%**	**177,452**	**1.6%**	**856,871**	**7.9%**
Total	**24,362,388**			**14,912,829**		**2,842,889**		**3,869,250**		**1,357,518**		**368,964**		**1,010,938**	
	22,374,310			**13,869,976**		**2,618,898**		**3,438,277**		**1,196,527**		**321,016**		**929,616**	

Supporting Schedules: C-1 Recap Schedules: E-6a

Florida Public Service Commission

COMPANY: FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 20240099-EI

Explanation: Functionalize and classify test year rate base by primary account (plant balances, accumulated depreciation and CWIP). The account balances in the B Schedules and those used in the cost of service study must be equal. ($000)

Type of Data Shown:
X__ Projected Test Year Ended 12/31/2025
___ Prior Year Ended 12/31/2024
___ Historical Test Year Ended 12/31/2023
Witness: Taylor

Rate Base Account Number and Title	Jurisdictional Adjusted Rate Base		Transmission Demand Amount	Transmission Demand Percent	Transmission Customer Amount	Transmission Customer Percent	Transmission Energy Amount	Transmission Energy Percent	Distribution Primary Demand Amount	Distribution Primary Demand Percent	Distribution Primary Customer Amount	Distribution Primary Customer Percent
Plant in Service												
Production												
Intangible	7,726,958	-	7,670	0%	-	0%	-	0%	305,797	4%	-	0%
Transmission	25,191,383	-	25,191,383	100%	-	0%	-	0%	-	0%	-	0%
Distribution	167,213,730	-	-	0%	-	0%	-	0%	78,660,155	47%	-	0%
General Plant	16,444,309	-	130,631	1%	-	0%	-	0%	5,232,552	32%	-	0%
CWIP	1,978,713	-	259,071	13%	-	0%	-	0%	808,949	41%	-	0%
Total Plant in Service	**218,555,092**	-	**25,588,755**	**12%**	**-**	**0%**	**-**	**0%**	**85,007,453**	**39%**	**-**	**0%**
Accumulated Provision for Depreciation & Amortizatior												
Production												
Intangible	(700,630)	-	(4,153)	1%	-	0%	-	0%	(164,907)	24%	-	0%
Transmission	(5,427,107)	-	(5,427,107)	100%	-	0%	-	0%	-	0%	-	0%
Distribution	(69,199,625)	-	-	0%	-	0%	-	0%	(26,574,522)	38%	-	0%
General Plant	(5,634,177)	-	(44,757)	1%	-	0%	-	0%	(1,792,786)	32%	-	0%
Total Accum. Prov. For Depr.	**(80,961,538)**	-	**(5,476,017)**	**7%**	**-**	**0%**	**-**	**0%**	**(28,532,215)**	**35%**	**-**	**0%**
Customer Advances for Const.	(307,918)	-	-	0%	-	0%	-	0%	(144,850)	47%	-	0%
Working Capital Allowance	(5,499,780)	-	(100,265)	2%	-	0%	(0)	0%	(1,633,342)	30%	-	0%
Other Rate Base	18,267,240	-	2,670,214	15%	-	0%	0	0%	7,497,784	41%	-	0%
Total Other Rate Base	**12,459,542**	-	**2,569,949**	**21%**	**-**	**0%**	**0**	**0%**	**5,719,592**	**46%**	**-**	**0%**
Total Rate Base	**150,053,096**	-	**22,682,687**	**15%**	**-**	**0%**	**0**	**0%**	**62,194,830**	**41%**	**-**	**0%**
	(0)											

Supporting Schedules: E-3a, B-1 Recap Schedules: E-3a

J226

FPSC EXH NO. 7

ADMITTED

J227

Florida Public Service Commission

COMPANY: FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 20240099-EI

Explanation: Functionalize and classify test year rate base by primary account (plant balances, accumulated depreciation and CWIP). The account balances in the B Schedules and those used in the cost of service study must be equal. ($000)

Type of Data Shown:
X Projected Test Year Ended 12/31/2025
___ Prior Year Ended 12/31/2024
___ Historical Test Year Ended 12/31/2023
Witness: Taylor

Rate Base Account Number and Title	Jurisdictional Adjusted Rate Base	Distribution Primary Energy		Distribution Secondary Demand		Distribution Secondary Customer		Distribution Secondary Energy		Services Demand		Services Customer	
		Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent
Plant in Service													
Production													
Intangible	7,726,958	-	0%	156,930	2%	-	0%	-	0%	-	0%	7,402	0%
Transmission	25,191,383	-	0%	-	0%	-	0%	-	0%	-	0%	-	0%
Distribution	167,213,730	-	0%	58,832,086	35%	-	0%	-	0%	-	0%	15,437,722	9%
General Plant	16,444,309	-	0%	2,684,772	16%	-	0%	-	0%	-	0%	126,300	1%
CWIP	1,978,713	-	0%	605,035	31%	-	0%	-	0%	-	0%	158,763	8%
Total Plant in Service	**218,555,092**	**-**	**0%**	**62,278,823**	**28%**	**-**	**0%**	**-**	**0%**	**-**	**0%**	**15,730,187**	**7%**
Accumulated Provision for Depreciation & Amortizatior													
Production													
Intangible	(700,630)	-	0%	(84,641)	12%	-	0%	-	0%	-	0%	(4,001)	1%
Transmission	(5,427,107)	-	0%	-	0%	-	0%	-	0%	-	0%	-	0%
Distribution	(69,199,625)	-	0%	(26,153,797)	38%	-	0%	-	0%	-	0%	(8,758,856)	13%
General Plant	(5,634,177)	-	0%	(919,861)	16%	-	0%	-	0%	-	0%	(43,273)	1%
Total Accum. Prov. For Depr.	**(80,961,538)**	**-**	**0%**	**(27,158,299)**	**34%**	**-**	**0%**	**-**	**0%**	**-**	**0%**	**(8,806,130)**	**11%**
Customer Advances for Const.	(307,918)	-	0%	(108,337)	35%	-	0%	-	0%	-	0%	(28,428)	9%
Working Capital Allowance	(5,499,780)	-	0%	(850,387)	15%	-	0%	-	0%	-	0%	(53,596)	1%
Other Rate Base	18,267,240	-	0%	4,662,682	26%	-	0%	-	0%	-	0%	919,254	5%
Total Other Rate Base	**12,459,542**	**-**	**0%**	**3,703,958**	**30%**	**-**	**0%**	**-**	**0%**	**-**	**0%**	**837,230**	**7%**
Total Rate Base	**150,053,096**	**-**	**0%**	**38,824,482**	**26%**	**-**	**0%**	**-**	**0%**	**-**	**0%**	**7,761,286**	**5%**
	(0)												

Supporting Schedules: E-3a, B-1

J227

FPSC EXH NO. 7
ADMITTED

J228

Florida Public Service Commission

COMPANY: FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 20240099-EI

Explanation: Functionalize and classify test year rate base by primary account (plant balances, accumulated depreciation and CWIP). The account balances in the B Schedules and those used in the cost of service study must be equal.
($000)

Type of Data Shown:
X__ Projected Test Year Ended 12/31/2025
___ Prior Year Ended 12/31/2024
___ Historical Test Year Ended 12/31/2023
Witness: Taylor

Rate Base Account Number and Title	Jurisdictional Adjusted Rate Base	Services Energy Amount	Services Energy Percent	Meters Demand Amount	Meters Demand Percent	Meters Customer Amount	Meters Customer Percent	Meters Energy Amount	Meters Energy Percent	Customer Accounts & Service Demand Amount	Customer Accounts & Service Demand Percent	Customer Accounts & Service Customer Amount	Customer Accounts & Service Customer Percent
Plant in Service													
Production													
Intangible	7,726,958	-	0%	-	0%	113,602	1%	-	0%	-	0%	7,108,260	92%
Transmission	25,191,383	-	0%	-	0%	-	0%	-	0%	-	0%	-	0%
Distribution	167,213,730	-	0%	-	0%	6,625,182	4%	-	0%	-	0%	-	0%
General Plant	16,444,309	-	0%	-	0%	1,944,466	12%	-	0%	-	0%	5,858,535	36%
CWIP	1,978,713	-	0%	-	0%	68,134	3%	-	0%	-	0%	-	0%
Total Plant in Service	**218,555,092**	**-**	**0%**	**-**	**0%**	**8,751,385**	**4%**	**-**	**0%**	**-**	**0%**	**12,966,795**	**6%**
Accumulated Provision for Depreciation & Amortizatior													
Production													
Intangible	(700,630)	-	0%	-	0%	(61,246)	9%	-	0%	-	0%	(366,962)	52%
Transmission	(5,427,107)	-	0%	-	0%	-	0%	-	0%	-	0%	-	0%
Distribution	(69,199,625)	-	0%	-	0%	(4,043,734)	6%	-	0%	-	0%	-	0%
General Plant	(5,634,177)	-	0%	-	0%	(666,216)	12%	-	0%	-	0%	(2,007,261)	36%
Total Accum. Prov. For Depr.	**(80,961,538)**	**-**	**0%**	**-**	**0%**	**(4,771,196)**	**6%**	**-**	**0%**	**-**	**0%**	**(2,374,223)**	**3%**
Customer Advances for Const.	(307,918)	-	0%	-	0%	(12,200)	4%	-	0%	-	0%	-	0%
Working Capital Allowance	(5,499,780)	-	0%	-	0%	(533,938)	10%	-	0%	-	0%	(2,178,486)	40%
Other Rate Base	18,267,240	-	0%	-	0%	528,419	3%	-	0%	-	0%	1,406,294	8%
Total Other Rate Base	**12,459,542**	**-**	**0%**	**-**	**0%**	**(17,719)**	**0%**	**-**	**0%**	**-**	**0%**	**(772,192)**	**-6%**
Total Rate Base	**150,053,096**	**-**	**0%**	**-**	**0%**	**3,962,470**	**3%**	**-**	**0%**	**-**	**0%**	**9,820,380**	**0**
	(0)												

Supporting Schedules: E-3a, B-1

J228

Florida Public Service Commission

COMPANY: FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 20240099-EI

Explanation: Functionalize and classify test year rate base by primary account (plant balances, accumulated depreciation and CWIP). The account balances in the B Schedules and those used in the cost of service study must be equal. ($000)

Type of Data Shown:
X Projected Test Year Ended 12/31/2025
___ Prior Year Ended 12/31/2024
___ Historical Test Year Ended 12/31/2023
Witness: Taylor

Rate Base Account Number and Title	Jurisdictional Adjusted Rate Base	Customer Accounts & Service Energy Amount	Customer Accounts & Service Energy Percent	Lighting Plant Demand Amount	Lighting Plant Demand Percent	Lighting Plant Customer Amount	Lighting Plant Customer Percent	Lighting Plant Energy Amount	Lighting Plant Energy Percent
Plant in Service									
Production									
Intangible	7,726,958	-	0%	-	0%	27,296	0%	-	0%
Transmission	25,191,383	-	0%	-	0%	-	0%	-	0%
Distribution	167,213,730	-	0%	-	0%	7,658,585	5%	-	0%
General Plant	16,444,309	-	0%	-	0%	467,052	3%	-	0%
CWIP	1,978,713	-	0%	-	0%	78,762	4%	-	0%
Total Plant in Service	**218,555,092**	**-**	**0%**	**-**	**0%**	**8,231,694**	**4%**	**-**	**0%**
Accumulated Provision for Depreciation & Amortizatior									
Production									
Intangible	(700,630)	-	0%	-	0%	(14,720)	2%	-	0%
Transmission	(5,427,107)	-	0%	-	0%	-	0%	-	0%
Distribution	(69,199,625)	-	0%	-	0%	(3,668,715)	5%	-	0%
General Plant	(5,634,177)	-	0%	-	0%	(160,022)	3%	-	0%
Total Accum. Prov. For Depr.	**(80,961,538)**	**-**	**0%**	**-**	**0%**	**(3,843,458)**	**5%**	**-**	**0%**
Customer Advances for Const.	(307,918)	-	0%	-	0%	(14,103)	5%	-	0%
Working Capital Allowance	(5,499,780)	-	0%	-	0%	(149,766)	3%	-	0%
Other Rate Base	18,267,240	-	0%	-	0%	582,592	3%	-	0%
Total Other Rate Base	**12,459,542**	**-**	**0%**	**-**	**0%**	**418,723**	**3%**	**-**	**0%**
Total Rate Base	**150,053,096**	**-**	**0%**	**-**	**0%**	**4,806,960**	**3%**	**-**	**0%**
	(0)								

Supporting Schedules: E-3a, B-1

Florida Public Service Commission

COMPANY: FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 20240099-EI

Explanation: Functionalize and classify test year operating expenses by primary account (depreciation expense, operation and maintenance expense, and any other expense items). The balances in the C Schedules and those used in the cost of service study must be equal.
($000)

Type of Data Shown:
X Projected Test Year Ended 12/31/2025
___ Prior Year Ended 12/31/2024
___ Historical Test Year Ended 12/31/2023
Witness: Taylor

Operating Expense Account Number and Title	Jurisdictional Adjusted Expense	Transmission Demand		Transmission Customer		Transmission Energy		Distribution Primary Demand		Distribution Primary Customer	
		Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent
Expense Items											
O&M	16,245,692	296,170	2%	-	0%	0	0%	4,824,698	30%	-	0%
Depreciation	5,741,456	410,166	7%	-	0%	0	0%	2,111,458	37%	-	0%
Taxes Other Than Income	2,357,780	209,420	9%	-	0%	0	0%	873,866	37%	-	0%
Income Taxes	17,460	2,639	15%	-	0%	0	0%	7,237	41%	-	0%
Total Expenses	**24,362,388**	**918,395**	4%	**-**	0%	**0**	0%	**7,817,258**	32%	**-**	0%
	-										
O&M EXPENSES											
TRANSMISSION - OPERATION	135,196	135,196	100%	-	0%	-	0%	-	0%	-	0%
TRANSMISSION - MAINTENANCE	9,641	9,641	100%	-	0%	-	0%	-	0%	-	0%
DISTRIBUTION - OPERATION	1,691,971	-	0%	-	0%	-	0%	803,974	48%	-	0%
DISTRIBUTION - MAINTENANCE	2,320,180	-	0%	-	0%	-	0%	1,284,879	55%	-	0%
TOTAL CUSTOMER ACCOUNTS EXP	3,116,615	-	0%	-	0%	-	0%	-	0%	-	0%
TOTAL CUST SERV & INFO	-	-	0%	-	0%	-	0%	-	0%	-	0%
TOTAL CUST SALES EXPENSE	138,771	-	0%	-	0%	-	0%	-	0%	-	0%
ADMINISTRATIVE AND GENERAL - OPERATION	8,707,063	150,330	2%	-	0%	0	0%	2,695,671	31%	-	0%
MAINTENANCE OF GENERAL PLANT	126,255	1,003	1%	-	0%	-	0%	40,174	32%	-	0%
TOTAL O&M EXPENSES	16,245,692	296,170	2%	-	0%	0	0%	4,824,698	30%	-	0%
	-										
DEPRECIATION & AMORTIZATION EXPENSE											
TRANSMISSION	348,886	348,886	100%	-	0%	-	0%	-	0%	-	0%
DISTRIBUTION	3,763,141	-	0%	-	0%	-	0%	1,640,304	44%	-	0%
INTANGIBLE	315,325	509	0%	-	0%	-	0%	20,378	6%	-	0%
GENERAL PLANT	852,922	6,775	1%	-	0%	-	0%	271,398	32%	-	0%
AMORTIZATION	461,182	53,996	12%	-	0%	0	0%	179,378	39%	-	0%
TOTAL DEPRECIATION & AMORTIZATION EXPENSE	5,741,456	410,166	7%	-	0%	0	0%	2,111,458	37%	-	0%
	461,182										
TAXES OTHER THAN INCOME											
FICA	610,539	4,850	1%	-	0%	-	0%	194,273	32%	-	0%
REAL AND PERSONAL PROPERTY	1,747,241	204,570	12%	-	0%	0	0%	679,593	39%	-	0%
TOTAL TAXES OTHER THAN INCOME	2,357,780	209,420	9%	-	0%	0	0%	873,866	37%	-	0%
	-										
INCOME TAXES											
INCOME TAXES	(1,970,618)	(297,887)	15%	-	0%	(0)	0%	(816,793)	41%	-	0%
DEFERRED INCOME TAXES	1,988,078	300,527	15%	-	0%	0	0%	824,029	41%	-	0%
TOTAL INCOME TAXES	17,460	2,639	15%	-	0%	0	0%	7,237	41%	-	0%

Supporting Schedules: E-3b, C-1 Recap Schedules:

Florida Public Service Commission

COMPANY: FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 20240099-EI

Explanation: Functionalize and classify test year operating expenses by primary account (depreciation expense, operation and maintenance expense, and any other expense items). The balances in the C Schedules and those used in the cost of service study must be equal.
($000)

Type of Data Shown:
X__ Projected Test Year Ended 12/31/2025
___ Prior Year Ended 12/31/2024
___ Historical Test Year Ended 12/31/2023
Witness: Taylor

Operating Expense Account Number and Title	Jurisdictional Adjusted Expense	Distribution Primary Energy		Distribution Secondary Demand		Distribution Secondary Customer		Distribution Secondary Energy		Services Demand		Services Customer	
		Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent
Expense Items													
O&M	16,245,692	-	0%	2,511,941	15%	-	0%	-	0%	-	0%	158,317	1%
Depreciation	5,741,456	-	0%	1,606,877	28%	-	0%	-	0%	-	0%	363,907	6%
Taxes Other Than Income	2,357,780	-	0%	597,568	25%	-	0%	-	0%	-	0%	130,444	6%
Income Taxes	17,460	-	0%	4,518	26%	-	0%	-	0%	-	0%	903	5%
Total Expenses	**24,362,388**	**-**	0%	**4,720,903**	19%	**-**	0%	**-**	0%	**-**	0%	**653,571**	3%
	-												
O&M EXPENSES													
TRANSMISSION - OPERATION	135,196	-	0%	-	0%	-	0%	-	0%	-	0%	-	0%
TRANSMISSION - MAINTENANCE	9,641	-	0%	-	0%	-	0%	-	0%	-	0%	-	0%
DISTRIBUTION - OPERATION	1,691,971	-	0%	270,208	16%	-	0%	-	0%	-	0%	42,859	3%
DISTRIBUTION - MAINTENANCE	2,320,180	-	0%	771,964	33%	-	0%	-	0%	-	0%	1,023	0%
TOTAL CUSTOMER ACCOUNTS EXP	3,116,615	-	0%	-	0%	-	0%	-	0%	-	0%	-	0%
TOTAL CUST SERV & INFO	-	-	0%	-	0%	-	0%	-	0%	-	0%	-	0%
TOTAL CUST SALES EXPENSE	138,771	-	0%	-	0%	-	0%	-	0%	-	0%	-	0%
ADMINISTRATIVE AND GENERAL - OPERATION	8,707,063	-	0%	1,449,157	17%	-	0%	-	0%	-	0%	113,465	1%
MAINTENANCE OF GENERAL PLANT	126,255	-	0%	20,613	16%	-	0%	-	0%	-	0%	970	1%
TOTAL O&M EXPENSES	16,245,692	-	0%	2,511,941	15%	-	0%	-	0%	-	0%	158,317	1%
	-												
DEPRECIATION & AMORTIZATION EXPENSE													
TRANSMISSION	348,886	-	0%	-	0%	-	0%	-	0%	-	0%	-	0%
DISTRIBUTION	3,763,141	-	0%	1,325,752	35%	-	0%	-	0%	-	0%	323,671	9%
INTANGIBLE	315,325	-	0%	10,456	3%	-	0%	-	0%	-	0%	492	0%
GENERAL PLANT	852,922	-	0%	139,252	16%	-	0%	-	0%	-	0%	6,551	1%
AMORTIZATION	461,182	-	0%	131,417	28%	-	0%	-	0%	-	0%	33,193	7%
TOTAL DEPRECIATION & AMORTIZATION EXPENSE	5,741,456	-	0%	1,606,877	28%	-	0%	-	0%	-	0%	363,907	6%
	461,182												
TAXES OTHER THAN INCOME													
FICA	610,539	-	0%	99,679	16%	-	0%	-	0%	-	0%	4,689	1%
REAL AND PERSONAL PROPERTY	1,747,241	-	0%	497,889	28%	-	0%	-	0%	-	0%	125,755	7%
TOTAL TAXES OTHER THAN INCOME	2,357,780	-	0%	597,568	25%	-	0%	-	0%	-	0%	130,444	6%
	-												
INCOME TAXES													
INCOME TAXES	(1,970,618)	-	0%	(509,874)	26%	-	0%	-	0%	-	0%	(101,927)	5%
DEFERRED INCOME TAXES	1,988,078	-	0%	514,392	26%	-	0%	-	0%	-	0%	102,831	5%
TOTAL INCOME TAXES	17,460	-	0%	4,518	26%	-	0%	-	0%	-	0%	903	5%

Supporting Schedules: E-3b, C-1 Recap Schedules:

Florida Public Service Commission

COMPANY: FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 20240099-EI

Explanation: Functionalize and classify test year operating expenses by primary account (depreciation expense, operation and maintenance expense, and any other expense items). The balances in the C Schedules and those used in the cost of service study must be equal.
($000)

Type of Data Shown:
X__ Projected Test Year Ended 12/31/2025
___ Prior Year Ended 12/31/2024
___ Historical Test Year Ended 12/31/2023
Witness: Taylor

Operating Expense Account Number and Title	Jurisdictional Adjusted Expense	Services Energy		Meters Demand		Meters Customer		Meters Energy		Customer Accounts & Demand		Customer Accounts & Service Customer	
		Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent
Expense Items													
O&M	16,245,692	-	0%	-	0%	1,577,188	10%	-	0%	-	0%	6,434,988	40%
Depreciation	5,741,456	-	0%	-	0%	378,651	7%	-	0%	-	0%	605,326	11%
Taxes Other Than Income	2,357,780	-	0%	-	0%	142,157	6%	-	0%	-	0%	321,177	14%
Income Taxes	17,460	-	0%	-	0%	461	3%	-	0%	-	0%	1,143	7%
Total Expenses	**24,362,388**	**-**	0%	**-**	0%	**2,098,456**	9%	**-**	0%	**-**	0%	**7,362,634**	30%
	-												
O&M EXPENSES													
TRANSMISSION - OPERATION	135,196	-	0%	-	0%	-	0%	-	0%	-	0%	-	0%
TRANSMISSION - MAINTENANCE	9,641	-	0%	-	0%	-	0%	-	0%	-	0%	-	0%
DISTRIBUTION - OPERATION	1,691,971	-	0%	-	0%	465,434	28%	-	0%	-	0%	-	0%
DISTRIBUTION - MAINTENANCE	2,320,180	-	0%	-	0%	175,897	8%	-	0%	-	0%	-	0%
TOTAL CUSTOMER ACCOUNTS EXP	3,116,615	-	0%	-	0%	-	0%	-	0%	-	0%	3,116,615	100%
TOTAL CUST SERV & INFO	-	-	0%	-	0%	-	0%	-	0%	-	0%	-	0%
TOTAL CUST SALES EXPENSE	138,771	-	0%	-	0%	-	0%	-	0%	-	0%	138,771	100%
ADMINISTRATIVE AND GENERAL - OPERATION	8,707,063	-	0%	-	0%	920,928	11%	-	0%	-	0%	3,134,621	36%
MAINTENANCE OF GENERAL PLANT	126,255	-	0%	-	0%	14,929	12%	-	0%	-	0%	44,980	36%
TOTAL O&M EXPENSES	16,245,692	-	0%	-	0%	1,577,188	10%	-	0%	-	0%	6,434,988	40%
	-												
DEPRECIATION & AMORTIZATION EXPENSE													
TRANSMISSION	348,886	-	0%	-	0%	-	0%	-	0%	-	0%	-	0%
DISTRIBUTION	3,763,141	-	0%	-	0%	251,757	7%	-	0%	-	0%	-	0%
INTANGIBLE	315,325	-	0%	-	0%	7,573	2%	-	0%	-	0%	274,098	87%
GENERAL PLANT	852,922	-	0%	-	0%	100,854	12%	-	0%	-	0%	303,866	36%
AMORTIZATION	461,182	-	0%	-	0%	18,467	4%	-	0%	-	0%	27,362	6%
TOTAL DEPRECIATION & AMORTIZATION EXPENSE	5,741,456	-	0%	-	0%	378,651	7%	-	0%	-	0%	605,326	11%
	461,182												
TAXES OTHER THAN INCOME													
FICA	610,539	-	0%	-	0%	72,194	12%	-	0%	-	0%	217,514	36%
REAL AND PERSONAL PROPERTY	1,747,241	-	0%	-	0%	69,963	4%	-	0%	-	0%	103,663	6%
TOTAL TAXES OTHER THAN INCOME	2,357,780	-	0%	-	0%	142,157	6%	-	0%	-	0%	321,177	14%
	-												
INCOME TAXES													
INCOME TAXES	(1,970,618)	-	0%	-	0%	(52,038)	3%	-	0%	-	0%	(128,969)	7%
DEFERRED INCOME TAXES	1,988,078	-	0%	-	0%	52,499	3%	-	0%	-	0%	130,112	7%
TOTAL INCOME TAXES	17,460	-	0%	-	0%	461	3%	-	0%	-	0%	1,143	7%

Supporting Schedules: E-3b, C-1 Recap Schedules:

Florida Public Service Commission

COMPANY: FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 20240099-EI

Explanation: Functionalize and classify test year operating expenses by primary account (depreciation expense, operation and maintenance expense, and any other expense items). The balances in the C Schedules and those used in the cost of service study must be equal.
($000)

Type of Data Shown:
X__ Projected Test Year Ended 12/31/2025
___ Prior Year Ended 12/31/2024
___ Historical Test Year Ended 12/31/2023
Witness: Taylor

Operating Expense Account Number and Title	Jurisdictional Adjusted Expense	Customer Accounts & Service Energy		Lighting Plant Demand		Lighting Plant Customer		Lighting Plant Energy	
		Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent
Expense Items									
O&M	16,245,692	-	0%	-	0%	442,391	3%	-	0%
Depreciation	5,741,456	-	0%	-	0%	265,072	5%	-	0%
Taxes Other Than Income	2,357,780	-	0%	-	0%	83,149	4%	-	0%
Income Taxes	17,460	-	0%	-	0%	559	3%	-	0%
Total Expenses	**24,362,388**	-	0%	-	0%	**791,171**	3%	-	0%
	-								
O&M EXPENSES									
TRANSMISSION - OPERATION	135,196	-	0%	-	0%	-	0%	-	0%
TRANSMISSION - MAINTENANCE	9,641	-	0%	-	0%	-	0%	-	0%
DISTRIBUTION - OPERATION	1,691,971	-	0%	-	0%	109,496	6%	-	0%
DISTRIBUTION - MAINTENANCE	2,320,180	-	0%	-	0%	86,418	4%	-	0%
TOTAL CUSTOMER ACCOUNTS EXP	3,116,615	-	0%	-	0%	-	0%	-	0%
TOTAL CUST SERV & INFO	-	-	0%	-	0%	-	0%	-	0%
TOTAL CUST SALES EXPENSE	138,771	-	0%	-	0%	-	0%	-	0%
ADMINISTRATIVE AND GENERAL - OPERATION	8,707,063	-	0%	-	0%	242,891	3%	-	0%
MAINTENANCE OF GENERAL PLANT	126,255	-	0%	-	0%	3,586	3%	-	0%
TOTAL O&M EXPENSES	16,245,692	-	0%	-	0%	442,391	3%	-	0%
	-								
DEPRECIATION & AMORTIZATION EXPENSE									
TRANSMISSION	348,886	-	0%	-	0%	-	0%	-	0%
DISTRIBUTION	3,763,141	-	0%	-	0%	221,658	6%	-	0%
INTANGIBLE	315,325	-	0%	-	0%	1,819	1%	-	0%
GENERAL PLANT	852,922	-	0%	-	0%	24,225	3%	-	0%
AMORTIZATION	461,182	-	0%	-	0%	17,370	4%	-	0%
TOTAL DEPRECIATION & AMORTIZATION EXPENSE	5,741,456	-	0%	-	0%	265,072	5%	-	0%
	461,182								
TAXES OTHER THAN INCOME									
FICA	610,539	-	0%	-	0%	17,341	3%	-	0%
REAL AND PERSONAL PROPERTY	1,747,241	-	0%	-	0%	65,808	4%	-	0%
TOTAL TAXES OTHER THAN INCOME	2,357,780	-	0%	-	0%	83,149	4%	-	0%
	-								
INCOME TAXES									
INCOME TAXES	(1,970,618)	-	0%	-	0%	(63,129)	3%	-	0%
DEFERRED INCOME TAXES	1,988,078	-	0%	-	0%	63,688	3%	-	0%
TOTAL INCOME TAXES	17,460	-	0%	-	0%	559	3%	-	0%

Supporting Schedules: E-3b, C-1 Recap Schedules:

Florida Public Service Commission

COMPANY: FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 20240099-EI

Explanation: Provide a schedule by rate class which identifies the source and amount of ALL revenue INCLUDED IN THE COST OF SERVICE STUDY. The base rate revenue from retail sales of electricity must equal that shown on MFR Schedule E-13a. The revenue from service charges must equal that shown on MFR Schedule E-13b. The total revenue for the retail system must equal that shown on MFR Schedule ____.

Type of Data Shown:
X__ Projected Test Year Ended 12/31/2025
___ Prior Year Ended 12/31/2024
___ Historical Test Year Ended 12/31/2023
Witness: Taylor

Account Number	Description of Source	Total Company	Residential Service	General Service	General -Demand	General Large Demand	General Large Demand 1	Total Lighting Services
	PRESENT REVENUES							
440-447	Sales of Electricity	24,375,589	13,663,622	3,005,981	4,090,524	1,305,459	620,814	1,689,189
451	Miscellaneous Service Charges	163,225	91,495	20,129	27,391	8,742	4,157	11,311
450	Forefeited Discounts	507,014	284,204	62,525	85,083	27,154	12,913	35,135
454	Rent from Electric Property	269,439	141,481	30,449	58,162	21,593	5,231	12,522
456	Other Electric Revenue	38,679	21,681	4,770	6,491	2,071	985	2,680
	Total Present Revenue	**25,353,946**	**14,202,483**	**3,123,853**	**4,267,651**	**1,365,020**	**644,101**	**1,750,838**
	PROPOSED INCREASES							
	Sales of Electricity	12,428,955	6,014,587	2,067,503	2,813,449	897,891	170,798	464,727
	Miscellaneous Service Charges	164,495	90,601	19,818	29,781	10,014	3,915	10,365
	Forefeited Discounts	-	-	-	-	-	-	-
	Rent from Electric Property	-	-	-	-	-	-	-
	Other Electric Revenue	-	-	-	-	-	-	-
	Total Increase in Revenue	**12,593,450**	**6,105,188**	**2,087,322**	**2,843,230**	**907,905**	**174,713**	**475,093**
	PROPOSED REVENUE							
	Sales of Electricity	36,804,544	19,678,209	5,073,484	6,903,973	2,203,350	791,612	2,153,917
	Miscellaneous Service Charges	327,720	182,096	39,947	57,172	18,756	8,072	21,676
	Forefeited Discounts	507,014	284,204	62,525	85,083	27,154	12,913	35,135
	Rent from Electric Property	269,439	141,481	30,449	58,162	21,593	5,231	12,522
	Other Electric Revenue	38,679	21,681	4,770	6,491	2,071	985	2,680
	Total Proposed Revenue	**37,947,396**	**20,307,672**	**5,211,175**	**7,110,881**	**2,272,924**	**818,814**	**2,225,930**

Supporting Schedules: E-13a, E-13b, E-13c

Recap Schedules: E-6a, E-6b

FPSC EXH NO. 7
ADMITTED

J235

Schedule E-6a Cost of Service Study - Unit Costs, Present Rates

Florida Public Service Commission

COMPANY: FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 20240099-EI

Explanation: For each cost of service study filed by the company, calculate the unit costs for demand, energy and customer for each rate schedule at present rates, based on the revenue requirements from sales of electricity only, excluding other operating revenues. The demand unit costs must be separated into production, transmission and distribution. Unit costs under present rates must be calculated at both the system and class rates of return. Unit costs must be provided separately for each existing rate class, except for the lighting classes. If the company is proposing to combine two or more classes, it must also provide unit costs for the classes combined. Customer unit costs for the lighting classes must include only customer-related costs, excluding costs for fixtures and poles. The lighting fixtures and poles must be shown on a separate line. Billing units must match Schedule E-5.

Type of Data Shown:
X__ Projected Test Year Ended 12/31/2025
___ Prior Year Ended 12/31/2024
___ Historical Test Year Ended 12/31/2023
Witness: Taylor

Allocation Method: Please refer to the Cost of Service Study in E-1.

Line No.	Description	Total Company	RS	GS	GSD	GSLD	GSLDI-SB	LS
1	**Current Revenues - Class Rate of Return**	$ 25,353,946	$ 14,202,483	$ 3,123,853	$ 4,267,651	$ 1,365,020	$ 644,101	$ 1,750,838
2	**Revenues at System Rate of Return**	$ 25,353,946	$ 15,432,954	$ 2,954,605	$ 4,084,199	$ 1,437,812	$ 392,879	$ 1,051,497
	FUNCTIONALIZED REVENUE AT CURRENT REVENUES (CLASS RATE OF RETURN)							
3	Energy (Non-Fuel Portion)							
4	Demand - Production							
5	Demand - Transmission	$ 1,985,671	$ 926,135	$ 215,213	$ 412,764	$ 154,317	$ 257,442	$ 20,331
6	Demand - Primary	$ 8,985,097	$ 4,462,683	$ 1,131,163	$ 2,091,058	$ 682,059	$ 198,320	$ 176,662
7	Demand - Secondary	$ 5,502,661	$ 2,774,212	$ 703,202	$ 1,301,025	$ 428,133	$ -	$ 109,822
8	Services	$ 906,147	$ 462,358	$ 117,198	$ 216,833	$ 71,354	$ -	$ -
9	Meters	$ 1,641,737	$ 1,202,187	$ 222,382	$ 59,033	$ 1,874	$ 168,943	$ -
10	Customer Accounts and Service	$ 5,513,254	$ 4,374,908	$ 734,696	$ 186,938	$ 27,282	$ 19,396	$ 73,453
11	Lighting Facilities	$ 819,378	$ -	$ -	$ -	$ -	$ -	$ 1,370,570
12	Removal of Other Operating Revenues	$ (978,357)	$ (538,862)	$ (117,873)	$ (177,127)	$ (59,560)	$ (23,287)	$ (61,649)
13	Total Revenues	$ 24,375,589	$ 13,663,622	$ 3,005,981	$ 4,090,524	$ 1,305,459	$ 620,814	$ 1,689,189
	FUNCTIONALIZED REVENUE AT CURRENT REVENUES (SYSTEM RATE OF RETURN)							
14	Energy (Non-Fuel Portion)							
15	Demand - Production							
16	Demand - Transmission	$ 1,985,671	$ 1,006,373	$ 203,553	$ 395,021	$ 162,547	$ 157,030	$ 12,210
17	Demand - Primary	$ 8,985,097	$ 4,849,319	$ 1,069,877	$ 2,001,171	$ 718,431	$ 120,968	$ 106,098
18	Demand - Secondary	$ 5,502,661	$ 3,014,564	$ 665,103	$ 1,245,099	$ 450,964	$ -	$ 65,955
19	Services	$ 906,147	$ 502,416	$ 110,848	$ 207,512	$ 75,159	$ -	$ -
20	Meters	$ 1,641,737	$ 1,306,342	$ 210,333	$ 56,495	$ 1,974	$ 103,049	$ -
21	Customer Accounts and Service	$ 5,513,254	$ 4,753,940	$ 694,891	$ 178,902	$ 28,737	$ 11,831	$ 44,113
22	Lighting Facilities	$ 819,378	$ -	$ -	$ -	$ -	$ -	$ 823,121
23	Removal of Other Operating Revenues	$ (978,357)	$ (538,862)	$ (117,873)	$ (177,127)	$ (59,560)	$ (23,287)	$ (61,649)
24	Total Revenues	$ 24,375,589	$ 14,894,092	$ 2,836,733	$ 3,907,072	$ 1,378,252	$ 369,592	$ 989,848
	BILLING UNITS (ANNUAL)							
25	Energy	613,810,520	300,934,214	59,831,618	162,301,520	78,180,504	5,111,000	7,451,664
26	Demand	1,400,761	679,622	142,875	308,472	127,730	133,899	8,163
27	Customer	365,239	310,747	45,568	8,016	296	24	588

J235

FPSC EXH NO. 7
ADMITTED

J236

Schedule E-6a — Cost of Service Study - Unit Costs, Present Rates

Florida Public Service Commission

COMPANY: FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 20240099-EI

Explanation: For each cost of service study filed by the company, calculate the unit costs for demand, energy and customer for each rate schedule at present rates, based on the revenue requirements from sales of electricity only, excluding other operating revenues. The demand unit costs must be separated into production, transmission and distribution. Unit costs under present rates must be calculated at both the system and class rates of return. Unit costs must be provided separately for each existing rate class, except for the lighting classes. If the company is proposing to combine two or more classes, it must also provide unit costs for the classes combined. Customer unit costs for the lighting classes must include only customer-related costs, excluding costs for fixtures and poles. The lighting fixtures and poles must be shown on a separate line. Billing units must match Schedule E-5.

Type of Data Shown:
X__ Projected Test Year Ended 12/31/2025
___ Prior Year Ended 12/31/2024
___ Historical Test Year Ended 12/31/2023
Witness: Taylor

Allocation Method: Please refer to the Cost of Service Study in E-1.

Line No.	Description	Total Company	RS	GS	GSD	GSLD	GSLDI-SB	LS
	UNIT COST - FUNCTIONALIZED REVENUE							
	CURRENT REVENUES (CLASS RATE OF RETURN)							
28	Energy Non-Fuel - cents/KWH	NA	NA	NA	NA	NA	NA	NA
29	Customer - $/bill	$ 22.07	$ 19.44	$ 23.58	$ 57.73	$ 339.56	$ 7,847.47	$ 124.92
30	Customer (Lighting Facilities)	NA	NA	NA	NA	NA	NA	NA
31	$/Fixture or pole							
32	Demand - Production - $/KW	NA	NA	NA	NA	NA	NA	NA
33	Demand - Transmission - $/KW	$ 1.42	$ 1.36	$ 1.51	$ 1.34	$ 1.21	$ 1.92	$ 2.49
34	Demand - Primary - $/KW	$ 6.41	$ 6.57	$ 7.92	$ 6.78	$ 5.34	$ 1.48	$ 21.64
35	Demand - Secondary - $/KW	$ 3.93	$ 4.08	$ 4.92	$ 4.22	$ 3.35	$ -	$ 13.45
36	Demand - Distribution - $/KW	$ 10.34	$ 10.65	$ 12.84	$ 11.00	$ 8.69	$ 1.48	$ 35.09
37	Demand - Production -cents/KWH	NA	NA	NA	NA	NA	NA	NA
38	Demand - Transmission - cents/KWH	$ 0.00	$ 0.00	$ 0.00	$ 0.00	$ 0.00	$ 0.05	$ 0.00
39	Demand - Distribution - cents/KWH	$ 0.02	$ 0.02	$ 0.03	$ 0.02	$ 0.01	$ 0.04	$ 0.04
40	(Unit Costs = Revenue Requirements							
41	(lines 11 through 20) divided by Billing							
42	Units (line 31 through 33).							
	UNIT COST - FUNCTIONALIZED REVENUE							
	CURRENT REVENUES (SYSTEM RATE OF RETURN)							
43	Energy Non-Fuel - cents/KWH	NA	NA	NA	NA	NA	NA	NA
44	Customer - $/bill	$ 22.07	$ 21.12	$ 22.30	$ 55.25	$ 357.67	$ 4,786.68	$ 75.02
45	Customer (Lighting Facilities)	NA	NA	NA	NA	NA	NA	NA
46	$/Fixture or pole							
47	Demand - Production - $/KW	NA	NA	NA	NA	NA	NA	NA
48	Demand - Transmission - $/KW	$ 1.42	$ 1.48	$ 1.42	$ 1.28	$ 1.27	$ 1.17	$ 1.50
49	Demand - Primary - $/KW	$ 6.41	$ 7.14	$ 7.49	$ 6.49	$ 5.62	$ 0.90	$ 13.00
50	Demand - Secondary - $/KW	$ 3.93	$ 4.44	$ 4.66	$ 4.04	$ 3.53	$ -	$ 8.08
51	Demand - Distribution - $/KW	$ 10.34	$ 11.57	$ 12.14	$ 10.52	$ 9.16	$ 0.90	$ 21.08
52	Demand - Production -cents/KWH	NA	NA	NA	NA	NA	NA	NA
53	Demand - Transmission - cents/KWH	$ 0.00	$ 0.00	$ 0.00	$ 0.00	$ 0.00	$ 0.03	$ 0.00
54	Demand - Distribution - cents/KWH	$ 0.02	$ 0.03	$ 0.03	$ 0.02	$ 0.01	$ 0.02	$ 0.02
55	(Unit Costs = Revenue Requirements							
56	(lines 21 through 30) divided by Billing							
57	Units (line 31 through 33).							

Supporting Schedules: E-3a, E-3b, E-5, E-13

J236

FPSC EXH NO. 7

ADMITTED

J237

Schedule E-6b — Cost of Service Study - Unit Costs, Proposed Rates

Florida Public Service Commission

COMPANY: FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 20240099-EI

Explanation: For each cost of service study filed by the company, calculate the unit costs for demand, energy and customer for each rate schedule at proposed rates, based on the revenue requirements from sales of electricity only, excluding other operating revenues. The demand unit costs must be separated into production, transmission and distribution. Unit costs under proposed rates must be calculated at the system rate of return. Unit costs must be provided separately for each existing rate class, except for the lighting classes. If the company is proposing to combine two or more classes, it must also provide unit costs for the classes combined. Customer unit costs for the lighting classes must include only customer-related costs, excluding costs for fixtures and poles. The lighting fixtures and poles must be shown on a separate line. Billing units must match Schedule E-5.

Type of Data Shown:
X__ Projected Test Year Ended 12/31/2025
___ Prior Year Ended 12/31/2024
___ Historical Test Year Ended 12/31/2023
Witness: Taylor

Allocation Method: Please refer to the Cost of Service Study in E-1.

Line No.	Description	Total Company	RS	GS	GSD	GSLD	GSLDI-SB	LS
	REVENUE REQUIREMENTS FROM SALES OF ELECTRICITY ($000)							
1	Energy (Non-Fuel Portion)	NA	NA	NA	NA	NA	NA	NA
2	Demand - Production	NA	NA	NA	NA	NA	NA	NA
3	Demand - Transmission	$ 2,971,965	$ 1,437,142	$ 301,303	$ 659,064	$ 277,835	$ 278,428	$ 18,192
4	Demand - Primary	$ 13,448,047	$ 6,925,026	$ 1,583,657	$ 3,338,811	$ 1,227,991	$ 214,487	$ 158,075
5	Demand - Secondary	$ 8,235,865	$ 4,304,920	$ 984,501	$ 2,077,359	$ 770,818	$ -	$ 98,267
6	Services	$ 1,356,236	$ 717,471	$ 164,080	$ 346,219	$ 128,467	$ -	$ -
7	Meters	$ 2,457,197	$ 1,865,509	$ 311,340	$ 94,259	$ 3,374	$ 182,715	$ -
8	Customer Accounts and Service	$ 8,251,718	$ 6,788,820	$ 1,028,593	$ 298,485	$ 49,119	$ 20,977	$ 65,725
9	Lighting Facilities	$ 1,226,368	$ -	$ -	$ -	$ -	$ -	$ 1,226,368
10	Removal of Other Operating Revenues	$ (1,142,852)	$ (629,463)	$ (137,691)	$ (206,908)	$ (69,574)	$ (27,202)	$ (72,014)
11	Total Revenue Requirement at Equal Rate of Return	$ 36,804,544	$ 21,409,426	$ 4,235,782	$ 6,607,287	$ 2,388,031	$ 669,405	$ 1,494,612
	BILLING UNITS (ANNUAL)							
12	Energy	613,810,520	300,934,214	59,831,618	162,301,520	78,180,504	5,111,000	7,451,664
13	Demand	1,400,761	679,622	142,875	308,472	127,730	133,899	8,163
14	Customer	365,239	310,747	45,568	8,016	296	24	588
	UNIT COST							
15	Energy Non-Fuel - cents/KWH	NA	NA	NA	NA	NA	NA	NA
16	Customer - $/bill	$ 33.03	$ 30.16	$ 33.01	$ 92.19	$ 611.35	$ 8,487.19	$ 111.78
17	Customer (Lighting Facilities) $/Fixture or pole	NA	NA	NA	NA	NA	NA	NA
18	Demand - Production - $/KW	NA	NA	NA	NA	NA	NA	NA
19	Demand - Transmission - $/KW	$ 2.12	$ 2.11	$ 2.11	$ 2.14	$ 2.18	$ 2.08	$ 2.23
20	Demand - Primary - $/KW	$ 9.60	$ 10.19	$ 11.08	$ 10.82	$ 9.61	$ 1.60	$ 19.36
21	Demand - Secondary - $/KW	$ 5.88	$ 6.33	$ 6.89	$ 6.73	$ 6.03	$ -	$ 12.04
22	Demand - Distribution - $/KW	$ 15.48	$ 16.52	$ 17.97	$ 17.56	$ 15.65	$ 1.60	$ 31.40
23	Demand - Production -cents/KWH	NA	NA	NA	NA	NA	NA	NA
24	Demand - Transmission - cents/KWH	$ 0	0.00478	0.00504	0.00406	0.00355	0.05448	0.00244
25	Demand - Distribution - cents/KWH	$ 0	0.03732	0.04292	0.03337	0.02557	0.04197	0.03440
	(Unit Costs = Revenue Requirements (lines 1 through 10) divided by Billing Units (line 11 through 13).							

Supporting Schedules: E-5, E-4a

J237

Florida Public Service Commission COMPANY: FLORIDA PUBLIC UTILITIES Consolidated Electric Division DOCKET NO.: 20240099-EI	Explanation: Provide the calculation of the current cost of providing the services listed in Schedule E-13b. At a minimum, the schedule must include an estimate of all labor, transportation, customer accounting and overhead costs incurred in providing the service, and a short narrative describing the tasks performed.	Type of Data Shown: X__ Projected Test Year Ended 12/31/2025 ___ Prior Year Ended 12/31/2024 ___ Historical Test Year Ended 12/31/2023 Witness: Haffecke

Derivation of Hourly Costs

1. Labor Rates

Actual hourly rates as of December 31, 2023 were used as a basis of determining the cost of the required activities. These Rates were adjusted for non-productive time (vacation and sick time) and further adjusted for overhead costs (payroll taxes, retiree benefits, workman's comp insurance and employee medical insurance).

2. Category Labor Rates

Administrative Labor

The average hourly wage of the Electric Operations Managers and the Customer Service Managers:

Average Hourly Rate			=	57.69
Non-Productive Time Adjustment	57.69	10.51%	=	6.06
Overhead Cost Adjustment (includes non-productive time adj.)	63.75	30.84%	=	19.66
Total Administrative Hourly Labor Cost				83.41

Clerical Labor

The hourly wage of the staff handling these services:

Average Hourly Rate			=	21.00
Non-Productive Time Adjustment	21.00	10.51%	=	2.21
Overhead Cost Adjustment (includes non-productive time adj.)	23.21	30.84%	=	7.16
Total Administrative Hourly Labor Cost				30.36

Supporting Schedules: Recap Schedules: E-13b

Florida Public Service Commission

COMPANY: FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 20240099-EI

Explanation: Provide the calculation of the current cost of providing the services listed in Schedule E-13b. At a minimum, the schedule must include an estimate of all labor, transportation, customer accounting and overhead costs incurred in providing the service, and a short narrative describing the tasks performed.

Type of Data Shown:
X__ Projected Test Year Ended 12/31/2025
___ Prior Year Ended 12/31/2024
___ Historical Test Year Ended 12/31/2023
Witness: Haffecke

32	Field Service Labor					
33						
34	The average hourly wage for the Service Department Personnel					
35	that normally perform the necessary activities in the field:					
36						
37	Average Hourly Rate			=	28.26	
38	Non-Productive Time Adjustment	28.26	10.51%	=	2.97	
39	Overhead Cost Adjustment (includes non-productive time adj.)	31.23	30.84%	=	9.63	
40						
41	Total Administrative Hourly Labor Cost				40.86	
42						
43	Construction Labor					
44						
45	The average hourly wage of construction personnel					
46	involved customer service activities:					
47						
48	Average Hourly Rate			=	43.16	
49	Non-Productive Time Adjustment	43.16	10.51%	=	4.54	
50	Overhead Cost Adjustment (includes non-productive time adj.)	47.70	30.84%	=	14.71	
51						
52	Total Administrative Hourly Labor Cost				62.41	
53						
54						
55						
56	3. Transportation rate					
57	The actual average hourly transportation rate **for 2013**					
58						
59	Hourly Transportation Rate (Pickup)					3.98
60	Hourly Transportation Rate (Bucket)					37.34

Supporting Schedules:

Recap Schedules: E-13b

Florida Public Service Commission

COMPANY: FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 20240099-EI

Explanation: Provide the calculation of the current cost of providing the services listed in Schedule E-13b. At a minimum, the schedule must include an estimate of all labor, transportation, customer accounting and overhead costs incurred in providing the service, and a short narrative describing the tasks performed.

Type of Data Shown:
X__ Projected Test Year Ended 12/31/2025
___ Prior Year Ended 12/31/2024
___ Historical Test Year Ended 12/31/2023
Witness: Haffecke

Derivation of Costs for Proposed Service Charges

It is proposed to have six (6) different categories of service charges as described below. This will modify two (2) service charges, eliminate one (1) existing service charge and retain four (4) service charges.

The Administrative, Clerical, Service Construction, and Transportation time in hours for each activity was determined by the Director, Northwest Florida

A description of each type of activity along with the derivation of their respective costs of labor and transportation follows:

1) Initial Establishment of Services

At the customer's request, an order is created by the Customer Service Representative to have power connected. Once we receive notification that the customer's premise is ready to have power , the order is routed to construction personnel who go to the location and connect the service or change from temporary to permanent and set a meter. The order is returned to the office for input into the billing system.

	Time		Hourly Cost	Cost	
Administrative Labor	0.17	hours @	83.41	14.18	
Clerical Labor	0.35	hours @	30.36	10.63	
Construction Labor	1.00	hours @	62.41	62.41	
Transportation (Bucket)	1.00	hours @	37.34	37.34	
					Service Charge
			Total Cost	124.55	**$125.00**

J240

Florida Public Service Commission

COMPANY: FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 20240099-EI

Explanation: Provide the calculation of the current cost of providing the services listed in Schedule E-13b. At a minimum, the schedule must include an estimate of all labor, transportation, customer accounting and overhead costs incurred in providing the service, and a short narrative describing the tasks performed.

Type of Data Shown:
X__ Projected Test Year Ended 12/31/2025
___ Prior Year Ended 12/31/2024
___ Historical Test Year Ended 12/31/2023
Witness: Haffecke

Supporting Schedules: Recap Schedules: E-13b

2) Re-Establish Service or Make Changes to an existing Account

At the customer's request, an order is created by the Customer Service Representative to have power turned on. The order is routed to service personnel who go to the location and set or read a meter. The order is returned to the office for input into the billing system.

	Time		Hourly Cost	Cost	
Administrative Labor	0.00	hours @	83.41	0.00	
Clerical Labor	0.35	hours @	30.36	10.63	
Service Labor	0.75	hours @	40.86	30.65	
Transportation (Pickup)	0.75	hours @	3.98	2.99	
					Service Charge
			Total Cost	44.26	**$45.00**

3) Temporary Disconnect Then Reconnect Service

At the customer's request, an order is created by the Customer Service Representative to have the service temporarily disconnected and then reconnected at customer's request. The order is then routed to construction personnel who go to the site and disconnect and then return to the site to reconnect when requested by customer. Order is returned to office for input into the billing system.

	Time		Hourly Cost	Cost	
Administrative Labor	0.00	hours @	83.41	0.00	
Clerical Labor	0.05	hours @	30.36	1.52	
Construction Labor	0.80	hours @	62.41	49.92	
Transportation (Bucket)	0.80	hours @	37.34	29.87	
					Service Charge
			Total Cost	81.31	**$81.00**

Supporting Schedules: Recap Schedules: E-13b

Florida Public Service Commission

COMPANY: FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 20240099-EI

Explanation: Provide the calculation of the current cost of providing the services listed in Schedule E-13b. At a minimum, the schedule must include an estimate of all labor, transportation, customer accounting and overhead costs incurred in providing the service, and a short narrative describing the tasks performed.

Type of Data Shown:
X__ Projected Test Year Ended 12/31/2025
___ Prior Year Ended 12/31/2024
___ Historical Test Year Ended 12/31/2023
Witness: Haffecke

4) Reconnect After Disconnect for Violation of rules shown in Section - 13 Discontinuance of Service (Normal Hours)

After the disconnected customer has corrected the rule violation a service order is created to by a Customer Service representative and routed to a service personnel who goes back to the customer's location and reconnects the service. The order is returned to the office so that a service charge can be put into the billing system.

	Time		Hourly Cost	Cost	
Administrative Labor	0.20	hours @	83.41	16.68	
Clerical Labor	0.25	hours @	30.36	7.59	
Service Labor	1.00	hours @	40.86	40.86	
Transportation (Pickup)	1.00	hours @	3.98	3.98	
					Service Charge
			Total Cost	69.12	**$70.00**

5) Reconnect After Disconnect for Violation of rules shown in Section - 13 Discontinuance of Service (After Hours)

After the disconnected customer has corrected the rule violation, the customer calls the after hour call center and a standby construction person is dispatched to the customer's location to reconnect service. The order is returned to the office so that a service charge can be put into the billing system.

	Time		Hourly Cost	Cost	
Administrative Labor	0.20	hours @	83.41	16.68	
Clerical Labor	0.25	hours @	30.36	7.59	
Service Labor	0.40	hours @	40.86	16.34	
Construction	3.00	hours @	62.41	187.22	
Transportation (Pickup)	0.40	hours @	3.98	1.59	
Transportation (Bucket)	3.00	hours @	37.34	112.02	
					Service Charge
			Total Cost	324.76	**$325.00**

Supporting Schedules: Recap Schedules: E-13b

Florida Public Service Commission COMPANY: FLORIDA PUBLIC UTILITIES Consolidated Electric Division DOCKET NO.: 20240099-EI	Explanation: Provide the calculation of the current cost of providing the services listed in Schedule E-13b. At a minimum, the schedule must include an estimate of all labor, transportation, customer accounting and overhead costs incurred in providing the service, and a short narrative describing the tasks performed.	Type of Data Shown: X Projected Test Year Ended 12/31/2025 ___ Prior Year Ended 12/31/2024 ___ Historical Test Year Ended 12/31/2023 Witness: Haffecke

6) Temporary Service

At the customer's request for service, an order is created by the Customer Service Representative to run temporary service. When we receive notification that the customer's premise is ready to have power, the order is routed to consturction personnel who go to the location and connect the service and set a meter. The order is returned to office for input into the billing system.

	Time		Hourly Cost	Cost	
Administrative Labor	0.20	hours @	83.41	16.68	
Clerical Labor	0.40	hours @	30.36	12.15	
Construction	1.00	hours @	62.41	62.41	
Transportation (Bucket)	1.00	hours @	37.34	37.34	
					Service Charge
			Total Cost	128.57	**$135.00**

7) Collection Charge

Should a customer not pay their monthly electric bill by the due date, a collection notice is issued. The notice is mailed to the customer and routed to service personnel. After the collection date is reached, service personnel are dispatched to the location to disconnect electricity. If a customer is at the location and elects to make payment, communication with office personnel is established, the customer makes payment and the electricity is not disconnected by the service personnel. The order is returned to the office for processing in the billing system.

	Time		Hourly Cost	Cost	
Administrative Labor	0.20	hours @	83.41	16.68	
Clerical Labor	0.35	hours @	30.36	10.63	
Service Labor	0.50	hours @	40.86	20.43	
Transportation (Pickup)	0.50	hours @	3.98	1.99	
					Service Charge
			Total Cost	49.73	**$50.00**

Supporting Schedules: Recap Schedules: E-13b

J243

FPSC EXH NO. 7

ADMITTED

J244

Schedule	E-8	Company-Proposed Allocation of The Rate Increase By Rate Class	Page 1 of 1

Florida Public Service Commission

COMPANY: FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 20240099-EI

Explanation: Provide a schedule which shows the company-proposed increase in revenue by rate schedule and the present and company-proposed class rates of return under the proposed cost of service study. Provide justification for every class not left at the system rate of return. If the increase from service charges by rate class does not equal that shown on Schedule E-13b or if the increase from sales of electricity does not equal that shown on Schedule E-13a, provide an explanation.

Type of Data Shown:
X__ Projected Test Year Ended 12/31/2025
___ Prior Year Ended 12/31/2024
___ Historical Test Year Ended 12/31/2023
Witness: Taylor

Rate	Present		Increase from	Increase from	Increase from	Total	Company Proposed	
Class	ROR	Index	Service Charges	Sale of Electricity	Other Revenue	Increase	ROR	Index
Total Company	0.66%	1.00	164,495	12,428,955	-	12,593,450	6.89%	1.00
Residential Service	-0.90%	(1.37)	90,601	6,014,587	(0)	6,105,188	4.92%	0.71
General Service	1.66%	2.51	19,818	2,067,503	-	2,087,322	11.32%	1.64
General Demand	1.22%	1.85	29,781	2,813,449	-	2,843,230	7.71%	1.12
General Demand Large	0.06%	0.09	10,014	897,891	-	907,905	5.54%	0.80
Gen. Large Dem. 1	7.60%	11.51	3,915	170,798	0	174,713	9.92%	1.44
Lighting Services	12.05%	18.24	10,365	464,727	-	475,093	16.49%	2.39

Supporting Schedules: E-5, E-13a, E-13b

Recap Schedules:

J244

FPSC EXH NO. 7

ADMITTED

J245

Florida Public Service Commission

COMPANY: FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 20240099-EI

Explanation: Provide the load data below by rate schedule. Any other load data used to develop demand allocation factors for cost of service studies submitted must also be provided. The average number of customers and annual MWH should be in agreement with the company's forecast in Schedule E-15.

Type of Data Shown:
X__ Projected Test Year Ended 12/31/2025
___ Prior Year Ended 12/31/2024
___ Historical Test Year Ended 12/31/2023
Witness: Taylor

Line No.	Rate Class	(1) Annual MWH Sales	(2) Annual MWH Unbilled	(3) Annual MWH Total	(4) Output to Line MWH*	(5) Class NCP KW*	(6) CP Winter KW*	(7) CP Summer KW*	(8) Average 12 CP KW*	(9) Average Demand KW*	(10) 12 CP & 1/13 Weighted Average Demand*	(11) Average Number of Customers
	Total Company	613,811	0	613,811	0	142,133	N/A	N/A	110,910	70,070	107,768	30,437
	Residential Service	300,934	-	300,934		74,293	N/A	N/A	53,593	34,353	52,113	25,896
	General Service	59,832	-	59,832		16,990	N/A	N/A	11,267	6,830	10,926	3,797
	General Service Demand	162,302	-	162,302		35,851	N/A	N/A	24,346	18,528	23,899	668
	General Service Demand Large	78,181	-	78,181		13,303	N/A	N/A	10,171	8,925	10,075	25
	Gen. Serv. Dem. Large 1	5,111	-	5,111		-	N/A	N/A	10,889	583	10,096	2
	Lighting Services	7,452	-	7,452		1,696	N/A	N/A	644	851	660	49
						At METER			At METER	At METER		
	Total Company	613,811	-	613,811	0	142,133	-	-	110,910	70,070	107,768	30,437

*For forecasting, FPUC assumes that unbilled will net out by the end of the period unless there is unusual weather.

Supporting Schedules: E-15, E16 Recap Schedules:

Florida Public Service Commission

COMPANY: FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 20240099-EI

Explanation: Derive each allocation factor used in the cost of service studies. Provide supporting data and any work papers used in deriving the allocation factors, and a brief narrative description of the development of each allocation factor.

Type of Data Shown:
X___ Projected Test Year Ended 12/31/2025
___ Prior Year Ended 12/31/2024
___ Historical Test Year Ended 12/31/2023
Witness: Taylor

This information is provided in the Cost Study Report attached to Schedule E-1

Supporting Schedules: Recap Schedules:

Florida Public Service Commission

COMPANY: FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 20240099-EI

Explanation: Provide a description of how the coincident and non-coincident demands for the test year were developed. Include an explanation of how the demands at the meter for each class were developed and how they were expanded from the meter level to the generation level. Provide the work papers for the actual calculations. If a methodology other than the application of ratios of class' coincident and non coincident load to actual MWH sales is used to derive projected demands, provide justification for the use of the methodology.

Type of Data Shown:
X__ Projected Test Year Ended 12/31/2025
___ Prior Year Ended 12/31/2024
___ Historical Test Year Ended 12/31/2023
Witness: Taylor

Coincident demands were developed by rate class for the test year by use of load factor ratios calculated by using Gulf Power Company's (Now part of FPL) load research results from the years 2003, 2006, 2010-11, and 2021. Gulf Power's load factors have been stable over this period. The load factors are taken from the 2021 study filed in Schedule E-17, Gulf Stand Alonf E Schedules in Docket No 20210015-IL

Noncoincident class maximum demands were developed by application of coincident factor ratios to the class coincident demands. Gulf Power Company's load research data was used to calculate the coincidence factors. The coincidence factors used are also taken from the 2021 study filed in Schedule E-17, Gulf Stand Alonf E Schedules in Docket No 20210015-IL

Both coincident and noncoincident demands were derived at the customer meter level and expanded to the supply level by use of estimated loss factors. Schedule E-17 discusses the derivation of the loss factors.

Details of the development of the demand factors are provided in the Cost Study Report attached to Schedule E-1.

Supporting Schedules: Recap Schedules:

Schedule E-12 Adjustment To Test Year Revenue

Florida Public Service Commission
COMPANY: FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 20240099-EI

Explanation: Provide a schedule showing the calculation of the adjustment by rate class to the test year amount of unbilled revenue for the effect of the proposed rate increase. The calculation of test year unbilled revenue at present rates is provided in Schedule C-11.

Type of Data Shown:
X__ Projected Test Year Ended 12/31/2025
___ Prior Year Ended 12/31/2024
___ Historical Test Year Ended 12/31/2023
Witness: Taylor

	(1)	(2)	(3)	(4)	(5)	(6)	(7)
	Sales of Electricity (excluding unbilled)			Unbilled Sales*			
					Base Revenues(000's)		
Rate Class	Proposed Base Revenue (000's)	MWH	Per Unit $/MWH col(1)/col(2)	MWH	Proposed col(3)*col(4)	Present	Adjustment col(5)-col(6)
Total Company	36,804,544	606,359	60.6976	0	-	-	0.0%
Residential Service	19,678,209	300,934	65.3904	0	-	-	0.0%
General Service	5,073,484	59,832	84.7960	0	-	-	0.0%
General Service Demand	6,903,973	162,302	42.5379	0	-	-	0.0%
General Service Demand Large	2,203,350	78,181	28.1829	0	-	-	0.0%
Gen. Serv. Dem. Large 1	791,612	5,111	154.8839	0	-	-	0.0%
Lighting Services	2,153,917	0	-	0	-	-	0.0%

*For forecasting, FPUC assumes that unbilled will net out by the end of the period unless there is unusual weather.

Supporting Schedules: E-9, E-18 Recap Schedules:

Florida Public Service Commission

COMPANY: FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 20240099-EI

Explanation: Compare jurisdictional revenue excluding service charges by rate schedule under present and proposed rates for the test year. If any customers are to be transferred from one schedule to another, the revenue and billing determinant information shall be shown separately for the transfer group and not be included under either the new or old classification.
($000)

Type of Data Shown:
X__ Projected Test Year Ended 12/31/2025
___ Prior Year Ended 12/31/2024
___ Historical Test Year Ended 12/31/2023
Witness: Taylor

Rate	(1) Base Revenue at Present Rates	(2) Base Revenue at Proposed Rates	Increase (3) Dollars (2) - (1)	Increase (4) Percent (3) / (1)
Total Company	24,375,589	36,804,544	12,428,955	51%
Residential Service	13,663,622	19,678,209	6,014,587	44%
General Service	3,005,981	5,073,484	2,067,503	69%
General Demand	4,090,524	6,903,973	2,813,449	69%
General Demand Large	1,305,459	2,203,350	897,891	69%
Gen. Large Dem. 1	620,814	791,612	170,798	28%
Lighting Services	1,689,189	2,153,917	464,727	28%

Supporting Schedules: E-5, E-8, E-13c

Recap Schedules:

FPSC EXH NO. 7
ADMITTED

Schedule	E-13b	Revenues By Rate Schedule - Service Charges (Account 451)	Page 1 of 1

Florida Public Service Commission

COMPANY: FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 20240099-EI

Explanation: Provide a schedule of revenues from all service charges (initial connection, etc.) under present and proposed rates.

Type of Data Shown:
X___ Projected Test Year Ended 12/31/2025
___ Prior Year Ended 12/31/2024
___ Historical Test Year Ended 12/31/2023
Witness: Taylor

Type of Service Charge	Number of Transactions	Present Charge	Proposed Charge	Revenues at Present Charges	Revenues at Proposed Charges	Increase Dollars	Increase Percent
1	289	61.00	125.00	17,629	36,125	18,496	104.92%
2	3,619	26.00	45.00	94,094	162,855	68,761	73.08%
3	304	65.00	81.00	19,760	24,624	4,864	24.62%
4	245	52.00	70.00	12,740	17,150	4,410	34.62%
5	6	178.00	325.00	1,068	1,950	882	82.58%
6	1,973	16.00	50.00	31,568	98,650	67,082	212.50%
7	0	85.00	135.00	-	-	-	0.00%
8	1,179	Per Statute; Section 68.065	Per Statute; Section 68.065	51,454	51,454	-	0.00%
9	1,437			(65,088)	(65,088)	-	0.00%
TOTAL	9,052			163,225	327,720	164,495	100.78%

1 Initial Establishment of Service
2 Re-establish Service or Make Changes to Existing Account
3 Temporary Disconnect Then Reconnect Service Due To Customer Request
4 Reconnect After Disconnect for Rule Violation(normal hours)
5 Reconnect After Disconnect for Rule Violation(after hours)
6 Collection Charge
7 Temporary Service
8 Returned Check Charge
9 Miscelllaneous Allowance & Adjustments

Supporting Schedules: E-7; C-5, G-21 Recap Schedules:

FPSC EXH NO. 7

ADMITTED

J251

Schedule E-13c Base Revenue By Rate Schedule - Calculations

Florida Public Service Commission

COMPANY: FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 20240099-EI

Explanation: By rate schedule, calculate revenues under present and proposed rates for the test year. If any customers are to be transferred from one schedule to another, show revenues separately for the transfer group. Correction factors are used for historic test years only. The total base revenue by class must equal that shown in Schedule E-13a. The billing units must equal those shown in Schedule E-15.

PROVIDE TOTAL NUMBER OF BILLS, MWH's, AND BILLING kWh FOR EACH RATE SCHEDULE (INCLUDING STANDARD AND TIME OF USE CUSTOMERS) AND TRANSFER GROUP.

Type of Data Shown:
X__ Projected Test Year Enc
___ Prior Year Ended 12/31/.
___ Historical Test Year End
Witness: Taylor

Type of Charges	Rate Schedule Present Revenue Calculation Units	Charge/Unit	$ Revenue	Proposed Revenue Calculation Units	Charge/Unit	$ Revenue	Percent Increase
Residential Service							
Customer Charge	310,747	$ 16.95	$ 5,267,161	310,747	$ 24.40	$ 7,582,226	43.95%
<= 1000 KWh - RS	218,021,965	$ 0.02373	$ 5,173,661	218,021,965	0.03419	$ 7,453,202	44.06%
> 1000 KWh - RS	82,912,249	$ 0.03887	$ 3,222,799	82,912,249	$ 0.05600	$ 4,642,780	44.06%
			$ 13,663,622			**$ 19,678,209**	**44.02%**
General Service							
Customer Charge	45,568	$ 27.85	$ 1,269,069	45,568	$ 40.00	$ 1,822,720	43.63%
All kWh	59,831,618	$ 0.02903	$ 1,736,912	59,831,618	$ 0.05433	$ 3,250,764	87.16%
			$ 3,005,981			**$ 5,073,484**	**68.78%**
General Service Demand							
Customer Charge	8,016	$ 82.35	$ 660,118	8,016	$ 138.99	$ 1,114,144	68.78%
All kWh	162,301,520	$ 0.00547	$ 887,789	162,301,520	$ 0.00923	$ 1,498,408	68.78%
All kW	566,284	$ 4.49	$ 2,542,617	566,284	$ 7.58	$ 4,291,421	68.78%
			$ 4,090,524			**$ 6,903,973**	**68.78%**
General Service Large Demand							
Customer Charge	296	$ 157.42	$ 46,596	296	$ 265.69	$ 78,645	68.78%
All kWh	78,180,504	$ 0.00254	$ 198,578	78,180,504	$ 0.00429	$ 335,160	68.78%
All KW	165,153	$ 6.42	$ 1,060,285	165,153	$ 10.84	$ 1,789,545	68.78%
			$ 1,305,459			**$ 2,203,350**	**68.78%**
General Service Large Demand1							
Customer Charge	24	$ 974.80	$ 23,395	24	$ 1,242.99	$ 29,832	27.51%
All kWh	5,111,000	$ -	$ -	5,111,000	$ -	$ -	
All KW - SB	312,000	$ 0.79	$ 246,480	312,000	$ -	$ -	
All KW - GSLDI	192,566	$ 1.82	$ 350,470	192,566	$ -	$ -	
All KW - Proposed	264,566	$ -	$ -	264,566	$ 2.88	$ 761,182	27.51%
All kVAR	1,066	$ 0.44	$ 469	1,066	$ 0.56	$ 598	27.51%
			$ 620,814			**$ 791,612**	**27.51%**
Lighting Service							
Customer Charge	34,824	See E-13d	$ 1,689,189	34,824	See E-13d	$ 2,153,917	27.51%
All kWh	7,451,664	$ -	$ -	7,451,664	$ -	$ -	
			$ 1,689,189			**$ 2,153,917**	**27.51%**
Total							
Customer Charge	399,475		$ 8,955,529	399,475		$ 12,781,484	42.72%
Volumetric Charge	615,312,155		15,420,061	615,312,155		24,023,060	55.79%
			$ 24,375,589			**$ 36,804,544**	**50.99%**

Supporting Schedules: E-15 Recap Schedules: E-13a

J251

Florida Public Service Commission

COMPANY: FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 20240099-EI

Explanation: Calculate revenues under present and proposed rates for the test year for each lighting schedule. Show revenues from charges for all types of lighting fixtures, poles and conductors. Poles should be listed separately from fixtures. Show separately revenues from customers who own facilities and those who do not. Annual KWH's must agree with the data provided in Schedule E-15.

Type of Data Shown:
X__ Projected Test Year Ended 12/31/2025
___ Prior Year Ended 12/31/2024
___ Historical Test Year Ended 12/31/2023
Witness: Taylor

27.90%

			Present Rates						Proposed Rates					
Type of Facility	Annual Billing Items	Est. Monthly kWh	Annual kWh	Facility Charge	Energy Charge	Maintenance Charge	Total Monthly Charge	$ Total Revenue	Facility Charge	Energy Charge	Maintenance Charge	Total Monthly Charge	$ Total Revenue	Percent Increase
High Pressure Sodium Lights														
150w HPS Acorn		61	150	$ 19.69	$ 3.19	$ 2.49	$25.37	$0	$25.18	$4.08	$3.18	$32.44	$0	
150w HPS ALN 440		61	150	$ 28.07	$ 3.19	$ 3.32	$34.58	$0	$35.90	$4.08	$4.25	$44.23	$0	
100w HPS Amer Rev		41	100	$ 9.66	$ 2.15	$ 3.29	$15.10	$0	$12.36	$2.75	$4.21	$19.32	$0	
150w HPS Am Rev		61	150	$ 9.05	$ 3.19	$ 3.33	$15.57	$0	$11.57	$4.08	$4.26	$19.91	$0	
100w HPS Cobra Head		41	100	$ 7.25	$ 2.15	$ 2.11	$11.51	$0	$9.27	$2.75	$2.70	$14.72	$0	
200w HPS Cobra Head		81	200	$ 9.78	$ 4.26	$ 2.53	$16.57	$0	$12.51	$5.45	$3.24	$21.20	$0	
250w HPS Cobra Head		101	250	$ 11.63	$ 5.30	$ 3.33	$20.26	$0	$14.87	$6.78	$4.26	$25.91	$0	
400w HPS Cobra Head		162	400	$ 10.86	$ 8.54	$ 2.77	$22.17	$0	$13.89	$10.92	$3.54	$28.35	$0	
250w HPS Flood		101	250	$ 11.37	$ 5.30	$ 2.42	$19.09	$0	$14.54	$6.78	$3.10	$24.42	$0	
400w HPS Flood		162	400	$ 17.85	$ 8.54	$ 2.27	$28.66	$0	$22.83	$10.92	$2.90	$36.65	$0	
1000w HPS Flood		405	1,000	$ 22.36	$ 21.30	$ 3.00	$46.66	$0	$28.60	$27.24	$3.84	$59.68	$0	
100w HPS SP2 Spectra		41	100	$ 24.81	$ 2.15	$ 3.10	$30.06	$0	$31.73	$2.75	$3.96	$38.44	$0	
Metal Halide Lights:														
175w MH ALN 440		71	175	$ 26.86	$ 3.77	$ 2.61	$33.24	$0	$34.35	$4.82	$3.34	$42.51	$0	
400w MH Flood		162	400	$ 12.12	$ 8.54	$ 2.21	$22.87	$0	$15.50	$10.92	$2.83	$29.25	$0	
1000w MH Flood		405	1,000	$ 20.61	$ 21.30	$ 2.92	$44.83	$0	$26.36	$27.24	$3.73	$57.33	$0	
175w MH Shoebox		71	175	$ 22.68	$ 3.77	$ 2.93	$29.38	$0	$29.01	$4.82	$3.75	$37.58	$0	
250w MH Shoebox		101	250	$ 24.14	$ 5.30	$ 3.28	$32.72	$0	$30.88	$6.78	$4.20	$41.86	$0	
100w MH SP2 Spectra		41	100	$ 24.62	$ 2.15	$ 3.00	$29.77	$0	$31.49	$2.75	$3.84	$38.08	$0	
1000w MH Vert Shoebox		405	1,000	$ 25.45	$ 21.30	$ 3.32	$50.07	$0	$32.55	$27.24	$4.25	$64.04	$0	
Mercury Vapor Lights:														
175w MV Cobra Head -OL		72	175	$ 1.39	$ 3.70	$ 1.24	$6.33	$0	$1.78	$4.73	$1.59	$8.10	$0	
400w MV Cobra Head-OL		154	400	$ 1.53	$ 7.95	$ 1.32	$10.80	$0	$1.96	$10.17	$1.69	$13.82	$0	
Light Emitting Diode Lights														
50W Outdoor Light (100W Equivalent)	866	17	50	$ 6.58	$ 0.89	$ 2.08	$9.55	$8,270	$8.42	$1.14	$2.66	$12.22	$10,583	27.96%
50W Cobra Head (100W Equivalent)	56,491	17	50	$ 8.31	$ 0.89	$ 2.59	$11.79	$666,029	$10.63	$1.14	$3.31	$15.08	$851,884	27.91%
82W Cobra Head (200W Equivalent)	7,305	28	82	$ 7.78	$ 1.47	$ 2.43	$11.68	$85,322	$9.95	$1.88	$3.11	$14.94	$109,137	27.91%
130W Cobra Head (250W Equivalent)	4,099	45	130	$ 7.75	$ 2.36	$ 2.42	$12.53	$51,360	$9.91	$3.02	$3.10	$16.03	$65,707	27.93%
210W Cobra Head (400W Equivalent)	2,092	72	210	$ 13.55	$ 3.78	$ 3.95	$21.28	$44,518	$17.33	$4.83	$5.05	$27.21	$56,923	27.87%
26W American Revolution Decorative	3,258	9	26	$ 7.78	$ 0.47	$ 2.72	$10.97	$35,740	$9.95	$0.60	$3.48	$14.03	$45,710	27.89%
44W American Revolution Decorative	3,000	15	44	$ 7.71	$ 0.79	$ 2.69	$11.19	$33,570	$9.86	$1.01	$3.44	$14.31	$42,930	27.88%
90W Acorn Decorative (150W	912	31	90	$ 11.14	$ 1.63	$ 3.71	$16.48	$15,030	$14.25	$2.08	$4.75	$21.08	$19,225	27.91%
60W Post Top Decorative (150W	1,632	21	60	$ 19.74	$ 1.10	$ 6.25	$27.09	$44,211	$25.25	$1.41	$7.99	$34.65	$56,549	27.91%
80W Flood (250W Equivalent)	8,843	27	80	$ 10.80	$ 1.42	$ 3.40	$15.62	$138,128	$13.81	$1.82	$4.35	$19.98	$176,683	27.91%
170W Flood (400W Equivalent)	7,083	58	170	$ 10.80	$ 3.05	$ 3.40	$17.25	$122,182	$13.81	$3.90	$4.35	$22.06	$156,251	27.88%
150W Flood (350W Equivalent)	125	52	150	$ 10.80	$ 2.73	$ 3.40	$16.93	$2,116	$13.81	$3.49	$4.35	$21.65	$2,706	27.88%
290W Flood (1,000W Equivalent)	2,488	100	290	$ 10.80	$ 5.25	$ 3.40	$19.45	$48,392	$13.81	$6.71	$4.35	$24.87	$61,877	27.87%
82W Shoe Box (175W Equivalent)	4,464	23	276	N/A	N/A	N/A	$0.00	$0	$12.14	$1.87	$4.34	$18.35	$81,914	N/A
131W Shoe Box (250W Equivalent)	276	45	131	$ 10.72	$ 2.36	$ 3.59	$16.67	$4,601	$13.71	$3.02	$4.59	$21.32	$5,884	27.89%
150W Shoe Box	4,464	52	624	$ 9.52	$ 2.73	$ 3.23	$15.48	$69,103	N/A	N/A	N/A	N/A	N/A	N/A
10' Alum Deco Base	1,788	0	0	$ 18.56	$ -	$ -	$18.56	$33,185	$23.74	$0.00	$0.00	$23.74	$42,447	27.91%
13' Decorative Concrete	360	0	0	$ 14.14	$ -	$ -	$14.14	$5,090	$18.09	$0.00	$0.00	$18.09	$6,512	27.93%
18' Fiberglass Round	5,397	0	0	$ 9.98	$ -	$ -	$9.98	$53,862	$12.76	$0.00	$0.00	$12.76	$68,866	27.86%
20' Decorative Concrete	5,292	0	0	$ 16.41	$ -	$ -	$16.41	$86,842	$20.99	$0.00	$0.00	$20.99	$111,079	27.91%
30' Wood Pole Std	19,132	0	0	$ 5.36	$ -	$ -	$5.36	$102,548	$6.86	$0.00	$0.00	$6.86	$131,246	27.99%
35' Concrete Square	1,964	0	0	$ 15.83	$ -	$ -	$15.83	$31,090	$20.25	$0.00	$0.00	$20.25	$39,771	27.92%
40' Wood Pole Std	96	0	0	$ 10.72	$ -	$ -	$10.72	$1,029	$13.71	$0.00	$0.00	$13.71	$1,316	27.89%
30' Wood pole	1,387	0	0	$ 4.82	$ -	$ -	$4.82	$6,685	$6.16	$0.00	$0.00	$6.16	$8,544	27.80%
Total Base Revenue Calculated								$1,688,903					$2,153,744	
Correction Factor								286					173	
Total Base Revenue								1,689,189					2,153,917	

Supporting Schedules: G-23 Recap Schedules:

Schedule E-14 Proposed Tariff Sheets and Support For Charges

COMPANY: FLORIDA PUBLIC UTILITIES Consolidated Electric Division DOCKET NO.: 20240099-EI	Explanation: Provide proposed tariff sheets highlighting changes in legislative format from existing tariff provisions. For each charge, reference by footnote unit costs as shown on Schedules E-6b and E-7, if applicable. Indicate whether unit costs are calculated at the class or system rate of return. On separate attachment explain any differences between unit costs and proposed charges. Provide the derivation (calculation and assumptions) of all charges and credits other than those for which unit costs are calculated in these MFR schedules, including those charges and credits the company proposes to continue at the present level. Work papers for street and outdoor lighting rates, T-O-U rates and standard energy charges shall be furnished under separate cover to staff, Commissioners, and the Commission Clerk and upon request to other parties to the docket.	Type of Data Shown: X__ Projected Test Year Ended 12/31/2025 ___ Prior Year Ended 12/31/2024 ___ Historical Test Year Ended 12/31/2023 Witness: Grimard

Please refer to Schedule E-14a-Proposed Tariff and E-14b Legislative Version attached.

F. P. S. C. ELECTRIC TARIFF

FIRST REVISED VOLUME NO. II

OF

FLORIDA PUBLIC UTILITIES COMPANY

FILED WITH

FLORIDA PUBLIC SERVICE COMMISSION

Communications concerning this Tariff should be addressed to:

Florida Public Utilities Company
208 Wildlight Avenue
Yulee, Florida 32097

Attn: Director of Regulatory Affairs

TABLE OF CONTENTS

MISCELLANEOUS GENERAL INFORMATION

Florida Public Utilities Company was incorporated under the Laws of Florida in 1924 and adopted its present corporate name in 1927.

It is principally engaged in the distribution and sale of natural gas and electricity. Its operations are entirely within the State of Florida.

The internet link to this Tariff is www.fpuc.com

General Florida office is located at:

208 Wildlight Avenue
Yulee, Florida 32097

Division offices are located at:

2825 Pennsylvania Avenue
Marianna, Florida 32446-4004

And

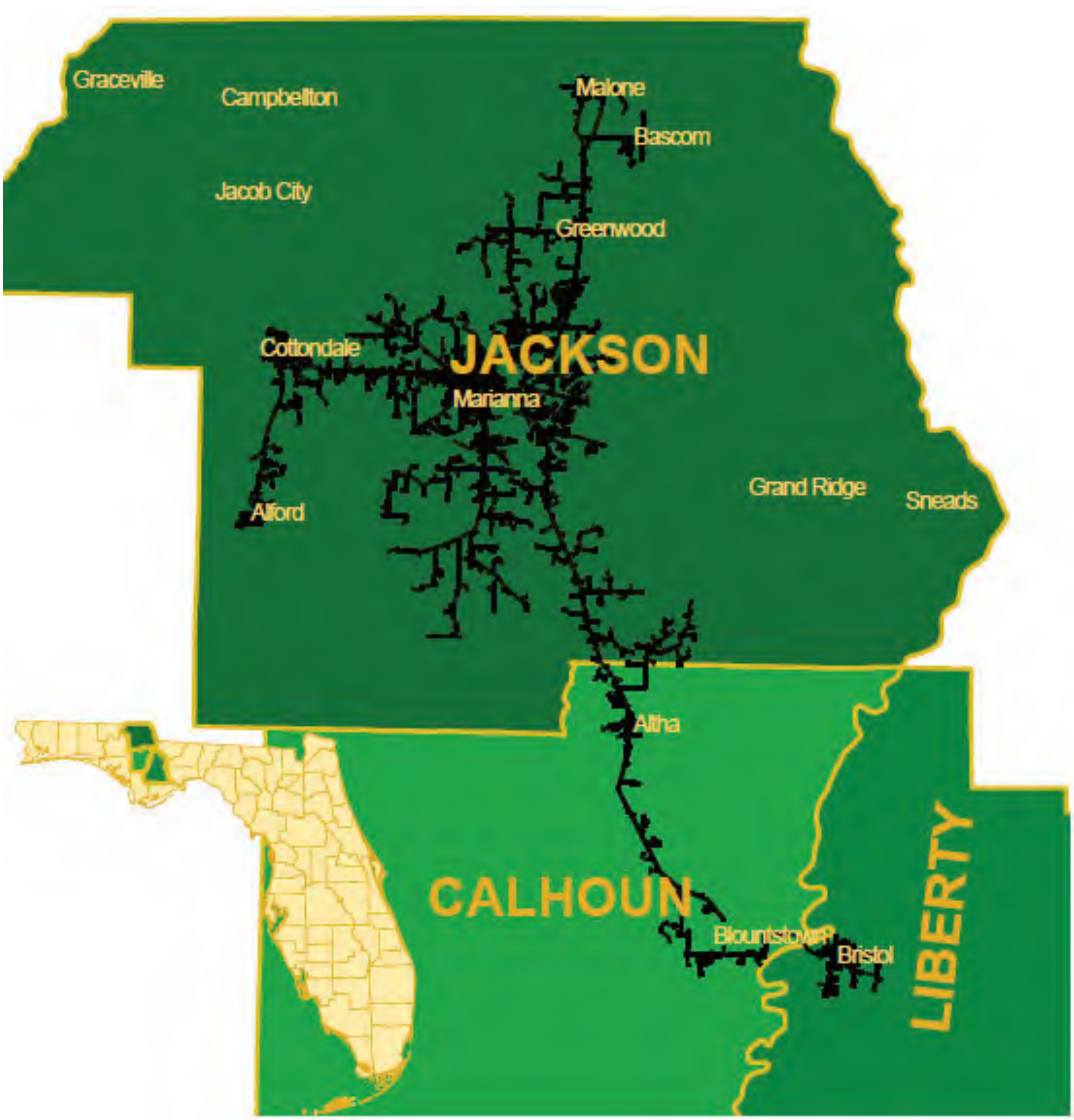
780 Amelia Island Parkway
Fernandina Beach, Florida 32034

Communications covering rates should be addressed to:

Florida Public Utilities Company
208 Wildlight Avenue
Yulee, Florida 32097

SYSTEM MAP

Northwest Florida Division System Map
Parts of Jackson, Calhoun County and Liberty Counties



SYSTEM MAP

Northeast Florida Division Service Map
Amelia Island located in Nassau County

TERRITORY SERVED

As indicated on the System Maps, two areas are served with electricity, both of which are located in the northern part of Florida.

The Northwest Florida Division serves various communities in Jackson, Calhoun and Liberty Counties.

The Northeast Florida Division serves Amelia Island, located in Nassau County.

TECHNICAL TERMS AND ABBREVIATIONS

When used in the rules and regulations or the rate schedules contained in this volume, the following terms shall have the meanings defined below:

A. Company – Florida Public Utilities Company acting through its duly authorized officers or employees within the scope of their respective duties.

B. Applicant – any person, firm, or corporation applying for electric service from the Company at one location.

C. Customer – any person, firm, or corporation purchasing electric service at one location from the Company under Rules and Regulations of the Company.

D. Service Classification

(1) Residential Service – service to Customer supplied for residential purposes in a single family dwelling unit or household. Residential service shall also apply to energy used in commonly owned facilities in condominium and cooperative apartment buildings subject to the following criteria:

1. 100% of the energy is used exclusively for the co-owners' benefit.

2. None of the energy is used in any endeavor which sells or rents a commodity or provided service for a fee.

3. Each point of delivery will be separately metered and billed.

4. A responsible legal entity is established as the Customer to whom the Company can render its bills for said service.

(2) Commercial Service – service to Customers engaged in selling, servicing, warehousing, or distributing a commodity, in some business activity or in a profession, or in some form of economic or social activity (offices, stores, clubs, hotels, etc.) and for purposes that do not come directly under another classification of service. A premise which might otherwise, except for business activity conducted thereon, be entitled to Residential Service shall be classified as Commercial unless that portion of said premise use solely for residential purposes is metered separately.

(3) Industrial Service – service to Customers engaged in a process which creates or changes raw or unfinished material into another form or product. (Factories, mills, machine shops, mines, oil plants, refineries, creameries, canning, and packing plants, shipyards, etc., i.e., in extractive, fabricating, or processing activities.)

TECHNICAL TERMS AND ABBREVIATIONS (Continued)

E. Service Line – all wiring between the Company's main line or substation transformer terminals and the point of connection to Customers service entrance.

F. Single Service – one set of facilities over which Customer may receive electric power.

G. KW or Kilowatt – one thousand (1,000) watts.

H. KWh or Kilowatt-hour – one thousand (1,000) watt-hours.

I. Energy – current consumed, expressed in kilowatt-hours.

J. BTU or British Thermal Unit – the amount of heat required to raise the temperature of one (1) pound of water one degree Fahrenheit (1°F) at sixty degrees Fahrenheit (60°F).

K. Horsepower - the nameplate rating of motors or its equivalent in other apparatus. For conversion purposes on horsepower shall be considered as equivalent to 0.75 kilowatts.

L. Candlepower – one-tenth of the manufacturer's rating in lumens.

M. Connected Load – sum of the ratings of the electric power consuming apparatus connected to the installation or system, or part of either, under consideration.

N. Demand – the load at the terminals of an installation or system averaged over a specified period of time. Demand is expressed in kilowatts, kilovolt-amperes, or other suitable units.

O. Power Factor – ratio of kilowatts to kilovolt-amperes.

P. Month – the period between any two (2) regular readings of Company's meters at approximately thirty (30) day intervals.

RESERVED FOR FUTURE USE

INDEX OF RULES AND REGULATIONS

RULES AND REGULATIONS

Applicable to Electric Service and Electric Rate Schedules

1. General

Company shall furnish service under its rate schedules and these Rules and Regulations as approved from time to time by the Florida Public Service Commission and in effect at this time. These Rules and Regulations shall govern all service except as specifically modified by the terms and conditions of the rate schedules or written contracts. Copies of currently effective Rules and Regulations are available at the office of Company.

Unless otherwise specifically provided in any applicable rate schedule or in a contract by or with Company, the term of any agreement shall become operative on the day the Customer's installation is connected to Company's facilities for the purpose of taking electric energy and shall continue for a period of one (1) year and continuously thereafter until cancelled by three (3) or more days' notice by either party.

2. Application for Service

An application for service will be required by Company from each Applicant. Such application shall contain the information necessary to determine the type of service desired and the conditions under which service will be rendered. If necessary, the application or contract for service shall be in writing.

The application or depositing of any sum of money by the Applicant shall not require company to render service until the expiration of such time as may be reasonable required by Company to determine if Applicant has complied with the provisions of these Rules and Regulations and as may reasonably be required by Company to install the required facilities.

3. Election of Rate Schedules

Optional rates are available for certain classes of Customers. These optional rates and the conditions under which they are applicable are set forth in Company's rate schedules.

Upon application for service or upon request, Applicant or Customer shall elect the applicable rate schedule best suited to his requirements. Company will assist in making such election but does not guarantee that Customers will be served under the most favorable rate schedule at all times. Company shall not be held

3. Election of Rate Schedules (Continued)

responsible to notify Customers of the most favorable rates schedule and will not refund the difference in charge under different rate schedules to the same class of service.

Upon notification of any material changes in Customer's installation or load conditions, Company will assist in determining if a change in rates is desirable, but unless required by substantial changes in the Customer's installation, not more than (1) such change in rates will be made within any twelve (12) month period.

Company will require a written contract with special guarantee from Applicants whose characteristics of load would require excessive investment in facilities of whose requirements for service are of a special nature.

4. Customer Deposits

A. Deposit Required

Unless credit is established in accordance with Section 4B, the Customer shall make a deposit. The amount of the deposit shall be calculated in conformity with the requirements of Section 366.05(1)(c), Florida Statutes, as follows:

(1) For an existing account or premise, the total deposit may not exceed two (2) months of average actual charges, calculated by adding the monthly charges from the 12-month period immediately before the date any change in the deposit is sought, dividing this total by 12, and multiplying the result by 2. If the account or premise has less than 12 months of actual charges, the deposit shall be calculated by adding the available monthly charges, dividing this total by the number of months available, and multiplying the result by 2.

(2) For a new service or premise request, the total deposit may not exceed two (2) months of projected charges, calculated by adding the 12 months of projected charges, dividing this total by 12, and multiplying the result by 2. Once the new Customer has had continuous service for a 12-month period, the amount of the deposit shall be recalculated using actual data. Any difference between the projected and actual amounts must be resolved by the Customer paying any additional amount that may by billed by the utility or the utility returning any overcharge.

(3) A residential Customer may request the amount of the initial deposit be billed and paid in even installments over a period of two (2) month's for deposit amounts between $50 and $150 and three (3) month's for deposits over $150, which may be granted at the Company's discretion.

4. Customer Deposits (Continued)

B. Establishment of Credit

In lieu of a deposit, the Company may allow a prospective Customer to satisfactorily establish credit prior to the commencement of service by one of the following methods:

Residential:

(1) Furnish a satisfactory guarantor to secure payment of bills for the service requested; such guarantor must be a Customer of the Company with a satisfactory payment record. A guarantor's liability shall be terminated when a residential Customer, whose payment of bills is secured by the guarantor, meets the requirements of Section 4C-Refund of Deposit. Guarantors providing security for payment of residential Customer's bills shall only be liable for bills contracted at the service address contained in the contract of guaranty; or

(2) Furnish an irrevocable letter of credit from a bank equal to two (2) months' average bills; or

(3) Furnish a surety bond equal to two (2) months' average bills; or

(4) Pay a cash deposit.

Non-Residential:

(1) Furnish a satisfactory guarantor to secure payment of bills for the service requested, such a guarantor need not be a Customer of the Company; or

(2) Furnish an irrevocable letter of credit from a bank equal to two (2) months' average bills; or

(3) Furnish a surety bond equal to two (2) months' average bills; or

(4) Pay a cash deposit.

RULES AND REGULATIONS (Continued)

4. Customer Deposits (Continued)

C. Refund of Deposits

After a Customer has established a satisfactory payment record and has had continuous service for a period of 23 months, the utility shall refund the residential Customer's deposits and shall, at its option either refund or pay the higher rate of interest specified below for nonresidential deposits, providing the Customer has not, in the preceding 12 months, (a) made more than one late payment of a bill (after the expiration of 20 days from the date of mailing or delivery by the utility), (b) paid with a check refused by a bank, (c) been disconnected for non-payment, or at any time, (d) tampered with the meter, or (e) used service in a fraudulent or unauthorized manner. Company may, at its option, refund a deposit in less than 23 months.

D. Interest on Deposits

Two percent (2%) per annum interest will be credited to a Consumer's account annually in accordance with the current effective rules and regulations of the Commission. Three percent (3%) per annum will be credited annually on deposits of Residential Consumers qualifying under section (c) above when the company elects not to refund such a deposit after twenty-three (23) months. The Company shall credit annually three percent (3%) per annum on deposits of non-Residential Consumers qualifying for refund under Section (c) until the Commission sets a new interest rate applicable to the Company. No Customer shall be entitled to receive interest on their deposit until and unless a Customer relationship and the deposit have been in existence for a continuous period of six months, then Customer shall be entitled to receive interest for the day of the commencement of the Customer relationship and the placement of deposit. Deposits shall cease to bear interest upon discontinuance of service.

E. New or Additional Deposits

Company may require, upon written notice to an existing Customer of not less than 30 days, a deposit (including guaranty, letter of credit or surety bond) where previously waived or returned, or an additional deposit, in order to secure payment of current bills. Such notice for a deposit shall be separate and apart from any bill for service and shall explain the reason for the deposit; provided, however, that the total amount of the required deposit shall not exceed an amount equal to the average actual charges for service for two billing periods for the 12-month period immediately prior to the date of notice. The thirty (30) day notice shall not apply when service is being reestablished after discontinuance of service for non-payment. In the event the Customer has had service for less than 12 months, then the Company shall base its new or additional deposit upon the average actual monthly billing available.

4. Customer Deposits (Continued)

F. Retention of Deposits

Retention by Company, prior to final settlement, of said deposit shall not be considered as a payment or part payment of any bill for service. Company shall, however, apply said deposit against unpaid bills for service. In such case, Customer shall be required to restore deposit to original amount.

G. Refund of Deposit When Service is Discontinued

Upon discontinuance of service, the deposit and accrued interest shall be credited against the final account and the balance, if any, shall be returned promptly to the Customer, but in no event later than fifteen (15) days after service is discontinued.

5. Customer Facilities

Customer shall make or procure satisfactory conveyance to Company of all necessary easement and rights-of-way, including right of convenient access to Company's property, for furnishing adequate and continuous service or the removal of Company's property upon termination of service.

Customer should furnish Company a description of the load to be connected prior to wiring Customer's premises or purchasing any electric equipment. Company will then furnish Customer such information as characteristics of service which is or will be available at the point of delivery.

All wiring and equipment beyond Company's meter and accessories thereto, necessary to utilize service furnished by Company, shall be installed by and belong to the Customer and be maintained at Customer's expense. Customer shall bring their wiring to a point of connection to Company's service lines at a location satisfactory to Company.

All wiring and electric equipment shall conform to the requirements of the National Electrical Code as adopted by Company and local ordinances, if any.

Company reserves the right to inspect and approve the installation of all wiring and equipment to utilize Company's service; but such inspection or failure to make inspection or the fact that Company may connect to such installation shall not make Company liable for any loss or damage which may be occasioned by the use of such installation or equipment used therefrom or of Company's service.

Customer shall install only such motors or other apparatus or appliances as are suitable for operation with the character of the service supplied by Company, and electric energy must not be used in such a manner as to cause detrimental voltage fluctuations or disturbances in Company's distribution system.

All apparatus used by Customer shall be of such type as to secure the highest practicable commercial efficiency, power factor and proper balancing of phases. Motors which are frequently started or motors arranged for automatic control must be equipped with controlling devices, approved by Company, to give maximum starting torque with minimum current flow.

6. Service Connections

A. General

Company reserves the right to designate the location of the point of connection, transformers and meters and to determine the amount of space which must be left unobstructed for the installation and maintenance thereof. Applicant may request an alternation of such a designation but, if consented to by Company, the excess cost of such revised designation over and above the cost of the original Company design shall be borne by Applicant.

Company reserves the right to postpone to a more favorable season the extension of lines and connection of services during seasons of the year when climatic conditions would cause abnormally high construction costs.

B. Overhead Service in Overhead Zone

Customer's wiring must be brought outside the building wall nearest Company's service wires so as to be readily accessible thereto or to transformer terminals if located close to the wall. All connections between the service entrance and meter location shall comply with local ordinances and shall be in rigid conduit or cable approved by Company. Company will furnish, install and maintain the service conductors to the point of connection to Customer's facilities.

C. Underground Service in Overhead Zone

Customers desiring an underground service in an overhead zone may make application for service with the Company. The Company will install and own the underground service from the meter location to the pole from which connection is to be made, including the necessary run of cable or conduit up the side of the pole. The Customer will pay in advance to the Company the estimated difference in the cost of the underground service and or equivalent overhead service. Underground service will be provided pursuant to F.A.C. 25-6115, Facility Charges for Conversion of Existing Overhead Investor Owned Distribution Facilities.

D. Underground Service in Underground Residential Distribution Systems

The service connection to the building normally will be at the point of the building nearest the point at which the underground system enters the property to be served. If such service connection point on any building is more than seventy-five (75) feet, measured at right angles, from the serving property line, the Customer will pay the difference between an underground service and an equivalent overhead service for all service line in excess of seventy five (75) feet.

E. Underground Service in Underground Zone (Other Than Residential Areas)

Where service is supplied from an underground distribution system, at Company's choice, Company will provide and install the cable conduit or ducts from its manhole or street connection box or main feed lines in street to the property line adjoining the property to be served.

The Customer shall supply and install the cable conduit or ducts from the property line into the building, terminating said conduit or ducts inside the building wall at a point located by the Company inspector. The Customer shall make arrangements with the Company for Company to supply and install continuous run of cable conductors from the manhole or street connection box to the inside of the building wall. Customer shall be charged for materials, labor, and other expenses incurred from the portion of cable installed inside the building.

Where Company is required by governmental or other valid authority to install underground distribution, and abandon overhead distribution, Company shall not be required to bear any of the cost of making the necessary changes on Customer's premises. If, however, Company elects to change an existing Customer's service from overhead to underground, Company shall bear the cost of disconnecting the Customer's service from the overhead system and reconnecting it to the underground system unless such change is necessitated by a change in the Customer's requirements.

7. Line Extensions

A. Overhead Extensions

(1) Free Extensions

(a) Company shall make extensions to or alterations in its facilities in accordance with Rule 25-6.064 of Florida Public Service Commission, these Rules and Regulations and free of charge to provide service to an applicant or group of applicants located within the Company's service area when the estimated total non-fuel revenue for the first four (4) years from the Applicant or Applicants equals or exceeds the estimated cost of the necessary includable construction; provided, however, that the patronage or demand will be of such permanency as to warrant the expenditure involved.

RULES AND REGULATIONS (Continued)

(b) The formula used to calculate the maximum amount of no-charge extension or alteration will be as follows:

(1) for Customers in rate classes that pay only energy charges, i.e., do not pay demand charges:

maximum amount = 4 X (non-fuel energy charge KWH)
(estimated annual KWH usage)

(2) for Customers in classes that pay both energy charges and demand charges:

maximum amount = 4 X (non-fuel energy charge KWH)
(estimated annual KWH usage)
+ 4 X (estimated annual demand
charge revenue from sales
over new line)

(2) <u>Other Extensions</u>

When the line extension or alteration required in order to furnish service within Company's service area is a reasonable extension of the Company's facilities but greater than the free construction specified above, and the Applicant or Applicants shall contract to use service for at least four (4) years, such extension or alteration shall be made subject to the following condition;

(a) Applicant or Applicants shall make a non-refundable contribution in aid of construction $(CIAC)_{OH}$ prior to commencement of construction, in an amount equal to the amount that the estimated cost to provide the extension or alteration exceeds the maximum amount of the no-charge extension or alteration as determined in A (b) (1) or A (b) (2) above.

B. <u>Underground Extension</u>

(1) <u>New residential subdivisions and multiple-occupancy buildings</u>.

(a) Company shall make underground extension of its facilities to serve new residential subdivisions or new multiple-occupancy buildings, in accordance with the provisions of the "Rules for Residential Electric Underground Service" of the Florida Public Service Commission; provided that the Applicant or Applicants, in accordance with the Rules of the Florida Public Service Commission, will pay to the Company in an amount equal to the difference in cost between an underground system (exclusive of supply system feeders) and an equivalent overhead system.

(2) Residential, commercial, industrial extensions

(a) Company shall make underground extensions or alterations in its facilities in accordance with Rule 25-6.115 of Florida Public Service Commission and these Rules and Regulations to provide underground service to an applicant or group of applicants, within the Company's service area provided that the applicant, or group of applicants, pay the Company a contribution in aid of underground construction $(CIAC)_{UG}$ in an amount equal to the estimated difference in cost to provide underground service instead of overhead service to the Applicant(s) plus the amount, if any, by which the estimated cost to provide an overhead service exceeds the maximum amount of no-charge construction $(CIAC)_{OH}$ as determined in A(2) above.

(b) The following formula shall be used to determine the contribution in aid of underground construction with all cost based on Rule 25-6.115, FAC, Facility Charges for Conversion of Existing Overhead Investor-owned Distribution Facilities :

$(CIAC)_{UG}$ = (estimated cost to provide underground service facilities including distribution line, transformer, service drop and other necessary fixtures) minus (the estimated cost to provide service using overhead facilities) plus $(CIAC)_{OH}$.

8. Underground Electric Distribution Facility Charges

A. Definitions

The following words and terms used under this Part shall have the meaning indicated:

(1) Applicant: The Applicant is the person or entity seeking the undergrounding of existing or newly planned electric distribution facilities by the Company. When a developer requests local government development approval, the local government shall not be deemed the applicant for purposes of this rule.

(2) Commission: Florida Public Service Commission.

(3) Cost Estimate: A non-refundable deposit charged an Applicant by the Company for the purpose of preparing a binding cost estimate of the amount required for the Company to construct or convert particular distribution facilities as underground.

(4) Company: Florida Public Utilities Company.

(5) Distribution Facilities: All electrical equipment of the Company required to deliver electricity to homes and businesses.

(6) Facility Charge: That charge required to be paid by an Applicant for the Company to construct or convert particular distribution facilities as underground.

(7) High Density Subdivision: A subdivision having a density of six (6) or more dwelling units per acre.

(8) Low Density Subdivision: A subdivision having a density of at least 1.5 dwelling units per acre but less than six (6) dwelling units per acre.

(9) Overhead: Pertains to distribution facilities consisting of conductors, switches, transformers, etc. which are installed above ground on supporting poles.

(10) Underground: Pertains to distribution facilities consisting of conductors, switches, transformers, etc. which are installed below or on the ground.

B. General

(1) Application

This tariff section applies to request for underground electric distribution facilities offered in lieu of overhead facilities. The installation of underground distribution lines in new residential subdivisions is not covered in this section of the tariff. These installations are covered under "Rules of the Florida Public Service Commission", Chapter 25-6115, "Facility Charges for Conversion of Existing Overhead Investor Owned Distribution Facilities", and the Company's "Rules and Regulations", Item 7.

(2) Application Request

An applicant shall submit a request in writing for the Company to develop a cost estimate to accomplish the undergrounding of particular electric facilities. The request shall be accompanied by an appropriate deposit and shall specify the following information:

a. the area(s) being sought to be undergrounded
b. a list of all electric Customers affected
c. an estimated time frame for undergrounding to be accomplished
d. details of any construction by the Applicant
e. any other pertinent information which the Applicant possesses that may assist the

C. Cost Estimate Deposits

(1) Non-Binding Cost Estimates

The Company will provide a non-binding cost estimate related to the request at no cost to the Applicant. The non-binding cost estimate shall be an order of magnitude estimate to assist the requestor in determining whether to go forward with a binding cost estimate.

(2) Binding Cost Estimates

Upon the payment of a non-refundable deposit, as specified below, the Company shall provide an applicant with a binding cost estimate specifying the facility charge required for the installation. The facility charge to be collected pursuant to a binding cost estimate from an applicant shall not be subject to increase or refund unless the project scope is enlarged or reduced, or the project is not completed at the request of the applicant.

The deposit shall be forfeited, and the binding cost estimate provided to an Applicant shall be considered expired, if the Applicant does not enter into a contract for the installation of the requested underground electric distribution within 180 days of delivery of the binding cost estimate by the Company. For good cause the Company may extend the 180 day time limit.

The deposit for a binding cost estimate, which approximates the engineering costs for underground facilities associated with preparing the requested estimate, shall be calculated as follows:

I. New Construction (Excluding New Residential Subdivisions)

Facilities Classification	Deposit Amount
Urban Commercial	$4,540 per overhead primary mile
Urban Residential	$3,555 per overhead primary mile
Rural Residential	$3,263 per overhead primary mile

II. Conversions

Facilities Classification	Deposit Amount
Urban Commercial	$6,815 per overhead primary mile
Urban Residential	$5,330 per overhead primary mile
Rural Residential	$4,895 per overhead primary mile
Low Density Subdivision	$64.00 per lot
High Density Subdivision	$42.00 per lot

The deposit must be paid to the Company to initiate the estimating process. The deposit will be applied in the calculation of the facility charge to be required for the installation of underground distribution facilities.

RULES AND REGULATIONS (Continued)

D. Construction Contract

(1) General
Upon acceptance by the Applicant of a binding cost estimate, the Applicant shall execute a contract with the Company to perform the construction of the underground distribution facilities. The contract shall specify the type and character of system to be provided; establish the facility charge to be paid by Applicant prior to commencement of construction; specify details of construction to be performed by Applicant, if any; and address those other terms and conditions described below.

(2) Facilities Charge
The charge shall be calculated in accordance with the appropriate formula described below with all costs based on Rule 25-6.115, FAC, Facility Charges for Conversion of Existing Overhead Investor-owned Distribution Facilities:

a. New Construction
Charge =
Estimated cost of construction of underground facilities including underground service laterals to Customers' meters;
Minus, estimated construction cost of overhead facilities including overhead service drops to Customers' meters;
Minus, qualifying cost estimate deposit.

b. Conversion
Charge =
Remaining book value of existing overhead facilities to be removed;
Plus, removal cost of existing overhead facilities;
Minus, salvage value of existing overhead facilities;
Plus, estimated cost of construction of underground facilities including underground service laterals to Customers' meters;
Minus, estimated construction cost of overhead facilities including overhead service drops to Customers' meters;
Minus, qualifying cost estimated deposit.

E. Construction By Applicant

If agreed upon by the Applicant and the Company, the Applicant may construct or install portions of the underground system as long as such work meets the Company's engineering and construction standards. The Company will own and maintain the completed distribution facilities upon accepting the system as operational. The type of system provided will be determined by the Company's standards.

Any facilities provided by the Applicant will be inspected by Company inspectors prior to acceptance. Any deficiencies discovered as a result of these inspections will be corrected by the applicant at his sole expense, including the costs incurred by performing the inspections. Corrections must be made in a timely manner by the Applicant; otherwise the Company will undertake the correction and bill the Applicant for all costs of such correction. These costs shall be additional to the original binding cost estimate.

F. Other Terms And Conditions

(1) Easements: Easements satisfactory to both the Company and the Customer must be provided for by the Applicant prior to commencement of construction at no expense to the Company. Additional easements are not required when facilities are to be located on private property wholly within an area covered by a recorded subdivision utility easement, namely a reservation and recorded plat of an easement for public utility purposes and where underground electrical facilities are not prohibited. Where underground distribution facilities for serving more than one Customer are located on private property, easements are required.

Secondary voltage underground facilities wholly within one property for the purpose of serving only one Customer do not require easements. All primary voltage underground facilities require easements. Easements are not required for facilities in public rights-of-way.

RULES AND REGULATIONS (Continued)

(2) Scheduling, Clearing, and Grading: Rights-of-way and easements suitable to the Company must be furnished by the Applicant in a reasonable time to meet service requirements and must be cleared of trees, tree stumps, paving and other obstruction, staked to show property lines and final grade and must be graded to within six (6) inches of final grade by the Applicant before the Company will commence construction, all at no charge to the Company. Such clearing and grading must be maintained by the Applicant during construction by the Company. Grade stakes must be provided at transformer, pull box, and switch locations.

(3) Restoration: All removal and restoration of buildings, roads, driveways, sidewalks, patios, fences, ditches, landscaping, sprinkler systems, other utilities, etc. shall be the full responsibility of the Applicant and shall cause no cost to the Company. Removal of all construction debris not belonging to the Company shall be the responsibility of the Applicant or other.

(4) Other Joint Users on the Company Poles: Applicant must make arrangements with all other overhead utilities and third parties to remove their overhead facilities from the Company's poles prior to construction or to concurrently convert their facilities to underground or remove them at no cost to the Company. The Applicant shall produce, if requested by the Company, executed agreements with all joint users guaranteeing this requirement.

(5) Affected Electric Customers: Applicant must make arrangements with all affected Company Customers to, in a timely fashion, prepare their premises and service entrance for underground electrical service from the new underground distribution system. All Customers affected by the undergrounding request must agree to accept underground service. This Customer conversion will be at no cost to the Company.

(6) Damage to Company's Underground Facilities: The Applicant shall be responsible to ensure the Company's distribution system, once installed, is not damaged, destroyed, or otherwise disturbed during the construction of the project. This responsibility shall extend not only to those in his employ, but also to his subcontractors, and he shall be responsible for the full cost of repairing such damage.

RULES AND REGULATIONS (Continued)

9. <u>Metering</u>

Company will provide each Customer with a meter or meters for each applicable rate schedule.

Customer, acting jointly with Company, may install, maintain and operate at Customer's expense such check measuring equipment as desired provided that such equipment shall be so installed as not to interfere with operation of Company's equipment and that no electric energy shall be re-metered for resale to another or others.

Before installation and periodically thereafter, each meter shall be tested and adjusted using methods and accuracy limits prescribed or approved by the Florida Public Service Commission. Periodic test and inspection intervals shall not exceed the maximum period allowed by the Florida Public Service Commission.

If upon testing the meter is found to be in error in excess of prescribed accuracy limits, fast or slow, the amount of refund or charge to the Customer shall be determined by methods prescribed or approved by the Florida Public Service Commission.

In the event of stoppage or failure of any meter to register, Customer may be billed for such period on an estimated consumption based upon Customer's use of electric energy in a similar period of like use or on the basis of check meter readings, if available and accurate.

Meters in use shall be tested at the request of Customer and in his presence, if desired, provided only one (1) such test shall be made free of charge within a twelve (12) month period, and provided Customer shall pay the cost of any additional test within this period unless meter is shown to be inaccurate in excess of the tolerances set forth by the Florida Public Service Commission. If the Customer requests a test more frequently, the Company may require a deposit, not to exceed $50.00, to defray the cost of testing.

. 10. <u>Billing and Collecting</u>

Each Customer's meter will be read at regular intervals and bills will be rendered on a monthly basis or periodically in accordance with the terms of the applicable rate schedule. Bills will be rendered as soon as practical after determination of their amount and shall be due and payable at the office of Company within twenty (20) days after date of bill. Failure to receive a bill will not entitle Customer to any discount or to the omission of any charge for nonpayment within the time specified.

<u>Partial Month:</u>
Upon commencement of service less than fifteen (15) days prior to a regular monthly read date and when the service continues thereafter to the same Customer at the same address where the Customer is receiving service on monthly rate schedules, no bill will be rendered for service covering such period, but the charge for such period will be included in the bill rendered for the next succeeding monthly billing period.

10. Billing and Collecting (continued)

A separate bill will be rendered for each meter used by Customer unless, for the convenience of Company, multiple meters are used for measurement of the same class of service, in which case a bill will be rendered for the total amount registered by all meters. If Company, (as it may under unusual circumstances), permits more than one Customer to be served through one meter, the minimum bill and the first billing block kilowatt-hours of the applicable rate schedule shall be multiplied by the number of Customer so served and the number of kilowatt-hours in each succeeding block of the rate schedule shall be increased in the same proportion.

Billings in general will be based on meter readings but bills will be adjusted to compensate for errors in meter registration, in the reading thereof, or in the application of meter reading schedules to intervals five (5) days greater or lesser than a month. If the billing period is extended more than five (5) days, the Company will not apply the higher tiered rate if the Customer's higher usage is attributable to the extended billing period.

In case of tampering or unauthorized use, probable consumption will be billed as determined by the maximum quantity of electric energy estimated to have been consumed by the various appliances of Customer and a bill will be rendered for a period encompassing six (6) months prior to the detection of such abuse and /or disconnection for cause.

11. Customer's Liabilities

Company shall have the right to enter the premises of Customer at all reasonable hours for the purpose of making such inspection of Customer's installation as may be necessary for the proper application of Company's rate schedules and Rules and Regulations; for installing, removing, testing, or replacing its apparatus or property; for reading meters; and for the entire removal of Company's property in event of termination of service to Customer for any reason.

All property of Company installed in or upon Customer's premises used and useful in supplying service is placed there under Customer's protection. All reasonable care shall be exercised to prevent loss of or damage to such property and, ordinary wear and tear excepted, Customer will be held liable for any such loss of property or damage thereto and shall pay to Company the cost of necessary repairs or replacements.

No one except employees of Company will be allowed to make any repairs or adjustments to any meter or other piece of apparatus belonging to Company except in case of emergency.

Unauthorized connections to, or tampering with the Company's meters, meter seals, or metering equipment or indications or evidence thereof , subjects the Customer to immediate discontinuance of service, prosecution under the laws of Florida, adjustment of prior bills for services rendered, a tampering penalty pf $500 for residential and non-demand general service customers and $2,500 for all other customers, and liability for reimbursement to the Company for all extra expenses incurred on this account as a result thereof. The reimbursement for extra expenses incurred as a result of the investigation or as a result thereof shall be the actual amount of such extra expenses and shall be in addition to any charges for service rendered or charges for restoration of service as provided elsewhere in these rules.

RULES AND REGULATIONS (Continued)

11. Customers Liabilities (continued)

Customer shall not materially increase load without first notifying Company and obtaining consent.

Company shall have the right, if necessary, to construct its poles, lines and circuits on Customer's property, and to place its transformers and other apparatus on the property or within the buildings of Customer, at a point or points convenient for such purpose and Customer shall provide suitable space for such installation.

12. Company's Liabilities

Company will use reasonable diligence in furnishing as uniform a supply of electric energy as practicable, except where rate schedules provide otherwise. Company may interrupt its service hereunder, however, for the purpose of making necessary alterations and repairs, but only for such time as may be reasonable or unavoidable, and Company shall give to those Customers it knows may be seriously affected, except in case of emergency, reasonable notice of its intention so to do, and shall endeavor to arrange such interruption so as to inconvenience Customer as little as possible.

Whenever Company deems an emergency warrants interruption or limitation in the service being rendered, such interruption or limitation shall not constitute a breach of contract and shall not render Company liable for damages suffered thereby or excuse Customer from further fulfillment of the contract.

In the event that the supply of electric energy shall be interrupted from causes other than the foregoing or force majeure and such interruption is due to the negligence of Company and Company is liable because thereof, that liability shall be limited to twice the amount which Customer would have paid for electric energy during the period of such interruption. However, Company shall not be liable to Customer for any loss, injury or damage resulting from use of Customer's equipment or from the use of electric service furnished by Company or from the connection of Company's facilities with Customer's wiring and appliances.

RULES AND REGULATIONS (Continued)

13. Force Majeure

Except for payment of bills due, neither the Company nor the Customer shall be liable in damage to the other for any act, omission or circumstances occasioned by or in consequence of any acts of God, strikes, lockouts, acts of the public enemy, wars, blockades, insurrections, riots, epidemics, landslides, lightning, earthquakes, fires, storms, floods, unforeseeable or unusual weather conditions, washouts, arrests and restraint of rules and peoples, civil disturbances, explosions, breakage or accident to machinery or electric lines, temporary failure of electric supply, the binding order of any court or governmental authority which has been resisted in good faith by all reasonable legal means, and any other cause, whether of the kind herein enumerated, or otherwise, and whether caused or occasioned by or happening on account of the act or omission of Company or Customer or any other person or concern not reasonably within the control of the party claiming suspension and which by the exercise of due diligence such party is unable to prevent or overcome. A failure to settle or prevent any strike or other controversy with employees or with anyone purporting or seeking to represent employees shall not be considered to be a matter within the control of the party claiming suspension.

14. Discontinuance of Service

The Company reserves the right, but assumes no liability for failure so to do, to discontinue service to any Customer for cause as follows:

A. Without notice,

(1) if a dangerous condition exists on Customer's premises in wiring or energy-consuming devices.

(2) because of fraudulent use of the service or tampering with Company's equipment.

(3) upon request by Customer, subject to any existing agreement between Customer and Company as to unexpired term of service.

B. After five (5) working days' (any day on which the utility's business office is open and the U.S. Mail is delivered) notice in writing,

(1) for nonpayment of bill for electric service.

(2) when Company has reasonable evidence that Customer has been previously disconnected for nonpayment at present or other location and is receiving service for his own use under a different name in order to avoid past due payments to Company.

(3) for refusal or failure to make a deposit or increase a deposit, when requested, to assure payment of bills.

(4) for a violation of these Rules and Regulations which Customer refuses or neglects to correct.

C. <u>Discontinuance of Service When That Service is Medically Essential:</u>

For purposes of this section, a Medically Essential Service Customer is a residential Customer whose electric service is medically essential, as affirmed through the certificate of a medical doctor licensed to practice in the State of Florida. Service is “medically essential” if the Customer has continuously operating electric-powered medical equipment necessary to sustain the life of or avoid serious medical complications requiring immediate hospitalization of the Customer or another permanent resident at the service address. The physician’s certificate shall explain briefly and clearly, in non-medical terms, why continuance of electric service is medically essential, and shall be consistent with the requirements of the Company’s tariff. A Customer who is certified as a Medically Essential Service Customer must renew such certification periodically through the procedures outlined above. The Company may require certification no more frequently than 12 months.

The Company shall provide Medically Essential Service Customers with a limited extension of time, not to exceed thirty (30) days, beyond the date service would normally be subject to disconnection for non-payment of bills (following the requisite notice pursuant to Rule 25-6.105(5) of the Florida Administrative Code). The Company shall provide the Medically Essential Service Customer with written notice specifying the date of disconnection based on the limited extension. The Medically Essential Service Customer shall be responsible for making mutually satisfactory arrangements to ensure payment within this additional extension of time for service provided by the Company and for which payment is past due, or to make other arrangements for meeting medically essential needs.

RULES AND REGULATIONS (Continued)

No later than 12 noon one day prior to the scheduled disconnection of service of a Medically Essential Service Customer, the Company shall attempt to contact such Customer by telephone in order to provide notice of the scheduled disconnect date. If the Medically Essential Service Customer does not have a telephone number listed on the account, or if the utility cannot reach such Customer or other adult resident of the premises by telephone by the specified time, a field representative will be sent to the residence to attempt to contact the Medically Essential Service Customer, no later than 4 PM of the day prior to scheduled disconnection. If contact is not made, however, the company may leave written notification at the residence advising the Medically Essential Service Customer of the scheduled disconnect date; thereafter, the Company may disconnect service on the specified date. The Company will grant special consideration to a Medically Essential Service Customer in the application of Rule 26-6.097(3) of the Florida Administrative Code.

In the event that a Customer is certified as a Medically Essential Customer, the Customer shall remain solely responsible for any backup equipment and/or power supply and a planned course of action in the event of a power outage. The Company does not assume, and expressly disclaims, any obligation or duty; to monitor the health or condition of the person requiring medically essential service; to insure continuous service; to call, contact, or otherwise advise of service interruptions; or, except expressly provided by this section, to take any other action (or refrain from any action) that differs from the normal operation of the Company.

15. Reconnection of Service

When service shall have been discontinued for any of the reasons set forth in these Rules and Regulations, Company shall not be required to restore service until the following conditions have been met by the Customer:

A. Where service was discontinued without notice,

(1) The dangerous condition shall be removed and, if the Customer had been warned of the condition a reasonable time before the discontinuance and had failed to remove the dangerous condition, a reconnection fee shall be paid.

(2) all bills for service due Company by reason of fraudulent use or tampering shall be paid, a deposit to guarantee the payment of future bills shall be made, and a reconnection fee shall be paid.

(3) if reconnection is requested on the same premises after discontinuance, a reconnection fee shall be paid.

RULES AND REGULATIONS (Continued)

B. Where service was discontinued with notice,

(1) satisfactory arrangements for payment of all bills for service then due shall be made and a reconnection fee shall be paid.

(2) a satisfactory arrangement for the payment of bills then due under a different name shall be made and a reconnection fee shall be paid.

(3) a satisfactory guarantee of payment for all future bills shall be furnished and a reconnection fee shall be paid.

(4) the violation of these Rules and Regulations shall be corrected and a reconnection fee shall be paid.

The reconnection fee as required under items A and B above shall be as follows:

During Normal Business Hours	$ 70.00
After Normal Business Hours	$325.00

16. Termination of Service

Subject to any existing agreement between Customer and Company, if Customer wishes the electric service to be terminated, he shall give notice to the Company at least three (3) days prior to the time that such termination shall become effective. Customer will be held liable both for any electric energy that may pass through the meter and safe custody of the Company's property until three (3) days after such notice shall have been given, provided that the meter and/or other movable equipment shall not have been removed within that time by the Company.

If Customer wishes Company's property to be removed, he shall give notice to the Company at least ten (10) days prior to the time that such removal must be made.

17. Limitations of Supply

Company reserves the right, subject to regulatory authority having jurisdiction, to limit, restrict or refuse service that will result in additions to its distribution system and/or production capacity and/or alterations in its contractual requirements of supply from non-affiliated companies that may jeopardize service to existing Customers.

18. Temporary Service

The Company upon request will supply temporary service when the Company's distribution system is near the requested location.

When the temporary service is to be replaced later with a permanent service, the Company will install a service drop, meter and other facilities as may be necessary to the Customer's temporary service pole and remove same at the termination of temporary service. To recover the cost of installing and removing such temporary service, an advance of $415.00 per service to the applicant will be applied. For underground temporary service using Customer provided wire, an advance of $250.00 per service will be required. Should the Company be required to install an additional pole, additional charges will apply. A pole with an overhead service will be an additional $835.00, and a pole with an underground service will be an additional $1,000.00.

When the temporary service will not be replaced by a permanent service or when the location is such that multiple temporary poles and/or extensive facilities are required, the Company will estimate the cost of installing and removing the temporary facilities and the advance charge to the applicant will be that cost estimate.

The rate schedule for temporary service shall be that which is applicable to the class of service for that Customer.

19. Fees for Initial Connections

In addition to the deposit or suitable guarantee to cover the payment of bills as required by the Rules and Regulations, each Applicant or Customer shall pay an initial turn-on connection fee of $125.00.

20. Re-establish or Make Change to Account

There shall be a charge to re-establish or change any account to which service is currently rendered under any of the Company' rate schedules in the amount of $45.00. Should it be necessary, at the Customer's request, to disconnect and then reconnect the service to the account, the Customer shall pay a temporary disconnect then reconnect fee in the amount of $81.00.

21. Returned Check Charge

The service charge for each worthless check shall be determined in accordance with Section 68.065, Florida Statues. As of October 1, 1996, Section 68.065, F.S., provided for a service charge of $25.00, if the face value does not exceed $50.00, $30.00, if the face value exceeds $50.00 but does not exceed $300.00 and $40.00, or 5 percent of the face amount of the check, whichever is greater if the face value exceeds $300.00. Such service charge shall be added to the Customer's bill for electric service for each check dishonored by the bank upon which it is drawn. Termination of service shall not be made for failure to pay the returned check charge.

22. Late Payment Charge

A bill shall be considered past due upon expiration of twenty (20) days from the date of mailing or other delivery thereof by the Company. The balance of all past due charges for services rendered are subject to a Late Payment charge of 1.5% or $5.00, whichever is greater, except the accounts of federal, state, and local governmental entities, agencies, and instrumentalities. A Late Payment Charge shall be applied to the accounts of federal, state, and local governmental entities, agencies and instrumentalities at a rate no greater than allowed, and in a manner permitted by applicable law.

23. Measuring Customer Service

A. All energy sold to Customers, except that sold under flat rate schedule, shall be measured by commercially acceptable measuring devices owned and maintained by the Company, except where it is impractical to meter loads, such as street lighting, temporary or special installations, in which case the consumption may be calculated, or billed on demand or connected load rate or as provided in Company's filed tariff.

B. When there is more than one meter at a location the metering equipment shall be so tagged or plainly marked as to indicate the circuit metered. Where similar types of meters record different quantities, (kilowatt hours and relative power, for example), metering equipment shall be tagged or plainly marked to indicate what the meters are recording.

C. Meters which are not direct reading shall have the multiplier plainly marked on the meter. All charts taken from recording meters shall be marked with the date of the record, the meter number, Customer, and chart multiplier. The register ratio shall be marked on all meter registers. The watt-hour constant for the meter itself shall be placed on all watt-hour meters.

D. Metering equipment shall not be set "fast" or "slow" to compensate for supply transformer or line losses.

E. Individual electric metering by Company shall be required for each separate occupancy unit of new commercial establishments, residential buildings, condominiums, cooperatives, marinas, and trailer, mobile home and recreational vehicle parks for which construction is commenced after January 1, 1981. Individual electric meters shall not, however, be required:

RULES AND REGULATIONS (Continued)

1. In those portions of a commercial establishment where the floor space dimensions or physical configuration of the units are subject to alteration, as evidenced by non-structural element partition walls, unless the utility determines that adequate provisions can be made to modify the metering to accurately reflect such alterations;

2. For electricity used in central heating, ventilating and air conditioning systems, or electric back up service to storage heating and cooling systems;

3. For electricity used in specialized-use housing accommodations such as hospitals, nursing homes, living in facilities located on the same premises as, and operated in conjunction with, a nursing home or other health care facility providing at least the same level and types of services as a nursing home, convalescent homes, facilities certified under chapter 651, Florida Statutes, college dormitories, convents, sorority houses, fraternity houses, motels, hotels, and similar facilities.

4. For separate, specially designated areas for overnight occupancy at trailer, mobile home and recreational vehicle parks where permanent residency is not established and for marinas were living aboard is prohibited by ordinance, deed restriction, or other permanent means.

5. For new and existing time-share plans, provided that all of the occupancy units which are served by the master meter or meters are committed to a timeshare plan as defined in Section 721, Florida Statutes, and none of the occupancy units are used for permanent occupancy. When a time-share plan is converted from individual metering to master metering, the Customer must reimburse the utility for the costs incurred by the utility for the conversion. These costs shall include, but not be limited to, the undepreciated cost of any existing distribution equipment which is removed or transferred to the ownership of the Customer, plus the cost of removal or relocation of any distribution equipment, less the salvage value of any removed equipment.

For purpose of this rule:

1. “Occupancy unit” means that portion of any commercial establishment, single and multi-unit residential building, or trailer, mobile home or recreational vehicle park, or marina which is set apart from the rest of such facility by clearly determinable boundaries as described in the rental, lease, or ownership agreement for such unit.

   “Time-sharing plan” means any arrangement, plan, scheme or similar device, whether by membership, agreement, tenancy in common, sale, lease, deed, rental agreement, license, or right-to-use agreement or by any other means, whereby a purchaser, in exchange for a consideration, receives a right to use accommodations or facilities, or both, for a specific period of times less than a full year during any given year, but not necessarily for consecutive years, and which extends for a period of more than three years.

RULES AND REGULATIONS (Continued)

3. The construction of a new commercial establishment, residential building, marina, or trailer, mobile home or recreational vehicle park shall be deemed to commence on the date when the building structure permit is issued.

4. The individual metering requirement is waived for any time sharing facility for which construction was commenced before December 23, 1982, in which separate occupancy units were not metered in accordance with subsection (5) (a).

5. "Overnight Occupancy" means use of an occupancy unit for a short term such as per day or per week where permanent residency is not established.

6. The term "cost" as used herein means only those charges specifically authorized by the electric utility's tariff, including but not limited to the Customer, energy, demand, fuel, and conservation charges made by the Company plus applicable taxes and fees to Customer of record responsible for the master meter payments. The term does not include late payment charges, returned check charges, the cost of distribution system behind the master meter, the cost of billing, and other such costs.

F. Where individual metering is not required under Subsection (E) and master metering is used in lieu thereof, reasonable apportionment methods, including sub-metering, may be used by Customer of record or the owner of such facility solely for the purpose of allocating the cost of the electricity billed by the Company.

G. Any fees or charges allocated by Customer of record for electricity billed to Customer's account by Company, whether based on the use of sub-metering or any other allocation method, shall be determined in a manner which reimburses the Customer of record for no more than the Customer's actual cost of electricity.

RULES AND REGULATIONS (Continued)

24. Miscellaneous Service Charges

A. Initial establishment of service	$ 125.00
B. Re-establish or Change Account	$ 45.00
C. Temporary disconnect then reconnect Service	$ 81.00
D. Re-connect service after being disconnected for rule violation	
Normal Business Hours	$ 70.00
After Normal Business Hours	$325.00
E. Connect and then disconnect temporary Service	$ 135.00
F. Collection Charge	$ 50.00

INDEX OF RATE SCHEDULES

RATE SCHEDULE RS
RESIDENTIAL SERVICE

Availability

Available within the territory served by the Company in Jackson, Calhoun and Liberty Counties and on Amelia Island in Nassau County.

Applicability

Applicable for service to a single family dwelling unit occupied by one family or household and for energy used in commonly-owned facilities in condominium and cooperative apartment buildings.

Character of Service

Single-phase service at nominal secondary voltage of 115/230 volts; three-phase service if available.

Limitations of Service

The maximum size of any individual single-phase motor hereunder shall not exceed five (5) horsepower.

The Company shall not be required to construct any additional facilities for the purpose of supplying three-phase service unless the revenue to be derived therefrom shall be sufficient to yield the Company a fair return on the value of such additional facilities.

Monthly Rate

Customer Facilities Charge:

$24.40 per Customer per month

Base Energy Charge:

3.419¢/KWH for usage up to 1000 KWH's/month

5.60¢/KWH for usage above 1000 KWH's/month

Purchased Power Charges

Purchased power charges are adjusted by the Florida Public Service Commission, normally each year in January. For current purchased power costs included in the tariff, see Sheet Nos. 7.021 & 7.022.

Minimum Bill

The minimum monthly bill shall consist of the above Customer Facilities Charge.

RATE SCHEDULE RS
RESIDENTIAL SERVICE

Purchased Power Costs

See Sheet Nos. 7.021 & 7.022.

Conservation Costs

See Sheet Nos. 7.021 & 7.022.

Franchise Fee Adjustment

Customers taking service within franchise areas shall pay a franchise fee adjustment in the form of a percentage to be added to their bills prior to the application of any appropriate taxes. This percentage shall reflect the Customer's pro rata share of the amount the Company is required to pay under the franchise agreement with the specific governmental body in which the Customer is located.

Budget Billing Program (optional)

An electing Customer's participation in the budgeted payment plan will be continuous unless the Customer requests that participation in the plan be terminated or that Electric Service be terminated, or the Customer is delinquent in paying the budgeted payment amount and becomes subject to the collection action on the service account. At that time, the Customer's participation in the program will be terminated and the Customer shall settle their account with the Company in full. If a Customer requests to terminate participation in the program, but remains a Customer of the Company, the Customer shall pay any deferred debit balance with their next regular monthly bill, and any deferred credit balance shall be used to reduce the amount due for the next regular monthly bill. An electing Customer may request that participation be terminated at any time, but once terminated by Customer request or due to collection action, will be limited to a six (6) month waiting period before Customer may rejoin the Budget Billing Program.

Terms and Conditions

Service under this rate schedule is subject to the Company's Rules and Regulations applicable to electric service.

RESERVED FOR FUTURE USE

RATE SCHEDULE GS
GENERAL SERVICE – NON DEMAND

Availability

Available within the territory served by the Company in Jackson, Calhoun and Liberty Counties And on Amelia Island in Nassau County.

Applicability

Applicable to commercial and industrial lighting, heating, cooking and small power loads aggregating 25 KW or less.

Character of Service

Single or three-phase service at available standard voltage.

Limitations of Service

Service shall be at a single metering point.

Monthly Rate

Customer Facilities Charge:

$40.00 per Customer per month

Base Energy Charge:

All KWH 5.433¢/KWH

Purchased Power Charges

Purchased power charges are adjusted by the Florida Public Service Commission, normally each year in January. For current purchased power costs included in the tariff, see Sheet Nos. 7.021 & 7.022.

Minimum Bill

The minimum monthly bill shall consist of the above Customer Facilities Charge.

Terms of Payment

Bills are rendered net and are due and payable within twenty (20) days from date of bill.

RATE SCHEDULE GS
GENERAL SERVICE – NON-DEMAND

Purchased Power Costs
See Sheet Nos. 7.021 & 7.022.

Conservation Costs
See Sheet No. 7.021 & 7.022.

Franchise Fee Adjustment
Customers taking service within franchise areas shall pay a franchise fee adjustment in the form of a percentage to be added to their bills prior to the application of any appropriate taxes. This percentage shall reflect the Customer's pro rata share of the amount the Company is required to pay under the franchise agreement with the specific governmental body in which the Customer is located.

Terms and Conditions
Service under this rate schedule is subject to the Company's Rules and Regulations applicable to electric service.

RATE SCHEDULE GSD
GENERAL SERVICE – DEMAND

Availability

Available within the territory served by the Company in Jackson, Calhoun and Liberty Counties and on Amelia Island in Nassau County.

Applicability

Applicable to commercial, industrial and municipal service with a measured demand of 25 KW but less than 500 KW for three or more months out of the twelve consecutive months ending with the current billing period. Also available, at the option of the Customer, to any Customer with demands of less than 25 KW who agrees to pay for service under this rate schedule for a minimum initial term of twelve months.

Character of Service

Single or three-phase service at available standard voltage.

Limitations of Service

Service shall be at a single metering point at one voltage.

Monthly Rate

Customer Facilities Charge:

$138.99 per Customer per month

Demand Charge:

Each KW of Billing Demand $7.58/KW

Base Energy Charge

All KWH 0.923¢/KWH

Purchased Power Charges

Purchased power charges are adjusted by the Florida Public Service Commission, normally each year in January.

Minimum Bill

The minimum monthly bill shall consist of the above Customer Facilities Charge plus the Demand Charge for the currently effective billing demand.

Terms of Payment

Bills are rendered net and are due and payable within twenty (20) days from date of bill.

Purchased Power Costs

See Sheet Nos. 7.021 & 7.022.

RATE SCHEDULE GSD
GENERAL SERVICE - DEMAND

Conservation Costs
See Sheet Nos. 7.021 & 7.022.

Franchise Fee Adjustment
Customers taking service within franchise areas shall pay a franchise fee adjustment in the form of a percentage to be added to their bills prior to the application of any appropriate taxes. This percentage shall reflect the Customer's pro rata share of the amount the company is required to pay under the franchise agreement with the specific governmental body in which the Customer is located.

Billing Demand
The billing demand in any month shall be the greatest of the following:

(a) The highest fifteen-minute average load for the current month, as registered by a demand meter or indicator.

(b) The highest fifteen-minute average load for the current month after adjustment for power factor, in accordance with the Power Factor Clause of this schedule.

(c) For those Customers electing to take service under this rate schedule in lieu of the otherwise applicable rate schedule the billing demand shall be as in either (a) or (b) above, but not less than 20 KW.

Terms of Service
Not less than one year.

Power Factor of Clause
The Company reserves the right to measure power factor and if it is less than 90%, adjust the maximum demand for any month by multiplying the measured demand by 90% and dividing by the actual power factor.

Transformer Ownership Discount
If the customer elects to take service at the available primary voltage and furnish and maintain any transformers required, the monthly demand charge will be reduced by fifty five (55) cents per kilowatt. Such customers will be metered at primary voltage and in recognition of estimated average transformation losses of 1% the KW and KWH measured units shall be multiplied by a factor of 0.99 for billing purposes.

Terms and Conditions

Service under this rate schedule is subject to the Company's Rules and Regulations applicable to electric service.

RATE SCHEDULE GSLD
GENERAL SERVICE-LARGE DEMAND

Availability

Available within the territory served by the Company in Jackson, Calhoun and Liberty Counties and on Amelia Island in Nassau County.

Applicability

Applicable to commercial, industrial and municipal service with a measured demand of 500 KW but less than 5000 KW for three or more months out of the twelve consecutive months ending with the current billing period. Also available, at the option of the Customer, to any Customer with demands of less than 500 KW who agrees to pay for service under this rate schedule for a minimum initial term of twelve months.

Character of Service

Three-phase service at available standard voltage.

Limitations of Service

Service shall be at a single metering point at one voltage.

Monthly Rate

Customer Facilities Charge:

$265.69 per Customer per month

Demand Charge:

Each KW of Billing Demand	$10.84/KW

Base Energy Charge

All KWH	0.429¢/KWH

Purchased Power Charges

Purchased power charges are adjusted by the Florida Public Service Commission, normally each year in January.

Minimum Bill

The minimum monthly bill shall consist of the above Customer Facilities Charge plus the Demand Charge for the currently effective billing demand.

Terms of Payment

Bills are rendered net and are due and payable within twenty (20) days from date of bill.

Purchased Power Costs

See Sheet No. 7.021 & 7.022.

RATE SCHEDULE GSLD
GENERAL SERVICE-LARGE DEMAND

Conservation Costs

See Sheet Nos. 7.021 & 7.022.

Franchise Fee Adjustment

Customers taking service within franchise areas shall pay a franchise fee adjustment in the form of a percentage to be added to their bills prior to the application of any appropriate taxes. This percentage shall reflect the Customer's pro rata share of the amount the Company is required to pay under the franchise agreement with the specific governmental body in which the Customer is located.

Billing Demand

The billing demand in any month shall be the greatest of the following:

(d) The highest fifteen-minute average load for the current month, as registered by a demand meter or indicator.

(e) The highest fifteen-minute average load for the current month after adjustment for power factor, in accordance with the Power Factor Clause of this schedule.

(f) For those Customers electing to take service under this rate schedule in lieu of the otherwise applicable rate schedule the billing demand shall be as in either (a) or (b) above, but not less than 400 KW.

Terms of Service

Not less than one year.

Power Factor of Clause

The Company reserves the right to measure power factor and if it is less than 90%, adjust the maximum demand for any month by multiplying the measured demand by 90% and dividing by the actual power factor.

Transformer Ownership Discount

If the customer elects to take service at the available primary voltage and furnish and maintain any transformers required, the monthly demand charge will be reduced by fifty five (55) cents per kilowatt. Such customers will be metered at primary voltage and in recognition of estimated average transformation losses of 1% the KW and KWH measured units shall be multiplied by a factor of 0.99 for billing purposes.

Terms and Conditions

Service under this rate schedule is subject to the Company's Rules and Regulations applicable to electric service.

RATE SCHEDULE GSLD 1
GENERAL SERVICE - LARGE DEMAND 1

Availability
Available within the territory served by the Company in Jackson, Calhoun, and Liberty Counties and on Amelia Island in Nassau County.

Applicability
Applicable to commercial and industrial services of Customers contracting for at least 5,000 kilowatts of electric service.

Character of Service
Three-phase, 60 hertz, electric service delivered and metered at a single point at the available transmission voltage, nominally 69,000 volts or higher.

Monthly Base Rates

Customer Facilities Charge:	$1,242.99
Base Transmission Demand Charge:	$2.88/KW of Maximum/NCP Billing Demand
Excess Reactive Demand Charge:	$0.56/kVar of Excess Reactive Demand

Purchased Power Charges
Purchased power charges are adjusted by the FPSC annually. Current purchased power rates are listed on Sheet Nos. 7.021 and 7.022. The Purchased Power Charges recover Energy and Demand Charges billed to FPUC by FPUC's Wholesale Energy Provider and Wholesale Cogeneration Provider including applicable line losses and taxes. See Sheet Nos. 7.010 and 7.011 for the methodology used to determine purchased power rate and calculation to develop annual true-up calculations.

Minimum Bill
The minimum monthly bill is the sum of the Transmission Demand Charge and the Customer Charge plus any Purchased Power Charges attributed to Transmission Demand Fuel Charge.

Terms of Payment
Bills are rendered net and due and payable within twenty (20) days from date of bill.

Conservation Costs
Not applicable.

Franchise Fee Adjustment
Customers taking service within franchise areas shall pay a franchise fee adjustment in the form of a percentage to be added to their bills prior to the application of any appropriate taxes. This percentage shall reflect the Customer's pro rata share of the amount the Company is required to pay under the franchise agreement with the specific governmental body in which the Customer is located.

RATE SCHEDULE GSLD 1
GENERAL SERVICE-LARGE DEMAND 1

Coincident Peak (CP) Billing Demand

The CP Billing Demand in any month shall be the Customer's greatest one hour average load as registered by FPUC's demand meter coincident with the FPUC System Peak or the Wholesale Energy Providers System Peak for the purposes as described below:

1) FPUC System Peak for the purpose of determining the Generation Demand Fuel Charge. The demand may be adjusted to correct to 90% power factor based on billing from Wholesale Energy Provider.

2) FPUC System Peak for the purpose of determining the Excess Reactive Demand Charge.

3) Wholesale Energy Providers System Peak for the purpose of determining the Transmission Demand Charge. The demand may be adjusted to correct to 95% power factor based on billing from Wholesale Energy Provider.

Maximum Demand (Non-Coincident Peak (NCP) Billing Demand)

The Maximum Demand (NCP Billing Demand) (Transmission Demand Charge) in any month shall be the Customer's greatest one hour average load as registered by FPUC's demand meter, but not less than 5,000 KW. This will be used as the purchased power value for billing purposed during the year and will be trued-up annually.

Excess Reactive Demand

The Excess Reactive Demand in any month shall be any lagging kVar in excess of one-half of the CP Billing Demand in that month. For the purpose of determining the Excess Reactive Demand charge, the CP Billing Demand will be coincident with the FPUC System Peak.

Coincident Peak (CP) Generation Demand Fuel Charge (Purchased Power Charge)

The Generation Demand Fuel Charge recovers the Wholesale Energy Providers Demand Charge for Generation Services billed to FPUC including system line losses and applicable taxes. The charge is applied to the Customer's CP Billing Demand coincident with the FPUC System Peak.

Transmission Contract Demand Fuel Charge (Purchased Power Charge)

The Transmission Demand Fuel Charge recovers the Wholesale Energy Providers Demand Charge for Transmission Services billed to FPUC including system line losses and applicable taxes. The charge is applied to the Customer's CP Billing Demand or cogeneration output coincident with the Wholesale Providers system Peak, whichever is higher.

Energy Charge (Purchased Power Charge)

The Energy Charge recovers the Energy Charge from the Wholesale Energy Provider and Wholesale Cogeneration Energy Provider including system line losses and applicable taxes.

Term of Service

Contract for service hereunder shall be for a period of not less than one year.

Terms and Conditions

Service under this rate schedule is subject to the Company's Rules and Regulations applicable to electric service.

RESERVED FOR FUTURE USE

RATE SCHEDULE LS
LIGHTING SERVICE

Availability

Available within the territory served by the Company in Calhoun, Jackson and Liberty Counties and on Amelia Island in Nassau County.

Applicability

Applicable to any Customer for non-metered outdoor lighting service.

Character of Service

Lighting service from dusk to dawn as described herein.

Limitations of Service

Service is limited to lighting by high-pressure sodium vapor, metal halide, or light emitting diode lamps mounted on Company-owned poles as described herein. Company-owned facilities will be installed only on Company-owned poles.

Monthly Rate

When lighting fixtures are mounted on existing poles and served directly from existing overhead secondary distribution lines:

Type Facility	Lamp Lumens	Size Watts	KWH/Mo. Estimate	Facilities Charge	Maintenance* Charge	Energy Charge	Total Charge
High Pressure Sodium Lights ***(CLOSED TO NEW CUSTOMERS)***							
Acorn	16,000	150	61	$25.18	$3.18	$4.08	$32.44
ALN 440	16,000	150	61	$35.90	$4.25	$4.08	$44.23
Amer. Rev.	9,500	100	41	$12.36	$4.21	$2.75	$19.32
Amer. Rev.	16,000	150	61	$11.57	$4.26	$4.08	$19.91
Cobra Head	9,500	100	41	$9.27	$2.70	$2.75	$14.72
Cobra Head	22,000	200	81	$12.51	$3.24	$5.45	$21.20
Cobra Head	28,500	250	101	$14.87	$4.26	$6.78	$25.91
Cobra Head	50,000	400	162	$13.89	$3.54	$10.92	$28.35
Flood	28,500	250	101	$14.54	$3.10	$6.78	$24.42
Flood	50,000	400	162	$22.83	$2.90	$10.92	$36.65
Flood	130,000	1,000	405	$28.60	$3.84	$27.24	$59.68
SP2 Spectra	9,500	100	41	$31.73	$3.96	$2.75	$38.44
Metal Halide Lights ***(CLOSED TO NEW CUSTOMERS)***							
ALN 440	16,000	175	71	$34.35	$3.34	$4.82	$42.51
Flood	50,000	400	162	$15.50	$2.83	$10.92	$29.25
Flood	130,000	1,000	405	$26.36	$3.73	$27.24	$57.33
Shoebox	16,000	175	71	$29.01	$3.75	$4.82	$37.58
Shoebox	28,500	250	101	$30.88	$4.20	$6.78	$41.86
SP2 Spectra	9,500	100	41	$31.49	$3.84	$2.75	$38.08
Vertical Shoebox	130,000	1,000	405	$32.55	$4.25	$27.24	$64.04

RATE SCHEDULE LS
LIGHTING SERVICE

Light Emitting Diode Lights

Type Facility Type	Lamp Lumens	Size Watts	Est. KWH/Mo.	Charges Facilities	Maintenance	Energy	Total
50W Outdoor Light (100W Equivalent)	5,682	50	17	$8.42	$2.66	$1.14	$12.22
50W Cobra Head (100W Equivalent)	5,944	50	17	$10.63	$3.31	$1.14	$15.08
82W Cobra Head (200W Equivalent)	9,600	82	28	$9.95	$3.11	$1.88	$14.94
130W Cobra Head (250W Equivalent)	14,571	130	45	$9.91	$3.10	$3.02	$16.03
210W Cobra Head (400W Equivalent)	28,653	210	72	$17.33	$5.05	$4.83	$27.21
26W American Revolution Decorative (100W Equivalent)	2,650	26	9	$9.95	$3.48	$0.60	$14.03
44W American Revolution Decorative (150W Equivalent)	4,460	44	15	$9.86	$3.44	$1.01	$14.31
90W Acorn Decorative (150W Equivalent)	10,157	90	31	$14.25	$4.75	$2.08	$21.08
60W Post Top Decorative (150W Equivalent)	7,026	60	21	$25.25	$7.99	$1.41	$34.65
80W Flood (250W Equivalent)	12,500	80	27	$13.81	$4.35	$1.82	$19.98
170W Flood (400W Equivalent)	24,000	170	58	$13.81	$4.35	$3.90	$22.06
150W Flood (350W Equivalent)	20,686	150	52	$13.81	$4.35	$3.49	$21.65
290 W Flood (1,000W Equivalent)	38,500	290	100	$13.81	$4.35	$6.71	$24.87
82W Shoe Box (175W Equivalent)	20,500	23	276	$12.14	$4.34	$1.87	$18.35
131W Shoe Box (250W Equivalent)	17,144	131	45	$13.71	$4.59	$3.02	$21.32

Charges for other Company-owned facilities:

1)	30’ Wood Pole	$6.16
2)	40’ Wood Pole Std	$13.71
3)	18’ Fiberglass Round	$12.76
4)	13’ Decorative Concrete	$18.09
5)	20’ Decorative Concrete	$20.99
6)	35’ Concrete Square	$20.25
7)	10’ Deco Base Aluminum	$23.74
8)	30’ Wood Pole Std	$6.86

For the poles shown above that are served from an underground system, the Company will provide up to one hundred (100) feet of conductor to service each fixture. The Customer will provide and install the necessary conduit system to Company specifications.

Purchased Power Charges

Purchased power charges are adjusted annually by the Florida Public Service Commission. For current purchased power costs included in the tariff, see Sheet No. 7.021 & 7.022.

Minimum Bill

The above rates times the number of lamps connected.

RATE SCHEDULE LS
LIGHTING SERVICE

Terms of Payment

Bills are rendered net and are due and payable within twenty (20) days from date of bill.

Purchased Power Costs

See Sheet No. 7.021 & 7.022.

Conservation Costs

See Sheet No. 7.021 & 7.022.

Franchise Fee Adjustment

Customers taking service within franchise areas shall pay a franchise fee adjustment in the form of a percentage to be added to their bills prior to the application of any appropriate taxes. This percentage shall reflect the Customer's pro rata share of the amount the Company is required to pay under the franchise agreement with the specific governmental body in which the Customer is located.

Term of Service

Service under this rate schedule shall be by written contract for a period of five or more years.

Terms and Conditions

1. Service under this rate schedule is subject to the Company's Rules and Regulations applicable to electric service.

2. The charges set forth above cover the initial installation of overhead lines, poles and fixture assembly including bracket, and the maintenance duty as limited to lamp renewals due to burn outs only, or the repair or replacement of equipment causing lamps not to be illuminated.

The Company will repair or replace malfunctioning lighting fixtures maintained by the company in accordance with Section 768.1382, Florida Statues (2005). Maintenance duty to be undertaken by Florida Public Utilities Company is limited to lamp renewal due to burn outs only, or the repair or replacement of equipment causing lamps not to be illuminated. Such burnt out lamp replacements or repairs causing non-illumination of lamps will be performed only during regular daytime working hours as soon as practical after notification of the burn out or non-illumination conditions of the lamp by the Customer. The maintenance duties undertaken herein are expressly limited to our paying Customer and are not to be deemed to create a duty to the general public at large.

RATE SCHEDULE OSL
MERCURY VAPOR LIGHTING SERVICE
(Closed To New Installations)

Availability

Available within the territory served by the Company in Calhoun, Jackson and Liberty Counties and on Amelia Island in Nassau County.

Applicability

Applicable to any Customer for mercury vapor lighting service.

Character of Service

Lighting service from dusk to dawn as described herein.

Limitations of Service

Service is limited to lighting by mercury vapor lamps of 7,000 or 20,000 initial level of lumens mounted on wood poles, as described herein.

Monthly Rate

When lighting fixtures are mounted on existing poles and served directly from existing overhead secondary distribution lines:

Lamp Size Lumens	KWH/Mo. Estimate	Facilities Charge	Maintenance* Charge	Energy Charge	Total Charge
7,000	72	$1.78	$1.59	$4.73	$8.10
20,000	154	$1.96	$1.69	$10.17	$13.82

For concrete or fiberglass poles and/or underground conductors, etcetera, the Customer shall pay a lump sum amount equal to the estimated differential cost between the special system and the equivalent overhead-wood pole system.

Purchased Power

Charges

Purchased power charges are adjusted by the Florida Public Service Commission, normally each year in January. For current purchased power costs included in the tariff, see Sheet Nos. 7.021 & 7.022.

Minimum Bill

The above rates times the number of lamps connected.

Terms of Payment

Bills are rendered net and are due and payable within twenty (20) days from date of bill.

RATE SCHEDULE OSL
MERCURY VAPOR LIGHTING SERVICE
(Closed To New Installations)

Purchased Power Costs

See Sheet No. 7.021 & 7.022.

Conservation Costs

See Sheet No. 7.021 & 7.022.

Franchise Fee Adjustment

Customers taking service within franchise areas shall pay a franchise fee adjustment in the form of a percentage to be added to their bills prior to the application of any appropriate taxes. This percentage shall reflect the Customer's pro rata share of the amount the Company is required to pay under the franchise agreement with the specific governmental body in which the Customer is located.

Terms of Service

Service under this rate schedule shall be by written contract for a period of two or more years.

Terms and Conditions

1. Service under this rate schedule is subject to the Company's Rules and Regulations applicable to electric service.

2. The charges set forth above cover the initial installation of overhead lines, poles and fixture assembly including bracket, and maintenance duty as limited including lamp renewals due to burn outs only, or the repair or replacement of equipment causing lamps not to be illuminated. Such burnt out lamp replacements or repairs causing non-illumination of lamps will be performed as soon as practical after notification of the burnt out lamp or non-illumination by patrols made by company personnel or the Customer. However, Company shall not be required to replace existing street lighting fixtures for Customers receiving service under this rate.

* The Company will repair or replace malfunctioning lighting fixtures maintained by the company in accordance with Section 768.1382, Florida Statues (2005). Maintenance duty to be undertaken by Florida Public Utilities Company is limited to lamp renewal due to burn outs only, or the repair or replacement of equipment causing lamps not to be illuminated. Such burnt out lamp replacements or repairs causing non-illumination of lamps will be performed during regular daytime working hours as soon as practical after notification of the burn out or non-illumination conditions of the lamp by the Customer. The maintenance duties undertaken herein are expressly limited to our paying Customer and are not to be deemed to create a duty to the general public at large.

ECONOMIC DEVELOPMENT RIDER PROGRAM-EDRP

Availability:

This Economic Development Rate Program (the "Program") is available throughout the entire territory served by Florida Public Utilities Company. The Qualifying load and employment requirements under this Rider must be achieved at the same delivery point. Additional metering equipment may be required for service under this Rider.

Application:

This Program is applicable to new electric load associated with:

(1) Initial permanent service to new commercial and industrial establishments.

(2) Commercial or industrial space that has been vacant for more than six months prior to the application for service under the Program. Verification of vacancy will be established by evidence of no or minimal electric load during the time period in question.

(3) The expansion of existing establishments. For existing establishments, new load is the net incremental load above that which existed prior to approval for service under this Program.

The new load applicable under this Program for new and vacant establishments must be a minimum of 200 kW at a single delivery point. In the case of the expansion of existing facilities, the added new load must be a minimum of 100 kW, however, in order to qualify, the total load after the addition of the new load must be a minimum of 200 kW at a single delivery point. To qualify for service under this Program, the Customer must employ an additional work force of at least 10 full-time employees at the delivery point to which the load is added.

In order to take service under the Program, the Customer must provide sufficient evidence to Florida Public Utilities Company to establish that the availability of the Program is a significant factor in the Customer's location or expansion decision.

Initial application for this Program is not available to existing load. However, if a change in ownership occurs after the Customer contracts for service under this Program, the successor Customer may be allowed to fulfill the balance of the contract under the Program and continue the schedule of credits outlined below.

This Program is not available for load shifted from one establishment or delivery point on the Florida Public Utilities system to another on the Florida Public Utilities system.

ECONOMIC DEVELOPMENT RIDER PROGRAM-EDRP (Continued)

Monthly Rate:

The rates and all other terms and conditions of the Customer's otherwise applicable rate schedule shall be applicable under this Program. A credit based on the percentages below will be applied to the demand charges and non-fuel (base) energy charges of the Customer's otherwise applicable rate schedule associated with the Customer's new load:

Year 1 - 20% reduction
Year 2 - 15% reduction
Year 3 - 10% reduction
Year 4 - 5% reduction
Year 5 - 0% reduction

The above credit will be deducted from the monthly electric bill as computed in accordance with the provisions of the Monthly Rate section of the Customer's applicable rate schedule before application of any discounts or adjustments. All other charges including the Customer charge and energy conservation charge will be based on the Customer's otherwise applicable rate. The otherwise applicable rates may be any of the following: GSD, GSLD, or GSLD1.

Term of service:

The Customer agrees to a five-year contract term. Service under this Program will terminate at the end of the fifth year. Florida Public Utilities Company may terminate service under this Program at any time if the Customer fails to comply with the terms and conditions of this Program. Failure to: 1) maintain the level of employment specified in the Customer's Service Agreement and/or 2) purchase from Florida Public Utilities the amount of load specified in the Customer's Service Agreement will be considered grounds for termination.

If Florida Public Utilities Company terminates service under the Program for the Customer's failure to comply with its provisions, or if the Customer opts to terminate service under the Program, the Customer will be placed on their applicable rate schedule with no future discounts or rate reductions.

Service under this Rider is subject to the Rules and Regulations of the Company and the Florida Public Service Commission.

ECONOMIC DEVELOPMENT RIDE PROGRAM-EDRP

ECONOMIC DEVELOPMENT RIDER PROGRAM- EDRP

Service Agreement

The Customer is applying for service under the Economic Development Rate Program based upon new or expanded load as indicated below (Check one):

☐ New Load associated with a new commercial or industrial establishment

☐ New Load established in commercial or industrial space that has been vacant for more than six months

☐ Expanded Load associated with an existing establishment

CUSTOMER NAME____

SERVICE ADDRESS____

TYPE OF BUSINESS____

The Customer hereto agrees as follows:

1. For new and vacant establishments, a minimum of 200 kW of measured demand must be added at a single delivery point.
2. For existing establishments that are expanding, a minimum of 100 kW of measured demand must be added at a single delivery point, and the total measured demand after the addition of the new load must be a minimum of 200 kW.
3. In all cases, the Customer must employ an additional work force of at least 10 full-time employees at the delivery point to which the load is added.
4. That the quantity of new or expanded load shall be 200KW of Demand.
5. The nature of this new or expanded load is____
6. That in the case of a new Customer adding load to vacant facilities, the commercial/industrial space associated with the new load has been vacant for more than six months.
7. In case of early termination, the Customer shall repay Florida Public Utilities all of the credits provided under the Program to date.
8. To initiate service under this Program on ______________________,________ and terminate service under this Program on ______________________,__________. This shall constitute a period of five years.
9. To provide verification that the availability for this Program is a significant factor in the Customer's location/expansion decision.
10. If a change in ownership occurs after the Customer contracts for service under this Program, the successor Customer may be allowed to fulfill the balance of the contract under the Program and continue the schedule of credits.
11. That in the case of new load established in a vacant facility to provide verification that there is no affiliation with any prior occupant.

Signed:________________________________	Accepted by: Florida Public Utilities Company____________
Title:________________________________	Title:________________________________
Date:________________________________	Date:________________________________

RATE ADJUSTMENT RIDER – NORTHWEST FLORIDA DIVISION

Applicability
Electric service under all rate schedules for the Northwest Florida Division, which specify that rates are subject to adjustment in accordance with the provisions of the Company's Rate Adjustment Rider.

Total Purchased Power Cost Recovery Clause
The total purchased power cost adjustment shall be applied to each kilowatt hour delivered and shall be computed in accordance with the formula prescribed by the Florida Public Service commission. The total purchased power cost adjustment for the period January 1, 2024 through December 31, 2024 is as follows:

Rate Class	Rate Schedule	Levelized Adjustment
Residential (1st 1000 KWH's)	RS	10.259¢ / KWH
Residential (above 1000 KWH's)	RS	11.509¢ / KWH
General Service	GS	10.637¢ / KWH
General Service-Demand	GSD	10.035¢ / KWH
Lighting Service	LS	8.180¢ / KWH
General Service-Large Demand	GSLD	9.772¢ / KWH
General Service-Large Demand 1	GSLD 1	Not Applicable At This Time

Time of Use Rate Class	Rate Schedule	Levelized Adjustment On-Peak	Off Peak
Residential TOU	RST - EXP	18.659¢ / KWH	6.359¢ / KWH
General Service TOU	GST - EXP	14.637¢ / KWH	5.637¢ / KWH
General Service-Demand TOU	GSDT – EXP	14.035¢ / KWH	6.785¢ / KWH
General Service-Large Demand TOU	GSLDT – EXP	15.772¢ / KWH	6.772¢ / KWH

Energy Conservation Cost Recovery Clause
Each base energy rate per KWH of the above rate schedules for the period January 1, 2024 through December 31, 2024 shall be increased by 0 .144 ¢/KWH of sales to recover conservation related expenditures by the Company. This adjustment is determined in accordance with the formula and procedures specified by the Florida Public Service Commission.

The Energy Conservation Cost Recovery Clause will not apply to the GSLD-1 rate class.

Tax Cost Recovery
There will be added to all bills rendered for electric service a proportionate share of all license fees and taxes imposed by any governmental authorities after November 1, 1946, to an extent sufficient to cover excess increased taxes or license fees.

RATE ADJUSTMENT RIDER – NORTHEAST FLORIDA DIVISION

Applicability

Electric service under all rate schedules for the Northeast Florida Division which specify that rates are subject to adjustment in accordance with the provisions of the Company's Rate Adjustment Rider.

Total Purchased Power Cost Recovery Clause

The total purchased power cost adjustment shall be applied to each kilowatt hour delivered and shall be computed in accordance with the formula prescribed by the Florida Public Service Commission. The total purchased power cost adjustment for the period January 1, 2024 through December 31, 2024 is as follows:

Rate Class	Rate Schedule	Levelized Adjustment
Residential (1st 1000 KWH's)	RS	10.259¢ / KWH
Residential (above 1000 KWH's)	RS	11.509¢ / KWH
General Service	GS	10.637¢ / KWH
General Service –Demand	GSD	10.035¢ / KWH
General Service –Large Demand	GSLD	9.772¢ / KWH
Lighting Service	LS	8.180¢ / KWH
General Service Large Demand 1	GSLD 1	Generation Demand $ 5.41/ KW* Transmission Demand $ 2.91/ KW* Energy 7.12 ¢ / KWH*

*Estimated for informational purposes only,
Monthly rate will be billed at actual cost.

Energy Conservation Cost Recovery Clause

Each base energy rate per KWH of the above rate schedules for the period January 1, 2024 through December 31, 2024 shall be increased by 0.144 ¢ / KWH of sales to recover conservation related expenditures by the Company. This adjustment is determined in accordance with the formula and procedures specified by the Florida Public Service Commission.

The Energy Conservation Cost Recovery Clause will not apply to the GSLD-1 rate class.

Tax Recovery

There will be added to all bills rendered for electric service a proportionate share of all license fees and taxes imposed by any governmental authorities after January 1, 1945, to an extent sufficient to cover excess increased taxes or license fee.

NON-FIRM ENERGY PROGRAM NFEP-EXP (EXPERIMENTAL) - CLOSED

Availability

Available within the territory served by the Company in Jackson, Calhoun, and Liberty Counties and on Amelia Island in Nassau County. This service is limited to Customers in the GSLD1 or Standby rate class. The Rate Schedule is closed to new Customers and shall expire within 90 days written notice by the Company to participating Customers and will expire in its entirety by September 1, 2025.

Applicability

Applicable to Customers which are self-generators with dispatchable generation and are eligible for Rate Schedule GSLD1 or Standby, or who have executed a Special Contract approved by the Commission. Eligible Customers would nominate, in accordance with the procedures outlined below, an amount of electric load they commit to purchase that is above and in addition to the Customer's established baseline. Non-Firm (NF) Energy nominations must be made in 1,000 KW increments and is currently limited to a minimum of 1,000 kW and maximum of 15,000 kW. The Customer is not obligated to nominate NF Energy for any specific period but must nominate a minimum of 1,500 MWh per year.

The default period for NF Energy nominations will be 7 days. Nominations for longer periods, e.g. monthly, will be made available when market conditions warrant. The same procedure for nominations and acceptance will apply to all periods. Customer may nominate NF Energy for on-peak hours, off-peak hours, or all hours. On-peak hours are Hour Ending (H.E.) 08:00 to H.E 23:00 weekdays and off-peak hours are H.E. 24:00 to HE 07:00 and all hours on weekends and established holidays. Times shown are Eastern Standard or Daylight Savings time. On-peak and off-peak hours are subject to change.

Once the Company confirms the Customer's nomination, the Customer is obligated to pay for all NF Energy nominated at the offered rate regardless of whether the Customer takes all NF Energy nominated for the month, unless recalled in accordance with NF Recall provisions.

Monthly Rate

The rates and all other terms and conditions of the Customer's otherwise applicable rate schedule shall be applicable under this program.

All NF Energy shall be charged at the hourly price, in $/MWh, as offered by the Company. Once nominated by the Customer and accepted by the Company, the Customer is responsible to pay the full NF Energy Charge for the nomination period regardless of whether the Customer takes all NF Energy nominated for the month. Any purchases that exceed the combined total of the Customer's baseline and NF Energy nominations will be billed based on the Customer's otherwise applicable rate. The NF Energy charges are in addition to the charges based on the Customers otherwise applicable rate.

Monthly NF Administrative Charge:
$0.00 per Customer per month

NON-FIRM ENERGY PROGRAM NFEP-EXP (EXPERIMENTAL) - CLOSED

Monthly NF Demand Charge:
$0.00 per kW of NF demand

Monthly Rate

NF Energy Charge:
Amount as offered and accepted for each nomination

Monthly NF Demand

The Monthly NF Demand shall equal the maximum hour of NF Energy nominated by the Customer for the calendar month.

Minimum Monthly Bill

The Minimum Monthly Bill shall consist of the Monthly NF Administrative Charge plus applicable taxes and fees.

Term of Service

The Customer agrees to a minimum of 12 months of service under the Program. Service will continue thereafter until the Customer submits to the Company a written notice of termination. Service will discontinue at the end of the calendar month that notice of termination is received.

Nomination and Acceptance Procedure

1. By 10:00 AM each Friday, or when NF Energy is available, the Company will provide the Customer with NF Energy price quotations for the following period beginning 0:00 (midnight) the following Sunday (time period is Monday 00:00 – Sunday 24:00).
2. The Customer will submit a NF Energy nomination schedule to the Company by 2:00 PM of the same day that the offer is submitted.
3. NF Energy nominations are accepted once the Company confirms receipt of the nomination. The Company will then schedule delivery of the NF Energy, if any, beginning 0:00 (midnight) the following Sunday.

Nomination Recall Provisions:

Once accepted, nominations by Customer may only be withdrawn if a Force Majeure is declared. A Force Majeure may be declared by the Customer if the Customer's equipment suffers major failure such that the Customer is prevented from taking the NF Energy. In such case, the Customer will notify the Company's designated contact by approved method as soon as condition is known and the Company will attempt to withdraw the scheduled delivery of NF Energy. If possible, the Customer will no longer be responsible for purchasing the balance of NF Energy nominated during the event. Customer may declare Force Majeure a maximum of once per month.

Company may terminate NF Energy delivery at any time due to system emergencies or unusual pricing by notifying Customer of such termination, and Company has no obligation to deliver NF Energy.

STORM PROTECTION PLAN COST RECOVERY CLAUSE

Applicability

Electric service under all rate schedules.

Storm Protection Plan Cost Recovery Clause

The Storm Protection Plan Cost Recovery (SPPCRC) Factors shall be applied to the Customer's total kilowatt hour billed. This factor is designed to recover expenditures incurred by the Company related to the protection and hardening of the grid from storms and other extreme weather events. This adjustment is determined in accordance with the formula and procedures prescribed by the Florida Public Service Commission as set forth in Rule 25-6.031, F.A.C.

The total Storm Protection Plan Cost Recovery factors for the period January 1, 2024 through December 31, 2024 are as follows:

Rate Schedule	SPP Factors per KWH
Residential	0 .4320¢ / KWH
General Service	0 .4980¢ / KWH
General Service Demand	0 .2730¢ / KWH
General Service Large Demand	0 .1740¢ / KWH
Industrial/Standby	0 .2930¢ / KWH
Lighting Service	2.6520¢ / KWH

STORM RECOVERY SURCHARGE

Hurricanes Michael Surcharge:

Applicability:
Electric service under all rate schedules.

Description:
This surcharge is for recovery of storm costs and will be recovered from November 2020 through December 2025.

Rate Class – GSLD-1 - $190,208 total, annually to be allocated across the GSLD-1 rate class.

All other Rate Schedules - The surcharge of 1.280¢/ KWH will be applied to each kilowatt hour billed from November 2020 through December 2025.

TECHNOLOGY COST RECOVERY RIDER - (TCRR)

Purpose:
The Technology Cost Recovery Rider ("TCRR") is a fixed monthly charge per Customer premise for the purpose of recovering the cost of the Company's new and updated technology costs. The Company shall record both projected and actual expenses and revenues associated with the purchase and implementation of the Company's technology implementation plan.

Applicability:
Applies to all Residential and Commercial rate schedules. Except as otherwise provided herein, each rate schedule listed below shall be increased or decreased to the nearest .01 dollar.

The TCRR cost recovery mechanism will be based on a projected twelve (12) month recovery period of January 1 to December 31. The Company will file the first TCRR rates with the Commission at least sixty (60) days before it goes into service and refile on an annual basis at least sixty (60) days prior to the January 1 effective date.

Methodology for Cost Recovery for Technological Improvements:
The costs used in the determination of the TCCR shall include the pre and post implementation capitalized expenses for the Company's improvement. Specifically the rate(s) will include a) the capitalized cost of the system. b) less accumulated depreciation of the system. c) plus the unamortized regulatory asset and d) less accumulated deferred income tax (ADIT) for the Florida business unit, e) less the net retirement of the Company's former system (including any other costs already recovered in current base rates. The total of these capitalized costs would then be multiplied by the most recently approved authorized rate of return with the equity portion grossed up for income taxes to determine the return on investment. This return would be added to a) the depreciation expense related to the asset, b) amortization of the regulatory asset over twenty (20) years, c) less any discontinued depreciation expenses associated with the former asset existing at retirement, this amount shall be based on that depreciation expense included in the Company's base rates, d) plus any new expenses associated with the new system, e) less expenses that were discontinued and associated with the former system (and any other expenses already recovered in current base rates). The total of the return on investment and the costs outlined in (a) through (e) above, will be divided by the number of Customers (excluding any special contracts) in the projected recovery period to determine an annualized cost per Customer premise. This cost will be divided by the 12 months to get the monthly rate. The chart below outlines the methodology that will be used.

TECHNOLOGY COST RECOVERY RIDER – (TCCR)

Methodology Continued

1	Capitalized Costs	
2	Less Accumulated Depreciation	
3	Company Technology Asset	
4	Less Retirement of Former System including any other costs already recovered in current base rates	
5	Less ADIT	
6	Total Balance Sheet Account Related to Technological Improvement	= (Line 1 - Line 2 + Line 3 - Line 4 - Line 5)
7	Multiply by the Most recent Approved Authorized Rate of Return with the Equity Portion Grossed Up for Taxes	
8	Return on Capital Investment	= (Line 6 x Line 7)
9	Depreciation Expense	
10	Amortization of the Regulatory Asset over 20 Years	
11	Less Reduction in Depreciation Expense Related to the Retirement	
12	Expenses related to the new system that are incremental to those in current base rates	
13	Less Expenses discontinued from the former system and any other expenses already recovered in current base rates	
14	Total Cost of the System	= (Line 8 + Line 9 + Line 10 - Line 11 + Line 12 - Line 13)
15	Customers projected for 1 year recovery period excluding special contracts	
16	Rate per Customer per Year	= (Line 14 / Line 15)
17	Rate per Customer per Month	= (Line 16 / Line 12)

The cost recovery factors for the period from the first billing cycle for the period of January 1 through the last billing cycle for December 31 as follows:

Rate Schedule:	Monthly Charge/Customer
RS	To be determined
GS-ND	To be determined
GS-D	To be determined
GSLD	To be determined
GSLD-1	To be determined
LS	To be determined
OSL	To be determined
EDRP	To be determined

INDEX OF STANDARD FORMS

STANDARD FORMS
EXTENSION OF FACILITIES AGREEMENT

FLORIDA PUBLIC UTILITIES COMPANY

EXTENSION OF FACILITIES AGREEMENT

This Agreement, executed in duplicate as of the _ day of_______________ , 20__, by and between Florida Public Utilities Company, a Florida Corporation, hereinafter referred to as the "Company", party of the first part, and ________________ hereinafter referred to as the "Customer", party of the second part, witnesseth:

Whereas, the Customer is desirous of securing an extension or increase of the facilities of the Company as hereinafter described; and whereas, the Company is willing to make such extension or increase;

Now, therefore, in consideration of the respective and mutual covenants and agreements contained herein and hereinafter set forth, the parties hereto agree with each other as follows:

1. The Company will extend or increase its facilities as follows:

The Company will commence the extension or increase of its facilities forthwith after the execution of this Agreement and use its best efforts to complete the extension or increase of its facilities as soon as reasonably possible; provided, however, that the parties expressly agree that the Company shall not be liable or responsible for any delay caused by or resulting from shortages or unavailability of material or labor, or from any other hindrance or delay beyond the control of the Company.

2. To compensate the Company for the cost and expense of the aforesaid extension or increase of its facilities, the Customer simultaneously with the execution of this Agreement has paid to the Company the sum of $_____, the receipt of which hereby is acknowledged by the Company. The parties agree that said sum was paid by the Customer to and received by the Company without the right of any rebate, credit, reduction or adjustment in favor of either party.

3. The parties agree that the Company shall at all times have title to and keep ownership and control in and over the aforesaid extended or increased facilities, including but not limited to all new materials and equipment installed therein; and the parties agree further that the Company shall have the sole and exclusive right to use the extended or increased facilities for the purpose of serving other Customers of the Company.

STANDARD FORMS
EXTENSION OF FACILITIES AGREEMENT (Continued)

4. After the extension or increase of the facilities described above, the Customer agrees that subject to all applicable terms, provisions, rights, duties and penalties, the Customer will in the usual manner and at the usual times pay for the utilities and services delivered to the Customer by means of the extended or increased facilities at the regular franchise or at special contract rates, whichever is applicable.

5. The parties agree that no representation, warranty, conditions or agreement of any kind or nature whatsoever shall be binding upon either of the parties hereto unless incorporated in this Agreement; and the parties agree further that this Agreement covers and includes the entire agreement between the parties. The parties agree that all covenants and agreements contained herein shall extend to, be obligatory upon and inure to the benefit of the parties hereto and their respective heirs, legal representatives, successors and assigns; provided, however, that the Customer may not transfer or assign all or any part of this Agreement or any right which he may obtain hereunder without first obtaining the written consent of the Company.

In witness whereof, the parties hereto have executed this Agreement as of the day and year hereinbefore first written.

Customer ______________________________ FLORIDA PUBLIC UTILITIES COMPANY

By ___________________________________ By _______________________________
Title Its Agent

STANDARD FORMS
DEPOSIT OF FACILITIES AGREEMENT

FLORIDA PUBLIC UTILITIES COMPANY

DEPOSIT OF FACILITIES AGREEMENT

This Agreement, executed in duplicate as of the ____ day of_________________ , 20__, by and between Florida Public Utilities Company, a Florida Corporation, hereinafter referred to as the "Company", party of the first part, and _______________ hereinafter referred to as the "Customer", party of the second part, witnesseth:

Whereas, the Customer is desirous of securing an extension or increase of the facilities of the Company as hereinafter described; and whereas, the Company is willing to make such extension or increase;

Now, therefore, in consideration of the respective and mutual covenants and agreements contained herein and hereinafter set forth, the parties hereto agree with each other as follows:

1. The Company will extend or increase its facilities as follows:

The Company will commence the extension or increase of its facilities forthwith after the execution of this Agreement and use its best efforts to complete the extension or increase of its facilities as soon as reasonably possible; provided, however, that the parties expressly agree that the Company shall not be liable or responsible for any delay caused by or resulting from shortages or unavailability of material or labor, or from any other hindrance or delay beyond the control of the Company.

2. To compensate the Company for the cost and expense of the aforesaid extension or increase of its facilities in accordance with the Company's Rules and Regulations for extensions, the Customer simultaneously with the execution of this Agreement has paid to the Company the sum of $____, the receipt of which hereby is acknowledged by the Company. The parties agree that said sum was paid by the Customer to and received by the Company in accordance with the Company's Rules and Regulations for service requiring extension of facilities within the service area of the Company in __________________ County, Florida. The Company's Rules and Regulations as filed with and approved by the Florida Public Service Commission are made a part of this Agreement.

3. The parties agree that the Company shall at all times have title to and keep ownership and control in and over the aforesaid extended or increased

STANDARD FORMS
DEPOSIT OF FACILITIES AGREEMENT (Continued)

facilities, including but not limited to all new materials and equipment installed therein; and the parties agree further that the Company shall have the sole and exclusive right to use the extended or increased facilities for the purpose of serving other Customers of the Company.

4. After the extension or increase of the facilities described above, the Customer agrees that subject to all applicable terms, provisions, rights, duties and penalties, the Customer will in the usual manner and at the usual times pay for the utilities and services delivered to the Customer by means of the extended or increased facilities in accordance with the Company's tariffs filed with and approved by the Florida Public Service Commission.

5. The parties agree that no representation, warranty, conditions or agreement of any kind or nature whatsoever shall be binding upon either of the parties hereto unless incorporated in this Agreement; and the parties agree further that this Agreement covers and includes the entire agreement between the parties. The parties agree that all covenants and agreements contained herein shall extend to, be obligatory upon and inure to the benefit of the parties hereto and their respective heirs, legal representatives, successors and assigns; provided, however, that the Customer may not transfer or assign all or any part of this Agreement or any right which he may obtain hereunder without first obtaining the written consent of the Company.

In witness whereof, the parties hereto have executed this Agreement as of the day and year hereinbefore first written.

Customer ________________________________ FLORIDA PUBLIC UTILITIES COMPANY

By ____________________________________ By ________________________________
Title Its Agent

STANDARD FORMS / APPLICATION
INTERCONNECTION OF CUSTOMER-OWNED

RENEWABLE GENERATION SYSTEMS APPLICATION
INTERCONNECTION OF CUSTOMER OWNED RENEWABLE
GENERATION SYSTEMS

TIER 1 – 10 KW or Less
TIER 2 – Greater than 10 KW and Less Than or Equal to 100 KW
TIER 3 – Greater than 100 KW and Less Than or Equal to 2 MW

Florida Public Utilities Company Customers who install Customer-owned renewable generation systems and desire to interconnect those facilities with the FPUC electrical system are required to complete this application. This application can be obtained from the local FPU office or can be downloaded from the FPUC website (www.fpuc.com). When the completed application and fees are returned to FPUC, the process of completing the appropriate Tier 1, Tier 2 or Tier 3 Interconnection Agreement can begin. The Interconnection Agreements may be obtained at the local FPUC office. Details for interconnection agreements may be found as defined in Rule 25-6.065, Florida Administrative Code or within the Florida Public Utilities Company Interconnection Agreement.

1. Customer Information

Name: ____

Mailing Address: ____

City: ____________________ State: ________ Zip Code: ______________

Phone Number: ______________ Alternate Phone Number: ________________

Email Address: __________________ Fax Number: ____________________

2. Facility Information

Facility Location: ____

____

FPUC Account Number (if available): ______________________________

Manufacturers Name/Address: ______________________________

____

Reference or Model Number: ______________________________

Serial Number: ____

INTERCONNECTION OF CUSTOMER-OWNED
RENEWABLE GENERATION SYSTEMS APPLICATION (Continued)

3. Facility Rating Information

Gross Power Rating: ______________________ ("Gross power rating" means the total manufacturer's AC nameplate generating capacity of an on-site Customer-owned renewable generation system that will be interconnected to and operate in parallel with the investor-owned utility's distribution facilities. For inverter-based systems, the AC nameplate generating capacity shall be calculated by multiplying the total installed DC nameplate generating capacity by .85 in order to account for losses during the conversion from DC to AC.
Fuel or Energy Source: ______________________

Anticipated In- Service Date: _________________

4. Application Fee

The application fee is based on the Gross Power Rating and must be submitted with this application. There is no application fee for Tier 1 installations. The non-refundable application fee is $350 for Tier 2 and Tier 3 installations.

5. Interconnection Study Fee

For Tier 3 installations that require an interconnection study, as determined by the Company, the Customer will pay $2,000 prior to the initiation of the interconnection study. The total cost to the Customer will not exceed this amount. Should the actual interconnection study cost be less than $2,000 the Customer will be refunded the difference.

6. Required Documentation

Before the Interconnection Agreement may become effective, the Documentation listed in this Section must be provided to the Company by the Customer. The Documentation listed does not need to accompany the Application but must be received before the Interconnection Agreement will be executed by the Company.

A. Documentation that the installation complies with:

   1. IEEE 1547 (2003) Standard for Interconnecting Distributed Resources with Electric Power Systems.
   2. IEEE 1547.1 (2005) Standard Conformance Test Procedures for Equipment Interconnecting Distributed Resources with Electric Power Systems.
   3. UL 1741 (2005) Inverters, Converters, Controllers and Interconnection System Equipment for Use with Distributed Energy Resources.

B. Documentation that the Customer-owned renewable generation has been inspected and approved by local code officials prior to its operation in parallel with the Company system to ensure compliance with applicable local codes.

C. Proof of general liability insurance for Tier 2 generators ($1,000,000) or Tier 3 generators ($2,000,000). Not required for Tier 1 generators.

D. Copy of any lease agreements if the Customer is leasing facility from third party.

RESERVED FOR FUTURE USE

STANDARD FORMS
STANDARD INTERCONNECTION AGREEMENT - TIER 1

STANDARD INTERCONNECTION AGREEMENT FOR CUSTOMER OWNED TIER 1 RENEWABLE GENERATION SYSTEMS (10 KW OR LESS)

This agreement made and entered into as of this __ day of ________________________________,

____________ by and between _____________________ hereinafter known at the "Customer" and Florida Public Utilities Company hereinafter know as the "Company". This agreement is made in accordance with Florida Public Commission Rule 25-6.065 F.A.C., Interconnection and Net Metering of Customer-Owned Renewable Generation and under the terms and conditions as approved by the Florida Public Service Commission pursuant to Rule 25-6.065(3), F.A.C.

1. The Customer's renewable generation system is within the Company service territory and is located at:

   ____

   ____

   and should be installed and operational by:

   __________________________, ____________.

2. Customer will ensure the installation will meet or exceed all requirements noted below, will provide the Company with reasonable notification prior to the operation of the system and will assist the Company in verifying that the installation complies with the agreement prior to operating in parallel with the Company's electric system.

3. The Customer's renewable generation system is described as follows:

   a. Equipment Manufacturers Name and Address:

   ____

   ____

   ____

   b. Manufacturers Reference Number, Serial Number, Type, Style, Model, Etc.

   ____

   ____

   ____

   c. Name Plate Rating (KW and Voltage):

   ____

   ____

INTERCONNECTION AGREEMENT FOR CUSTOMER OWNED TIER 1 RENEWABLE GENERATION SYSTEMS (10 KW OR LESS)
(Continued)

4. Standard Interconnection Agreement Requirements – To qualify for expedited interconnection as a Tier 1 generator pursuant to Rule 25-6.065, F.A.C., the Facility must:

   (a) Comply with IEEE 1547 (2003) Standard for Interconnecting Distributed Resources with Electric Power Systems.
   (b) Comply with IEEE 1547.1 (2005) Standard Conformance Test Procedures for Equipment Interconnecting Distributed Resources with Electric Power Systems.
   (c) Comply with UL 1741 (2005) Inverters, Converters, Controllers and Interconnection System Equipment for Use With Distributed Energy Resources.
   (d) Have a Gross Power Rating that does not exceed 90% of the Customer's utility distribution service rating.
   (e) Have a Gross Power Rating of 10 KW or less.

5. Customer Qualifications and Fees – The Customer shall comply with the following to qualify as a Tier 1 generator pursuant to Rule 25-6.065, F.A.C.:

   (a) Customer-owned renewable generation shall be considered certified for interconnected operation if it has been submitted by a manufacturer to a nationally recognized testing and certification laboratory, and has been tested and listed by the laboratory for continuous interactive operation with an electric distribution system in compliance with the applicable codes and standards listed in Section (4).
   (b) Customer-owned renewable generation shall include a utility-interactive inverter, or other device certified pursuant to Section (5) (a) that performs the function of automatically isolating the Customer-owned generation equipment from the electric grid in the event the electric grid loses power.
   (c) Provided the Customer-owned renewable generation equipment complies with Sections (4) and (5) (a), (b), the Company shall not require further design review, testing, or additional equipment other than that provided for in Section (9).
   (d) Tier 1 Customers who request interconnection of Customer-owned renewable generation shall not be charged fees in addition to those charged to other retail Customers without self-generation, including application fees.

INTERCONNECTION AGREEMENT FOR CUSTOMER OWNED TIER 1 RENEWABLE GENERATION SYSTEMS (10 KW OR LESS)
(Continued)

6. Inspection Requirements – Prior to operating the Customer system in parallel with Company's electric system, the Customer will:

   (a) Have the Customer-owned renewable generation inspected and approved by local code officials prior to its operation in parallel with the Company system to ensure compliance with applicable local codes.

   (b) Make provisions that permit the Company to inspect Customer-owned renewable generation and its component equipment, and the documents necessary to ensure compliance with Sections (4) and (5). The Customer shall notify the Company at least 10 days prior to initially placing Customer equipment and protective apparatus in service, and the Company shall have the right to have personnel present on the in-service date. If the Customer-owned renewable generation system is subsequently modified in order to increase its gross power rating, the Customer must notify the Company by submitting a new application specifying the modifications at least 30 days prior to making the modifications.

   (c) Provide for protection of the renewable generating equipment, inverters, protective devices, and other system components from damage from the normal and abnormal conditions and operations that occur on the Company system in delivering and restoring power; and is responsible for ensuring that Customer-owned renewable generation equipment is inspected, maintained, and tested in accordance with the manufacturer's instructions to ensure that it is operating correctly and safely.

7. Indemnity for Loss to Third Parties - The Customer shall hold harmless and indemnify the Company for all loss to third parties resulting from the operation of the Customer-owned renewable generation, except when the loss occurs due to the negligent actions of the Company. The Company shall hold harmless and indemnify the Customer for all loss to third parties resulting from the operation of the Company's system, except when the loss occurs due to the negligent actions of the Customer.

INTERCONNECTION AGREEMENT FOR CUSTOMER OWNED TIER 1 RENEWABLE GENERATION SYSTEMS (10 KW OR LESS)
(Continued)

8. Customer Insurance Requirements – The Customer owning a Tier 1 generator is not required by rule to obtain general liability insurance for damage to persons or property as a result of the operation of the generator. However, the Company strongly recommends that a Tier 1 Customer carry an appropriate level of liability insurance.

9. Manual Disconnect Switch - Inverter-based Tier 1 Customer-owned renewable generation systems shall be exempt from this requirement. However, the Company recommends that the Customer install, at the Customer's expense, a manual disconnect switch of the visible load break type to provide a separation point between the AC power output of the Customer-owned renewable generation and any Customer wiring connected to the Company's system. The manual disconnect switch shall be mounted separate from, but adjacent to, the meter socket and shall be readily accessible to the Company and capable of being locked in the open position with a single Company padlock. Should a main disconnect switch not be installed, removal of the electric meter and disconnection of electric service may be used to isolate the Customer owned generation for the electric grid.

10. Disconnection From Customer System - The Company may open the manual disconnect switch pursuant to the conditions set forth below in (10) (a) – (10) (d), isolating the Customer-owned renewable generation, without prior notice to the Customer. To the extent practicable, however, prior notice shall be given. If prior notice is not given, the Company shall at the time of disconnection leave a door hanger notifying the Customer that their Customer-owned renewable generation has been disconnected, including an explanation of the condition necessitating such action. The Company shall reconnect the Customer-owned renewable generation as soon as the condition necessitating disconnection is remedied.
    a. Emergencies or maintenance requirements on the Company's electric system;
    b. Hazardous conditions existing on the Company system due to the operation of the Customer's generating or protective equipment as determined by the Company;
    c. Adverse electrical effects, such as power quality problems, on the electrical equipment of the Company's other electric consumers caused by the Customer-owned renewable generation as determined by the Company;
    d. Failure of the Customer to maintain the required insurance coverage (if required).

INTERCONNECTION AGREEMENT FOR CUSTOMER OWNED TIER 1 RENEWABLE GENERATION SYSTEMS (10 KW OR LESS) (Continued)

11. Administrative Requirements

(a) The Company shall maintain on its website a downloadable application for interconnection of Customer-owned renewable generation, detailing the information necessary to execute the Standard Interconnection Agreement. Upon request the Company shall provide a hard copy of the application within 5 business days.

(b) Within 10 business days of receipt of the Customer's application, the Company shall provide written notice that it has received all documents required by the Standard Interconnection Agreement or indicate how the application is deficient. Within 10 business days of receipt of a completed application, the Company shall provide written notice verifying receipt of the completed application. The written notice shall also include dates for any physical inspection of the Customer-owned renewable generation necessary for the Company to confirm compliance with Sections (4) through (10).

(c) The Standard Interconnection Agreement shall be executed by the Company within 30 calendar days of receipt of a completed application.

(d) The Customer must execute the Standard Interconnection Agreement and return it to the Company at least 30 calendar days prior to beginning parallel operations and within one year after the utility executes the Agreement. All physical inspections must be completed by the Company within 30 calendar days of receipt of the Customer's executed Standard Interconnection Agreement. If the inspection is delayed at the Customer's request, the Customer shall contact the utility to reschedule an inspection. The Company shall reschedule the inspection within 10 business days of the Customer's request.

12. Net Metering

(a) The Company shall enable each Customer-owned renewable generation facility interconnected to the investor-owned utility's electrical grid pursuant to this rule to net meter.

(b) The Company shall install, at no additional cost to the Customer, metering equipment at the point of delivery capable of measuring the difference between the electricity supplied to the Customer from the investor-owned utility and the electricity generated by the Customer and delivered to the investor-owned utility's electric grid.

INTERCONNECTION AGREEMENT FOR CUSTOMER OWNED TIER 1 RENEWABLE GENERATION SYSTEMS (10 KW OR LESS) (Continued)

12. Net Metering (continued)

(c) Meter readings shall be taken monthly on the same cycle as required under the otherwise applicable rate schedule.

(d) The Company shall charge for electricity used by the Customer in excess of the generation supplied by Customer-owned renewable generation in accordance with normal billing practices.

(e) During any billing cycle, excess Customer-owned renewable generation delivered to the Company's electric grid shall be credited to the Customer's energy consumption for the next month's billing cycle.

(f) Energy credits produced pursuant to Section (12) (e) shall accumulate and be used to offset the Customer's energy usage in subsequent months for a period of not more than twelve months. At the end of each calendar year, the Company shall pay the Customer for any unused energy credits at an average annual rate based on the Company's COG-1, as-available energy tariff.

(g) When a Customer leaves the system, that Customer's unused credits for excess kWh generated shall be paid to the Customer at an average annual rate based on the Company's COG-1, as-available energy tariff.

(h) Regardless of whether excess energy is delivered to the Company's electric grid, the Customer shall continue to pay the applicable Customer charge and applicable demand charge (if applicable) for the maximum measured demand during the billing period. The Company shall charge for electricity used by the Customer in excess of the generation supplied by Customer-owned renewable generation at the Company's otherwise applicable rate schedule. The Customer may at their sole discretion choose to take service under the Company's standby or supplemental service rate, if available.

13. Renewable Energy Certificates - Customers shall retain any Renewable Energy Certificates associated with the electricity produced by their Customer-owned renewable generation equipment. Any additional meters necessary for measuring the total renewable electricity generated for the purposes of receiving Renewable Energy Certificates shall be installed at the Customer's expense, unless otherwise determined during negotiations for the sale of the Customer's Renewable Energy Certificates to the Company.

INTERCONNECTION AGREEMENT FOR CUSTOMER OWNED TIER 1 RENEWABLE GENERATION SYSTEMS (10 KW OR LESS)
(Continued)

14. Change of Ownership – This agreement shall not be assigned or transferred without prior written consent of the Company. Should there be a change in ownership; the Customer shall provide the Company with 30 day notice prior to the change. The Company will contact the new owner prior to the end of the 30 days in order to execute a new agreement. The new owner will not be entitled to operate the generator in parallel with the Company system or be net metered until a new agreement is executed by both parties. However, this agreement shall inure to the benefit of and binding upon the respective heirs, legal representatives, successors and assigns of the parties involved until a new agreement is executed.

15. No Extension of Credit – In executing this agreement, the Company does not, nor should it be construed to extend credit or financial support for the benefit of any third parties lending money to or having other transactions with the Customer or any assignee of this agreement.

16. Applicability of Tariff – The Company's tariff and associated technical terms and abbreviations, general rules, regulations and standard electric service requirements are incorporated herein by reference. In the event that this tariff and the Interconnection Agreement is revised due to rule changes approved by the Florida Public Service Commission, the Company and the Customer agree to replace this agreement with an amended agreement that complies with the amended Florida Public Service Commission rules.

17. Entire Agreement – This agreement supersedes all previous agreements or representations, either written or oral, heretofore in effect between the Company and the Customer, made in respect to matters herein contained, and when duly executed, this agreement constitutes the entire agreement between the parties.

18. Termination – Upon termination of this agreement, the Company shall open and padlock the manual disconnect switch, if applicable, and remove any additional kilowatt-hour meter and associated Company equipment. At the Customer's expense, the Customer agrees to permanently isolate the Facility from the Company's electric service grid. The Customer shall notify the Company in writing within ten (10) business days that the isolation procedure has been completed.

INTERCONNECTION AGREEMENT FOR CUSTOMER OWNED TIER 1 RENEWABLE GENERATION SYSTEMS (10 KW or Less) (Continued)

19. Retail Purchase of Electricity - "Customer-owned renewable generation" means an electric generating system located on a Customer's premise that is primarily intended to offset part or all of the Customer's electricity requirements with renewable energy. The term "Customer-owned renewable generation" does not preclude the Customer of record from contracting for the purchase, lease, operation, or maintenance of an on-site renewable generation system with a third-party under terms and conditions does not include the retail purchase of electricity from the third party.

20. The Customer agrees to indemnify and hold harmless the Company, its subsidiaries or affiliates, and their respective employees, officers and directors, against any and all liability, loss, damage, cost or expense which the Company, it subsidiaries, affiliates, and their respective employees, officers and directors may hereafter incur, suffer or be required to pay by reason of negligence on the part of the Customer under the obligations of this agreement. The Company agrees to indemnify and hold harmless the Customer, against any and all liability, loss, damage, cost or expense which the Customer may hereafter incur, suffer or be required to pay by reason of negligence on the part of the Company under the obligations of this agreement.

21. Communications, either emergency or routine, related to this agreement or operation of the installation shall be made to the following parties:

Company:
____
____
____
____
____

Customer:
____
____
____
____
____

INTERCONNECTION AGREEMENT FOR CUSTOMER OWNED TIER 1 RENEWABLE GENERATION SYSTEMS (10 KW or Less)
(Continued)

22. Dispute Resolution – The Company and Customer may seek resolution of disputes arising out of this interpretation of this agreement pursuant to Rule 25-22.032, F.A.C., Customer Complaints, or Rule 25-22.036, F.A.C., Initiation of Formal Proceedings.

IN WITNESS WHEREOF, the Customer and the Company execute this Agreement this _________ day of _________________________, ________.

Title: ___ ____________________

WITNESS: FLORIDA PUBLIC UTILITIES COMPANY
COMPANY

____

By: _____________________________
Title: ____________________________
Date: ____________________________

Date: __________ ____________

WITNESS: __________________________________
CUSTOMER

____

By: ___________________________
Title: __________________________
Date: __________________________

STANDARD FORMS
STANDARD INTERCONNECTION AGREEMENT – TIER 2

STANDARD INTERCONNECTION AGREEMENT FOR CUSTOMER OWNED TIER 2
RENEWABLE GENERATION SYSTEMS
(Greater than 10 KW and Less than or Equal to 100 KW)

This agreement made and entered into as of this _____ day of _______________________, ____________ by and between ___________________________________ hereinafter known at the "Customer" and Florida Public Utilities Company hereinafter know as the "Company". This agreement is made in accordance with Florida Public Commission Rule 25-6.065 F.A.C., Interconnection and Net Metering of Customer-Owned Renewable Generation and under the terms and conditions as approved by the Florida Public Service Commission pursuant to Rule 25-6.065(3), F.A.C.

1. The Customer's renewable generation system is within the Company service territory and is located at:

   ____

   ____

   and should be installed and operational by:

   __________________________, ____________.

2. Customer will ensure the installation will meet or exceed all requirements noted below, will provide the Company with reasonable notification prior to the operation of the system and will assist the Company in verifying that the installation complies with the agreement prior to operating in parallel with the Company's electric system.

3. The Customer's renewable generation system is described as follows:

   a. Equipment Manufacturers Name and Address:

   ____

   ____

   ____

   b. Manufacturers Reference Number, Serial Number, Type, Style, Model, Etc.

   ____

   ____

   ____

   c. Name Plate Rating (KW and Voltage):

   ____

   ____

INTERCONNECTION AGREEMENT FOR CUSTOMER OWNED TIER 2 RENEWABLE GENERATION SYSTEMS (Greater than 10 KW and Less than or Equal to 100 KW) (Continued)

4. Standard Interconnection Agreement Requirements – To qualify for expedited interconnection as a Tier 2 generator pursuant to Rule 25-6.065, F.A.C., the Facility must:
   (a) Comply with IEEE 1547 (2003) Standard for Interconnecting Distributed Resources with Electric Power Systems.
   (b) Comply with IEEE 1547.1 (2005) Standard Conformance Test Procedures for Equipment Interconnecting Distributed Resources with Electric Power Systems.
   (c) Comply with UL 1741 (2005) Inverters, Converters, Controllers and Interconnection System Equipment for Use With Distributed Energy Resources.
   (d) Have a Gross Power Rating that does not exceed 90% of the Customer's utility distribution service rating.
   (e) Have a Gross Power Rating greater than 10 KW and less than or equal to 100 KW.

5. Customer Qualifications and Fees – The Customer shall comply with the following to qualify as a Tier 2 generator pursuant to Rule 25-6.065, F.A.C.:
   (a) Customer-owned renewable generation shall be considered certified for interconnected operation if it has been submitted by a manufacturer to a nationally recognized testing and certification laboratory, and has been tested and listed by the laboratory for continuous interactive operation with an electric distribution system in compliance with the applicable codes and standards listed in Section (4).
   (b) Customer-owned renewable generation shall include a utility-interactive inverter, or other device certified pursuant to Section (5) (a) that performs the function of automatically isolating the Customer-owned generation equipment from the electric grid in the event the electric grid loses power.
   (c) Provided the Customer-owned renewable generation equipment complies with Sections (4) and (5) (a), (b), the Company shall not require further design review, testing, or additional equipment other than that provided for in Section (9).
   (d) Tier 2 Customers who request interconnection of Customer-owned renewable generation shall be charged a one-time non-refundable application fee of $350.

INTERCONNECTION AGREEMENT FOR CUSTOMER OWNED TIER 2 RENEWABLE GENERATION SYSTEMS
(Greater than 10 KW and Less than or Equal to 100 KW)
(Continued)

6. Inspection Requirements – Prior to operating the Customer system in parallel with Company's electric system, the Customer will:

   (a) Have the Customer-owned renewable generation inspected and approved by local code officials prior to its operation in parallel with the Company system to ensure compliance with applicable local codes.

   (b) Make provisions that permit the Company to inspect Customer-owned renewable generation and its component equipment, and the documents necessary to ensure compliance with Sections (4) and (5). The Customer shall notify the Company at least 10 days prior to initially placing Customer equipment and protective apparatus in service and the Company shall have the right to have personnel present on the in-service date. If the Customer-owned renewable generation system is subsequently modified in order to increase its gross power rating, the Customer must notify the Company by submitting a new application specifying the modifications at least 30 days prior to making the modifications.

   (c) Provide for protection of the renewable generating equipment, inverters, protective devices, and other system components from damage from the normal and abnormal conditions and operations that occur on the Company system in delivering and restoring power; and is responsible for ensuring that Customer-owned renewable generation equipment is inspected, maintained, and tested in accordance with the manufacturer's instructions to ensure that it is operating correctly and safely.

7. Indemnity for Loss to Third Parties - The Customer shall hold harmless and indemnify the Company for all loss to third parties resulting from the operation of the Customer-owned renewable generation, except when the loss occurs due to the negligent actions of the Company. The Company shall hold harmless and indemnify the Customer for all loss to third parties resulting from the operation of the Company's system, except when the loss occurs due to the negligent actions of the Customer.

INTERCONNECTION AGREEMENT FOR CUSTOMER OWNED TIER 2 RENEWABLE GENERATION SYSTEMS
(Greater than 10 KW and Less than or Equal to 100 KW)
(Continued)

8. Customer Insurance Requirements – The Customer owning a Tier 2 generator is required by rule to obtain general liability insurance for personal and property damage in the amount of no less than one million dollars ($1,000,000) as a result of the operation of the generator. Prior to parallel operation, the Customer shall provide initial proof of insurance or sufficient guarantee and proof of self insurance, evidencing the generator. The Customer shall continue to provide proof of continuing insurance within 30 days of any policy renewal.

9. Manual Disconnect Switch – Customer's operating a Tier 2 generator shall install, at the Customer's expense, a manual disconnect switch of the visible load break type to provide a separation point between the AC power output of the Customer-owned renewable generation and any Customer wiring connected to the Company's system. The manual disconnect switch shall be mounted separate from, but adjacent to, the meter socket and shall be readily accessible to the Company and capable of being locked in the open position with a single Company padlock.

10. Disconnection From Customer System - The Company may open the manual disconnect switch pursuant to the conditions set forth below in Sections (10) (a) – (10) (d), isolating the Customer-owned renewable generation, without prior notice to the Customer. To the extent practicable, however, prior notice shall be given. If prior notice is not given, the Company shall at the time of disconnection leave a door hanger notifying the Customer that their Customer-owned renewable generation has been disconnected, including an explanation of the condition necessitating such action. The Company shall reconnect the Customer-owned renewable generation as soon as the condition necessitating disconnection is remedied.

    a. Emergencies or maintenance requirements on the Company's electric system;

    b. Hazardous conditions existing on the Company system due to the operation of the Customer's generating or protective equipment as determined by the Company;

    c. Adverse electrical effects, such as power quality problems, on the electrical equipment of the Company's other electric consumers caused by the Customer-owned renewable generation as determined by the Company;

    d. Failure of the Customer to maintain the required insurance coverage.

INTERCONNECTION AGREEMENT FOR CUSTOMER OWNED TIER 2 RENEWABLE GENERATION SYSTEMS
(Greater than 10 KW and Less than or Equal to 100 KW)
(Continued)

11. Administrative Requirements

(a) The Company shall maintain on its website a downloadable application for interconnection of Customer-owned renewable generation, detailing the information necessary to execute the Standard Interconnection Agreement. Upon request the Company shall provide a hard copy of the application within 5 business days.

(b) Within 10 business days of receipt of the Customer's application, the Company shall provide written notice that it has received all documents required by the Standard Interconnection Agreement or indicate how the application is deficient. Within 10 business days of receipt of a completed application, the Company shall provide written notice verifying receipt of the completed application. The written notice shall also include dates for any physical inspection of the Customer-owned renewable generation necessary for the Company to confirm compliance with Sections (4) through (10).

(c) The Standard Interconnection Agreement shall be executed by the Company within 30 calendar days of receipt of a completed application.

(d) The Customer must execute the Standard Interconnection Agreement and return it to the Company at least 30 calendar days prior to beginning parallel operations and within one year after the utility executes the Agreement. All physical inspections must be completed by the Company within 30 calendar days of receipt of the Customer's executed Standard Interconnection Agreement. If the inspection is delayed at the Customer's request, the Customer shall contact the utility to reschedule an inspection. The Company shall reschedule the inspection within 10 business days of the Customer's request.

12. Net Metering

(a) The Company shall enable each Customer-owned renewable generation facility interconnected to the investor-owned utility's electrical grid pursuant to this rule to net meter.

(b) The Company shall install, at no additional cost to the Customer, metering equipment at the point of delivery capable of measuring the difference between the electricity supplied to the Customer from the investor-owned utility and the electricity generated by the Customer and delivered to the investor-owned utilities electric grid.

INTERCONNECTION AGREEMENT FOR CUSTOMER OWNED TIER 2 RENEWABLE GENERATION SYSTEMS
(Greater than 10 KW and Less than or Equal to 100 KW)
(Continued)

12. Net Metering (continued)

(c) Meter readings shall be taken monthly on the same cycle as required under the otherwise applicable rate schedule.

(d) The Company shall charge for electricity used by the Customer in excess of the generation supplied by Customer-owned renewable generation in accordance with normal billing practices.

(e) During any billing cycle, excess Customer-owned renewable generation delivered to the Company's electric grid shall be credited to the Customer's energy consumption for the next month's billing cycle.

(f) Energy credits produced pursuant to Section (12) (e) shall accumulate and be used to offset the Customer's energy usage in subsequent months for a period of not more than twelve months. At the end of each calendar year, the Company shall pay the Customer for any unused energy credits at an average annual rate based on the Company's COG-1, as-available energy tariff.

(g) When a Customer leaves the system, that Customer's unused credits for excess kWh generated shall be paid to the Customer at an average annual rate based on the Company's COG-1, as-available energy tariff.

(h) Regardless of whether excess energy is delivered to the Company's electric grid, the Customer shall continue to pay the applicable Customer charge and applicable demand charge (if applicable) for the maximum measured demand during the billing period. The Company shall charge for electricity used by the Customer in excess of the generation supplied by Customer-owned renewable generation at the Company's otherwise applicable rate schedule. The Customer may at their sole discretion choose to take service under the Company's standby or supplemental service rate, if available.

13. Renewable Energy Certificates - Customers shall retain any Renewable Energy Certificates associated with the electricity produced by their Customer-owned renewable generation equipment. Any additional meters necessary for measuring the total renewable electricity generated for the purposes of receiving Renewable Energy Certificates shall be installed at the Customer's expense, unless otherwise determined during negotiations for the sale of the Customer's Renewable Energy Certificates to the Company.

INTERCONNECTION AGREEMENT FOR CUSTOMER OWNED TIER 2 RENEWABLE GENERATION SYSTEMS
(Greater than 10 KW and Less than or Equal to 100 KW)
(Continued)

14. Change of Ownership – This agreement shall not be assigned or transferred without prior written consent of the Company. Should there be a change in ownership; the Customer shall provide the Company with 30 day notice prior to the change. The Company will contact the new owner prior to the end of the 30 days in order to execute a new agreement. The new owner will not be entitled to operate the generator in parallel with the Company system or be net metered until a new agreement is executed by both parties. However, this agreement shall inure to the benefit of and binding upon the respective heirs, legal representatives, successors and assigns of the parties involved until a new agreement is executed.

15. No Extension of Credit – In executing this agreement, the Company does not, nor should it be construed to extend credit or financial support for the benefit of any third parties lending money to or having other transactions with the Customer or any assignee of this agreement.

16. Applicability of Tariff – The Company's tariff and associated technical terms and abbreviations, general rules, regulations and standard electric service requirements are incorporated herein by reference. In the event that this tariff and the Interconnection Agreement is revised due to rule changes approved by the Florida Public Service Commission, the Company and the Customer agree to replace this agreement with an amended agreement that complies with the amended Florida Public Service Commission rules.

17. Entire Agreement – This agreement supersedes all previous agreements or representations, either written or oral, heretofore in effect between the Company and the Customer, made in respect to matters herein contained, and when duly executed, this agreement constitutes the entire agreement between the parties.

18. Termination – Upon termination of this agreement, the Company shall open and padlock the manual disconnect switch, if applicable, and remove any additional kilowatt-hour meter and associated Company equipment. At the Customer's expense, the Customer agrees to permanently isolate the Facility from the Company's electric service grid. The Customer shall notify the Company in writing within ten (10) business days that the isolation procedure has been completed.

INTERCONNECTION AGREEMENT FOR CUSTOMER OWNED
TIER 2 RENEWABLE GENERATION SYSTEM
(Greater than 10 KW and Less than or Equal to 100 KW)
(Continued)

19. Retail Purchase of Electricity - “Customer-owned renewable generation” means an electric generating system located on a Customer’s premise that is primarily intended to offset part or all of the Customer’s electricity requirements with renewable energy. The term “Customer-owned renewable generation” does not preclude the Customer of record from contracting for the purchase, lease, operation, or maintenance of an on-site renewable generation system with a third-party under terms and conditions but does not include the retail purchase of electricity from the third party.

20. The Customer agrees to indemnify and hold harmless the Company, its subsidiaries or affiliates, and their respective employees, officers and directors, against any and all liability, loss, damage, cost or expense which the Company, it subsidiaries, affiliates, and their respective employees, officers and directors may hereafter incur, suffer or be required to pay by reason of negligence on the part of the Customer under the obligations of this agreement. The Company agrees to indemnify and hold harmless the Customer, against any and all liability, loss, damage, cost or expense which the Customer may hereafter incur, suffer or be required to pay by reason of negligence on the part of the Company under the obligations of this agreement.

21. Communications, either emergency or routine, related to this agreement or operation of the installation shall be made to the following parties:

Company:

____
____
____
____
____

Customer:

____
____
____
____
____

INTERCONNECTION AGREEMENT FOR CUSTOMER OWNED
TIER 2 RENEWABLE GENERATION SYSTEMS
(Greater than 10 KW and Less than or Equal to 100 KW)
(Continued)

22. Dispute Resolution – The Company and Customer may seek resolution of disputes arising out of this interpretation of this agreement pursuant to Rule 25-22.032, F.A.C., Customer Complaints, or Rule 25-22.036, F.A.C., Initiation of Formal Proceedings.

IN WITNESS WHEREOF, the Customer and the Company execute this Agreement this _________ day of _________________________, ________.

Title: ________________________

WITNESS:

FLORIDA PUBLIC UTILITIES COMPANY

____

By: ______________________________
Title: _____________________________
Date: _____________________________

Date: _________________________

WITNESS:

____
CUSTOMER

____

By: ______________________________
Title: _____________________________
Date: _____________________________

STANDARD FORMS
STANDARD INTERCONNECTION AGREEMENT - TIER 3

STANDARD INTERCONNECTION AGREEMENT FOR CUSTOMER OWNED TIER 3 RENEWABLE GENERATION SYSTEMS (Greater than 100 KW and Less than or Equal to 2 MW)

This agreement made and entered into as of this ____ day of ________________________________, ______________by and between ________________________________ hereinafter known at the "Customer" and Florida Public Utilities Company hereinafter know as the "Company". This agreement is made in accordance with Florida Public Commission Rule 25-6.065 F.A.C., Interconnection and Net Metering of Customer-Owned Renewable Generation and under the terms and conditions as approved by the Florida Public Service Commission pursuant to Rule 25-6.065(3), F.A.C.

1. The Customer's renewable generation system is within the Company service territory and is located at:
____
____
and should be installed and operational by:
___________________________, ____________.

2. Customer will ensure the installation will meet or exceed all requirements noted below, will provide the Company with reasonable notification prior to the operation of the system and will assist the Company in verifying that the installation complies with the agreement prior to operating in parallel with the Company's electric system.

3. The Customer's renewable generation system is described as follows:
   a. Equipment Manufacturers Name and Address:
   ____
   ____
   ____
   b. Manufacturers Reference Number, Serial Number, Type, Style, Model, Etc.
   ____
   ____
   ____
   c. Name Plate Rating (KW and Voltage):
   ____
   ____

INTERCONNECTION AGREEMENT FOR CUSTOMER OWNED TIER 3 RENEWABLE GENERATION SYSTEMS
(Greater than 100 KW and Less than or Equal to 2 MW)
(Continued)

4. Standard Interconnection Agreement Requirements – To qualify for expedited interconnection as a Tier 3 generator pursuant to Rule 25-6.065, F.A.C., the Facility must:

   (a) Comply with IEEE 1547 (2003) Standard for Interconnecting Distributed Resources with Electric Power Systems.

   (b) Comply with IEEE 1547.1 (2005) Standard Conformance Test Procedures for Equipment Interconnecting Distributed Resources with Electric Power Systems.

   (c) Comply with UL 1741 (2005) Inverters, Converters, Controllers and Interconnection System Equipment for Use With Distributed Energy Resources.

   (d) Have a Gross Power Rating that does not exceed 90% of the Customer's utility distribution service rating.

   (e) Have a Gross Power Rating of greater than 100 KW and less than or equal to 2 MW.

5. Customer Qualifications and Fees – The Customer shall comply with the following to qualify as a Tier 3 generator pursuant to Rule 25-6.065, F.A.C.:

   (a) Customer-owned renewable generation shall be considered certified for interconnected operation if it has been submitted by a manufacturer to a nationally recognized testing and certification laboratory, and has been tested and listed by the laboratory for continuous interactive operation with an electric distribution system in compliance with the applicable codes and standards listed in Section (4).

   (b) Customer-owned renewable generation shall include a utility-interactive inverter, or other device certified pursuant to Section (5) (a) that performs the function of automatically isolating the Customer-owned generation equipment from the electric grid in the event the electric grid loses power.

   (c) Should the Company determine that an interconnection study is necessary; a charge based on actual costs of the study will be the responsibility of the Customer. Prior to initiation of the study, $2,000 (cost not to exceed $2,000) will be paid by the Customer. Should actual study cost be less than $2,000, the difference will be refunded to the Customer. Additionally, the Customer will be responsible for cost associated with any modifications to the Company's system that is identified in the interconnection study.

INTERCONNECTION AGREEMENT FOR CUSTOMER OWNED TIER 3 RENEWABLE GENERATION SYSTEMS
(Greater than 100 KW and Less than or Equal to 2 MW)
(Continued)

Any such charges shall not be assessed on the Customer without prior approval of the FPSC as per Rule 25-6.065(4) (h). This agreement will not be executed until the expansion or other work identified in the study has been completed and payment received.

(d) Tier 3 Customers who request interconnection of Customer-owned renewable generation shall be charged a one-time non-refundable application fee of $350.

6. Inspection Requirements – Prior to operating the Customer system in parallel with Company's electric system, the Customer will:

(a) Have the Customer-owned renewable generation inspected and approved by local code officials prior to its operation in parallel with the Company system to ensure compliance with applicable local codes.

(b) Make provisions that permit the Company to inspect Customer-owned renewable generation and its component equipment, and the documents necessary to ensure compliance with Sections (4) and (5). The Customer shall notify the Company at least 10 days prior to initially placing Customer equipment and protective apparatus in service and the Company shall have the right to have personnel present on the in-service date. If the Customer-owned renewable generation system is subsequently modified in order to increase its gross power rating, the Customer must notify the Company by submitting a new application specifying the modifications at least 30 days prior to making the modifications.

(c) Provide for protection of the renewable generating equipment, inverters, protective devices, and other system components from damage from the normal and abnormal conditions and operations that occur on the Company system in delivering and restoring power; and is responsible for ensuring that Customer-owned renewable generation equipment is inspected, maintained, and tested in accordance with the manufacturer's instructions to ensure that it is operating correctly and safely.

7. Indemnity for Loss to Third Parties - The Customer shall hold harmless and indemnify the Company for all loss to third parties resulting from the operation of the Customer-owned renewable generation, except when the loss occurs due to the negligent actions of the Company. The Company shall hold harmless and indemnify the Customer for all loss to third parties resulting from the operation of the Company's system, except when the loss occurs due to the negligent actions of the Customer.

INTERCONNECTION AGREEMENT FOR CUSTOMER OWNED TIER 3 RENEWABLE GENERATION SYSTEMS (Greater than 100 KW and Less than or Equal to 2 MW) (Continued)

8. Customer Insurance Requirements – The Customer owning a Tier 3 generator is required by rule to obtain general liability insurance for personal and property damage in the amount of no less than two million dollars ($2,000,000) as a result of the operation of the generator. Prior to parallel operation, the Customer shall provide initial proof of insurance or sufficient guarantee and proof of self-insurance, evidencing the generator. The Customer shall continue to provide proof of continuing insurance within 30 days of any policy renewal.

9. Manual Disconnect Switch – Customer's operating a Tier 3 generator shall install, at the Customer's expense, a manual disconnect switch of the visible load break type to provide a separation point between the AC power output of the Customer-owned renewable generation and any Customer wiring connected to the Company's system. The manual disconnect switch shall be mounted separate from, but adjacent to, the meter socket and shall be readily accessible to the Company and capable of being locked in the open position with a single Company padlock.

10. Disconnection From Customer System - The Company may open the manual disconnect switch pursuant to the conditions set forth below in (10) (a) – (10) (d), isolating the Customer-owned renewable generation, without prior notice to the Customer. To the extent practicable, however, prior notice shall be given. If prior notice is not given, the Company shall at the time of disconnection leave a door hanger notifying the Customer that their Customer-owned renewable generation has been disconnected, including an explanation of the condition necessitating such action. The Company shall reconnect the Customer-owned renewable generation as soon as the condition necessitating disconnection is remedied.

    a. Emergencies or maintenance requirements on the Company's electric system;

    b. Hazardous conditions existing on the Company system due to the operation of the Customer's generating or protective equipment as determined by the Company;

    c. Adverse electrical effects, such as power quality problems, on the electrical equipment of the Company's other electric consumers caused by the Customer-owned renewable generation as determined by the Company;

    d. Failure of the Customer to maintain the required insurance coverage.

INTERCONNECTION AGREEMENT FOR CUSTOMER OWNED TIER 3 RENEWABLE GENERATION SYSTEMS
(Greater than 100 KW and Less than or Equal to 2 MW)
(Continued)

11. Administrative Requirements

(a) The Company shall maintain on its website a downloadable application for interconnection of Customer-owned renewable generation, detailing the information necessary to execute the Standard Interconnection Agreement. Upon request the Company shall provide a hard copy of the application within 5 business days.

(b) Within 10 business days of receipt of the Customer's application, the Company shall provide written notice that it has received all documents required by the Standard Interconnection Agreement or indicate how the application is deficient. Within 10 business days of receipt of a completed application, the Company shall provide written notice verifying receipt of the completed application. The written notice shall also include dates for any physical inspection of the Customer-owned renewable generation necessary for the Company to confirm compliance with Sections (4) through (10) and confirmation regarding the requirement of a Tier 3 interconnection study.

(c) The Standard Interconnection Agreement shall be executed by the Company within 30 calendar days of receipt of a completed application. This will be extended to 90 calendar days if the Company determines that an interconnection study is required.

(d) The Customer must execute the Standard Interconnection Agreement and return it to the Company at least 30 calendar days prior to beginning parallel operations and within one year after the utility executes the Agreement. All physical inspections must be completed by the Company within 30 calendar days of receipt of the Customer's executed Standard Interconnection Agreement. If the inspection is delayed at the Customer's request, the Customer shall contact the utility to reschedule an inspection. The Company shall reschedule the inspection within 10 business days of the Customer's request.

INTERCONNECTION AGREEMENT FOR CUSTOMER OWNED TIER 3 RENEWABLE GENERATION SYSTEMS (Greater than 100 KW and Less or Equal to 2 MN) (Continued)

12. Net Metering

(a) The Company shall enable each Customer-owned renewable generation facility interconnected to the investor-owned utility's electrical grid pursuant to this rule to net meter.

(b) The Company shall install, at no additional cost to the Customer, metering equipment at the point of delivery capable of measuring the difference between the electricity supplied to the Customer from the investor-owned utility and the electricity generated by the Customer and delivered to the investor-owned utility's electric grid.

(c) Meter readings shall be taken monthly on the same cycle as required under the otherwise applicable rate schedule.

(d) The Company shall charge for electricity used by the Customer in excess of the generation supplied by Customer-owned renewable generation in accordance with normal billing practices.

(e) During any billing cycle, excess Customer-owned renewable generation delivered to the Company's electric grid shall be credited to the Customer's energy consumption for the next month's billing cycle.

(f) Energy credits produced pursuant to Section (12) (e) shall accumulate and be used to offset the Customer's energy usage in subsequent months for a period of not more than twelve months. At the end of each calendar year, the Company shall pay the Customer for any unused energy credits at an average annual rate based on the Company's COG-1, as-available energy tariff.

(g) When a Customer leaves the system, that Customer's unused credits for excess kWh generated shall be paid to the Customer at an average annual rate based on the Company's COG-1, as-available energy tariff.

(h) Regardless of whether excess energy is delivered to the Company's electric grid, the Customer shall continue to pay the applicable Customer charge and applicable demand charge (if applicable) for the maximum measured demand during the billing period. The Company shall charge for electricity used by the Customer in excess of the generation supplied by Customer-owned renewable generation at the Company's otherwise applicable rate schedule. The Customer may at their sole discretion choose to take service under the Company's standby or supplemental service rate, if available.

INTERCONNECTION AGREEMENT FOR CUSTOMER OWNED TIER 3 RENEWABLE GENERATION SYSTEMS
(Greater than 100 KW and Less than or Equal to 2 MW)
(Continued)

13. Renewable Energy Certificates - Customers shall retain any Renewable Energy Certificates associated with the electricity produced by their Customer-owned renewable generation equipment. Any additional meters necessary for measuring the total renewable electricity generated for the purposes of receiving Renewable Energy Certificates shall be installed at the Customer's expense, unless otherwise determined during negotiations for the sale of the Customer's Renewable Energy Certificates to the Company.

14. Change of Ownership – This agreement shall not be assigned or transferred without prior written consent of the Company. Should there be a change in ownership; the Customer shall provide the Company with 30 day notice prior to the change. The Company will contact the new owner prior to the end of the 30 days in order to execute a new agreement. The new owner will not be entitled to operate the generator in parallel with the Company system or be net metered until a new agreement is executed by both parties. However, this agreement shall inure to the benefit of and binding upon the respective heirs, legal representatives, successors and assigns of the parties involved until a new agreement is executed.

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16. Applicability of Tariff – The Company's tariff and associated technical terms and abbreviations, general rules, regulations and standard electric service requirements are incorporated herein by reference. In the event that this tariff and the Interconnection Agreement is revised due to rule changes approved by the Florida Public Service Commission, the Company and the Customer agree to replace this agreement with an amended agreement that complies with the amended Florida Public Service Commission rules.

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INTERCONNECTION AGREEMENT FOR CUSTOMER OWNED TIER 3 RENEWABLE GENERATION SYSTEMS
(Greater than 100 KW and less than or Equal to 2 MW)
(Continued)

18. Termination – Upon termination of this agreement, the Company shall open and padlock the manual disconnect switch, if applicable, and remove any additional kilowatt-hour meter and associated Company equipment. At the Customer's expense, the Customer agrees to permanently isolate the Facility from the Company's electric service grid. The Customer shall notify the Company within ten (10) business days that the isolation procedure has been completed.

19. Retail Purchase of Electricity - "Customer-owned renewable generation" means an electric generating system located on a Customer's premise that is primarily intended to offset part or all of the Customer's electricity requirements with renewable energy. The term "Customer-owned renewable generation" does not preclude the Customer of record from contracting for the purchase, lease, operation, or maintenance of an on-site renewable generation system with a third-party under terms and conditions but does not include the retail purchase of electricity from the third party.

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21. Communications, either emergency or routine, related to this agreement or operation of the installation shall be made to the following parties:

Company:	Customer:
____________________	____________________
____________________	____________________
____________________	____________________
____________________	____________________

INTERCONNECTION AGREEMENT FOR CUSTOMER OWNED TIER 3 RENEWABLE GENERATION SYSTEMS (Greater than 100 KW and Less than or Equal to 2 MW) (Continued)

22. Dispute Resolution – The Company and Customer may seek resolution of disputes arising out of this interpretation of this agreement pursuant to Rule 25-22.032, F.A.C., Customer Complaints, or Rule 25-22.036, F.A.C., Initiation of Formal Proceedings.

IN WITNESS WHEREOF, the Customer and the Company execute this Agreement

this __________ day of _________________________, ________.

Title: ___ ___________________

WITNESS: FLORIDA PUBLIC UTILITIES COMPANY
COMPANY

_______________________ By: _______________________________

Title: _____________________________

Date: ______________________________

Date: __________ ____________

WITNESS: _____________________________
CUSTOMER

_______________________ By: _______________________________

Title: _____________________________

Date: ______________________________

CONTRACTS AND AGREEMENTS

Container Corporation of America
Agreement dated December 15, 1992

ITT Rayonier, Inc., Fernandina Division
Agreement dated March 14, 2012

F. P. S. C. ELECTRIC TARIFF

~~THIRD~~ FIRST REVISED VOLUME NO. ~~I~~ II

OF

FLORIDA PUBLIC UTILITIES COMPANY

FILED WITH

FLORIDA PUBLIC SERVICE COMMISSION

Communications concerning this Tariff should be addressed to:

Florida Public Utilities Company
208 Wildlight Avenue
Yulee, Florida 32097

Attn: Director of Regulatory Affairs

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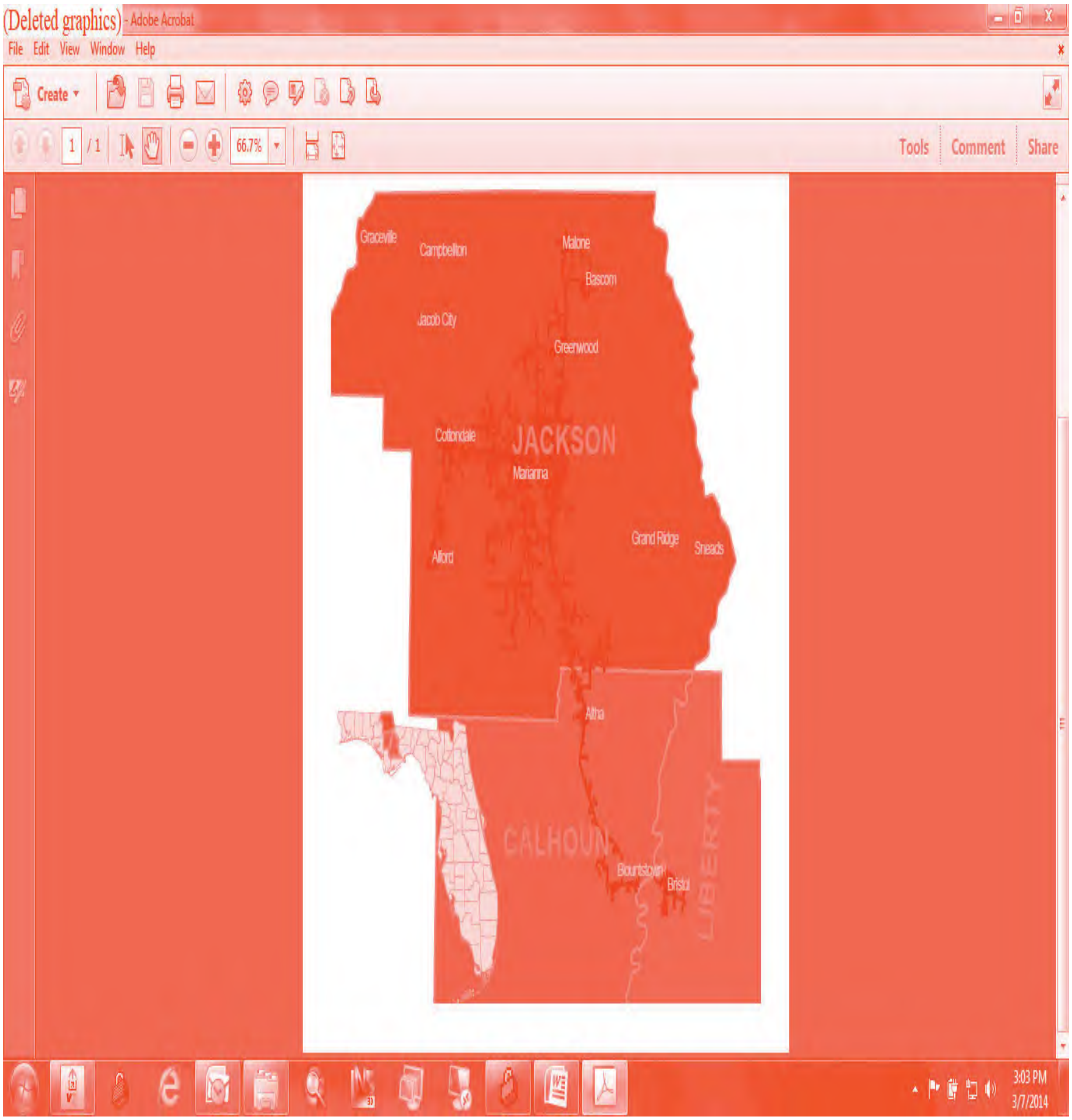
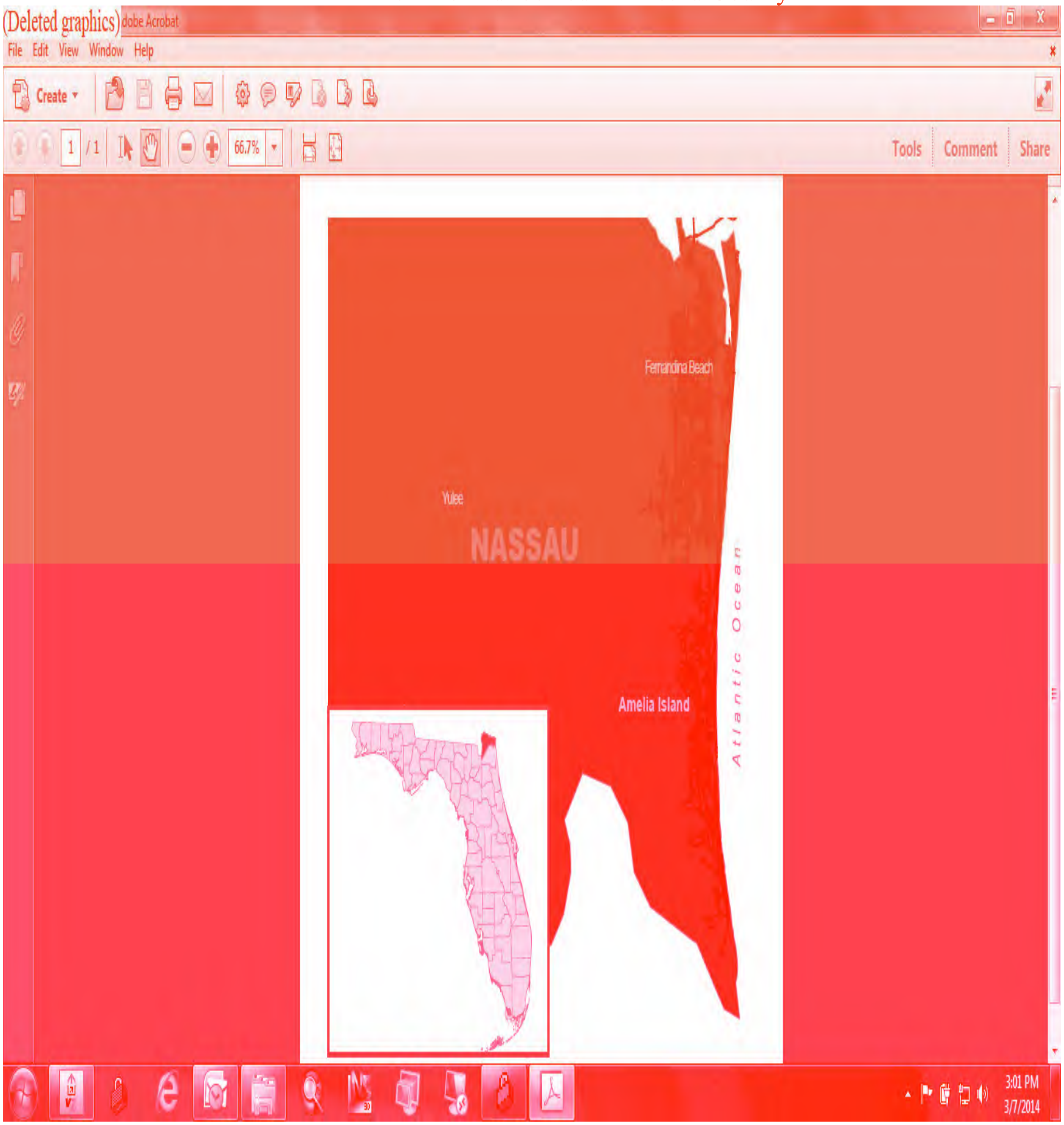
~~*SYSTEM MAP*~~

~~Northwest Florida Division System Map~~
~~Parts of Jackson, Calhoun County and Liberty Counties~~



~~*SYSTEM MAP*~~

~~Northeast Florida Division Service Map~~
~~Amelia Island located in Nassau County~~



~~TERRITORY SERVED~~

~~As indicated on the System Maps, two areas are served with electricity, both of which are located in the northern part of Florida.~~

~~The Northwest Florida Division serves various communities in Jackson, Calhoun and Liberty Counties.~~

~~The Northeast Florida Division serves Amelia Island, located in Nassau County.~~

MISCELLANEOUS GENERAL INFORMATION

Florida Public Utilities Company was incorporated under the Laws of Florida in 1924 and adopted its present corporate name in 1927.

It is principally engaged in the distribution and sale of natural gas~~,~~ and electricity ~~and water~~. Its operations are entirely within the State of Florida.

The internet link to this Tariff is www.fpuc.com

~~The general~~General Florida office ~~of the Company~~ is located at:

208 Wildlight Avenue
Yulee, Florida 32097

Division offices are located at:

2825 Pennsylvania Avenue
Marianna, Florida 32446-4004

And

780 Amelia Island Parkway
Fernandina Beach, Florida 32034

Communications covering rates should be addressed to:

Florida Public Utilities Company
208 Wildlight Avenue
Yulee, Florida 32097

[Link-to-previous setting changed from off in original to on in modified.].

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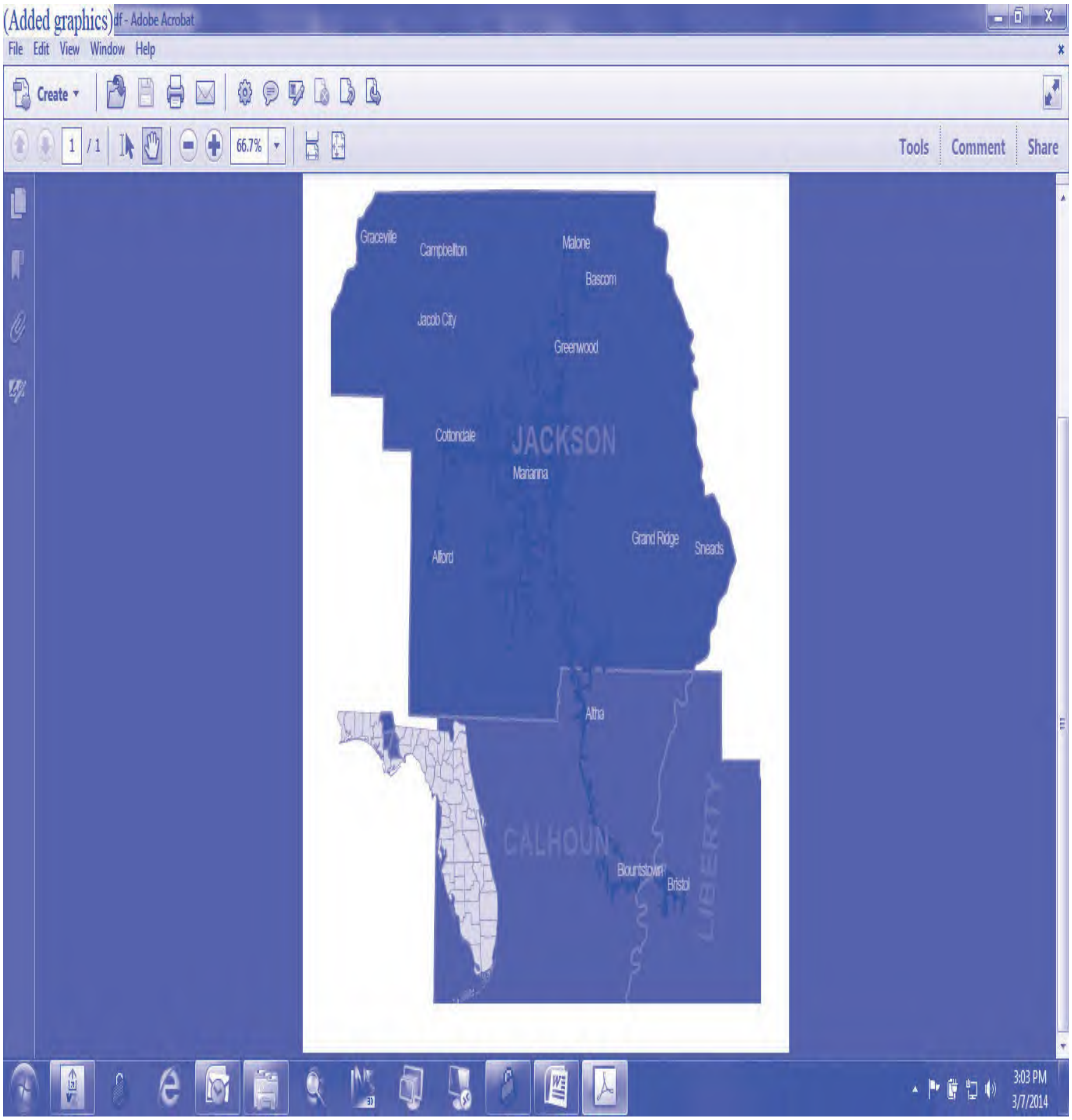
Parts of Jackson, Calhoun County and Liberty Counties



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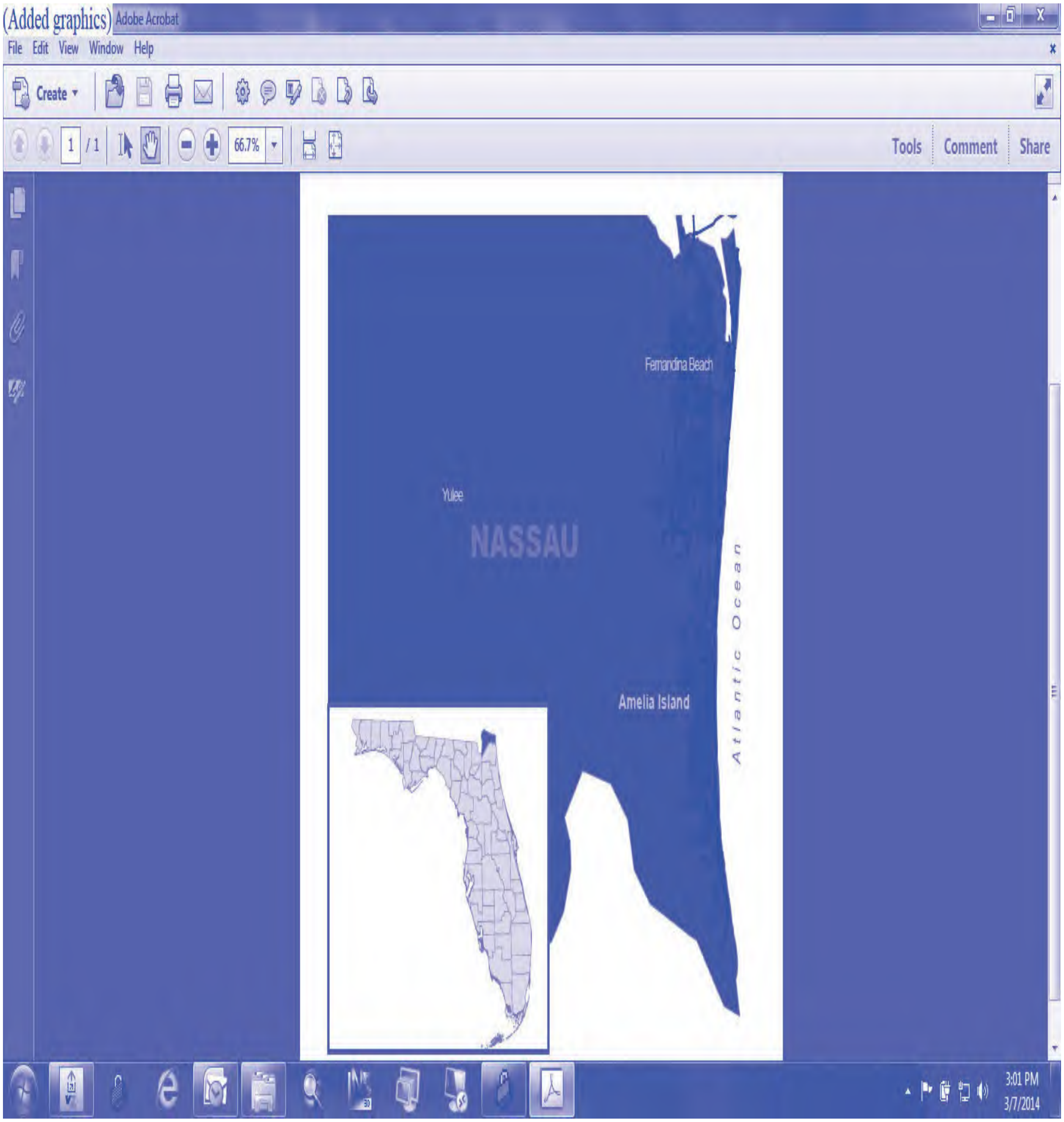

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As indicated on the System Maps, two areas are served with electricity, both of which are located in the northern part of Florida.

The Northwest Florida Division serves various communities in Jackson, Calhoun and Liberty Counties.

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TECHNICAL TERMS AND ABBREVIATIONS

When used in the rules and regulations or the rate schedules contained in this volume, the following terms shall have the meanings defined below:

A. Company – Florida Public Utilities Company acting through its duly authorized officers or employees within the scope of their respective duties.

B. Applicant – any person, firm, or corporation applying for electric service from the Company at one location.

C. Customer – any person, firm, or corporation purchasing electric service at one location from the Company under Rules and Regulations of the Company.

D. Service Classification

(1) Residential Service – service to Customer supplied for residential purposes in a single family dwelling unit or household. Residential service shall also apply to energy used in ~~commonly owned~~commonly owned facilities in condominium and cooperative apartment buildings subject to the following criteria:

1. 100% of the energy is used exclusively for the co-owners' benefit.

2. None of the energy is used in any endeavor which sells or rents a commodity or provided service for a fee.

3. Each point of delivery will be separately metered and billed.

4. A responsible legal entity is established as the Customer to whom the Company can render its bills for said service.

(2) Commercial Service – service to Customers engaged in selling, servicing, warehousing, or distributing a commodity, in some business activity or in a profession, or in some form of economic or social activity (offices, stores, clubs, hotels, etc.) and for purposes that do not come directly under another classification of service. A premise which might otherwise, except for business activity conducted thereon, be entitled to Residential Service shall be classified as Commercial unless that portion of said premise use solely for residential purposes is metered separately.

(3) Industrial Service – service to Customers engaged in a process which creates or changes raw or unfinished material into another form or product. (Factories, mills, machine shops, mines, oil plants, refineries, creameries, canning, and packing plants, shipyards, etc., i.e., in extractive, fabricating, or processing activities.)

TECHNICAL TERMS AND ABBREVIATIONS (Continued)

E. Service Line – all wiring between the Company's main line or substation transformer terminals and the point of connection to Customers service entrance.

F. Single Service – one set of facilities over which Customer may receive electric power.

G. KW or Kilowatt – one thousand (1,000) watts.

H. KWh or Kilowatt-hour – one thousand (1,000) watt-hours.

I. Energy – current consumed, expressed in kilowatt-hours.

J. BTU or British Thermal Unit – the amount of heat required to raise the temperature of one (1) pound of water one degree Fahrenheit (1°F) at sixty degrees Fahrenheit (60°F).

K. Horsepower - the nameplate rating of motors or its equivalent in other apparatus. For conversion purposes~~,~~ on horsepower shall be considered as equivalent to 0.75 kilowatts.

L. Candlepower – one-tenth of the manufacturer's rating in lumens.

M. Connected Load – sum of the ratings of the electric power consuming apparatus connected to the installation or system, or part of either, under consideration.

N. Demand – the load at the terminals of an installation or system averaged over a specified period of time. Demand is expressed in kilowatts, kilovolt-amperes, or other suitable units.

O. Power Factor – ratio of kilowatts to kilovolt-amperes.

P. Month – the period between any two (2) regular readings of Company's meters at approximately thirty (30) day intervals.

RESERVED FOR FUTURE USE

INDEX OF RULES AND REGULATIONS

RULES AND REGULATIONS

Applicable to Electric Service and Electric Rate Schedules

1. General

Company shall furnish service under its rate schedules and these Rules and Regulations as approved from time to time by the Florida Public Service Commission and in effect at this time. These Rules and Regulations shall govern all service except as specifically modified by the terms and conditions of the rate schedules or written contracts. Copies of currently effective Rules and Regulations are available at the office of Company.

Unless otherwise specifically provided in any applicable rate schedule or in a contract by or with Company, the term of any agreement shall become operative on the day the Customer's installation is connected to Company's facilities for the purpose of taking electric energy and shall continue for a period of one (1) year and continuously thereafter until cancelled by three (3) or more days' notice by either party.

2. Application for Service

An application for service will be required by Company from each Applicant. Such application shall contain the information necessary to determine the type of service desired and the conditions under which service will be rendered. If necessary, the application or contract for service shall be in writing.

The application or depositing of any sum of money by the Applicant shall not require company to render service until the expiration of such time as may be reasonable required by Company to determine if Applicant has complied with the provisions of these Rules and Regulations and as may reasonably be required by Company to install the required facilities.

3. Election of Rate Schedules

Optional rates are available for certain classes of ~~customers~~Customers. These optional rates and the conditions under which they are applicable are set forth in Company's rate schedules.

Upon application for service or upon request, Applicant or Customer shall elect the applicable rate schedule best suited to his requirements. Company will assist in making such election but does not guarantee that Customers will be served under the most favorable rate schedule at all times. Company shall not be held

RULES AND REGULATIONS (Continued)

3. Election of Rate Schedules (Continued)

responsible to notify Customers of the most favorable rates schedule and will not refund the difference in charge under different rate schedules to the same class of service.

Upon notification of any material changes in Customer's installation or load conditions, Company will assist in determining if a change in rates is desirable, but unless required by substantial changes in the Customer's installation, not more than (1) such change in rates will be made within any twelve (12) month period.

Company will require a written contract with special guarantee from Applicants whose characteristics of load would require excessive investment in facilities of whose requirements for service are of a special nature.

4. Customer Deposits

A. Deposit Required

Unless credit is ~~otherwise~~ established in accordance with Section 4B, the ~~customer~~Customer shall make a deposit. The amount of the deposit shall be calculated in conformity with the requirements of Section 366.05(1)(c), Florida Statutes, as follows:

(1) For an existing account or premise, the total deposit may not exceed two (2) months of average actual charges, calculated by adding the monthly charges from the 12-month period immediately before the date any change in the deposit is sought, dividing this total by 12, and multiplying the result by 2. If the account or premise has less than 12 months of actual charges, the deposit shall be calculated by adding the available monthly charges, dividing this total by the number of months available, and multiplying the result by 2.

(2) For a new service or premise request, the total deposit may not exceed two (2) months of projected charges, calculated by adding the 12 months of projected charges, dividing this total by 12, and multiplying the result by 2. Once the new ~~customer~~Customer has had continuous service for a 12-month period, the amount of the deposit shall be recalculated using actual data. Any difference between the projected and actual amounts must be resolved by the ~~customer~~Customer paying any additional amount that may by billed by the utility or the utility returning any overcharge.

(3) A residential ~~customer~~Customer may request the amount of the initial deposit be billed and paid in even installments over a period of two (2) month's for deposit amounts between $50 and $150 and three (3) month's for deposits over $150, which may be granted at the Company's discretion.

RULES AND REGULATIONS (Continued)

4. Customer Deposits (Continued)

B. Establishment of Credit

In lieu of a deposit, the Company may allow a prospective Customer to satisfactorily establish credit prior to the commencement of service by one of the following methods:

Residential:

(1) Furnish a satisfactory guarantor to secure payment of bills for the service requested; such guarantor must be a ~~customer~~Customer of the Company with a satisfactory payment record. A guarantor's liability shall be terminated when a residential ~~customer~~Customer, whose payment of bills is secured by the guarantor, meets the requirements of Section 4C-Refund of Deposit. Guarantors providing security for payment of residential ~~customer's~~Customer's bills shall only be liable for bills contracted at the service address contained in the contract of guaranty; or

(2) Furnish an irrevocable letter of credit from a bank equal to two (2) ~~month's~~months' average bills; or

(3) Furnish a surety bond equal to two (2) ~~month's~~months' average bills; or

(4) Pay a cash deposit.

Non-Residential:

(1) Furnish a satisfactory guarantor to secure payment of bills for the service requested, such a guarantor need not be a ~~customer~~Customer of the Company; or

(2) Furnish an irrevocable letter of credit from a bank equal to two (2) ~~month's~~months' average bills; or

(3) Furnish a surety bond equal to two (2) ~~month's~~months' average bills; or

(4) Pay a cash deposit.

RULES AND REGULATIONS (Continued)

4. Customer Deposits (Continued)

~~4. Customer Deposits (Continued)~~

C. Refund of Deposits

After a ~~customer~~Customer has established a satisfactory payment record and has had continuous service for a period of 23 months, the utility shall refund the residential ~~customer's~~Customer's deposits and shall, at its option either refund or pay the higher rate of interest specified below for nonresidential deposits, providing the ~~customer~~Customer has not, in the preceding 12 months, (a) made more than one late payment of a bill (after the expiration of 20 days from the date of mailing or delivery by the utility), (b) paid with a check refused by a bank, (c) been disconnected for non-payment, or at any time, (d) tampered with the meter, or (e) used service in a fraudulent or unauthorized manner. Company may, at its option, refund a deposit in less than 23 months.

D. Interest on Deposits

Two percent (2%) per annum interest will be credited to a Consumer's account annually in accordance with the current effective rules and regulations of the Commission. Three percent (3%) per annum will be credited annually on deposits of Residential Consumers qualifying under section (c) above when the company elects not to refund such a deposit after twenty-three (23) months. The Company shall credit annually three percent (3%) per annum on deposits of non-Residential Consumers qualifying for refund under Section (c) until the Commission sets a new interest rate applicable to the Company. No ~~customer~~Customer shall be entitled to receive interest on ~~his~~their deposit until and unless a ~~customer~~Customer relationship and the deposit have been in existence for a continuous period of six months, then ~~he~~Customer shall be entitled to receive interest for the day of the commencement of the ~~customer~~Customer relationship and the placement of deposit. Deposits shall cease to bear interest upon discontinuance of service.

E. New or Additional Deposits

Company may require, upon written notice to an existing ~~customer~~Customer of not less than 30 days, a deposit (including guaranty, letter of credit or surety bond) where previously waived or returned, or an additional deposit, in order to secure payment of current bills. Such notice for a deposit shall be separate and apart from any bill for service and shall explain the reason for the deposit; provided, however, that the total amount of the required deposit shall not exceed an amount equal to the average actual charges for service for two billing periods for the 12-month period immediately prior to the date of notice. The thirty (30) day notice shall not apply when service is being reestablished after discontinuance of service for non-payment. In the event the ~~customer~~Customer has had service for less than 12 months, then the Company shall base its new or additional deposit upon the average actual monthly billing available.

RULES AND REGULATIONS (Continued)

4. Customer Deposits (Continued)

F. Retention of Deposits

Retention by Company, prior to final settlement, of said deposit shall not be considered as a payment or part payment of any bill for service. Company shall, however, apply said deposit against unpaid bills for service. In such case, Customer shall be required to restore deposit to original amount.

G. Refund of Deposit When Service is Discontinued

Upon discontinuance of service, the deposit and accrued interest shall be credited against the final account and the balance, if any, shall be returned promptly to the ~~customer~~Customer, but in no event later than fifteen (15) days after service is discontinued.

~~*RULES AND REGULATIONS (Continued)*~~

5. Customer Facilities

Customer shall make or procure satisfactory conveyance to Company of all necessary easement and rights-of-way, including right of convenient access to Company's property, for furnishing adequate and continuous service or the removal of Company's property upon termination of service.

Customer should furnish Company a description of the load to be connected prior to wiring ~~his~~Customer's premises or purchasing any electric equipment. Company will then furnish ~~customer~~Customer such information as characteristics of service which is or will be available at the point of delivery.

All wiring and equipment beyond Company's meter and accessories thereto, necessary to utilize service furnished by Company, shall be installed by and belong to the Customer and be maintained at ~~his~~Customer's expense. Customer shall bring ~~his~~their wiring to a point of connection to Company's service lines at a location satisfactory to Company.

All wiring and electric equipment shall conform to the requirements of the National Electrical Code as adopted by Company and local ordinances, if any.

Company reserves the right to inspect and approve the installation of all wiring and equipment to utilize Company's service; but such inspection or failure to make inspection or the fact that Company may connect to such installation shall not make Company liable for any loss or damage which may be occasioned by the use of such installation or equipment used therefrom or of Company's service.

Customer shall install only such motors or other apparatus or appliances as are suitable for operation with the character of the service supplied by Company, and electric energy must not be used in such a manner as to cause detrimental voltage fluctuations or disturbances in Company's distribution system.

All apparatus used by Customer shall be of such type as to secure the highest practicable commercial efficiency, power factor and proper balancing of phases. Motors which are frequently started or motors arranged for automatic control must be equipped with controlling devices, approved by Company, to give maximum starting torque with minimum current flow.

RULES AND REGULATIONS (Continued)

6. Service Connections

A. General

Company reserves the right to designate the location of the point of connection, transformers and meters and to determine the amount of space which must be left unobstructed for the installation and maintenance thereof. Applicant may request an alternation of such a designation but, if consented to by Company, the excess cost of such revised designation over and above the cost of the original Company design shall be borne by Applicant.

Company reserves the right to postpone to a more favorable season the extension of lines and connection of services during seasons of the year when climatic conditions would cause abnormally high construction costs.

B. Overhead Service in Overhead Zone

Customer's wiring must be brought outside the building wall nearest Company's service wires so as to be readily accessible thereto or to transformer terminals if located close to the wall. All connections between the service entrance and meter location shall comply with local ordinances and shall be in rigid conduit or cable approved by Company. Company will furnish, install and maintain the service conductors to the point of connection to Customer's facilities.

C. Underground Service in Overhead Zone

Customers desiring an underground service in an overhead zone may make application for service with the Company. The Company will install and own the underground service from the meter location to the pole from which connection is to be made, including the necessary run of cable or conduit up the side of the pole. The Customer will pay in advance to the Company the estimated difference in the cost of the underground service and or equivalent overhead service. Underground service will be provided pursuant to F.A.C. 25-6115, Facility Charges for Conversion of Existing Overhead Investor Owned Distribution Facilities.

D. Underground Service in Underground Residential Distribution Systems

The service connection to the building normally will be at the point of the building nearest the point at which the underground system enters the property to be served. If such service connection point on any building is more than seventy-five (75) feet, measured at right angles, from the serving property line, the Customer will pay the difference between an underground service and an equivalent overhead service for all service line in excess of seventy five (75) feet.

E. Underground Service in Underground Zone (Other Than Residential Areas)

Where service is supplied from an underground distribution system, at Company's choice, Company will provide and install the cable conduit or ducts from its manhole or street connection box or main feed lines in street to the property line adjoining the property to be served.

The Customer shall supply and install the cable conduit or ducts from the property line into the building, terminating said conduit or ducts inside the building wall at a point located by the Company inspector. The Customer shall make arrangements with the Company for Company to supply and install continuous run of cable conductors from the manhole or street connection box to the inside of the building wall. Customer shall be charged for materials, labor, and other expenses incurred from the portion of cable installed inside the building.

Where Company is required by governmental or other valid authority to install underground distribution, and abandon overhead distribution, Company shall not be required to bear any of the cost of making the necessary changes on Customer's premises. If, however, Company elects to change an existing Customer's service from overhead to underground, Company shall bear the cost of disconnecting the Customer's service from the overhead system and reconnecting it to the underground system unless such change is necessitated by a change in the Customer's requirements.

7. Line Extensions

A. Overhead Extensions

(1) Free Extensions

(a) Company shall make extensions to or alterations in its facilities in accordance with Rule ~~25-6.115~~25-6.064 of Florida Public Service Commission, these Rules and Regulations and free of charge to provide service to an applicant or group of applicants located within the Company's service area when the estimated total non-fuel revenue for the first four (4) years from the Applicant or Applicants equals or exceeds the estimated cost of the necessary includable construction; provided, however, that the patronage or demand will be of such permanency as to warrant the expenditure involved.

RULES AND REGULATIONS (Continued)

(b) The formula used to calculate the maximum amount of no-charge extension or alteration will be as follows:

(1) for ~~customers~~Customers in rate classes that pay only energy charges, i.e., do not pay demand charges:

maximum amount = 4 X (non-fuel energy charge KWH)
(estimated annual KWH usage)

(2) for ~~customers~~Customers in classes that pay both energy charges and demand charges:

maximum amount = 4 X (non-fuel energy charge KWH)
(estimated annual KWH usage)
+ 4 X (estimated annual demand
charge revenue from sales
over new line)

(2) Other Extensions

When the line extension or alteration required in order to furnish service within Company's service area is a reasonable extension of the Company's facilities but greater than the free construction specified above, and the Applicant or Applicants shall contract to use service for at least four (4) years, such extension or alteration shall be made subject to the following condition;

(a) Applicant or Applicants shall make a non-refundable contribution in aid of construction $(CIAC)_{OH}$ prior to commencement of construction, in an amount equal to the amount that the estimated cost to provide the extension or alteration exceeds the maximum amount of the no-charge extension or alteration as determined in A (b) (1) or A (b) (2) above.

B. Underground Extension

(1) New residential subdivisions and multiple-occupancy buildings.

(a) Company shall make underground extension of its facilities to serve new residential subdivisions or new multiple-occupancy buildings, in accordance with the provisions of the "Rules for Residential Electric Underground Service" of the Florida Public Service Commission; provided that the Applicant or Applicants, in accordance with the Rules of the Florida Public Service Commission, will pay to the Company in an amount equal to the difference in cost between an underground system (exclusive of supply system feeders) and an equivalent overhead system.

RULES AND REGULATIONS (Continued)

(2) Residential, commercial, industrial extensions

(a) Company shall make underground extensions or alterations in its facilities in accordance with Rule 25-6.115 of Florida Public Service Commission and these Rules and Regulations to provide underground service to an applicant or group of applicants, within the Company's service area provided that the applicant, or group of applicants, pay the Company a contribution in aid of underground construction $(CIAC)_{UG}$ in an amount equal to the estimated difference in cost to provide underground service instead of overhead service to the Applicant(s) plus the amount, if any, by which the estimated cost to provide an overhead service exceeds the maximum amount of no-charge construction $(CIAC)_{OH}$ as determined in A(2) above.

(b) The following formula shall be used to determine the contribution in aid of underground construction with all cost based on Rule ~~25-6.0342, FAC, Electric Infrastructure Storm Hardening~~25-6.115, FAC, Facility Charges for Conversion of Existing Overhead Investor-owned Distribution Facilities :

$(CIAC)_{UG}$ = (estimated cost to provide underground service facilities including distribution line, transformer, service drop and other necessary fixtures) minus (the estimated cost to provide service using overhead facilities) plus $(CIAC)_{OH}$.

RULES AND REGULATIONS (Continued)

8. Underground Electric Distribution Facility Charges

A. Definitions

The following words and terms used under this Part shall have the meaning indicated:

(1) Applicant: The Applicant is the person or entity seeking the undergrounding of existing or newly planned electric distribution facilities by the Company. When a developer requests local government development approval, the local government shall not be deemed the applicant for purposes of this rule.

(2) Commission: Florida Public Service Commission.

(3) Cost Estimate: A non-refundable deposit charged an Applicant by the Company for the purpose of preparing a binding cost estimate of the amount required for the Company to construct or convert particular distribution facilities as underground.

(4) Company: Florida Public Utilities Company.

(5) Distribution Facilities: All electrical equipment of the Company required to deliver electricity to homes and businesses.

(6) Facility Charge: That charge required to be paid by an Applicant for the Company to construct or convert particular distribution facilities as underground.

(7) High Density Subdivision: A subdivision having a density of six (6) or more dwelling units per acre.

(8) Low Density Subdivision: A subdivision having a density of at least 1.5 dwelling units per acre but less than six (6) dwelling units per acre.

(9) Overhead: Pertains to distribution facilities consisting of conductors, switches, transformers, etc. which are installed above ground on supporting poles.

(10) Underground: Pertains to distribution facilities consisting of conductors, switches, transformers, etc. which are installed below or on the ground.

RULES AND REGULATIONS (Continued)

B. General

(1) Application

This tariff section applies to request for underground electric distribution facilities offered in lieu of overhead facilities. The installation of underground distribution lines in new residential subdivisions is not covered in this section of the tariff. These installations are covered under "Rules of the Florida Public Service Commission", Chapter ~~25-6, Part V, "Rules for Residential Electric Underground Extensions~~25-6115, "Facility Charges for Conversion of Existing Overhead Investor Owned Distribution Facilities", and the Company's "Rules and Regulations", Item 7.

(2) Application Request

An applicant shall submit a request in writing for the Company to develop a cost estimate to accomplish the undergrounding of particular electric facilities. The request shall be accompanied by an appropriate deposit and shall specify the following information:

a. the area(s) being sought to be undergrounded
b. a list of all electric ~~customers~~Customers affected
c. an estimated time frame for undergrounding to be accomplished
d. details of any construction by the Applicant
e. any other pertinent information which the Applicant possesses that may assist the

RULES AND REGULATIONS (Continued)

C. Cost Estimate Deposits

(1) Non-Binding Cost Estimates

The Company will provide a non-binding cost estimate related to the request at no cost to the Applicant. The non-binding cost estimate shall be an order of magnitude estimate to assist the requestor in determining whether to go forward with a binding cost estimate.

(2) Binding Cost Estimates

Upon the payment of a non-refundable deposit, as specified below, the Company shall provide an applicant with a binding cost estimate specifying the facility charge required for the installation. The facility charge to be collected pursuant to a binding cost estimate from an applicant shall not be subject to increase or refund unless the project scope is enlarged or reduced, or the project is not completed at the request of the applicant.

The deposit shall be forfeited, and the binding cost estimate provided to an Applicant shall be considered expired, if the Applicant does not enter into a contract for the installation of the requested underground electric distribution within 180 days of delivery of the binding cost estimate by the Company. For good cause the Company may extend the 180 day time limit.

The deposit for a binding cost estimate, which approximates the engineering costs for underground facilities associated with preparing the requested estimate, shall be calculated as follows:

I. New Construction (Excluding New Residential Subdivisions)

Facilities Classification	Deposit Amount
Urban Commercial	$~~3,715~~4,540 per overhead primary mile
Urban Residential	$~~2,565~~3,555 per overhead primary mile
Rural Residential	$~~1,946~~3,263 per overhead primary mile

II. Conversions

Facilities Classification	Deposit Amount
Urban Commercial	$~~5,750~~6,815 per overhead primary mile
Urban Residential	$~~4,511~~5,330 per overhead primary mile
Rural Residential	$~~3,273~~4,895 per overhead primary mile
Low Density Subdivision	$~~18.00~~64.00 per lot
High Density Subdivision	$~~17.00~~42.00 per lot

The deposit must be paid to the Company to initiate the estimating process. The deposit will be applied in the calculation of the facility charge to be required for the installation of underground distribution facilities.

RULES AND REGULATIONS (Continued)

D. Construction Contract

(1) General

Upon acceptance by the Applicant of a binding cost estimate, the Applicant shall execute a contract with the Company to perform the construction of the underground distribution facilities. The contract shall specify the type and character of system to be provided; establish the facility charge to be paid by Applicant prior to commencement of construction; specify details of construction to be performed by Applicant, if any; and address those other terms and conditions described ~~in Part (4)~~ below.

(2) Facilities Charge

The charge shall be calculated in accordance with the appropriate formula described below with all ~~cost~~costs based on Rule ~~25-6.0342, FAC, Electric Infrastructure Storm Hardening~~25-6.115, FAC, Facility Charges for Conversion of Existing Overhead Investor-owned Distribution Facilities:

a. New Construction

Charge =

Estimated cost of construction of underground facilities including underground service laterals to ~~customers~~Customers' meters;

Minus, estimated construction cost of overhead facilities including overhead service drops to ~~customers~~Customers' meters;

Minus, qualifying cost estimate deposit.

b. Conversion

Charge =

Remaining book value of existing overhead facilities to be removed;

Plus, removal cost of existing overhead facilities;

Minus, salvage value of existing overhead facilities;

Plus, estimated cost of construction of underground facilities including underground service laterals to ~~customers~~Customers' meters;

Minus, estimated construction cost of overhead facilities including overhead service drops to ~~customers~~Customers' meters;

Minus, qualifying cost estimated deposit.

RULES AND REGULATIONS (Continued)

E. Construction By Applicant

If agreed upon by the Applicant and the Company, the Applicant may construct or install portions of the underground system as long as such work meets the Company's engineering and construction standards. The Company will own and maintain the completed distribution facilities upon accepting the system as operational. The type of system provided will be determined by the Company's standards.

Any facilities provided by the Applicant will be inspected by Company inspectors prior to acceptance. Any deficiencies discovered as a result of these inspections will be corrected by the applicant at his sole expense, including the costs incurred by performing the inspections. Corrections must be made in a timely manner by the Applicant; otherwise the Company will undertake the correction and bill the Applicant for all costs of such correction. These costs shall be additional to the original binding cost estimate.

F. Other Terms And Conditions

(1) Easements: Easements satisfactory to both the Company and the Customer must be provided for by the Applicant prior to commencement of construction at no expense to the Company. Additional easements are not required when facilities are to be located on private property wholly within an area covered by a recorded subdivision utility easement, namely a reservation and recorded plat of an easement for public utility purposes and where underground electrical facilities are not prohibited. Where underground distribution facilities for serving more than one ~~customer~~Customer are located on private property, easements are required.

Secondary voltage underground facilities wholly within one property for the purpose of serving only one ~~customer~~Customer do not require easements. All primary voltage underground facilities require easements. Easements are not required for facilities in public rights-of-way.

RULES AND REGULATIONS (Continued)

(2) Scheduling, Clearing, and Grading: Rights-of-way and easements suitable to the Company must be furnished by the Applicant in a reasonable time to meet service requirements and must be cleared of trees, tree stumps, paving and other obstruction, staked to show property lines and final grade and must be graded to within six (6) inches of final grade by the Applicant before the Company will commence construction, all at no charge to the Company. Such clearing and grading must be maintained by the Applicant during construction by the Company. Grade stakes must be provided at transformer, ~~pullbox~~pull box, and switch locations.

(3) Restoration: All removal and restoration of buildings, roads, driveways, sidewalks, patios, fences, ditches, landscaping, sprinkler systems, other utilities, etc. shall be the full responsibility of the Applicant and shall cause no cost to the Company. Removal of all construction debris not belonging to the Company shall be the responsibility of the Applicant or other.

(4) Other Joint Users on the Company Poles: Applicant must make arrangements with all other overhead utilities and third parties to remove their overhead facilities from the Company's poles prior to construction or to concurrently convert their facilities to underground or remove them at no cost to the Company. The Applicant shall produce, if requested by the Company, executed agreements with all joint users guaranteeing this requirement.

(5) Affected Electric Customers: Applicant must make arrangements with all affected Company ~~customers~~Customers to, in a timely fashion, prepare their premises and service entrance for underground electrical service from the new underground distribution system. All ~~customers~~Customers affected by the underground request must agree to accept underground service. This ~~customer~~Customer conversion will be at no cost to the Company.

(6) Damage to Company's Underground Facilities: The Applicant shall be responsible to ensure the Company's distribution system, once installed, is not damaged, destroyed, or otherwise disturbed during the construction of the project. This responsibility shall extend not only to those in his employ, but also to his subcontractors, and he shall be responsible for the full cost of repairing such damage.

RULES AND REGULATIONS *(Continued)*

9. Metering

Company will provide each Customer with a meter or meters for each applicable rate schedule.

Customer, acting jointly with Company, may install, maintain and operate at ~~his~~Customer's expense such check measuring equipment as desired provided that such equipment shall be so installed as not to interfere with operation of Company's equipment and that no electric energy shall be re-metered for resale to another or others.

Before installation and periodically thereafter, each meter shall be tested and adjusted using methods and accuracy limits prescribed or approved by the Florida Public Service Commission. Periodic test and inspection intervals shall not exceed the maximum period allowed by the Florida Public Service Commission.

If ~~on test~~upon testing the meter is found to be in error in excess of prescribed accuracy limits, fast or slow, the amount of refund or charge to the Customer shall be determined by methods prescribed or approved by the Florida Public Service Commission.

In the event of stoppage or failure of any meter to register, ~~customer~~Customer may be billed for such period on an estimated consumption based upon ~~his~~Customer's use of electric energy in a similar period of like use or on the basis of check meter readings, if available and accurate.

Meters in use shall be tested at the request of Customer and in his presence, if desired, provided only one (1) such test shall be made free of charge within a twelve (12) month period, and provided Customer shall pay the cost of any additional test within this period unless meter is shown to be inaccurate in excess of the tolerances set forth by the Florida Public Service Commission. If the ~~customer~~Customer requests a test more frequently, the ~~company~~Company may require a deposit, not to exceed $50.00, to defray the cost of testing.

. 10. Billing and Collecting

Each Customer's meter will be read at regular intervals and bills will be rendered on a monthly basis or periodically in accordance with the terms of the applicable rate schedule. Bills will be rendered as soon as practical after determination of their amount and shall be due and payable at the office of Company within twenty (20) days after date of bill. Failure to receive a bill will not entitle Customer to any discount or to the omission of any charge for nonpayment within the time specified.

Partial Month:
Upon commencement of service less than fifteen (15) days prior to a regular monthly read date and when the service continues thereafter to the same Customer at the same address where the Customer is receiving service on monthly rate schedules, no bill will be rendered for service covering such period, but the charge for such period will be included in the bill rendered for the next succeeding monthly billing period.

RULES AND REGULATIONS (Continued)

10. Billing and Collecting (continued)

A separate bill will be rendered for each meter used by Customer unless, for the convenience of Company, multiple meters are used for measurement of the same class of service, in which case a bill will be rendered for the total amount registered by all meters. If Company, (as it may under unusual circumstances), permits more than one Customer to be served through one meter, the minimum bill and the first billing block kilowatt-hours of the applicable rate schedule shall be multiplied by the number of Customer so served and the number of kilowatt-hours in each succeeding block of the rate schedule shall be increased in the same proportion.

Billings in general will be based on meter readings but bills will be adjusted to compensate for errors in meter registration, in the reading thereof, or in the application of meter reading schedules to intervals five (5) days greater or lesser than a month. If the billing period is extended more than five (5) days, the Company will not apply the higher tiered rate if the Customer's higher usage is attributable to the extended billing period.

In case of tampering or unauthorized use, probable consumption will be billed as determined by the maximum quantity of electric energy estimated to have been consumed by the various appliances of Customer and a bill will be rendered for a period encompassing six (6) months prior to the detection of such abuse and /or disconnection for cause.

11. Customer's Liabilities

Company shall have the right to enter the premises of Customer at all reasonable hours for the purpose of making such inspection of Customer's installation as may be necessary for the proper application of Company's rate schedules and Rules and Regulations; for installing, removing, testing, or replacing its apparatus or property; for reading meters; and for the entire removal of Company's property in event of termination of service to Customer for any reason.

All property of Company installed in or upon Customer's premises used and useful in supplying service is placed there under Customer's protection. All reasonable care shall be exercised to prevent loss of or damage to such property and, ordinary wear and tear excepted, Customer will be held liable for any such loss of property or damage thereto and shall pay to Company the cost of necessary repairs or replacements.

~~Customer will be held responsible for breaking the seals, tampering or interfering with Company's meter or meters or other equipment of Company installed on customer's premises, and no~~No one except employees of Company will be allowed to make any repairs or adjustments to any meter or other piece of apparatus belonging to Company except in case of emergency.

Unauthorized connections to, or tampering with the Company's meters, meter seals, or metering equipment or indications or evidence thereof , subjects the Customer to immediate discontinuance of service, prosecution under the laws of Florida, adjustment of prior bills for services rendered, a tampering penalty pf $500 for residential and non-demand general service customers and $2,500 for all other customers, and liability for reimbursement to the Company for all extra expenses incurred on this account as a result thereof. The reimbursement for extra expenses incurred as a result of the investigation or as a result thereof shall be the actual amount of such extra expenses and shall be in addition to any charges for service rendered or charges for restoration of service as provided elsewhere in these rules.

RULES AND REGULATIONS (Continued)

11. Customers Liabilities (continued)

Customer shall not materially increase load without first notifying Company and obtaining consent.

Company shall have the right, if necessary, to construct its poles, lines and circuits on Customer's property, and to place its transformers and other apparatus on the property or within the buildings of Customer, at a point or points convenient for such purpose and Customer shall provide suitable space for such installation.

12. Company's Liabilities

Company will use reasonable diligence in furnishing as uniform a supply of electric energy as practicable, except where rate schedules provide otherwise. Company may interrupt its service hereunder, however, for the purpose of making necessary alterations and repairs, but only for such time as may be reasonable or unavoidable, and Company shall give to those Customers it knows may be seriously affected, except in case of emergency, reasonable notice of its intention so to do, and shall endeavor to arrange such interruption so as to inconvenience Customer as little as possible.

Whenever Company deems an emergency warrants interruption or limitation in the service being rendered, such interruption or limitation shall not constitute a breach of contract and shall not render Company liable for damages suffered thereby or excuse Customer from further fulfillment of the contract.

In the event that the supply of electric energy shall be interrupted from causes other than the foregoing or force majeure and such interruption is due to the negligence of Company and Company is liable because thereof, that liability shall be limited to twice the amount which Customer would have paid for electric energy during the period of such interruption. However, Company shall not be liable to Customer for any loss, injury or damage resulting from use of Customer's equipment or from the use of electric service furnished by Company or from the connection of Company's facilities with Customer's wiring and appliances.

RULES AND REGULATIONS (Continued)

13. Force Majeure

Except for payment of bills due, neither the Company nor the Customer shall be liable in damage to the other for any act, omission or circumstances occasioned by or in consequence of any acts of God, strikes, lockouts, acts of the public enemy, wars, blockades, insurrections, riots, epidemics, landslides, lightning, earthquakes, fires, storms, floods, unforeseeable or unusual weather conditions, washouts, arrests and restraint of rules and peoples, civil disturbances, explosions, breakage or accident to machinery or electric lines, temporary failure of electric supply, the binding order of any court or governmental authority which has been resisted in good faith by all reasonable legal means, and any other cause, whether of the kind herein enumerated, or otherwise, and whether caused or occasioned by or happening on account of the act or omission of Company or Customer or any other person or concern not reasonably within the control of the party claiming suspension and which by the exercise of due diligence such party is unable to prevent or overcome. A failure to settle or prevent any strike or other controversy with employees or with anyone purporting or seeking to represent employees shall not be considered to be a matter within the control of the party claiming suspension.

14. Discontinuance of Service

The Company reserves the right, but assumes no liability for failure so to do, to discontinue service to any Customer for cause as follows:

A. Without notice,

(1) if a dangerous condition exists on Customer's premises in wiring or energy-consuming devices.

(2) because of ~~a~~ fraudulent use of the service or tampering with Company's equipment.

(3) upon request by Customer, subject to any existing agreement between Customer and Company as to unexpired term of service.

B. After five (5) working days' (any day on which the utility's business office is open and the U.S. Mail is delivered) notice in writing,

(1) for nonpayment of bill for electric service.

(2) when Company has reasonable evidence that Customer has been previously disconnected for nonpayment at present or other location and is receiving service for his own use under a different name in order to avoid past due payments to Company.

RULES AND REGULATIONS (Continued)

(3) for refusal or failure to make a deposit or increase a deposit, when requested, to assure payment of bills.

(4) for a violation of these Rules and Regulations which Customer refuses or neglects to correct.

C. Discontinuance of Service When That Service is Medically Essential:

For purposes of this section, a Medically Essential Service Customer is a residential ~~customer~~Customer whose electric service is medically essential, as affirmed through the certificate of a medical doctor ~~of medicine~~ licensed to practice in the State of Florida. Service is "medically essential" if the ~~customer~~Customer has continuously operating electric-powered medical equipment necessary to sustain the life of or avoid serious medical complications requiring immediate hospitalization of the ~~customer~~Customer or another permanent resident at the service address. The physician's certificate shall explain briefly and clearly, in non-medical terms, why continuance of electric service is medically essential, and shall be consistent with the requirements of the Company's tariff. A ~~customer~~Customer who is certified as a Medically Essential Service Customer must renew such certification periodically through the procedures outlined above. The Company may require certification no more frequently than 12 months.

The Company shall provide Medically Essential Service Customers with a limited extension of time, not to exceed thirty (30) days, beyond the date service would normally be subject to disconnection for non-payment of bills (following the requisite notice pursuant to Rule 25-6.105(5) of the Florida Administrative Code). The Company shall provide the Medically Essential Service Customer with written notice specifying the date of disconnection based on the limited extension. The Medically Essential Service Customer shall be responsible for making mutually satisfactory arrangements to ensure payment within this additional extension of time for service provided by the Company and for which payment is past due, or to make other arrangements for meeting medically essential needs.

RULES AND REGULATIONS (Continued)

No later than 12 noon one day prior to the scheduled disconnection of service of a Medically Essential Service Customer, the Company shall attempt to contact such ~~customer~~Customer by telephone in order to provide notice of the scheduled disconnect date. If the Medically Essential Service Customer does not have a telephone number listed on the account, or if the utility cannot reach such ~~customer~~Customer or other adult resident of the premises by telephone by the specified time, a field representative will be sent to the residence to attempt to contact the Medically Essential Service Customer, no later than 4 PM of the day prior to scheduled disconnection. If contact is not made, however, the company may leave written notification at the residence advising the Medically Essential Service Customer of the scheduled disconnect date; thereafter, the Company may disconnect service on the specified date. The Company will grant special consideration to a Medically Essential Service Customer in the application of Rule 26-6.097(3) of the Florida Administrative Code.

In the event that a ~~customer~~Customer is certified as a Medically Essential ~~customer~~Customer, the ~~customer~~Customer shall remain solely responsible for any backup equipment and/or power supply and a planned course of action in the event of a power outage. The Company does not assume, and expressly disclaims, any obligation or duty; to monitor the health or condition of the person requiring medically essential service; to insure continuous service; to call, contact, or otherwise advise of service interruptions; or, except expressly provided by this section, to take any other action (or refrain from any action) that differs from the normal operation of the Company.

15. Reconnection of Service

When service shall have been discontinued for any of the reasons set forth in these Rules and Regulations, Company shall not be required to restore service until the following conditions have been met by the Customer:

A. Where service was discontinued without notice,

(1) The dangerous condition shall be removed and, if the Customer had been warned of the condition a reasonable time before the discontinuance and had failed to remove the dangerous condition, a reconnection fee shall be paid.

(2) all bills for service due Company by reason of fraudulent use or tampering shall be paid, a deposit to guarantee the payment of future bills shall be made, and a reconnection fee shall be paid.

(3) if reconnection is requested on the same premises after discontinuance, a reconnection fee shall be paid.

RULES AND REGULATIONS (Continued)

B. Where service was discontinued with notice,

(1) satisfactory arrangements for payment of all bills for service then due shall be made and a reconnection fee shall be paid.

(2) a satisfactory arrangement for the payment of bills then due under a different name shall be made and a reconnection fee shall be paid.

(3) a satisfactory guarantee of payment for all future bills shall be furnished and a reconnection fee shall be paid.

(4) the violation of these Rules and Regulations shall be corrected and a reconnection fee shall be paid.

The reconnection fee as required under items A and B above shall be as follows:

During Normal Business Hours	$ ~~52.00~~70.00
After Normal Business Hours	$~~178.00~~325.00

16. Termination of Service

Subject to any existing agreement between Customer and Company, if Customer wishes the electric service to be terminated, he shall give notice ~~at~~to the ~~office of the~~ Company at least three (3) days prior to the time that such termination shall become effective. Customer will be held liable both for any electric energy that may pass through the meter and safe custody of the Company's property until three (3) days after such notice shall have been given, provided that the meter and/or other movable equipment shall not have been removed within that time by the Company.

If Customer wishes Company's property to be removed, he shall give notice ~~at the office of~~to the Company at least ten (10) days prior to the time that such removal must be made.

RULES AND REGULATIONS (Continued)

17. Limitations of Supply

Company reserves the right, subject to regulatory authority having jurisdiction, to limit, restrict or refuse service that will result in additions to its distribution system and/or production capacity and/or alterations in its contractual requirements of supply from non-affiliated companies that may jeopardize service to existing Customers.

18. Temporary Service

The Company upon request will supply temporary service when ~~company's~~the Company's distribution system is ~~nearby~~near the requested location.

When the temporary service is to be ~~later~~ replaced later with a permanent service, the Company will install a service drop, meter and other facilities as may be necessary to the ~~customer's~~Customer's temporary service pole and remove same at the termination of temporary service. To recover the cost of installing and removing such temporary service, an advance of $~~230.00~~415.00 per service to the applicant will be applied. For underground temporary service using ~~customer~~Customer provided wire, an advance of $~~200.00~~250.00 per service will be required. Should the Company be required to install an additional pole, additional charges will apply. A pole with an overhead service will be an additional $~~395.00~~835.00, and a pole with an underground service will be an additional $~~560.00~~1,000.00.

When the temporary service will not be replaced by a permanent service or when the location is such that multiple temporary poles and/or extensive facilities are required, the Company will estimate the cost of installing and removing the temporary facilities and the advance charge to the applicant will be that cost estimate.

The rate schedule for temporary service shall be that which is applicable to the class of service for that ~~customer~~Customer.

19. Fees for Initial Connections

In addition to the deposit or suitable guarantee to cover the payment of bills as required by the Rules and Regulations, each Applicant or Customer shall pay an initial turn-on connection fee of $~~61.00~~125.00.

20. Re-establish or Make Change to Account

There shall be a charge to re-establish or change any account to which service is currently rendered under any of the Company' rate schedules in the amount of $~~26.00~~45.00. Should it be necessary, at the ~~customer's~~Customer's request, to disconnect and then reconnect the service to the account, the ~~customer~~Customer shall pay a temporary disconnect then reconnect fee in the amount of $~~65.00~~81.00.

RULES AND REGULATIONS (Continued)

21. Returned Check Charge

The service charge for each worthless check shall be determined in accordance with Section 68.065, Florida Statues. As of October 1, 1996, Section 68.065, F.S., provided for a service charge of $25.00, if the face value does not exceed $50.00, $30.00, if the face value exceeds $50.00 but does not exceed $300.00 and $40.00, or 5 percent of the face amount of the check, whichever is greater if the face value exceeds $300.00. Such service charge shall be added to the ~~customer's~~Customer's bill for electric service for each check dishonored by the bank upon which it is drawn. Termination of service shall not be made for failure to pay the returned check charge.

22. Late Payment Charge

A bill shall be considered past due upon ~~the~~ expiration of twenty (20) days from the date of mailing or other delivery thereof by the Company. The balance of all past due charges for services rendered are subject to a Late Payment charge of 1.5% or $5.00, whichever is greater, except the accounts of federal, state, and local governmental entities, agencies, and instrumentalities. A Late Payment Charge shall be applied to the accounts of federal, state, and local governmental entities, agencies and instrumentalities at a rate no greater than allowed, and in a manner permitted by applicable law.

23. Measuring Customer Service

A. All energy sold to ~~customer~~Customers, except that sold under flat rate schedule, shall be measured by commercially acceptable measuring devices owned and maintained by the Company, except where it is impractical to meter loads, such as street lighting, temporary or special installations, in which case the consumption may be calculated, or billed on demand or connected load rate or as provided in Company's filed tariff.

B. When there is more than one meter at a location the metering equipment shall be so tagged or plainly marked as to indicate the circuit metered. Where similar types of meters record ~~difference~~different quantities, (kilowatt hours and relative power, for example), metering equipment shall be tagged or plainly marked to indicate what the meters are recording.

C. Meters which are not direct reading shall have the multiplier plainly marked on the meter. All charts taken from recording meters shall be marked with the date of the record, the meter number, ~~customer~~Customer, and chart multiplier. The register ratio shall be marked on all meter registers. The watt-hour constant for the meter itself shall be placed on all watt-hour meters.

D. Metering equipment shall not be set "fast" or "slow" to compensate for supply transformer or line losses.

E. Individual electric metering by Company shall be required for each separate occupancy unit of new commercial establishments, residential buildings, condominiums, cooperatives, marinas, and trailer, mobile home and recreational vehicle parks for which construction is commenced after January 1, 1981. Individual electric meters shall not, however, be required:

~~(Continued on Sheet No. 36)~~

RULES AND REGULATIONS (Continued)

1. In those portions of a commercial establishment where the floor space dimensions or physical configuration of the units are subject to alteration, as evidenced by non-structural element partition walls, unless the utility determines that adequate provisions can be made to modify the metering to accurately reflect such alterations;

2. For electricity used in central heating, ventilating and air conditioning systems, or electric back up service to storage heating and cooling systems;

3. For electricity used in specialized-use housing accommodations such as hospitals, nursing homes, living in facilities located on the same premises as, and operated in conjunction with, a nursing home or other health care facility providing at least the same level and types of services as a nursing home, convalescent homes, facilities certified under chapter 651, Florida Statutes, college dormitories, convents, sorority houses, fraternity houses, motels, hotels, and similar facilities.

4. For separate, ~~specially designated~~specially designated areas for overnight occupancy at trailer, mobile home and recreational vehicle parks where permanent residency is not established and for marinas were living aboard is prohibited by ordinance, deed restriction, or other permanent means.

5. For new and existing time-share plans, provided that all of the occupancy units which are served by the master meter or meters are committed to a timeshare plan as defined in Section 721, Florida Statutes, and none of the occupancy units are used for permanent occupancy. When a time-share plan is converted from individual metering to master metering, the ~~customer~~Customer must reimburse the utility for the costs incurred by the utility for the conversion. These costs shall include, but not be limited to, the undepreciated cost of any existing distribution equipment which is removed or transferred to the ownership of the ~~customer~~Customer, plus the cost of removal or relocation of any distribution equipment, less the salvage value of any removed equipment.

For purpose of this rule:

1. "Occupancy unit" means that portion of any commercial establishment, single and multi-unit residential building, or trailer, mobile home or recreational vehicle park, or marina which is set apart from the rest of such facility by clearly determinable boundaries as described in the rental, lease, or ownership agreement for such unit.

~~2.~~ "Time-sharing plan" means any arrangement, plan, scheme or similar device, whether by membership, agreement, tenancy in common, sale, lease, deed, rental agreement, license, or right-to-use agreement or by any other means,

~~*RULES AND REGULATIONS (Continued)*~~

whereby a purchaser, in exchange for a consideration, receives a right to use accommodations or facilities, or both, for a specific period of times less than a full year during any given year, but not necessarily for consecutive years, and which extends for a period of more than three years.

RULES AND REGULATIONS (Continued)

3. The construction of a new commercial establishment, residential building, marina, or trailer, mobile home or recreational vehicle park shall be deemed to commence on the date when the building structure permit is issued.

4. The individual metering requirement is waived for any time sharing facility for which construction was commenced before December 23, 1982, in which separate occupancy units were not metered in accordance with subsection (5) (a).

5. "Overnight Occupancy" means use of an occupancy unit for a short term such as per day or per week where permanent residency is not established.

6. The term "cost" as used herein means only those charges specifically authorized by the electric utility's tariff, including but not limited to the ~~customer~~Customer, energy, demand, fuel, and conservation charges made by the Company plus applicable taxes and fees to ~~customer~~Customer of record responsible for the master meter payments. The term does not include late payment charges, returned check charges, the cost of distribution system behind the master meter, the cost of billing, and other such costs.

F. Where individual metering is not required under Subsection (E) and master metering is used in lieu thereof, reasonable apportionment methods, including sub-metering, may be used by ~~customer~~Customer of record or the owner of such facility solely for the purpose of allocating the cost of the electricity billed by the Company.

G. Any fees or charges allocated by ~~customer~~Customer of record for electricity billed to ~~customer's~~Customer's account by Company, whether based on the use of sub-metering or any other allocation method, shall be determined in a manner which reimburses the ~~customer~~Customer of record for no more than the ~~customer's~~Customer's actual cost of electricity.

~~(Continued on Sheet No. 38)~~

RULES AND REGULATIONS (Continued)

24. Miscellaneous Service Charges

A. Initial establishment of service $ ~~61.00~~125.00

B. Re-establish or Change Account $ ~~26.00~~45.00

C. Temporary disconnect then reconnect Service $ ~~65.00~~81.00

D. Re-connect service after being disconnected for rule violation

Normal Business Hours $ ~~52.00~~70.00
After Normal Business Hours $~~178.00~~325.00

E. Connect and then disconnect temporary Service $ ~~85.00~~135.00

F. Collection Charge $ ~~16.00~~
50.00

INDEX OF RATE SCHEDULES

RATE SCHEDULE RS
RESIDENTIAL SERVICE

Availability

Available within the territory served by the Company in Jackson, Calhoun and Liberty Counties and on Amelia Island in Nassau County.

Applicability

Applicable for service to a single family dwelling unit occupied by one family or household and for energy used in commonly-owned facilities in condominium and cooperative apartment buildings.

Character of Service

Single-phase service at nominal secondary voltage of 115/230 volts; three-phase service if available.

Limitations of Service

The maximum size of any individual single-phase motor hereunder shall not exceed five (5) horsepower.

The Company shall not be required to construct any additional facilities for the purpose of supplying three-phase service unless the revenue to be derived therefrom shall be sufficient to yield the Company a fair return on the value of such additional facilities.

Monthly Rate

Customer Facilities Charge:

$~~16.95~~24.40 per ~~customer~~Customer per month

Base Energy Charge:

~~2.373~~3.419¢/KWH for usage up to 1000 KWH's/month

~~3.887¢~~5.60¢/KWH for usage above 1000 KWH's/month

Purchased Power Charges

Purchased power charges are adjusted by the Florida Public Service Commission, normally each year in January. For current purchased power costs included in the tariff, see Sheet Nos. ~~65~~7.021 & ~~66~~7.022.

Minimum Bill

The minimum monthly bill shall consist of the above Customer Facilities Charge.

~~(Continued on Sheet No. 41)~~

RATE SCHEDULE RS
RESIDENTIAL SERVICE

~~(Continued from Sheet No. 40)~~

Purchased Power Costs

See Sheet Nos. ~~65~~7.021 & ~~66~~7.022.

Conservation Costs

See Sheet Nos. ~~65~~7.021 & ~~66~~7.022.

Franchise Fee Adjustment

Customers taking service within franchise areas shall pay a franchise fee adjustment in the form of a percentage to be added to their bills prior to the application of any appropriate taxes. This percentage shall reflect the ~~customer's~~Customer's pro rata share of the amount the Company is required to pay under the franchise agreement with the specific governmental body in which the ~~customer~~Customer is located.

Budget Billing Program (optional)

An electing Customer's participation in the budgeted payment plan will be continuous unless the ~~customer~~Customer requests that participation in the plan be terminated or that Electric Service be terminated, or the Customer is delinquent in paying the budgeted payment amount and becomes subject to the collection action on the service account. At that time, the Customer's participation in the program will be terminated and the Customer shall settle their account with the Company in full. If a Customer requests to terminate participation in the program, but remains a Customer of the Company, the Customer shall pay any deferred debit balance with their next regular monthly bill, and any deferred credit balance shall be used to reduce the amount due for the next regular monthly bill. An electing ~~customer~~Customer may request that participation be terminated at any time, but once terminated by ~~customer~~Customer request or due to collection action, will be limited to a six (6) month waiting period before Customer may rejoin the Budget Billing Program.

Terms and Conditions

Service under this rate schedule is subject to the Company's Rules and Regulations applicable to electric service.

RESERVED FOR FUTURE USE

RATE SCHEDULE GS
GENERAL SERVICE – NON DEMAND

Availability

Available within the territory served by the Company in Jackson, Calhoun and Liberty Counties And on Amelia Island in Nassau County.

Applicability

Applicable to commercial and industrial lighting, heating, cooking and small power loads aggregating 25 KW or less.

Character of Service

Single or three-phase service at available standard voltage.

Limitations of Service

Service shall be at a single metering point.

Monthly Rate

Customer Facilities Charge:

$~~27.85~~40.00 per ~~customer~~Customer per month

Base Energy Charge:

All KWH ~~2.903~~5.433¢/KWH

Purchased Power Charges

Purchased power charges are adjusted by the Florida Public Service Commission, normally each year in January. For current purchased power costs included in the tariff, see Sheet Nos. ~~65~~7.021 & ~~66~~7.022.

Minimum Bill

The minimum monthly bill shall consist of the above Customer Facilities Charge.

Terms of Payment

Bills are rendered net and are due and payable within twenty (20) days from date of bill.

~~(Continued on Sheet No. 44)~~

RATE SCHEDULE GS
GENERAL SERVICE – NON-DEMAND

~~(Continued from Sheet No. 43)~~

Purchased Power Costs
See Sheet Nos. ~~65~~7.021 & ~~66~~7.022.

Conservation Costs
See Sheet No. ~~65~~7.021 & ~~66~~7.022.

Franchise Fee Adjustment
Customers taking service within franchise areas shall pay a franchise fee adjustment in the form of a percentage to be added to their bills prior to the application of any appropriate taxes. This percentage shall reflect the ~~customer's~~Customer's pro rata share of the amount the Company is required to pay under the franchise agreement with the specific governmental body in which the ~~customer~~Customer is located.

Terms and Conditions
Service under this rate schedule is subject to the Company's Rules and Regulations applicable to electric service.

RATE SCHEDULE GSD
GENERAL SERVICE – DEMAND

Availability
Available within the territory served by the Company in Jackson, Calhoun and Liberty Counties and on Amelia Island in Nassau County.

Applicability
Applicable to commercial, industrial and municipal service with a measured demand of 25 KW but less than 500 KW for three or more months out of the twelve consecutive months ending with the current billing period. Also available, at the option of the ~~customer~~Customer, to any ~~customer~~Customer with demands of less than 25 KW who agrees to pay for service under this rate schedule for a minimum initial term of twelve months.

Character of Service
Single or three-phase service at available standard voltage.

Limitations of Service
Service shall be at a single metering point at one voltage.

Monthly Rate
Customer Facilities Charge:
$~~82.35~~138.99 per ~~customer~~Customer per month

Demand Charge:
Each KW of Billing Demand $~~4.49~~7.58/KW

Base Energy Charge
All KWH ~~0.547~~0.923¢/KWH

Purchased Power Charges
Purchased power charges are adjusted by the Florida Public Service Commission, normally each year in January. ~~For current purchased power costs included in the tariff, see Sheet Nos. 65 & 66.~~

Minimum Bill
The minimum monthly bill shall consist of the above Customer Facilities Charge plus the Demand Charge for the currently effective billing demand.

Terms of Payment
Bills are rendered net and are due and payable within twenty (20) days from date of bill.

Purchased Power Costs
See Sheet Nos. ~~65~~7.021 & ~~66~~7.022.

~~(Continued on Sheet No. 46)~~

RATE SCHEDULE GSD
GENERAL SERVICE - DEMAND

~~(Continued from Sheet No. 45)~~

Conservation Costs

See Sheet Nos. ~~65~~7.021 & ~~66~~7.022.

Franchise Fee Adjustment

Customers taking service within franchise areas shall pay a franchise fee adjustment in the form of a percentage to be added to their bills prior to the application of any appropriate taxes. This percentage shall reflect the ~~customer's~~Customer's pro rata share of the amount the company is required to pay under the franchise agreement with the specific governmental body in which the ~~customer~~Customer is located.

Billing Demand

The billing demand in any month shall be the greatest of the following:

(a) The highest fifteen-minute average load for the current month, as registered by a demand meter or indicator.

(b) The highest fifteen-minute average load for the current month after adjustment for power factor, in accordance with the Power Factor Clause of this schedule.

(c) For those ~~customers~~Customers electing to take service under this rate schedule in lieu of the otherwise applicable rate schedule the billing demand shall be as in either (a) or (b) above, but not less than 20 KW.

Terms of Service

Not less than one year.

Power Factor of Clause

The Company reserves the right to measure power factor and if it is less than ~~85~~90%, adjust the maximum demand for any month by multiplying the measured demand by ~~85~~90% and dividing by the actual power factor.

Transformer Ownership Discount

If the customer elects to take service at the available primary voltage and furnish and maintain any transformers required, the monthly demand charge will be reduced by ~~fifty-five~~fifty five (55) cents per kilowatt. Such customers will be metered at primary voltage and in recognition of estimated average transformation losses of 1% the KW and KWH measured units shall be multiplied by a factor of 0.99 for billing purposes.

Terms and Conditions

Service under this rate schedule is subject to the Company's Rules and Regulations applicable to electric service.

RATE SCHEDULE GSLD
GENERAL SERVICE-LARGE DEMAND

Availability

Available within the territory served by the Company in Jackson, Calhoun and Liberty Counties and on Amelia Island in Nassau County.

Applicability

Applicable to commercial, industrial and municipal service with a measured demand of 500 KW but less than 5000 KW for three or more months out of the twelve consecutive months ending with the current billing period. Also available, at the option of the ~~customer~~Customer, to any ~~customer~~Customer with demands of less than 500 KW who agrees to pay for service under this rate schedule for a minimum initial term of twelve months.

Character of Service

Three-phase service at available standard voltage.

Limitations of Service

Service shall be at a single metering point at one voltage.

Monthly Rate

Customer Facilities Charge:

$~~157.42~~265.69 per ~~customer~~Customer per month

Demand Charge:

Each KW of Billing Demand $~~6.42~~10.84/KW

Base Energy Charge

All KWH ~~0.254~~0.429¢/KWH

Purchased Power Charges

Purchased power charges are adjusted by the Florida Public Service Commission, normally each year in January. ~~For current purchased power costs included in the tariff, see Sheet No. 65 & 66.~~

Minimum Bill

The minimum monthly bill shall consist of the above Customer Facilities Charge plus the Demand Charge for the currently effective billing demand.

Terms of Payment

Bills are rendered net and are due and payable within twenty (20) days from date of bill.

Purchased Power Costs

See Sheet No. ~~65~~7.021 & ~~66~~7.022.

~~(Continued on Sheet No. 48)~~

RATE SCHEDULE GSLD
GENERAL SERVICE-LARGE DEMAND

~~(Continued from Sheet No. 47)~~

Conservation Costs
See Sheet Nos. ~~65~~7.021 & ~~66~~7.022.

Franchise Fee Adjustment
Customers taking service within franchise areas shall pay a franchise fee adjustment in the form of a percentage to be added to their bills prior to the application of any appropriate taxes. This percentage shall reflect the ~~customer's~~Customer's pro rata share of the amount the Company is required to pay under the franchise agreement with the specific governmental body in which the ~~customer~~Customer is located.

Billing Demand
The billing demand in any month shall be the greatest of the following:

(d) The highest fifteen-minute average load for the current month, as registered by a demand meter or indicator.

(e) The highest fifteen-minute average load for the current month after adjustment for power factor, in accordance with the Power Factor Clause of this schedule.

(f) For those ~~customers~~Customers electing to take service under this rate schedule in lieu of the otherwise applicable rate schedule the billing demand shall be as in either (a) or (b) above, but not less than 400 KW.

Terms of Service
Not less than one year.

Power Factor of Clause
The Company reserves the right to measure power factor and if it is less than ~~85~~90%, adjust the maximum demand for any month by multiplying the measured demand by ~~85~~90% and dividing by the actual power factor.

Transformer Ownership Discount
If the customer elects to take service at the available primary voltage and furnish and maintain any transformers required, the monthly demand charge will be reduced by fifty five (55) cents per kilowatt. Such customers will be metered at primary voltage and in recognition of estimated average transformation losses of 1% the KW and KWH measured units shall be multiplied by a factor of 0.99 for billing purposes.

Terms and Conditions

Service under this rate schedule is subject to the Company's Rules and Regulations applicable to electric service.

[Link-to-previous setting changed from off in original to on in modified.].

~~RATE SCHEDULE GSLDT - EXP~~
~~GENERAL SERVICE - LARGE DEMAND~~
~~TIME OF USE (EXPERIMENTAL)~~

~~Availability~~

~~Available within the territory served by the Company in Jackson, Calhoun and Liberty Counties. This service is limited to a maximum of 3 customers. This Rate Schedule shall expire on February 8, 2015.~~

~~Applicability~~

~~Applicable to commercial, industrial and municipal service with a measured demand of 500 KW but less than 5000 KW for three or more months out of the twelve consecutive months ending with the current billing period. Also available, at the option of the customer, to any customer with demands of less than 500 KW who agrees to pay for service under this rate schedule for a minimum initial term of twelve months.~~

~~Character of Service~~

~~Single or three phase service at available standard voltage.~~

~~Limitations of Service~~

~~Service shall be at a single metering point at one voltage.~~

~~Monthly Rate~~

~~Customer Facilities Charge:~~
~~$157.42 per customer per month~~

~~Demand Charge:~~
~~Each KW of Maximum Billing Demand~~ ~~$6.42/KW~~

~~Base Energy Charge:~~
~~All KWH~~ ~~0.254¢/KWH~~

~~Purchased Power Charges~~

~~Purchased power charges are adjusted by the Florida Public Service Commission normally each year in January. For current purchase power costs included in the tariff see sheet Nos. 65 & 66.~~

~~Minimum Bill~~

~~The minimum monthly bill shall consist of the above Customer Facilities Charge plus the Maximum Billing Demand Charge for the currently effective billing demands.~~

~~Terms of Payment~~

~~Bills are rendered net and are due and payable within twenty (20) days from date of bill.~~

~~Purchased Power Costs~~

~~See Sheet Nos. 65 & 66.~~

~~(Continued on Sheet No. 50)~~

RATE SCHEDULE GSLD 1
GENERAL SERVICE - LARGE DEMAND 1

Availability

Available within the territory served by the Company in Jackson, Calhoun, and Liberty Counties and on Amelia Island in Nassau County.

Applicability

Applicable to commercial and industrial services of ~~customers~~Customers contracting for at least 5,000 kilowatts of electric service.

Character of Service

Three-phase, 60 hertz, electric service delivered and metered at a single point at the available transmission voltage, nominally 69,000 volts or higher.

Monthly Base Rates

Customer Facilities Charge:	$~~974.80~~1,242.99
Base Transmission Demand Charge:	$~~1.82~~2.88/KW of Maximum/NCP Billing Demand
Excess Reactive Demand Charge:	$~~0.44~~0.56/kVar of Excess Reactive Demand

Purchased Power Charges ~~(See Sheet 52 for descriptions)~~

Purchased power charges are adjusted by the FPSC annually. Current purchased power rates are listed on Sheet Nos. 7.021 and 7.022. The Purchased Power Charges recover Energy and Demand Charges billed to FPUC by FPUC's Wholesale Energy Provider and Wholesale Cogeneration Provider including applicable line losses and taxes. ~~Purchased power charges are adjusted by the Florida Public Service Commission, normally each year in January. For correct purchased power charges included in the tariff, see Sheet No. 70 & 71.~~See Sheet Nos. 7.010 and 7.011 for the methodology used to determine purchased power rate and calculation to develop annual true-up calculations.

Minimum Bill

The minimum monthly bill is the sum of the Transmission Demand Charge and the Customer Charge plus any Purchased Power Charges attributed to Transmission Demand Fuel Charge.

Terms of Payment

Bills are rendered net and due and payable within twenty (20) days from date of bill.

Conservation Costs

~~See Sheet Nos. 65 & 66~~ Not applicable.

Franchise Fee Adjustment

Customers taking service within franchise areas shall pay a franchise fee adjustment in the form of a percentage to be added to their bills prior to the application of any appropriate taxes. This percentage shall reflect the ~~customer's~~Customer's pro rata share of the amount the Company is required to pay under the franchise agreement with the specific governmental body in which the ~~customer~~Customer is located.

~~(Continued on Sheet No. 51)~~

~~Issued by: John T. English, President~~ ~~Effective: November 1, 2008~~

RATE SCHEDULE GSLD 1
GENERAL SERVICE-LARGE DEMAND 1

~~(Continued from Sheet No. 50)~~

Coincident Peak (CP) Billing Demand

The CP Billing Demand in any month shall be the ~~customer's~~Customer's greatest ~~fifteen minute~~one hour average load as registered by FPUC's demand meter coincident with the FPUC System Peak or the Wholesale Energy Providers System Peak for the purposes as described below:

1) FPUC System Peak for the purpose of determining the Generation Demand Fuel Charge. The demand may be adjusted to correct to 90% power factor based on billing from Wholesale Energy Provider.

2) FPUC System Peak for the purpose of determining the Excess Reactive Demand Charge.

3) Wholesale Energy Providers System Peak for the purpose of determining the Transmission Demand ~~Fuel~~ Charge. The demand may be adjusted to correct to 95% power factor based on billing from Wholesale Energy Provider.

Maximum Demand (Non-Coincident Peak (NCP) Billing Demand)

The Maximum Demand (NCP Billing Demand) (Transmission Demand Charge) in any month shall be the ~~customer's~~Customer's greatest ~~fifteen minute~~one hour average load as registered by FPUC's demand meter, but not less than 5,000 KW. This will be used as the purchased power value for billing purposed during the year and will be trued-up annually.

Excess Reactive Demand

The Excess Reactive Demand in any month shall be any lagging kVar in excess of one-half of the CP Billing Demand in that month. For the purpose of determining the Excess Reactive Demand charge, the CP Billing Demand will be coincident with the FPUC System Peak.

Coincident Peak (CP) Generation Demand Fuel Charge (Purchased Power Charge)

The Generation Demand Fuel Charge recovers the Wholesale Energy Providers Demand Charge for Generation Services billed to FPUC including system line losses and applicable taxes. The charge is applied to the ~~customer's~~Customer's CP Billing Demand coincident with the FPUC System Peak.

Transmission Contract Demand Fuel Charge (Purchased Power Charge)

The Transmission Demand Fuel Charge recovers the Wholesale Energy Providers Demand Charge for Transmission Services billed to FPUC including system line losses and applicable taxes. The charge is applied to the ~~customer's contracted capacity or the customer's~~Customer's CP Billing Demand or cogeneration output coincident with the Wholesale Providers system Peak, whichever is higher.

Energy Charge (Purchased Power Charge)

The Energy Charge recovers the Energy Charge from the Wholesale Energy Provider and Wholesale Cogeneration Energy Provider including system line losses and applicable taxes.

Term of Service

Contract for service hereunder shall be for a period of not less than one year.

Terms and Conditions

Service under this rate schedule is subject to the Company's Rules and Regulations applicable to electric service.

~~*RATE SCHEDULE SB*~~
~~*STANDBY SERVICE*~~

~~Availability~~

~~Available within the territory served by the Company in Jackson, Calhoun and Liberty Counties and on Amelia Island in Nassau County.~~

~~Applicability~~

~~Applicable only to customers which are self generators with capabilities of serving the customer's full electronic power requirements and that require backup and/or maintenance service on a firm basis. This rate schedule is not applicable to self-generating customers for supplemental service.~~

~~Character of Service~~

~~Single or three phase service at available standard voltage.~~

~~Limitations of Service~~

~~Service shall be at a single metering point at one voltage. The contract demand shall not exceed the KW capacity of customer's generator.~~

~~Monthly Rate~~

~~Customer Facilities Charge:~~

~~(a) For those customers who have contracted for standby service capacity of less than 500 KW - $121.09.~~
~~(b) For those customers who have contracted for standby service of 500 KW or greater - $974.80.~~

~~Local Facilities Charge:~~

~~(a) For those customers who have contracted for standby service capacity of less than 500 KW - $3.15/KW.~~
~~(b) For those customers who have contracted for standby service of 500 KW or greater - $0.79/KW.~~

~~Purchased Power Charges~~

~~Demand and energy used by the customer in any month shall be charged at the then currently effective rates of the Company's wholesale supplier adjusted for estimated line losses and applicable taxes. Such charges will consist of Coincident Peak (CP) Demand charge and an energy charge. The CP Demand shall be the customer's measured KW coincident in time with that of the Company's maximum monthly demand at the substation serving the system to which the customer is connected. The energy charge shall be applied to the measured KWH during the billing period and shall be based on the actual energy charge (including fuel charges) of the Company's wholesale supplier during the billing period.~~

~~The currently effective rates of the Company's wholesale supplier would result in the following demand and energy charges for purchased power after adjustment for estimated line losses and applicable taxes. These are shown for illustrative purposes only. Actual purchased power rates in effect at the time of use shall be used for determining the monthly unit charges.~~

~~CP Demand Charge - Each KW of CP Demand~~	~~$5.62/KW~~
~~Energy Charge - All~~	~~3.583¢~~

~~(Continued on Sheet No. 53)~~

~~*RATE SCHEDULE SB*~~
~~*STANDBY SERVICE*~~

~~(Continued from Sheet No. 52)~~

~~Minimum Bill~~

~~The minimum monthly bill shall consist of the above Customer Charge plus the Local Facilities charge for the currently effective Contract Demand.~~

~~Terms of Payment~~

~~Bills are rendered net and are due and payable within twenty (20) days from date of bill.~~

~~Conservation Costs~~

~~See Sheet Nos. 65 & 66.~~

~~Franchise Fee Adjustment~~

~~Customers taking service within franchise areas shall pay a franchise fee adjustment in the form of a percentage to be added to their bills prior to the application of any appropriate taxes. This percentage shall reflect the customer's pro rate share of the amount the Company is required to pay under the franchise agreement with the specific governmental body in which the customer is located.~~

~~Contract Demand~~

~~The Contract Demand shall be that KW demand as specified in the contract for service with the customer and shall represent the maximum demand that customer requires for backup and maintenance service. The specified Contract Demand shall not exceed the KW capacity of customer's generator. The Contract Demand level may be periodically renegotiated if required, but not more than once a year. In the event that customer's maximum measured 15-minute average load in any month exceeds the specified Contract Demand by an amount greater than five (5) percent, that maximum demand shall be used as the Contract Demand for billing of the Local Facilities Charge in the current month and the succeeding eleven (11) months.~~

~~CP Demand~~

~~The CP billing demand shall be the greater of the following:~~

~~(b) The 15-minute average load for the current month, as measured by a demand meter, at the time of the Company's maximum demand for the current month at the substation serving the system to which the customer is connected.~~

~~(c) Seventy-five (75) percent of the maximum CP demand established in the preceding eleven (11) months.~~

~~(Continued on Sheet No. 54)~~

~~*RATE SCHEDULE SB*~~
~~*STANDBY SERVICE*~~

~~(Continued from Sheet No. 53)~~

~~Terms of Service~~

~~By written contract for an initial period of not less than five (5) years.~~

~~Power Factor Clause~~

~~The Company reserves the right to take service at the available primary voltage and furnish and maintain any transformers required, the local facilities charge will be reduced by the following amounts:~~

~~(a) For those customers who have contracted for standby service capacity of less than 500 KW – the GSD transformer ownership discount divided by the ratio of the 100% ratcheted KW to billing KW.~~

~~(b) For those customers who have contracted for standby service capacity of 500 KW or greater – the GSLD transformer ownership discount divided by the ratio of the 100 percent ratcheted KW to billing KW.~~

~~Such customers will be metered at primary voltage and in recognition of estimated average transformation losses of 1%, the KW and KWH measured units shall be multiplied by a factor of 0.99 for billing purposes.~~

~~Special Metering Requirements~~

~~Service under this rate schedule requires the use of time of day metering. Customer will be required to pay a one time Contribution in Aid of Construction prior to the initiation of service equal to the difference in cost between that of the time of day meter and that of the otherwise standard meter. Company will notify customer of the amount of Contribution required prior to the execution of the contract for service. No Contribution will be required in the event customer has previously paid for the cost of time of day metering under the Company's cogeneration tariff and that same meter can be utilized without modification for metering under this Standby Service Rate Schedule.~~

~~Transfer to Full Requirements Service~~

~~In the event of changed circumstances in customer's operations or generating capabilities, customer may, on twelve (12) advance written notice to Company, transfer to the applicable full requirements rate schedule, provided however, that no such transfers shall be accepted as long as continued backup and maintenance service is required. Company may waive the 12 months notice requirement when the Company has in place facilities that will allow serving customer's full requirements.~~

~~Terms and Conditions~~

~~Service under this rate schedule is subject to the Company's Rules and Regulations applicable to electric service.~~

RESERVED FOR FUTURE USE

RATE SCHEDULE LS
LIGHTING SERVICE

Availability

Available within the territory served by the Company in Calhoun, Jackson and Liberty Counties and on Amelia Island in Nassau County.

Applicability

Applicable to any ~~customer~~Customer for non-metered outdoor lighting service.

Character of Service

Lighting service from dusk to dawn as described herein.

Limitations of Service

Service is limited to lighting by high-pressure sodium vapor, metal halide, or light emitting diode lamps mounted on ~~company~~Company-owned poles as described herein. Company-owned facilities will be installed only on Company-owned poles.

Monthly Rate

When lighting fixtures are mounted on existing poles and served directly from existing overhead secondary distribution lines:

Type Facility	Lamp Lumens	Size Watts	KWH/Mo. Estimate	Facilities Charge	Maintenance* Charge	Energy Charge	Total Charge
High Pressure Sodium Lights *(CLOSED TO NEW CUSTOMERS)*							
Acorn	16,000	150	61	$~~19.69~~25.18	$~~2.49~~3.18	$~~3.19~~4.08	$~~25.37~~32.44
ALN 440	16,000	150	61	$~~28.07~~35.90	$~~3.32~~4.25	$~~3.19~~4.08	$~~34.58~~44.23
Amer. Rev.	9,500	100	41	$~~9.66~~12.36	$~~3.29~~4.21	$~~2.15~~2.75	$~~15.10~~19.32
Amer. Rev.	16,000	150	61	$~~9.05~~11.57	$~~3.33~~4.26	$~~3.19~~4.08	$~~15.57~~19.91
Cobra Head	9,500	100	41	$~~7.25~~9.27	$~~2.11~~2.70	$~~2.15~~2.75	$~~11.51~~14.72
Cobra Head	22,000	200	81	$~~9.78~~12.51	$~~2.53~~3.24	$~~4.26~~5.45	$~~16.57~~21.20
Cobra Head	28,500	250	101	$~~11.63~~14.87	$~~3.33~~4.26	$~~5.30~~6.78	$~~20.26~~25.91
Cobra Head	50,000	400	162	$~~10.86~~13.89	$~~2.77~~3.54	$~~8.54~~10.92	$~~22.17~~28.35
Flood	28,500	250	101	$~~11.37~~14.54	$~~2.42~~3.10	$~~5.30~~6.78	$~~19.09~~24.42
Flood	50,000	400	162	$~~17.85~~22.83	$~~2.27~~2.90	$~~8.54~~10.92	$~~28.66~~36.65
Flood	130,000	1,000	405	$~~22.36~~28.60	$~~3.00~~3.84	$~~21.30~~27.24	$~~46.66~~59.68
SP2 Spectra	9,500	100	41	$~~24.81~~31.73	$~~3.10~~3.96	$~~2.15~~2.75	$~~30.06~~38.44
Metal Halide Lights *(CLOSED TO NEW CUSTOMERS)*							
ALN 440	16,000	175	71	$~~26.86~~34.35	$~~2.61~~3.34	$~~3.77~~4.82	$~~33.24~~42.51
Flood	50,000	400	162	$~~12.12~~15.50	$~~2.21~~2.83	$~~8.54~~10.92	$~~22.87~~29.25
Flood	130,000	1,000	405	$~~20.61~~26.36	$~~2.92~~3.73	$~~21.30~~27.24	$~~44.83~~57.33
Shoebox	16,000	175	71	$~~22.68~~29.01	$~~2.93~~3.75	$~~3.77~~4.82	$~~29.38~~37.58
Shoebox	28,500	250	101	$~~24.14~~30.88	$~~3.28~~4.20	$~~5.30~~6.78	$~~32.72~~41.86
SP2 Spectra	9,500	100	41	$~~24.62~~31.49	$~~3.00~~3.84	$~~2.15~~2.75	$~~29.77~~38.08
Vertical Shoebox	130,000	1,000	405	$~~25.45~~32.55	$~~3.32~~4.25	$~~21.30~~27.24	$~~50.07~~64.04

~~(Continued on Sheet No. 57)~~

RATE SCHEDULE LS
LIGHTING SERVICE

Light Emitting Diode Lights

Type Facility Type	Lamp Lumens	Size Watts	Est. KWH/Mo.	Charges Facilities	Maintenance	Energy	Total
50W Outdoor Light (100W Equivalent)	5,682	50	17	$8.42	$2.66	$1.14	$12.22
50W Cobra Head (100W Equivalent)	5,944	50	17	$10.63	$3.31	$1.14	$15.08
82W Cobra Head (200W Equivalent)	9,600	82	28	$9.95	$3.11	$1.88	$14.94
130W Cobra Head (250W Equivalent)	14,571	130	45	$9.91	$3.10	$3.02	$16.03
210W Cobra Head (400W Equivalent)	28,653	210	72	$17.33	$5.05	$4.83	$27.21
26W American Revolution Decorative (100W Equivalent)	2,650	26	9	$9.95	$3.48	$0.60	$14.03
44W American Revolution Decorative (150W Equivalent)	4,460	44	15	$9.86	$3.44	$1.01	$14.31
90W Acorn Decorative (150W Equivalent)	10,157	90	31	$14.25	$4.75	$2.08	$21.08
60W Post Top Decorative (150W Equivalent)	7,026	60	21	$25.25	$7.99	$1.41	$34.65
80W Flood (250W Equivalent)	12,500	80	27	$13.81	$4.35	$1.82	$19.98
170W Flood (400W Equivalent)	24,000	170	58	$13.81	$4.35	$3.90	$22.06
150W Flood (350W Equivalent)	20,686	150	52	$13.81	$4.35	$3.49	$21.65
290 W Flood (1,000W Equivalent)	38,500	290	100	$13.81	$4.35	$6.71	$24.87
82W Shoe Box (175W Equivalent)	20,500	23	276	$12.14	$4.34	$1.87	$18.35
131W Shoe Box (250W Equivalent)	17,144	131	45	$13.71	$4.59	$3.02	$21.32

~~(Continued from Sheet No. 56)~~

~~Type~~ ~~Facility~~	~~Lamp~~ ~~Lumens~~	~~Size~~ ~~Watts~~	~~KWH/Mo.~~ ~~Estimate~~	~~Facilities~~ ~~Charge~~	~~Maintenance*~~ ~~Charge~~	~~Energy~~ ~~Charge~~	~~Total~~ ~~Charge~~
~~Light Emitting Diode Lights~~							
~~Cobra Head~~	~~5,682~~	~~50~~	~~17~~	~~$6.58~~	~~$2.08~~	~~$0.89~~	~~$9.55~~
~~Cobra Head~~	~~5,944~~	~~50~~	~~17~~	~~$8.31~~	~~$2.59~~	~~$0.89~~	~~$11.79~~
~~Cobra Head~~	~~9,600~~	~~82~~	~~28~~	~~$7.78~~	~~$2.43~~	~~$1.47~~	~~$11.68~~
~~Cobra Head~~	~~14,571~~	~~130~~	~~45~~	~~$7.75~~	~~$2.42~~	~~$2.36~~	~~$12.53~~
~~Cobra Head~~	~~28,653~~	~~210~~	~~72~~	~~$13.55~~	~~$3.95~~	~~$3.78~~	~~$21.28~~
~~Decorative~~	~~2,650~~	~~26~~	~~9~~	~~$7.78~~	~~$2.72~~	~~$0.47~~	~~$10.97~~
~~Decorative~~	~~4,460~~	~~44~~	~~15~~	~~$7.71~~	~~$2.69~~	~~$0.79~~	~~$11.19~~
~~Decorative~~	~~10,157~~	~~90~~	~~31~~	~~$11.14~~	~~$3.71~~	~~$1.63~~	~~$16.48~~
~~Decorative~~	~~7,026~~	~~60~~	~~21~~	~~$19.74~~	~~$6.25~~	~~$1.10~~	~~$27.09~~
~~Flood~~	~~12,500~~	~~80~~	~~27~~	~~$10.80~~	~~$3.40~~	~~$1.42~~	~~$15.61~~
~~Flood~~	~~24,000~~	~~170~~	~~58~~	~~$10.80~~	~~$3.40~~	~~$3.05~~	~~$17.24~~
~~Flood~~	~~20,686~~	~~150~~	~~52~~	~~$10.80~~	~~$3.40~~	~~$2.73~~	~~$16.93~~
~~Flood~~	~~38,500~~	~~290~~	~~100~~	~~$10.80~~	~~$3.40~~	~~$5.25~~	~~$19.45~~
~~Shoe Box~~	~~20,050~~	~~150~~	~~52~~	~~$9.52~~	~~$3.23~~	~~$2.73~~	~~$15.48~~

~~Shoe Box~~	~~17,144~~	~~131~~	~~45~~	~~$10.72~~	~~$3.59~~	~~$2.36~~	~~$16.67~~

Charges for other Company-owned facilities:

1)	30' Wood Pole	$~~4.82~~6.16
2)	40' Wood Pole Std	$~~10.72~~13.71
3)	18' Fiberglass Round	$~~9.98~~12.76
4)	13' Decorative Concrete	$~~14.14~~18.09
5)	20' Decorative Concrete	$~~16.41~~20.99
6)	35' Concrete Square	$~~15.83~~20.25
7)	10' Deco Base Aluminum	$~~18.56~~23.74
8)	30' Wood Pole Std	$~~5.36~~6.86

For the poles shown above that are served from an underground system, the Company will provide up to one hundred (100) feet of conductor to service each fixture. The ~~customer~~Customer will provide and install the necessary conduit system to Company specifications.

Purchased Power Charges

Purchased power charges are adjusted annually by the Florida Public Service Commission. For current purchased power costs included in the tariff, see Sheet No. ~~65~~7.021 & ~~66~~7.022.

Minimum Bill

The above rates times the number of lamps connected.

~~(Continued on Sheet No. 58)~~

RATE SCHEDULE LS
LIGHTING SERVICE

~~(Continued from Sheet No. 57)~~

Terms of Payment

Bills are rendered net and are due and payable within twenty (20) days from date of bill.

Purchased Power Costs

See Sheet No. ~~65~~7.021 & ~~66~~7.022.

Conservation Costs

See Sheet No. ~~65~~7.021 & ~~66~~7.022.

Franchise Fee Adjustment

Customers taking service within franchise areas shall pay a franchise fee adjustment in the form of a percentage to be added to their bills prior to the application of any appropriate taxes. This percentage shall reflect the ~~customer's~~Customer's pro rata share of the amount the Company is required to pay under the franchise agreement with the specific governmental body in which the ~~customer~~Customer is located.

Term of Service

Service under this rate schedule shall be by written contract for a period of five or more years.

Terms and Conditions

1. Service under this rate schedule is subject to the Company's Rules and Regulations applicable to electric service.

2. The charges set forth above cover the initial installation of overhead lines, poles and fixture assembly including bracket, and the maintenance duty as limited to lamp renewals due to burn outs only, or the repair or replacement of equipment causing lamps not to be illuminated.

~~*~~ The Company will repair or replace malfunctioning lighting fixtures maintained by the company in accordance with Section 768.1382, Florida Statues (2005). Maintenance duty to be undertaken by Florida Public Utilities Company is limited to lamp renewal due to burn outs only, or the repair or replacement of equipment causing lamps not to be illuminated. Such burnt out lamp replacements or repairs causing non-illumination of lamps will be performed only during regular daytime working hours as soon as practical after notification of the burn out or non-illumination conditions of the lamp by the ~~customer~~Customer. The maintenance duties undertaken herein are expressly limited to our paying ~~customer,~~Customer and are not to be deemed to create a duty to the general public at large.

RATE SCHEDULE OSL
MERCURY VAPOR LIGHTING SERVICE
(Closed To New Installations)

~~(Continued from Sheet No. 58)~~

Availability
Available within the territory served by the Company in Calhoun, Jackson and Liberty Counties and on Amelia Island in Nassau County.

Applicability
Applicable to ~~customer~~any Customer for mercury vapor lighting service.

Character of Service
Lighting service from dusk to dawn as described herein.

Limitations of Service
Service is limited to lighting by mercury vapor lamps of 7,000 or 20,000 initial level of lumens mounted on wood poles, as described herein.

Monthly Rate
When lighting fixtures are mounted on existing poles and served directly from existing overhead secondary distribution lines:

Lamp Size Lumens	KWH/Mo. Estimate	Facilities Charge	Maintenance* Charge	Energy Charge	Total Charge
7,000	72	$~~1.39~~1.78	$~~1.24~~1.59	$~~3.70~~4.73	$~~6.33~~8.10
20,000	154	$~~1.53~~1.96	$~~1.32~~1.69	$~~7.95~~10.17	$~~10.80~~13.82

For concrete or fiberglass poles and/or underground conductors, etcetera, the ~~customer~~Customer shall pay a lump sum amount equal to the estimated differential cost between the special system and the equivalent overhead-wood pole system.

Purchased Power

Charges
Purchased power charges are adjusted by the Florida Public Service Commission, normally each year in January. For current purchased power costs included in the tariff, see Sheet Nos. ~~65~~7.021 & ~~66~~7.022.

Minimum Bill
The above rates times the number of lamps connected.

Terms of Payment
Bills are rendered net and are due and payable within twenty (20) days from date of bill.

~~(Continued on Sheet No. 60)~~

RATE SCHEDULE OSL
MERCURY VAPOR LIGHTING SERVICE
(Closed To New Installations)

~~(Continued from Sheet No. 59)~~

Purchased Power Costs

See Sheet No. ~~65~~7.021 & ~~66~~7.022.

Conservation Costs

See Sheet No. ~~65~~7.021 & ~~66~~7.022.

Franchise Fee Adjustment

Customers taking service within franchise areas shall pay a franchise fee adjustment in the form of a percentage to be added to their bills prior to the application of any appropriate taxes. This percentage shall reflect the ~~customer's~~Customer's pro rata share of the amount the Company is required to pay under the franchise agreement with the specific governmental body in which the ~~customer~~Customer is located.

Terms of Service

Service under this rate schedule shall be by written contract for a period of two or more years.

Terms and Conditions

1. Service under this rate schedule is subject to the Company's Rules and Regulations applicable to electric service.

2. The charges set forth above cover the initial installation of overhead lines, poles and fixture assembly including bracket, and maintenance duty as limited including lamp renewals due to burn outs only, or the repair or replacement of equipment causing lamps not to be illuminated. Such burnt out lamp replacements or repairs causing non-illumination of lamps will be performed as soon as practical after notification of the burnt out lamp or non-illumination by patrols made by company personnel or the ~~customer~~Customer. However, Company shall not be required to replace existing street lighting fixtures ~~which~~ for Customers receiving service under this rate.

* The Company will repair or replace malfunctioning lighting fixtures maintained by the company in accordance with Section 768.1382, Florida Statues (2005). Maintenance duty to be undertaken by Florida Public Utilities Company is limited to lamp renewal due to burn outs only, or the repair or replacement of equipment causing lamps not to be illuminated. Such burnt out lamp replacements or repairs causing non-illumination of lamps will be performed ~~on~~ during regular daytime working hours as soon as practical after notification of the burn out or non-illumination conditions of the lamp by the ~~customer~~Customer. The maintenance duties undertaken herein are expressly limited to our paying ~~customer,~~Customer and are not to be deemed to create a duty to the general public at large.

~~*RATE SCHEDULE IS-EXP*~~
~~*INTERRUPTIBLE (EXPERIMENTAL)*~~

~~Availability~~

~~Available within the territory served by the Company in Jackson, Calhoun and Liberty Counties. This service is limited to a maximum of 4 customers. This Rate Schedule shall expire on February 8, 2015.~~

~~Applicability~~

~~Applicable to customers eligible for Rate Schedule GSLD with a load factor equal to or exceeding 35% and who have executed a Special Contract approved by the Commission. The company reserves the right to limit the total load and type customer served under this rate. Accounts established under this rate will be limited to premises where the interruption will primarily affect the customer, its employees, agents, lessees, tenants and guests and will not significantly affect members of the general public nor interfere with functions performed for the protection of public health or safety.~~

~~Character of Service~~

~~Three phase service at available standard voltage.~~

~~Limitations of Service~~

~~Service shall be at a single metering point at one voltage. Interruptible service under this rate is subject to interruption during any On Peak time period that the Company elects to notify customer, with a minimum of two (2) hours notice, that the customer must fully interrupt taking electric power from the Company. The Company is limited to an On Peak period maximum of 200 hours of required interruption per year per customer.~~

~~Monthly Rate~~

~~Customer Facilities Charge:~~

~~$157.42 per customer per month~~

~~Demand Charge:~~

~~Each KW of Billing Demand~~ ~~$ 6.42/KW~~

~~Base Energy Charge:~~

~~All KWH~~ ~~0.254¢/KWH~~

~~Purchased Power Charges~~

~~Purchased power charges are adjusted by the Florida Public Service Commission, normally each year in January. For current purchased power costs included in the tariff, see Sheet Nos. 65 & 66.~~

~~Minimum Bill~~

~~The minimum monthly bill shall consist of the above Customer Facilities Charge plus the Demand Charge for the currently effective billing demand.~~

~~Terms of Payment~~

~~Bills are rendered net and are due and payable within twenty (20) days from date of bill.~~

ECONOMIC DEVELOPMENT RIDER PROGRAM-EDRP

Availability:

This Economic Development Rate Program (the "Program") is available throughout the entire territory served by Florida Public Utilities Company. The Qualifying load and employment requirements under this Rider must be achieved at the same delivery point. Additional metering equipment may be required for service under this Rider.

Application:

This Program is applicable to new electric load associated with:

(1) ~~(1)~~ Initial permanent service to new commercial and industrial establishments.

(2) ~~(2)~~ Commercial or industrial space that has been vacant for more than six months prior to the application for service under the Program. Verification of vacancy will be established by evidence of no or minimal electric load during the time period in question.

(3) ~~(3)~~ The expansion of existing establishments. For existing establishments, new load is the net incremental load above that which existed prior to approval for service under this Program.

The new load applicable under this Program for new and vacant establishments must be a minimum of 200 kW at a single delivery point. In the case of the expansion of existing facilities, the added new load must be a minimum of 100 kW, however, in order to qualify, the total load after the addition of the new load must be a minimum of 200 kW at a single delivery point. To qualify for service under this Program, the Customer must employ an additional work force of at least 10 full-time employees at the delivery point to which the load is added.

In order to take service under the Program, the Customer must provide sufficient evidence to Florida Public Utilities Company to establish that the availability of the Program is a significant factor in the Customer's location or expansion decision.

Initial application for this Program is not available to existing load. However, if a change in ownership occurs after the Customer contracts for service under this Program, the successor Customer may be allowed to fulfill the balance of the contract under the Program and continue the schedule of credits outlined below.

This Program is not available for load shifted from one establishment or delivery point on the Florida Public Utilities system to another on the Florida Public Utilities system.

~~(Continued on Sheet No. 63)~~

ECONOMIC DEVELOPMENT RIDER PROGRAM-EDRP (Continued)

Monthly Rate:

The rates and all other terms and conditions of the ~~customer's~~Customer's otherwise applicable rate schedule shall be applicable under this Program. A credit based on the percentages below will be applied to the demand charges and non-fuel (base) energy charges of the Customer's otherwise applicable rate schedule associated with the Customer's new load:

Year 1 - 20% reduction
Year 2 - 15% reduction
Year 3 - 10% reduction
Year 4 - 5% reduction
Year 5 - 0% reduction

The above credit will be deducted from the monthly electric bill as computed in accordance with the provisions of the Monthly Rate section of the ~~customer's~~Customer's applicable rate schedule before application of any discounts or adjustments. All other charges including the ~~customer~~Customer charge and energy conservation charge will be based on the Customer's otherwise applicable rate. The otherwise applicable rates may be any of the following: GSD, GSLD, or GSLD1.

Term of service:

The Customer agrees to a five-year contract term. Service under this Program will terminate at the end of the fifth year. Florida Public Utilities Company may terminate service under this Program at any time if the Customer fails to comply with the terms and conditions of this Program. Failure to: 1) maintain the level of employment specified in the Customer's Service Agreement and/or 2) purchase from Florida Public Utilities the amount of load specified in the Customer's Service Agreement will be considered grounds for termination.

If Florida Public Utilities Company terminates service under the Program for the Customer's failure to comply with its provisions, or if the Customer opts to terminate service under the Program, the Customer will be placed on their applicable rate schedule with no future discounts or rate reductions.

Service under this Rider is subject to the Rules and Regulations of the Company and the Florida Public Service Commission.

~~(Continued on Sheet No. 64)~~

ECONOMIC DEVELOPMENT RIDE PROGRAM-EDRP

ECONOMIC DEVELOPMENT RIDER PROGRAM- EDRP

Service Agreement

The ~~customer~~Customer is applying for service under the Economic Development Rate Program based upon new or expanded load as indicated below (Check one):

☐ New Load associated with a new commercial or industrial establishment

☐ New Load established in commercial or industrial space that has been vacant for more than six months

☐ Expanded Load associated with an existing establishment

CUSTOMER NAME____

SERVICE ADDRESS____

TYPE OF BUSINESS____

The Customer hereto agrees as follows:

1. For new and vacant establishments, a minimum of 200 kW of measured demand must be added at a single delivery point.
2. For existing establishments that are expanding, a minimum of 100 kW of measured demand must be added at a single delivery point, and the total measured demand after the addition of the new load must be a minimum of 200 kW.
3. In all cases, the ~~customer~~Customer must employ an additional work force of at least 10 full-time employees at the delivery point to which the load is added.
4. That the quantity of new or expanded load shall be 200KW of Demand.
5. The nature of this new or expanded load is____
6. That in the case of a new ~~customer~~Customer adding load to vacant facilities, the commercial/industrial space associated with the new load has been vacant for more than six months.
7. In case of early termination, the Customer shall repay Florida Public Utilities all of the credits provided under the Program to date.
8. To initiate service under this Program on ______________________,________ and terminate service under this Program on ______________________,__________. This shall constitute a period of five years.
9. To provide verification that the availability for this Program is a significant factor in the Customer's location/expansion decision.
10. If a change in ownership occurs after the Customer contracts for service under this Program, the successor Customer may be allowed to fulfill the balance of the contract under the Program and continue the schedule of credits.
11. That in the case of new load established in a vacant facility to provide verification that there is no affiliation with any prior occupant.

Signed:_______________________________________ Accepted by: Florida Public Utilities Company____________

Title:_______________________________________ Title:_______________________________________

[Link-to-previous setting changed from off in original to on in modified.].

Issued by: ~~Jeffry M. Householder, President~~Jeffrey Sylvester, Chief Operating Officer
Effective: ~~NOV 01 2014~~

Date:______________________ Date:______________________

[Link-to-previous setting changed from off in original to on in modified.].

Issued by: ~~Jeffry M. Householder, President~~Jeffrey Sylvester, Chief Operating Officer
Effective: ~~NOV 01 2014~~

RATE ADJUSTMENT RIDER – NORTHWEST FLORIDA DIVISION

Applicability
Electric service under all rate schedules for the Northwest Florida Division, which specify that rates are subject to adjustment in accordance with the provisions of the Company's Rate Adjustment Rider.

Total Purchased Power Cost Recovery Clause
The total purchased power cost adjustment shall be applied to each kilowatt hour delivered and shall be computed in accordance with the formula prescribed by the Florida Public Service commission. The total purchased power cost adjustment for the period January 1, 2024 through December 31, 2024 is as follows:

Rate Class	Rate Schedule	Levelized Adjustment
Residential (1st 1000 KWH's)	RS	10.259¢ / KWH
Residential (above 1000 KWH's)	RS	11.509¢ / KWH
General Service	GS	10.637¢ / KWH
General Service-Demand	GSD	10.035¢ / KWH
Lighting Service	LS	8.180¢ / KWH
General Service-Large Demand	GSLD	9.772¢ / KWH
General Service-Large Demand 1	GSLD 1	Not Applicable At This Time

Time of Use Rate Class	Rate Schedule	Levelized Adjustment On-Peak	Off Peak
Residential TOU	RST - EXP	18.659¢ / KWH	6.359¢ / KWH
General Service TOU	GST - EXP	14.637¢ / KWH	5.637¢ / KWH
General Service-Demand TOU	GSDT – EXP	14.035¢ / KWH	6.785¢ / KWH
General Service-Large Demand TOU	GSLDT – EXP	15.772¢ / KWH	6.772¢ / KWH
~~Interruptible – TOU~~	~~IS – EXP~~	~~8.272¢ / KWH~~	~~9.772¢ / KWH~~

Energy Conservation Cost Recovery Clause
Each base energy rate per KWH of the above rate schedules for the period January 1, 2024 through December 31, 2024 shall be increased by 0 .144 ¢/KWH of sales to recover conservation related expenditures by the Company. This adjustment is determined in accordance with the formula and procedures specified by the Florida Public Service Commission.

The Energy Conservation Cost Recovery Clause will not apply to the GSLD-1 rate class.

Tax Cost Recovery
There will be added to all bills rendered for electric service a proportionate share of all license fees and taxes imposed by any governmental authorities after November 1, 1946, to an extent sufficient to cover excess increased taxes or license fees.

RATE ADJUSTMENT RIDER – NORTHEAST FLORIDA DIVISION

Applicability

Electric service under all rate schedules for the Northeast Florida Division which specify that rates are subject to adjustment in accordance with the provisions of the Company's Rate Adjustment Rider.

Total Purchased Power Cost Recovery Clause

The total purchased power cost adjustment shall be applied to each kilowatt hour delivered and shall be computed in accordance with the formula prescribed by the Florida Public Service Commission. The total purchased power cost adjustment for the period January 1, 2024 through December 31, 2024 is as follows:

Rate Class	Rate Schedule	Levelized Adjustment
Residential (1st 1000 KWH's)	RS	10.259¢ / KWH
Residential (above 1000 KWH's)	RS	11.509¢ / KWH
General Service	GS	10.637¢ / KWH
General Service –Demand	GSD	10.035¢ / KWH
General Service –Large Demand	GSLD	9.772¢ / KWH
Lighting Service	LS	8.180¢ / KWH
General Service Large Demand 1	GSLD 1	Generation Demand $ 5.41/ KW*
		Transmission Demand $ 2.91/ KW*
		Energy 7.12 ¢ / KWH*

*Estimated for informational purposes only,
Monthly rate will be billed at actual cost.

Energy Conservation Cost Recovery Clause

Each base energy rate per KWH of the above rate schedules for the period January 1, 2024 through December 31, 2024 shall be increased by 0.144 ¢ / KWH of sales to recover conservation related expenditures by the Company. This adjustment is determined in accordance with the formula and procedures specified by the Florida Public Service Commission.

The Energy Conservation Cost Recovery Clause will not apply to the GSLD-1 rate class.

Tax Recovery

There will be added to all bills rendered for electric service a proportionate share of all license fees and taxes imposed by any governmental authorities after January 1, 1945, to an extent sufficient to cover excess increased taxes or license fee.

NON-FIRM ENERGY PROGRAM NFEP-EXP (EXPERIMENTAL) - CLOSED

Availability

Available within the territory served by the Company in Jackson, Calhoun, and Liberty Counties and on Amelia Island in Nassau County. This service is limited to ~~customers~~Customers in the GSLD1 or Standby rate class. The Rate Schedule is closed to new Customers and shall expire ~~with one year~~within 90 days written notice by the Company to participating Customers and will expire in its entirety by September 1, 2025.

Applicability

Applicable to Customers which are self-generators with dispatchable generation and are eligible for Rate Schedule GSLD1 or Standby, or who have executed a Special Contract approved by the Commission. Eligible Customers would nominate, in accordance with the procedures outlined below, an amount of electric load they commit to purchase that is above and in addition to the Customer's established baseline. Non-Firm (NF) Energy nominations must be made in 1,000 KW increments and is currently limited to a minimum of 1,000 kW and maximum of 15,000 kW. The Customer is not obligated to nominate NF Energy for any specific period but must nominate a minimum of 1,500 MWh per year.

The default period for NF Energy nominations will be 7 days. Nominations for longer periods, e.g. monthly, will be made available when market conditions warrant. The same procedure for nominations and acceptance will apply to all periods. Customer may nominate NF Energy for on-peak hours, off-peak hours, or all hours. On-peak hours are Hour Ending (H.E.) 08:00 to H.E 23:00 weekdays and off-peak hours are H.E. 24:00 to HE 07:00 and all hours on weekends and established holidays. Times shown are Eastern Standard or Daylight Savings time. On-peak and off-peak hours are subject to change.

Once the Company confirms the Customer's nomination, the Customer is obligated to pay for all NF Energy nominated at the offered rate regardless of whether the Customer takes all NF Energy nominated for the month, unless recalled in accordance with NF Recall provisions.

Monthly Rate

The rates and all other terms and conditions of the Customer's otherwise applicable rate schedule shall be applicable under this program.

All NF Energy shall be charged at the hourly price, in $/MWh, as offered by the Company. Once nominated by the Customer and accepted by the Company, the Customer is responsible to pay the full NF Energy Charge for the nomination period regardless of whether the Customer takes all NF Energy nominated for the month. Any purchases that exceed the combined total of the Customer's baseline and NF Energy nominations will be billed based on the Customer's otherwise applicable rate. The NF Energy charges are in addition to the charges based on the Customers otherwise applicable rate.

Monthly NF Administrative Charge:
$0.00 per Customer per month

~~(Continued on Sheet No. 66.2)~~

NON-FIRM ENERGY PROGRAM NFEP-EXP (EXPERIMENTAL) - CLOSED

~~(Continued From Sheet No. 66.1)~~

Monthly NF Demand Charge:
$0.00 per kW of NF demand

Monthly Rate

NF Energy Charge:
Amount as offered and accepted for each nomination

Monthly NF Demand

The Monthly NF Demand shall equal the maximum hour of NF Energy nominated by the Customer for the calendar month.

Minimum Monthly Bill

The Minimum Monthly Bill shall consist of the Monthly NF Administrative Charge plus applicable taxes and fees.

Term of Service

The Customer agrees to a minimum of 12 months of service under the Program. Service will continue thereafter until the Customer submits to the Company a written notice of termination. Service will discontinue at the end of the calendar month that notice of termination is received.

Nomination and Acceptance Procedure

1. By 10:00 AM each Friday, or when NF Energy is available, the Company will provide the Customer with NF Energy price quotations for the following period beginning 0:00 (midnight) the following Sunday (time period is Monday 00:00 – Sunday 24:00).
2. The Customer will submit a NF Energy nomination schedule to the Company by 2:00 PM of the same day that the offer is submitted.
3. NF Energy nominations are accepted once the Company confirms receipt of the nomination. The Company will then schedule delivery of the NF Energy, if any, beginning 0:00 (midnight) the following Sunday.

Nomination Recall Provisions:

Once accepted, nominations by Customer may only be withdrawn if a Force Majeure is declared. A Force Majeure may be declared by the Customer if the Customer's equipment suffers major failure such that the Customer is prevented from taking the NF Energy. In such case, the Customer will notify the Company's designated contact by approved method as soon as condition is known and the Company will attempt to withdraw the scheduled delivery of NF Energy. If possible ~~to do so~~, the Customer will no longer be responsible for purchasing the balance of NF Energy nominated during the event. Customer may declare Force Majeure a maximum of once per month.

Company may terminate NF Energy delivery at any time due to system emergencies or unusual pricing by notifying Customer of such termination, and Company has no obligation to deliver NF Energy.

STORM PROTECTION PLAN COST RECOVERY CLAUSE

Applicability

Electric service under all rate schedules.

Storm Protection Plan Cost Recovery Clause

The Storm Protection Plan Cost Recovery (SPPCRC) Factors shall be applied to the ~~customer's~~Customer's total kilowatt hour billed. This factor is designed to recover expenditures incurred by the Company related to the protection and hardening of the grid from storms and other extreme weather events. This adjustment is determined in accordance with the formula and procedures prescribed by the Florida Public Service Commission as set forth in Rule 25-6.031, F.A.C.

The total Storm Protection Plan Cost Recovery factors for the period January 1, 2024 through December 31, 2024 are as follows:

Rate Schedule	SPP Factors per KWH
Residential	0 .4320¢ / KWH
General Service	0 .4980¢ / KWH
General Service Demand	0 .2730¢ / KWH
General Service Large Demand	0 .1740¢ / KWH
Industrial/Standby	0 .2930¢ / KWH
Lighting Service	2.6520¢ / KWH

[Link-to-previous setting changed from off in original to on in modified.].

Florida Public Utilities Company
~~Second Revised~~ Original Sheet No. ~~68~~7.026
F.P.S.C. Electric Tariff ~~Cancels First Revised Sheet No. 68~~

~~Third Revised~~Original Volume No. ~~I~~ II

STORM RECOVERY SURCHARGE

Hurricanes ~~Matthew and Irma~~Michael Surcharge:

Applicability:
Electric service under all rate schedules.

Description:
This surcharge is for recovery of storm costs and will be recovered ~~for the two years beginning April 2019~~from November 2020 through ~~March 2021~~December 2025.

Rate Class – GSLD-1 - $190,208 total, annually to be allocated across the GSLD-1 rate class.

All other Rate Schedules - The surcharge of ~~.1535~~1.280¢/ KWH will be applied to each kilowatt hour billed from ~~April 2019~~November 2020 through ~~March 2021~~December 2025.

[Link-to-previous setting changed from off in original to on in modified.].

[Link-to-previous setting changed from off in original to on in modified.].

Florida Public Utilities Company ~~Second Revised~~
Original Sheet No. ~~68~~7.027
F.P.S.C. Electric Tariff ~~Cancels First Revised Sheet No. 68~~

~~Third Revised~~Original Volume No. ~~I~~ II

TECHNOLOGY COST RECOVERY RIDER - (TCRR)

~~**Hurricanes Michael Surcharge**~~Purpose:
The Technology Cost Recovery Rider ("TCRR") is a fixed monthly charge per Customer premise for the purpose of recovering the cost of the Company's new and updated technology costs. The Company shall record both projected and actual expenses and revenues associated with the purchase and implementation of the Company's technology implementation plan.

Applicability:
~~Electric service under all~~Applies to all Residential and Commercial rate schedules. Except as otherwise provided herein, each rate schedule listed below shall be increased or decreased to the nearest .01 dollar.

The TCRR cost recovery mechanism will be based on a projected twelve (12) month recovery period of January 1 to December 31. The Company will file the first TCRR rates with the Commission at least sixty (60) days before it goes into service and refile on an annual basis at least sixty (60) days prior to the January 1 effective date.

~~Description~~Methodology for Cost Recovery for Technological Improvements:
~~This surcharge is for recovery of storm costs and will be recovered from November 2020 thru December 2025.~~
The costs used in the determination of the TCCR shall include the pre and post implementation capitalized expenses for the Company's improvement. Specifically the rate(s) will include a) the capitalized cost of the system, b) less accumulated depreciation of the system, c) plus the unamortized regulatory asset and d) less accumulated deferred income tax (ADIT) for the Florida business unit, e) less the net retirement of the Company's former system (including any other costs already recovered in current base rates. The total of these capitalized costs would then be multiplied by the most recently approved authorized rate of return with the equity portion grossed up for income taxes to determine the return on investment. This return would be added to a) the depreciation expense related to the asset, b) amortization of the regulatory asset over twenty (20) years, c) less any discontinued depreciation expenses associated with the former asset existing at retirement, this amount shall be based on that depreciation expense included in the Company's base rates, d) plus any new expenses associated with the new system, e) less expenses that were discontinued and associated with the former system (and any other expenses already recovered in current base rates). The total of the return on investment and the costs outlined in (a) through (e) above, will be divided by the number of Customers (excluding any special contracts) in the projected recovery period to determine an annualized cost per Customer premise. This cost will be divided by the 12 months to get the monthly rate. The chart below outlines the methodology that will be used.

~~The surcharge of 1.280¢/ KWH will be applied to each kilowatt hour billed from November 2020 through December 2025.~~

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Issued by: ~~Kevin Webber, President~~Jeffrey Sylvester, Chief Operating Officer
Effective: ~~NOV 01 2020~~
Florida Public Utilities

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Florida Public Utilities Company ~~Second Revised~~
Original Sheet No. ~~68~~7.028
F.P.S.C. Electric Tariff ~~Cancels First Revised Sheet No. 68~~

~~Third Revised~~Original Volume No. ~~I~~ II

COST RECOVERY RIDER – (TCCR)

Methodology Continued

1	Capitalized Costs	_
2	Less Accumulated Depreciation	_
3	Company Technology Asset	_
4	Less Retirement of Former System including any other costs already recovered in current base rates	_
5	Less ADIT	_
6	Total Balance Sheet Account Related to Technological Improvement	= (Line 1 - Line 2 + Line 3 - Line 4 - Line 5)
7	Multiply by the Most recent Approved Authorized Rate of Return with the Equity Portion Grossed Up for Taxes	_
8	Return on Capital Investment	= (Line 6 x Line 7)
9	Depreciation Expense	_
10	Amortization of the Regulatory Asset over 20 Years	_
11	Less Reduction in Depreciation Expense Related to the Retirement	_
12	Expenses related to the new system that are incremental to those in current base rates	_
13	Less Expenses discontinued from the former system and any other expenses already recovered in current base rates	
14	Total Cost of the System	= (Line 8 + Line 9 + Line 10 - Line 11 + Line 12 - Line 13)
15	Customers projected for 1 year recovery period excluding special contracts	_
16	Rate per Customer per Year	= (Line 14 / Line 15)
17	Rate per Customer per Month	= (Line 16 / Line 12)

The cost recovery factors for the period from the first billing cycle for the period of January ________ through the last billing cycle for December ________ as follows:

Rate Schedule:	Monthly Charge/Customer
RS	To be determined
GS-ND	To be determined
GS-D	To be determined
GSLD	To be determined
GSLD-1	To be determined
LS	To be determined

[Link-to-previous setting changed from off in original to on in modified.].

Issued by: ~~Kevin Webber, President~~Jeffrey Sylvester, Chief Operating Officer
Effective: ~~NOV 01 2020~~
Florida Public Utilities

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Florida Public Utilities Company ~~Second Revised~~
Original Sheet No. ~~68~~7.029
F.P.S.C. Electric Tariff ~~Cancels First Revised Sheet No. 68~~

~~Third Revised~~Original Volume No. ~~I~~ II

OSL	To be determined
EDRP	To be determined

[Link-to-previous setting changed from off in original to on in modified.].

Issued by: ~~Kevin Webber, President~~Jeffrey Sylvester, Chief Operating Officer
Effective: ~~NOV 01 2020~~
Florida Public Utilities

INDEX OF STANDARD FORMS

[Link-to-previous setting changed from off in original to on in modified.].

STANDARD FORMS
EXTENSION OF FACILITIES AGREEMENT

FLORIDA PUBLIC UTILITIES COMPANY

EXTENSION OF FACILITIES AGREEMENT

This Agreement, executed in duplicate as of the _ day of_______________ , 20__, by and between Florida Public Utilities Company, a Florida Corporation, hereinafter referred to as the "Company", party of the first part, and ________________ hereinafter referred to as the "Customer", party of the second part, witnesseth:

Whereas, the ~~customer~~Customer is desirous of securing an extension or increase of the facilities of the Company as hereinafter described; and whereas, the Company is willing to make such extension or increase;

Now, therefore, in consideration of the respective and mutual covenants and agreements contained herein and hereinafter set forth, the parties hereto agree with each other as follows:

1. The Company will extend or increase its facilities as follows:

The Company will commence the extension or increase of its facilities forthwith after the execution of this Agreement and use its best efforts to complete the extension or increase of its facilities as soon as reasonably possible; provided, however, that the parties expressly agree that the Company shall not be liable or responsible for any delay caused by or resulting from shortages or unavailability of material or labor, or from any other hindrance or delay beyond the control of the Company.

2. To compensate the Company for the cost and expense of the aforesaid extension or increase of its facilities, the Customer simultaneously with the execution of this Agreement has paid to the Company the sum of $_____, the receipt of which hereby is acknowledged by the Company. The parties agree that said sum was paid by the Customer to and received by the Company without the right of any rebate, credit, reduction or adjustment in favor of either party.

3. The parties agree that the Company shall at all times have title to and keep ownership and control in and over the aforesaid extended or increased facilities, including but not limited to all new materials and equipment installed therein; and the parties agree further that the Company shall have the sole and exclusive right to use the extended or increased facilities for the purpose of serving other ~~customers~~Customers of the Company.

STANDARD FORMS
EXTENSION OF FACILITIES AGREEMENT (Continued)

4. After the extension or increase of the facilities described above, the Customer agrees that subject to all applicable terms, provisions, rights, duties and penalties, the Customer will in the usual manner and at the usual times pay for the utilities and services delivered to the Customer by means of the extended or increased facilities at the regular franchise or at special contract rates, whichever is applicable.

5. The parties agree that no representation, warranty, conditions or agreement of any kind or nature whatsoever shall be binding upon either of the parties hereto unless incorporated in this Agreement; and the parties agree further that this Agreement covers and includes the entire agreement between the parties. The parties agree that all covenants and agreements contained herein shall extend to, be obligatory upon and inure to the benefit of the parties hereto and their respective heirs, legal representatives, successors and assigns; provided, however, that the Customer may not transfer or assign all or any part of this Agreement or any right which he may obtain hereunder without first obtaining the written consent of the Company.

In witness whereof, the parties hereto have executed this Agreement as of the day and year hereinbefore first written.

Customer ______________________________ FLORIDA PUBLIC UTILITIES COMPANY

By ___________________________________ By ______________________________
Title Its Agent

STANDARD FORMS
DEPOSIT OF FACILITIES AGREEMENT

FLORIDA PUBLIC UTILITIES COMPANY

DEPOSIT OF FACILITIES AGREEMENT

This Agreement, executed in duplicate as of the ____ day of_________________ , 20___, by and between Florida Public Utilities Company, a Florida Corporation, hereinafter referred to as the "Company", party of the first part, and _______________ hereinafter referred to as the "Customer", party of the second part, witnesseth:

Whereas, the ~~customer~~Customer is desirous of securing an extension or increase of the facilities of the Company as hereinafter described; and whereas, the Company is willing to make such extension or increase;

Now, therefore, in consideration of the respective and mutual covenants and agreements contained herein and hereinafter set forth, the parties hereto agree with each other as follows:

1. The Company will extend or increase its facilities as follows:

The Company will commence the extension or increase of its facilities forthwith after the execution of this Agreement and use its best efforts to complete the extension or increase of its facilities as soon as reasonably possible; provided, however, that the parties expressly agree that the Company shall not be liable or responsible for any delay caused by or resulting from shortages or unavailability of material or labor, or from any other hindrance or delay beyond the control of the Company.

2. To compensate the Company for the cost and expense of the aforesaid extension or increase of its facilities in accordance with the Company's Rules and Regulations for extensions, the Customer simultaneously with the execution of this Agreement has paid to the Company the sum of $____, the receipt of which hereby is acknowledged by the Company. The parties agree that said sum was paid by the Customer to and received by the Company in accordance with the Company's Rules and Regulations for service requiring extension of facilities within the service area of the Company in __________________ County, Florida. The Company's Rules and Regulations as filed with and approved by the Florida Public Service Commission are made a part of this Agreement.

3. The parties agree that the Company shall at all times have title to and keep ownership and control in and over the aforesaid extended or increased

STANDARD FORMS
DEPOSIT OF FACILITIES AGREEMENT (Continued)

facilities, including but not limited to all new materials and equipment installed therein; and the parties agree further that the Company shall have the sole and exclusive right to use the extended or increased facilities for the purpose of serving other ~~customers~~Customers of the Company.

4. After the extension or increase of the facilities described above, the Customer agrees that subject to all applicable terms, provisions, rights, duties and penalties, the Customer will in the usual manner and at the usual times pay for the utilities and services delivered to the Customer by means of the extended or increased facilities in accordance with the Company's tariffs filed with and approved by the Florida Public Service Commission.

5. The parties agree that no representation, warranty, conditions or agreement of any kind or nature whatsoever shall be binding upon either of the parties hereto unless incorporated in this Agreement; and the parties agree further that this Agreement covers and includes the entire agreement between the parties. The parties agree that all covenants and agreements contained herein shall extend to, be obligatory upon and inure to the benefit of the parties hereto and their respective heirs, legal representatives, successors and assigns; provided, however, that the Customer may not transfer or assign all or any part of this Agreement or any right which he may obtain hereunder without first obtaining the written consent of the Company.

In witness whereof, the parties hereto have executed this Agreement as of the day and year hereinbefore first written.

Customer ______________________ FLORIDA PUBLIC UTILITIES COMPANY

By ______________________ By ______________________
Title Its Agent

STANDARD FORMS / APPLICATION
INTERCONNECTION OF CUSTOMER-OWNED

RENEWABLE GENERATION SYSTEMS APPLICATION
INTERCONNECTION OF CUSTOMER OWNED RENEWABLE
GENERATION SYSTEMS

TIER 1 – 10 KW or Less
TIER 2 – Greater than 10 KW and Less Than or Equal to 100 KW
TIER 3 – Greater than 100 KW and Less Than or Equal to 2 MW

Florida Public Utilities Company ~~customers~~Customers who install ~~customer-owned~~Customer-owned renewable generation systems and desire to interconnect those facilities with the FPUC electrical system are required to complete this application. This application can be obtained from the local FPU office or can be downloaded from the FPUC website (www.fpuc.com). When the completed application and fees are returned to FPUC, the process of completing the appropriate Tier 1, Tier 2 or Tier 3 Interconnection Agreement can begin. The Interconnection Agreements may be obtained at the local FPUC office. Details for interconnection agreements may be found as defined in Rule 25-6.065, Florida Administrative Code or within the Florida Public Utilities Company Interconnection Agreement.

1. Customer Information

Name: ____

Mailing Address: ____

City: ____________________ State: ________ Zip Code: ____________

Phone Number: ____________ Alternate Phone Number: ______________

Email Address: ______________ Fax Number: ______________

2. Facility Information

Facility Location: ____

____

FPUC Account Number (if available): ______________________________

Manufacturers Name/Address: ______________________________

____

Reference or Model Number: ______________________________

Serial Number: ____

INTERCONNECTION OF CUSTOMER-OWNED
RENEWABLE GENERATION SYSTEMS APPLICATION (Continued)

3. Facility Rating Information

Gross Power Rating: ______________________ ("Gross power rating" means the total manufacturer's AC nameplate generating capacity of an on-site ~~customer-owned~~Customer-owned renewable generation system that will be interconnected to and operate in parallel with the investor-owned utility's distribution facilities. For inverter-based systems, the AC nameplate generating capacity shall be calculated by multiplying the total installed DC nameplate generating capacity by .85 in order to account for losses during the conversion from DC to AC.
Fuel or Energy Source: ______________________

Anticipated In- Service Date: _________________

4. Application Fee

The application fee is based on the Gross Power Rating and must be submitted with this application. There is no application fee for Tier 1 installations. The non-refundable application fee is $350 for Tier 2 and Tier 3 installations.

5. Interconnection Study Fee

For Tier 3 installations that require an interconnection study, as determined by the Company, the Customer will pay $2,000 prior to the initiation of the interconnection study. The total cost to the Customer will not exceed this amount. Should the actual interconnection study cost be less than $2,000 the ~~customer~~Customer will be refunded the difference.

6. Required Documentation

Before the Interconnection Agreement may become effective, the Documentation listed in this Section must be provided to the Company by the Customer. The Documentation listed does not need to accompany the Application but must be received before the Interconnection Agreement will be executed by the Company.

A. Documentation that the installation complies with:

   1. IEEE 1547 (2003) Standard for Interconnecting Distributed Resources with Electric Power Systems.
   2. IEEE 1547.1 (2005) Standard Conformance Test Procedures for Equipment Interconnecting Distributed Resources with Electric Power Systems.
   3. UL 1741 (2005) Inverters, Converters, Controllers and Interconnection System Equipment for Use with Distributed Energy Resources.

B. Documentation that the ~~customer-owned~~Customer-owned renewable generation has been inspected and approved by local code officials prior to its operation in parallel with the Company system to ensure compliance with applicable local codes.

C. Proof of general liability insurance for Tier 2 generators ($1,000,000) or Tier 3 generators ($2,000,000). Not required for Tier 1 generators.

D. Copy of any lease agreements if the Customer is leasing facility from third party.

RESERVED FOR FUTURE USE

STANDARD FORMS
STANDARD INTERCONNECTION AGREEMENT - TIER 1

STANDARD INTERCONNECTION AGREEMENT FOR ~~CUSTOMER~~CUSTOMER OWNED TIER 1 RENEWABLE GENERATION SYSTEMS (10 KW OR LESS)

This agreement made and entered into as of this __ day of ________________________________,

_____________ by and between ______________________ hereinafter known at the "Customer" and Florida Public Utilities Company hereinafter know as the "Company". This agreement is made in accordance with Florida Public Commission Rule 25-6.065 F.A.C., Interconnection and Net Metering of Customer-Owned Renewable Generation and under the terms and conditions as approved by the Florida Public Service Commission pursuant to Rule 25-6.065(3), F.A.C.

1. The Customer's renewable generation system is within the Company service territory and is located at:

   ____

   ____

   and should be installed and operational by:

   ____________________________, _____________.

2. Customer will ensure the installation will meet or exceed all requirements noted below, will provide the Company with reasonable notification prior to the operation of the system and will assist the Company in verifying that the installation complies with the agreement prior to operating in parallel with the Company's electric system.

3. The Customer's renewable generation system is described as follows:

   a. Equipment Manufacturers Name and Address:

   ____

   ____

   ____

   b. Manufacturers Reference Number, Serial Number, Type, Style, Model, Etc.

   ____

   ____

   ____

   c. Name Plate Rating (KW and Voltage):

   ____

   ____

INTERCONNECTION AGREEMENT FOR CUSTOMER OWNED TIER 1 RENEWABLE GENERATION SYSTEMS (10 KW OR LESS)
(Continued)

4. Standard Interconnection Agreement Requirements – To qualify for expedited interconnection as a Tier 1 generator pursuant to Rule 25-6.065, F.A.C., the Facility must:

(a) Comply with IEEE 1547 (2003) Standard for Interconnecting Distributed Resources with Electric Power Systems.
(b) Comply with IEEE 1547.1 (2005) Standard Conformance Test Procedures for Equipment Interconnecting Distributed Resources with Electric Power Systems.
(c) Comply with UL 1741 (2005) Inverters, Converters, Controllers and Interconnection System Equipment for Use With Distributed Energy Resources.
(d) Have a Gross Power Rating that does not exceed 90% of the ~~customer's~~Customer's utility distribution service rating.
(e) Have a Gross Power Rating of 10 KW or less.

5. Customer Qualifications and Fees – The ~~customer~~Customer shall comply with the following to qualify as a Tier 1 generator pursuant to Rule 25-6.065, F.A.C.:

(a) Customer-owned renewable generation shall be considered certified for interconnected operation if it has been submitted by a manufacturer to a nationally recognized testing and certification laboratory, and has been tested and listed by the laboratory for continuous interactive operation with an electric distribution system in compliance with the applicable codes and standards listed in Section (4).
(b) Customer-owned renewable generation shall include a utility-interactive inverter, or other device certified pursuant to Section (5) (a) that performs the function of automatically isolating the ~~customer-owned~~Customer-owned generation equipment from the electric grid in the event the electric grid loses power.
(c) Provided the ~~customer-owned~~Customer-owned renewable generation equipment complies with Sections (4) and (5) (a), (b), the Company shall not require further design review, testing, or additional equipment other than that provided for in Section (9).
(d) Tier 1 ~~customers~~Customers who request interconnection of ~~customer-owned~~Customer-owned renewable generation shall not be charged fees in addition to those charged to other retail ~~customers~~Customers without self-generation, including application fees.

INTERCONNECTION AGREEMENT FOR CUSTOMER OWNED TIER 1 RENEWABLE GENERATION SYSTEMS (10 KW OR LESS)
(Continued)

6. Inspection Requirements – Prior to operating the Customer system in parallel with Company's electric system, the Customer will:

(a) Have the ~~customer-owned~~Customer-owned renewable generation inspected and approved by local code officials prior to its operation in parallel with the Company system to ensure compliance with applicable local codes.

(b) Make provisions that permit the Company to inspect ~~customer owned~~Customer-owned renewable generation and its component equipment, and the documents necessary to ensure compliance with Sections (4) and (5). The Customer shall notify the Company at least 10 days prior to initially placing ~~customer~~Customer equipment and protective apparatus in service, and the Company shall have the right to have personnel present on the in-service date. If the ~~customer owned~~Customer-owned renewable generation system is subsequently modified in order to increase its gross power rating, the Customer must notify the Company by submitting a new application specifying the modifications at least 30 days prior to making the modifications.

(c) Provide for protection of the renewable generating equipment, inverters, protective devices, and other system components from damage from the normal and abnormal conditions and operations that occur on the Company system in delivering and restoring power; and is responsible for ensuring that ~~customer owned~~Customer-owned renewable generation equipment is inspected, maintained, and tested in accordance with the manufacturer's instructions to ensure that it is operating correctly and safely.

7. Indemnity for Loss to Third Parties - The Customer shall hold harmless and indemnify the Company for all loss to third parties resulting from the operation of the ~~customer owned~~Customer-owned renewable generation, except when the loss occurs due to the negligent actions of the Company. The Company shall hold harmless and indemnify the Customer for all loss to third parties resulting from the operation of the Company's system, except when the loss occurs due to the negligent actions of the Customer.

INTERCONNECTION AGREEMENT FOR CUSTOMER OWNED TIER 1 RENEWABLE GENERATION SYSTEMS (10 KW OR LESS)
(Continued)

8. Customer Insurance Requirements – The Customer owning a Tier 1 generator is not required by rule to obtain general liability insurance for damage to persons or property as a result of the operation of the generator. However, the Company strongly recommends that a Tier 1 ~~customer~~Customer carry an appropriate level of liability insurance.

9. Manual Disconnect Switch - Inverter-based Tier 1 ~~customer owned~~Customer-owned renewable generation systems shall be exempt from this requirement. However, the Company recommends that the Customer install, at the ~~customer's~~Customer's expense, a manual disconnect switch of the visible load break type to provide a separation point between the AC power output of the ~~customer-owned~~Customer-owned renewable generation and any Customer wiring connected to the Company's system. The manual disconnect switch shall be mounted separate from, but adjacent to, the meter socket and shall be readily accessible to the Company and capable of being locked in the open position with a single Company padlock. Should a main disconnect switch not be installed, removal of the electric meter and disconnection of electric service may be used to isolate the ~~customer~~Customer owned generation for the electric grid.

10. Disconnection From Customer System - The Company may open the manual disconnect switch pursuant to the conditions set forth below in (10) (a) – (10) (d), isolating the ~~customer owned~~Customer-owned renewable generation, without prior notice to the Customer. To the extent practicable, however, prior notice shall be given. If prior notice is not given, the Company shall at the time of disconnection leave a door hanger notifying the Customer that their ~~customer owned~~Customer-owned renewable generation has been disconnected, including an explanation of the condition necessitating such action. The Company shall reconnect the ~~customer owned~~Customer-owned renewable generation as soon as the condition necessitating disconnection is remedied.

    a. Emergencies or maintenance requirements on the Company's electric system;

    b. Hazardous conditions existing on the Company system due to the operation of the Customer's generating or protective equipment as determined by the Company;

    c. Adverse electrical effects, such as power quality problems, on the electrical equipment of the Company's other electric consumers caused by the ~~customer owned~~Customer-owned renewable generation as determined by the Company;

    d. Failure of the Customer to maintain the required insurance coverage (if required).

INTERCONNECTION AGREEMENT FOR CUSTOMER OWNED TIER 1 RENEWABLE GENERATION SYSTEMS (10 KW OR LESS)
(Continued)

11. Administrative Requirements

(a) The Company shall maintain on its website a downloadable application for interconnection of ~~customer owned~~Customer-owned renewable generation, detailing the information necessary to execute the Standard Interconnection Agreement. Upon request the Company shall provide a hard copy of the application within 5 business days.

(b) Within 10 business days of receipt of the Customer's application, the Company shall provide written notice that it has received all documents required by the Standard Interconnection Agreement or indicate how the application is deficient. Within 10 business days of receipt of a completed application, the Company shall provide written notice verifying receipt of the completed application. The written notice shall also include dates for any physical inspection of the ~~customer owned~~Customer-owned renewable generation necessary for the Company to confirm compliance with Sections (4) through (10).

(c) The Standard Interconnection Agreement shall be executed by the Company within 30 calendar days of receipt of a completed application.

(d) The Customer must execute the Standard Interconnection Agreement and return it to the Company at least 30 calendar days prior to beginning parallel operations and within one year after the utility executes the Agreement. All physical inspections must be completed by the Company within 30 calendar days of receipt of the Customer's executed Standard Interconnection Agreement. If the inspection is delayed at the Customer's request, the Customer shall contact the utility to reschedule an inspection. The Company shall reschedule the inspection within 10 business days of the Customer's request.

12. Net Metering

(a) The Company shall enable each ~~customer owned~~Customer-owned renewable generation facility interconnected to the investor-owned utility's electrical grid pursuant to this rule to net meter.

(b) The Company shall install, at no additional cost to the ~~customer~~Customer, metering equipment at the point of delivery capable of measuring the difference between the electricity supplied to the ~~customer~~Customer from the investor-owned utility and the electricity generated by the ~~customer~~Customer and delivered to the investor-owned utility's electric grid.

INTERCONNECTION AGREEMENT FOR CUSTOMER OWNED TIER 1 RENEWABLE GENERATION SYSTEMS (10 KW OR LESS)
(Continued)

12. Net Metering (continued)

(c) Meter readings shall be taken monthly on the same cycle as required under the otherwise applicable rate schedule.

(d) The Company shall charge for electricity used by the ~~customer~~Customer in excess of the generation supplied by ~~customer owned~~Customer-owned renewable generation in accordance with normal billing practices.

(e) During any billing cycle, excess ~~customer owned~~Customer-owned renewable generation delivered to the Company's electric grid shall be credited to the Customer's energy consumption for the next month's billing cycle.

(f) Energy credits produced pursuant to Section (12) (e) shall accumulate and be used to offset the ~~customer's~~Customer's energy usage in subsequent months for a period of not more than twelve months. At the end of each calendar year, the Company shall pay the Customer for any unused energy credits at an average annual rate based on the Company's COG-1, as-available energy tariff.

(g) When a Customer leaves the system, that Customer's unused credits for excess kWh generated shall be paid to the Customer at an average annual rate based on the Company's COG-1, as-available energy tariff.

(h) Regardless of whether excess energy is delivered to the Company's electric grid, the ~~customer~~Customer shall continue to pay the applicable ~~customer~~Customer charge and applicable demand charge (if applicable) for the maximum measured demand during the billing period. The Company shall charge for electricity used by the Customer in excess of the generation supplied by ~~customer owned~~Customer-owned renewable generation at the Company's otherwise applicable rate schedule. The Customer may at their sole discretion choose to take service under the Company's standby or supplemental service rate, if available.

13. Renewable Energy Certificates - Customers shall retain any Renewable Energy Certificates associated with the electricity produced by their ~~customer owned~~Customer-owned renewable generation equipment. Any additional meters necessary for measuring the total renewable electricity generated for the purposes of receiving Renewable Energy Certificates shall be installed at the Customer's expense, unless otherwise determined during negotiations for the sale of the Customer's Renewable Energy Certificates to the Company.

INTERCONNECTION AGREEMENT FOR CUSTOMER OWNED TIER 1 RENEWABLE GENERATION SYSTEMS (10 KW OR LESS)
(Continued)

14. Change of Ownership – This agreement shall not be assigned or transferred without prior written consent of the Company. Should there be a change in ownership; the Customer shall provide the Company with 30 day notice prior to the change. The Company will contact the new owner prior to the end of the 30 days in order to execute a new agreement. The new owner will not be entitled to operate the generator in parallel with the Company system or be net metered until a new agreement is executed by both parties. However, this agreement shall inure to the benefit of and binding upon the respective heirs, legal representatives, successors and assigns of the parties involved until a new agreement is executed.

15. No Extension of Credit – In executing this agreement, the Company does not, nor should it be construed to extend credit or financial support for the benefit of any third parties lending money to or having other transactions with the Customer or any assignee of this agreement.

16. Applicability of Tariff – The Company's tariff and associated technical terms and abbreviations, general rules, regulations and standard electric service requirements are incorporated herein by reference. In the event that this tariff and the Interconnection Agreement is revised due to rule changes approved by the Florida Public Service Commission, the Company and the Customer agree to replace this agreement with an amended agreement that complies with the amended Florida Public Service Commission rules.

17. Entire Agreement – This agreement supersedes all previous agreements or representations, either written or oral, heretofore in effect between the Company and the Customer, made in respect to matters herein contained, and when duly executed, this agreement constitutes the entire agreement between the parties.

18. Termination – Upon termination of this agreement, the Company shall open and padlock the manual disconnect switch, if applicable, and remove any additional kilowatt-hour meter and associated Company equipment. At the Customer's expense, the Customer agrees to permanently isolate the Facility from the Company's electric service grid. The Customer shall notify the Company in writing within ten (10) business days that the isolation procedure has been completed.

INTERCONNECTION AGREEMENT FOR CUSTOMER OWNED TIER 1 RENEWABLE GENERATION SYSTEMS (10 KW or Less)
(Continued)

19. Retail Purchase of Electricity - "Customer-owned renewable generation" means an electric generating system located on a ~~customer's~~Customer's premise that is primarily intended to offset part or all of the ~~customer's~~Customer's electricity requirements with renewable energy. The term "~~customer owned~~Customer-owned renewable generation" does not preclude the ~~customer~~Customer of record from contracting for the purchase, lease, operation, or maintenance of an on-site renewable generation system with a third-party under terms and conditions does not include the retail purchase of electricity from the third party.

20. The Customer agrees to indemnify and hold harmless the Company, its subsidiaries or affiliates, and their respective employees, officers and directors, against any and all liability, loss, damage, cost or expense which the Company, it subsidiaries, affiliates, and their respective employees, officers and directors may hereafter incur, suffer or be required to pay by reason of negligence on the part of the Customer under the obligations of this agreement. The Company agrees to indemnify and hold harmless the Customer, against any and all liability, loss, damage, cost or expense which the Customer may hereafter incur, suffer or be required to pay by reason of negligence on the part of the Company under the obligations of this agreement.

21. Communications, either emergency or routine, related to this agreement or operation of the installation shall be made to the following parties:

Company:

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Customer:

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INTERCONNECTION AGREEMENT FOR CUSTOMER OWNED
TIER 1 RENEWABLE GENERATION SYSTEMS (10 KW or Less)
(Continued)

22. Dispute Resolution – The Company and Customer may seek resolution of disputes arising out of this interpretation of this agreement pursuant to Rule 25-22.032, F.A.C., Customer Complaints, or Rule 25-22.036, F.A.C., Initiation of Formal Proceedings.

IN WITNESS WHEREOF, the Customer and the Company execute this Agreement this _________ day of _________________________, ________.

Title: ___ ___________________

WITNESS: FLORIDA PUBLIC UTILITIES COMPANY
COMPANY

_______________________ By: _____________________________

Title: ____________________________

Date: ____________________________

Date: __________ ____________

WITNESS: __________________________________
CUSTOMER

________________________ By: ___________________________

Title: ___________________________

Date: ___________________________

STANDARD FORMS
STANDARD INTERCONNECTION AGREEMENT – TIER 2

STANDARD INTERCONNECTION AGREEMENT FOR CUSTOMER OWNED TIER 2
RENEWABLE GENERATION SYSTEMS
(Greater than 10 KW and Less than or Equal to 100 KW)

This agreement made and entered into as of this _____ day of _______________________, ____________ by and between __________________________________ hereinafter known at the "Customer" and Florida Public Utilities Company hereinafter know as the "Company". This agreement is made in accordance with Florida Public Commission Rule 25-6.065 F.A.C., Interconnection and Net Metering of Customer-Owned Renewable Generation and under the terms and conditions as approved by the Florida Public Service Commission pursuant to Rule 25-6.065(3), F.A.C.

1. The Customer's renewable generation system is within the Company service territory and is located at:

____

____

and should be installed and operational by:

_________________________, ____________.

2. Customer will ensure the installation will meet or exceed all requirements noted below, will provide the Company with reasonable notification prior to the operation of the system and will assist the Company in verifying that the installation complies with the agreement prior to operating in parallel with the Company's electric system.

3. The Customer's renewable generation system is described as follows:

a. Equipment Manufacturers Name and Address:

____

____

____

b. Manufacturers Reference Number, Serial Number, Type, Style, Model, Etc.

____

____

____

c. Name Plate Rating (KW and Voltage):

____

____

INTERCONNECTION AGREEMENT FOR CUSTOMER OWNED
TIER 2 RENEWABLE GENERATION SYSTEMS
(Greater than 10 KW and Less than or Equal to 100 KW)
(Continued)

4. Standard Interconnection Agreement Requirements – To qualify for expedited interconnection as a Tier 2 generator pursuant to Rule 25-6.065, F.A.C., the Facility must:

(a) Comply with IEEE 1547 (2003) Standard for Interconnecting Distributed Resources with Electric Power Systems.

(b) Comply with IEEE 1547.1 (2005) Standard Conformance Test Procedures for Equipment Interconnecting Distributed Resources with Electric Power Systems.

(c) Comply with UL 1741 (2005) Inverters, Converters, Controllers and Interconnection System Equipment for Use With Distributed Energy Resources.

(d) Have a Gross Power Rating that does not exceed 90% of the ~~customer's~~Customer's utility distribution service rating.

(e) Have a Gross Power Rating ~~of~~ greater than 10 KW and less than or equal to 100 KW.

5. Customer Qualifications and Fees – The ~~customer~~Customer shall comply with the following to qualify as a Tier 2 generator pursuant to Rule 25-6.065, F.A.C.:

(a) Customer-owned renewable generation shall be considered certified for interconnected operation if it has been submitted by a manufacturer to a nationally recognized testing and certification laboratory, and has been tested and listed by the laboratory for continuous interactive operation with an electric distribution system in compliance with the applicable codes and standards listed in Section (4).

(b) Customer-owned renewable generation shall include a utility-interactive inverter, or other device certified pursuant to Section (5) (a) that performs the function of automatically isolating the ~~customer-owned~~Customer-owned generation equipment from the electric grid in the event the electric grid loses power.

(c) Provided the ~~customer-owned~~Customer-owned renewable generation equipment complies with Sections (4) and (5) (a), (b), the Company shall not require further design review, testing, or additional equipment other than that provided for in Section (9).

(d) Tier 2 ~~customers~~Customers who request interconnection of ~~customer-owned~~Customer-owned renewable generation shall be charged a one-time non-refundable application fee of $350.

INTERCONNECTION AGREEMENT FOR CUSTOMER OWNED
TIER 2 RENEWABLE GENERATION SYSTEMS
(Greater than 10 KW and Less than or Equal to 100 KW)
(Continued)

6. Inspection Requirements – Prior to operating the Customer system in parallel with Company's electric system, the Customer will:

(a) Have the ~~customer owned~~Customer-owned renewable generation inspected and approved by local code officials prior to its operation in parallel with the Company system to ensure compliance with applicable local codes.

(b) Make provisions that permit the Company to inspect ~~customer owned~~Customer-owned renewable generation and its component equipment, and the documents necessary to ensure compliance with Sections (4) and (5). The Customer shall notify the Company at least 10 days prior to initially placing ~~customer~~Customer equipment and protective apparatus in service and the Company shall have the right to have personnel present on the in-service date. If the ~~customer owned~~Customer-owned renewable generation system is subsequently modified in order to increase its gross power rating, the Customer must notify the Company by submitting a new application specifying the modifications at least 30 days prior to making the modifications.

(c) Provide for protection of the renewable generating equipment, inverters, protective devices, and other system components from damage from the normal and abnormal conditions and operations that occur on the Company system in delivering and restoring power; and is responsible for ensuring that ~~customer owned~~Customer-owned renewable generation equipment is inspected, maintained, and tested in accordance with the manufacturer's instructions to ensure that it is operating correctly and safely.

7. Indemnity for Loss to Third Parties - The Customer shall hold harmless and indemnify the Company for all loss to third parties resulting from the operation of the ~~customer~~Customer- owned renewable generation, except when the loss occurs due to the negligent actions of the Company. The Company shall hold harmless and indemnify the Customer for all loss to third parties resulting from the operation of the Company's system, except when the loss occurs due to the negligent actions of the Customer.

INTERCONNECTION AGREEMENT FOR CUSTOMER OWNED
TIER 2 RENEWABLE GENERATION SYSTEMS
(Greater than 10 KW and Less than or Equal to 100 KW)
(Continued)

8. Customer Insurance Requirements – The Customer owning a Tier 2 generator is required by rule to obtain general liability insurance for personal and property damage in the amount of no less than one million dollars ($1,000,000) as a result of the operation of the generator. Prior to parallel operation, the Customer shall provide initial proof of insurance or sufficient guarantee and proof of self insurance, evidencing the generator. The Customer shall continue to provide proof of continuing insurance within 30 days of any policy renewal.

9. Manual Disconnect Switch – Customer's operating a Tier 2 generator shall install, at the ~~customer's~~Customer's expense, a manual disconnect switch of the visible load break type to provide a separation point between the AC power output of the ~~customer owned~~Customer-owned renewable generation and any Customer wiring connected to the Company's system. The manual disconnect switch shall be mounted separate from, but adjacent to, the meter socket and shall be readily accessible to the Company and capable of being locked in the open position with a single Company padlock.

10. Disconnection From Customer System - The Company may open the manual disconnect switch pursuant to the conditions set forth below in Sections (10) (a) – (10) (d), isolating the ~~customer~~Customer-owned renewable generation, without prior notice to the Customer. To the extent practicable, however, prior notice shall be given. If prior notice is not given, the Company shall at the time of disconnection leave a door hanger notifying the Customer that their ~~customer owned~~Customer-owned renewable generation has been disconnected, including an explanation of the condition necessitating such action. The Company shall reconnect the ~~customer-owned~~Customer-owned renewable generation as soon as the condition necessitating disconnection is remedied.

a. Emergencies or maintenance requirements on the Company's electric system;

b. Hazardous conditions existing on the Company system due to the operation of the Customer's generating or protective equipment as determined by the Company;

c. Adverse electrical effects, such as power quality problems, on the electrical equipment of the Company's other electric consumers caused by the ~~customer owned~~Customer-owned renewable generation as determined by the Company;

d. Failure of the Customer to maintain the required insurance coverage.

INTERCONNECTION AGREEMENT FOR CUSTOMER OWNED TIER 2 RENEWABLE GENERATION SYSTEMS (Greater than 10 KW and Less than or Equal to 100 KW) (Continued)

11. Administrative Requirements

(a) The Company shall maintain on its website a downloadable application for interconnection of ~~customer owned~~Customer-owned renewable generation, detailing the information necessary to execute the Standard Interconnection Agreement. Upon request the Company shall provide a hard copy of the application within 5 business days.

(b) Within 10 business days of receipt of the Customer's application, the Company shall provide written notice that it has received all documents required by the Standard Interconnection Agreement or indicate how the application is deficient. Within 10 business days of receipt of a completed application, the Company shall provide written notice verifying receipt of the completed application. The written notice shall also include dates for any physical inspection of the ~~customer owned~~Customer-owned renewable generation necessary for the Company to confirm compliance with Sections (4) through (10).

(c) The Standard Interconnection Agreement shall be executed by the Company within 30 calendar days of receipt of a completed application.

(d) The Customer must execute the Standard Interconnection Agreement and return it to the Company at least 30 calendar days prior to beginning parallel operations and within one year after the utility executes the Agreement. All physical inspections must be completed by the Company within 30 calendar days of receipt of the Customer's executed Standard Interconnection Agreement. If the inspection is delayed at the Customer's request, the Customer shall contact the utility to reschedule an inspection. The Company shall reschedule the inspection within 10 business days of the Customer's request.

12. Net Metering

(a) The Company shall enable each ~~customer owned~~Customer-owned renewable generation facility interconnected to the investor-owned utility's electrical grid pursuant to this rule to net meter.

(b) The Company shall install, at no additional cost to the ~~customer~~Customer, metering equipment at the point of delivery capable of measuring the difference between the electricity supplied to the ~~customer~~Customer from the investor-owned utility and the electricity generated by the ~~customer~~Customer and delivered to the investor-owned utilities electric grid.

INTERCONNECTION AGREEMENT FOR CUSTOMER OWNED
TIER 2 RENEWABLE GENERATION SYSTEMS
(Greater than 10 KW and Less than or Equal to 100 KW)
(Continued)

12. Net Metering (continued)

(c) Meter readings shall be taken monthly on the same cycle as required under the otherwise applicable rate schedule.

(d) The Company shall charge for electricity used by the ~~customer~~Customer in excess of the generation supplied by ~~customer owned~~Customer-owned renewable generation in accordance with normal billing practices.

(e) During any billing cycle, excess ~~customer owned~~Customer-owned renewable generation delivered to the Company's electric grid shall be credited to the Customer's energy consumption for the next month's billing cycle.

(f) Energy credits produced pursuant to Section (12) (e) shall accumulate and be used to offset the ~~customer's~~Customer's energy usage in subsequent months for a period of not more than twelve months. At the end of each calendar year, the Company shall pay the Customer for any unused energy credits at an average annual rate based on the Company's COG-1, as-available energy tariff.

(g) When a Customer leaves the system, that Customer's unused credits for excess kWh generated shall be paid to the Customer at an average annual rate based on the Company's COG-1, as-available energy tariff.

(h) Regardless of whether excess energy is delivered to the Company's electric grid, the ~~customer~~Customer shall continue to pay the applicable ~~customer~~Customer charge and applicable demand charge (if applicable) for the maximum measured demand during the billing period. The Company shall charge for electricity used by the Customer in excess of the generation supplied by ~~customer owned~~Customer-owned renewable generation at the Company's otherwise applicable rate schedule. The Customer may at their sole discretion choose to take service under the Company's standby or supplemental service rate, if available.

13. Renewable Energy Certificates - Customers shall retain any Renewable Energy Certificates associated with the electricity produced by their ~~customer owned~~Customer-owned renewable generation equipment. Any additional meters necessary for measuring the total renewable electricity generated for the purposes of receiving Renewable Energy Certificates shall be installed at the Customer's expense, unless otherwise determined during negotiations for the sale of the Customer's Renewable Energy Certificates to the Company.

INTERCONNECTION AGREEMENT FOR CUSTOMER OWNED TIER 2 RENEWABLE GENERATION SYSTEMS
(Greater than 10 KW and Less than or Equal to 100 KW)
(Continued)

14. Change of Ownership – This agreement shall not be assigned or transferred without prior written consent of the Company. Should there be a change in ownership; the Customer shall provide the Company with 30 day notice prior to the change. The Company will contact the new owner prior to the end of the 30 days in order to execute a new agreement. The new owner will not be entitled to operate the generator in parallel with the Company system or be net metered until a new agreement is executed by both parties. However, this agreement shall inure to the benefit of and binding upon the respective heirs, legal representatives, successors and assigns of the parties involved until a new agreement is executed.

15. No Extension of Credit – In executing this agreement, the Company does not, nor should it be construed to extend credit or financial support for the benefit of any third parties lending money to or having other transactions with the Customer or any assignee of this agreement.

16. Applicability of Tariff – The Company's tariff and associated technical terms and abbreviations, general rules, regulations and standard electric service requirements are incorporated herein by reference. In the event that this tariff and the Interconnection Agreement is revised due to rule changes approved by the Florida Public Service Commission, the Company and the Customer agree to replace this agreement with an amended agreement that complies with the amended Florida Public Service Commission rules.

17. Entire Agreement – This agreement supersedes all previous agreements or representations, either written or oral, heretofore in effect between the Company and the Customer, made in respect to matters herein contained, and when duly executed, this agreement constitutes the entire agreement between the parties.

18. Termination – Upon termination of this agreement, the Company shall open and padlock the manual disconnect switch, if applicable, and remove any additional kilowatt-hour meter and associated Company equipment. At the Customer's expense, the Customer agrees to permanently isolate the Facility from the Company's electric service grid. The Customer shall notify the Company in writing within ten (10) business days that the isolation procedure has been completed.

INTERCONNECTION AGREEMENT FOR CUSTOMER OWNED
TIER 2 RENEWABLE GENERATION SYSTEM
(Greater than 10 KW and Less than or Equal to 100 KW)
(Continued)

19. Retail Purchase of Electricity - "Customer-owned renewable generation" means an electric generating system located on a ~~customer's~~Customer's premise that is primarily intended to offset part or all of the ~~customer's~~Customer's electricity requirements with renewable energy. The term "~~customer owned~~Customer-owned renewable generation" does not preclude the ~~customer~~Customer of record from contracting for the purchase, lease, operation, or maintenance of an on-site renewable generation system with a third- party under terms and conditions but does not include the retail purchase of electricity from the third party.

20. The Customer agrees to indemnify and hold harmless the Company, its subsidiaries or affiliates, and their respective employees, officers and directors, against any and all liability, loss, damage, cost or expense which the Company, it subsidiaries, affiliates, and their respective employees, officers and directors may hereafter incur, suffer or be required to pay by reason of negligence on the part of the Customer under the obligations of this agreement. The Company agrees to indemnify and hold harmless the Customer, against any and all liability, loss, damage, cost or expense which the Customer may hereafter incur, suffer or be required to pay by reason of negligence on the part of the Company under the obligations of this agreement.

21. Communications, either emergency or routine, related to this agreement or operation of the installation shall be made to the following parties:

Company:

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Customer:

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INTERCONNECTION AGREEMENT FOR CUSTOMER OWNED
TIER 2 RENEWABLE GENERATION SYSTEMS
(Greater than 10 KW and Less than or Equal to 100 KW)
(Continued)

22. Dispute Resolution – The Company and Customer may seek resolution of disputes arising out of this interpretation of this agreement pursuant to Rule 25-22.032, F.A.C., Customer Complaints, or Rule 25-22.036, F.A.C., Initiation of Formal Proceedings.

IN WITNESS WHEREOF, the Customer and the Company execute this Agreement this _________ day of _________________________, ________.

Title: ________________________

WITNESS: FLORIDA PUBLIC UTILITIES COMPANY

____

By: ______________________________
Title: ______________________________
Date: ______________________________

Date: ________________________

WITNESS:

____
CUSTOMER

____

By: ______________________________
Title: ______________________________
Date: ______________________________

STANDARD FORMS
STANDARD INTERCONNECTION AGREEMENT - TIER 3

STANDARD INTERCONNECTION AGREEMENT FOR CUSTOMER OWNED TIER 3 RENEWABLE GENERATION SYSTEMS (Greater than 100 KW and Less than or Equal to 2 MW)

This agreement made and entered into as of this ____ day of ________________________________, ______________by and between ________________________________ hereinafter known at the "Customer" and Florida Public Utilities Company hereinafter know as the "Company". This agreement is made in accordance with Florida Public Commission Rule 25-6.065 F.A.C., Interconnection and Net Metering of Customer-Owned Renewable Generation and under the terms and conditions as approved by the Florida Public Service Commission pursuant to Rule 25-6.065(3), F.A.C.

1. The Customer's renewable generation system is within the Company service territory and is located at:

____

____

and should be installed and operational by:

___________________________, _____________.

2. Customer will ensure the installation will meet or exceed all requirements noted below, will provide the Company with reasonable notification prior to the operation of the system and will assist the Company in verifying that the installation complies with the agreement prior to operating in parallel with the Company's electric system.

3. The Customer's renewable generation system is described as follows:

a. Equipment Manufacturers Name and Address:

____

____

____

b. Manufacturers Reference Number, Serial Number, Type, Style, Model, Etc.

____

____

____

c. Name Plate Rating (KW and Voltage):

____

____

INTERCONNECTION AGREEMENT FOR CUSTOMER OWNED
TIER 3 RENEWABLE GENERATION SYSTEMS
(Greater than 100 KW and Less than or Equal to 2 MW)
(Continued)

4. Standard Interconnection Agreement Requirements – To qualify for expedited interconnection as a Tier 3 generator pursuant to Rule 25-6.065, F.A.C., the Facility must:

   (a) Comply with IEEE 1547 (2003) Standard for Interconnecting Distributed Resources with Electric Power Systems.

   (b) Comply with IEEE 1547.1 (2005) Standard Conformance Test Procedures for Equipment Interconnecting Distributed Resources with Electric Power Systems.

   (c) Comply with UL 1741 (2005) Inverters, Converters, Controllers and Interconnection System Equipment for Use With Distributed Energy Resources.

   (d) Have a Gross Power Rating that does not exceed 90% of the ~~customer's~~Customer's utility distribution service rating.

   (e) Have a Gross Power Rating of greater than 100 KW and less than or equal to 2 MW.

5. Customer Qualifications and Fees – The ~~customer~~Customer shall comply with the following to qualify as a Tier 3 generator pursuant to Rule 25-6.065, F.A.C.:

   (a) Customer-owned renewable generation shall be considered certified for interconnected operation if it has been submitted by a manufacturer to a nationally recognized testing and certification laboratory, and has been tested and listed by the laboratory for continuous interactive operation with an electric distribution system in compliance with the applicable codes and standards listed in Section (4).

   (b) Customer-owned renewable generation shall include a utility-interactive inverter, or other device certified pursuant to Section (5) (a) that performs the function of automatically isolating the ~~customer owned~~Customer-owned generation equipment from the electric grid in the event the electric grid loses power.

   (c) Should the Company determine that an interconnection study is necessary; a charge based on actual costs of the study will be the responsibility of the ~~customer~~Customer. Prior to initiation of the study, $2,000 (cost not to exceed $2,000) will be paid by the ~~customer~~Customer. Should actual study cost be less than $2,000, the difference will be refunded to the ~~customer~~Customer. Additionally, the ~~customer~~Customer will be responsible for cost associated with any modifications to the Company's system that is identified in the interconnection study.

INTERCONNECTION AGREEMENT FOR CUSTOMER OWNED TIER 3 RENEWABLE GENERATION SYSTEMS (Greater than 100 KW and Less than or Equal to 2 MW) (Continued)

Any such charges shall not be assessed on the Customer without prior approval of the FPSC as per Rule 25-6.065(4) (h). This agreement will not be executed until the expansion or other work identified in the study has been completed and payment received.

(d) Tier 3 ~~customers~~Customers who request interconnection of ~~customer owned~~Customer-owned renewable generation shall be charged a one-time non-refundable application fee of $350.

6. Inspection Requirements – Prior to operating the Customer system in parallel with Company's electric system, the Customer will:

(a) Have the ~~customer owned~~Customer-owned renewable generation inspected and approved by local code officials prior to its operation in parallel with the Company system to ensure compliance with applicable local codes.

(b) Make provisions that permit the Company to inspect ~~customer owned~~Customer-owned renewable generation and its component equipment, and the documents necessary to ensure compliance with Sections (4) and (5). The Customer shall notify the Company at least 10 days prior to initially placing ~~customer~~Customer equipment and protective apparatus in service and the Company shall have the right to have personnel present on the in-service date. If the ~~customer owned~~Customer-owned renewable generation system is subsequently modified in order to increase its gross power rating, the Customer must notify the Company by submitting a new application specifying the modifications at least 30 days prior to making the modifications.

(c) Provide for protection of the renewable generating equipment, inverters, protective devices, and other system components from damage from the normal and abnormal conditions and operations that occur on the Company system in delivering and restoring power; and is responsible for ensuring that ~~customer owned~~Customer-owned renewable generation equipment is inspected, maintained, and tested in accordance with the manufacturer's instructions to ensure that it is operating correctly and safely.

7. Indemnity for Loss to Third Parties - The Customer shall hold harmless and indemnify the Company for all loss to third parties resulting from the operation of the ~~customer owned~~Customer-owned renewable generation, except when the loss occurs due to the negligent actions of the Company. The Company shall hold harmless and indemnify the ~~customer~~Customer for all loss to third parties resulting from the operation of the Company's system, except when the loss occurs due to the negligent actions of the Customer.

INTERCONNECTION AGREEMENT FOR CUSTOMER OWNED
TIER 3 RENEWABLE GENERATION SYSTEMS
(Greater than 100 KW and Less than or Equal to 2 MW)
(Continued)

8. Customer Insurance Requirements – The Customer owning a Tier 3 generator is required by rule to obtain general liability insurance for personal and property damage in the amount of no less than two million dollars ($2,000,000) as a result of the operation of the generator. Prior to parallel operation, the Customer shall provide initial proof of insurance or sufficient guarantee and proof of ~~self insurance~~self-insurance, evidencing the generator. The Customer shall continue to provide proof of continuing insurance within 30 days of any policy renewal.

9. Manual Disconnect Switch – Customer's operating a Tier 3 generator shall install, at the ~~customer's~~Customer's expense, a manual disconnect switch of the visible load break type to provide a separation point between the AC power output of the ~~customer-owned~~Customer-owned renewable generation and any Customer wiring connected to the Company's system. The manual disconnect switch shall be mounted separate from, but adjacent to, the meter socket and shall be readily accessible to the Company and capable of being locked in the open position with a single Company padlock.

10. Disconnection From Customer System - The Company may open the manual disconnect switch pursuant to the conditions set forth below in (10) (a) – (10) (d), isolating the ~~customer-owned~~Customer-owned renewable generation, without prior notice to the Customer. To the extent practicable, however, prior notice shall be given. If prior notice is not given, the Company shall at the time of disconnection leave a door hanger notifying the Customer that their ~~customer-owned~~Customer-owned renewable generation has been disconnected, including an explanation of the condition necessitating such action. The Company shall reconnect the ~~customer-owned~~Customer-owned renewable generation as soon as the condition necessitating disconnection is remedied.

a. Emergencies or maintenance requirements on the Company's electric system;

b. Hazardous conditions existing on the Company system due to the operation of the Customer's generating or protective equipment as determined by the Company;

c. Adverse electrical effects, such as power quality problems, on the electrical equipment of the Company's other electric consumers caused by the ~~customer-owned~~Customer-owned renewable generation as determined by the Company;

d. Failure of the Customer to maintain the required insurance coverage.

INTERCONNECTION AGREEMENT FOR CUSTOMER OWNED TIER 3 RENEWABLE GENERATION SYSTEMS (Greater than 100 KW and Less than or Equal to 2 MW) (Continued)

11. Administrative Requirements

(a) The Company shall maintain on its website a downloadable application for interconnection of ~~customer owned~~Customer-owned renewable generation, detailing the information necessary to execute the Standard Interconnection Agreement. Upon request the Company shall provide a hard copy of the application within 5 business days.

(b) Within 10 business days of receipt of the Customer's application, the Company shall provide written notice that it has received all documents required by the Standard Interconnection Agreement or indicate how the application is deficient. Within 10 business days of receipt of a completed application, the Company shall provide written notice verifying receipt of the completed application. The written notice shall also include dates for any physical inspection of the ~~customer owned~~Customer-owned renewable generation necessary for the Company to confirm compliance with Sections (4) through (10) and confirmation regarding the requirement of a Tier 3 interconnection study.

(c) The Standard Interconnection Agreement shall be executed by the Company within 30 calendar days of receipt of a completed application. This will be extended to 90 calendar days if the Company determines that an interconnection study is required.

(d) The Customer must execute the Standard Interconnection Agreement and return it to the Company at least 30 calendar days prior to beginning parallel operations and within one year after the utility executes the Agreement. All physical inspections must be completed by the Company within 30 calendar days of receipt of the Customer's executed Standard Interconnection Agreement. If the inspection is delayed at the Customer's request, the Customer shall contact the utility to reschedule an inspection. The Company shall reschedule the inspection within 10 business days of the Customer's request.

INTERCONNECTION AGREEMENT FOR CUSTOMER OWNED TIER 3 RENEWABLE GENERATION SYSTEMS
(Greater than 100 KW and Less or Equal to 2 MN)
(Continued)

12. Net Metering

(a) The Company shall enable each ~~customer owned~~Customer-owned renewable generation facility interconnected to the investor-owned utility's electrical grid pursuant to this rule to net meter.

(b) The Company shall install, at no additional cost to the ~~customer~~Customer, metering equipment at the point of delivery capable of measuring the difference between the electricity supplied to the ~~customer~~Customer from the investor-owned utility and the electricity generated by the ~~customer~~Customer and delivered to the investor-owned utility's electric grid.

(c) Meter readings shall be taken monthly on the same cycle as required under the otherwise applicable rate schedule.

(d) The Company shall charge for electricity used by the ~~customer~~Customer in excess of the generation supplied by ~~customer owned~~Customer-owned renewable generation in accordance with normal billing practices.

(e) During any billing cycle, excess ~~customer owned~~Customer-owned renewable generation delivered to the Company's electric grid shall be credited to the Customer's energy consumption for the next month's billing cycle.

(f) Energy credits produced pursuant to Section (12) (e) shall accumulate and be used to offset the ~~customer's~~Customer's energy usage in subsequent months for a period of not more than twelve months. At the end of each calendar year, the Company shall pay the Customer for any unused energy credits at an average annual rate based on the Company's COG-1, as-available energy tariff.

(g) When a Customer leaves the system, that Customer's unused credits for excess kWh generated shall be paid to the Customer at an average annual rate based on the Company's COG-1, as-available energy tariff.

(h) Regardless of whether excess energy is delivered to the Company's electric grid, the ~~customer~~Customer shall continue to pay the applicable ~~customer~~Customer charge and applicable demand charge (if applicable) for the maximum measured demand during the billing period. The Company shall charge for electricity used by the Customer in excess of the generation supplied by ~~customer owned~~Customer-owned renewable generation at the Company's otherwise applicable rate schedule. The Customer may at their sole discretion choose to take service under the Company's standby or supplemental service rate, if available.

INTERCONNECTION AGREEMENT FOR CUSTOMER OWNED TIER 3 RENEWABLE GENERATION SYSTEMS (Greater than 100 KW and Less than or Equal to 2 MW) (Continued)

13. Renewable Energy Certificates - Customers shall retain any Renewable Energy Certificates associated with the electricity produced by their ~~customer-owned~~Customer-owned renewable generation equipment. Any additional meters necessary for measuring the total renewable electricity generated for the purposes of receiving Renewable Energy Certificates shall be installed at the Customer's expense, unless otherwise determined during negotiations for the sale of the Customer's Renewable Energy Certificates to the Company.

14. Change of Ownership – This agreement shall not be assigned or transferred without prior written consent of the Company. Should there be a change in ownership; the Customer shall provide the Company with 30 day notice prior to the change. The Company will contact the new owner prior to the end of the 30 days in order to execute a new agreement. The new owner will not be entitled to operate the generator in parallel with the Company system or be net metered until a new agreement is executed by both parties. However, this agreement shall inure to the benefit of and binding upon the respective heirs, legal representatives, successors and assigns of the parties involved until a new agreement is executed.

15. No Extension of Credit – In executing this agreement, the Company does not, nor should it be construed to extend credit or financial support for the benefit of any third parties lending money to or having other transactions with the Customer or any assignee of this agreement.

16. Applicability of Tariff – The Company's tariff and associated technical terms and abbreviations, general rules, regulations and standard electric service requirements are incorporated herein by reference. In the event that this tariff and the Interconnection Agreement is revised due to rule changes approved by the Florida Public Service Commission, the Company and the Customer agree to replace this agreement with an amended agreement that complies with the amended Florida Public Service Commission rules.

17. Entire Agreement – This agreement supersedes all previous agreements or representations, either written or oral, heretofore in effect between the Company and the Customer, made in respect to matters herein contained, and when duly executed, this agreement constitutes the entire agreement between the parties.

INTERCONNECTION AGREEMENT FOR CUSTOMER OWNED
TIER 3 RENEWABLE GENERATION SYSTEMS
(Greater than 100 KW and less than or Equal to 2 MW)
(Continued)

18. Termination – Upon termination of this agreement, the Company shall open and padlock the manual disconnect switch, if applicable, and remove any additional kilowatt-hour meter and associated Company equipment. At the Customer's expense, the Customer agrees to permanently isolate the Facility from the Company's electric service grid. The Customer shall notify the Company within ten (10) business days that the isolation procedure has been completed.

19. Retail Purchase of Electricity - "Customer-owned renewable generation" means an electric generating system located on a ~~customer's~~Customer's premise that is primarily intended to offset part or all of the ~~customer's~~Customer's electricity requirements with renewable energy. The term "~~customer owned~~Customer-owned renewable generation" does not preclude the ~~customer~~Customer of record from contracting for the purchase, lease, operation, or maintenance of an on-site renewable generation system with a third-party under terms and conditions but does not include the retail purchase of electricity from the third party.

20. The Customer agrees to indemnify and hold harmless the Company, its subsidiaries or affiliates, and their respective employees, officers and directors, against any and all liability, loss, damage, cost or expense which the Company, it subsidiaries, affiliates, and their respective employees, officers and directors may hereafter incur, suffer or be required to pay by reason of negligence on the part of the Customer under the obligations of this agreement. The Company agrees to indemnify and hold harmless the Customer, against any and all liability, loss, damage, cost or expense which the Customer may hereafter incur, suffer or be required to pay by reason of negligence on the part of the Company under the obligations of this agreement.

21. Communications, either emergency or routine, related to this agreement or operation of the installation shall be made to the following parties:

Company:	Customer:
______________________	______________________
______________________	______________________
______________________	______________________
______________________	______________________

INTERCONNECTION AGREEMENT FOR CUSTOMER OWNED
TIER 3 RENEWABLE GENERATION SYSTEMS
(Greater than 100 KW and Less than or Equal to 2 MW)
(Continued)

22. Dispute Resolution – The Company and Customer may seek resolution of disputes arising out of this interpretation of this agreement pursuant to Rule 25-22.032, F.A.C., Customer Complaints, or Rule 25-22.036, F.A.C., Initiation of Formal Proceedings.

IN WITNESS WHEREOF, the Customer and the Company execute this Agreement

this __________ day of _________________________, ________.

Title: ___ ___________________

WITNESS: FLORIDA PUBLIC UTILITIES COMPANY
COMPANY

_______________________ By: _______________________________

Title: _____________________________

Date: _____________________________

Date: __________ ____________

WITNESS: _____________________________
CUSTOMER

_______________________ By: _____________________________

Title: ____________________________

Date: _____________________________

CONTRACTS AND AGREEMENTS

Container Corporation of America
Agreement dated December 15, 1992

ITT Rayonier, Inc., Fernandina Division
Agreement dated March 14, 2012

Summary report: Litera Compare for Word 11.8.0.56 Document comparison done on 8/11/2024 1:55:25 PM	
Style name: Default Style	
Intelligent Table Comparison: Active	
Original filename: FPU Electric Tariff - eff. 01-01-2024 updated waiting on PSC - Original.docx	
Modified filename: FPU Electric Tariff - eff. 01-01-2024 updated waiting on PSC - CLEAN -08112024.docx	
Changes:	
Add	697
~~Delete~~	1089
~~Move From~~	0
Move To	0
Table Insert	3
~~Table Delete~~	0
Table moves to	0
~~Table moves from~~	0
Embedded Graphics (Visio, ChemDraw, Images etc.)	4
Embedded Excel	0
Format changes	0
Total Changes:	1793

FPSC EXH NO. 7

ADMITTED

J474

Florida Public Service Commission

COMPANY: FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 20240099-EI

Explanation: Trace how the billing determinants were derived from the preliminary forecasts used for test year budget. Provide supporting assumptions and details of forecasting techniques. Reconcile the billing determinants with the forecast by customer class determinants with the forecast by customer class in the Ten-Year-Site Plan.

Type of Data Shown:
X__ Projected Test Year Ended 12/31/2025
___ Prior Year Ended 12/31/2024
___ Historical Test Year Ended 12/31/2023
Witness: Taylor

The forecasting methods used to derive the projected billing determinants are described in Schedule F-5.

Line			RS	GS	GSD	GSLD	GSLD1/SB	LS	TOTAL SYSTEM
1									
9									
10	2024	Number of Bills	309,677	45,477	7,974	308	24	34,797	398,257
11									
12		Average No. of Bills	25,806	3,790	665	26	2	2,900	33,188
13									
14									
15									
16	2025	Number of Bills	310,747	45,568	8,016	296	24	34,824	399,475
17									
18		Average No. of Bills	25,896	3,797	668	25	2	2,902	33,290

Line			RS	GS	GSD	GSLD	GSLD1	LS	TOTAL SYSTEM
2									
3									
4	2025	NUMBER OF BILLS							
5		January	25,770	3,784	665	25	2	2,902	33,148
6		February	25,808	3,787	665	25	2	2,902	33,189
7		March	25,792	3,786	665	25	2	2,902	33,172
8		April	25,885	3,793	662	25	2	2,902	33,269
9		May	25,905	3,796	666	23	2	2,902	33,294
10		June	25,975	3,798	669	23	2	2,902	33,369
11		July	25,977	3,800	670	25	2	2,902	33,376
12		August	25,944	3,810	670	25	2	2,902	33,353
13		September	25,976	3,800	670	25	2	2,902	33,375
14		October	25,941	3,798	671	25	2	2,902	33,339
15		November	25,897	3,806	671	25	2	2,902	33,303
16		December	25,877	3,810	672	25	2	2,902	33,288
17									
18		Total No. of Bills	310,747	45,568	8,016	296	24	34,824	399,475
19									
20		Average No. of Bills	25,896	3,797	668	25	2	2,902	33,290
21									
24	Percent Increase (Decrease) 2024		0.35%	0.20%	0.53%	-3.90%	0.00%	0.08%	0.31%
25									
26	Percent Increase (Decrease) 2025		0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

Supporting Schedules: Recap Schedules: E-9

J474

FPSC EXH NO. 7
ADMITTED

Schedule E-16 Customers By Voltage Level

Florida Public Service Commission

COMPANY: FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 20240099-EI

Explanation: Provide a schedule of the number of customers served at transmission, sub transmission, primary distribution, and secondary distribution voltages by rate schedule for the test year and prior year. Customers served directly from a company-owned substation must be listed under the voltage level at which they are served.

Type of Data Shown:
X__ Projected Test Year Ended 12/31/2025
___ Prior Year Ended 12/31/2024
___ Historical Test Year Ended 12/31/2023
Witness: Haffecke

Line No.	Rate Schedule	Total Customers	Transmission Voltage Level	Distribution Primary Voltage Level	Distribution Secondary Voltage Level
	2025				
1	RS	25877	0	0	25,877
2					
3	GS	3810	0	3	3,807
4					
5	GSD	672	0	8	664
6					
7	GSLD	25	0	5	20
8					
9	GSLD1/SB	2	2	0	0
10					
11	OL	0	0	0	0
12					
13	OL-2	2899	0	0	2,899
14					
15	SL1-2	0	0	0	0
16					
17	SL3	0	0	0	0
18					
19					
20	TOTAL	33,285	2	16	33,267

Supporting Schedules: Recap Schedules: E-9

FPSC EXH NO. 7
ADMITTED

J476

Florida Public Service Commission

COMPANY: FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 20240099-EI

Explanation: Provide a schedule of the number of customers served at transmission, sub transmission, primary distribution, and secondary distribution voltages by rate schedule for the test year and prior year. Customers served directly from a company-owned substation must be listed under the voltage level at which they are served.

Type of Data Shown:
X__ Projected Test Year Ended 12/31/2025
___ Prior Year Ended 12/31/2024
___ Historical Test Year Ended 12/31/2023
Witness: Haffecke

Line No.	Rate Schedule	Total Customers	Transmission Voltage Level	Distribution Primary Voltage Level	Distribution Secondary Voltage Level
	2024				
1	RS	25791	0	0	25,791
2					
3	GS	3801	0	3	3,798
4					
5	GSD	663	0	8	655
6					
7	GSLD	25	0	5	20
8					
9	GSLD1/SB	2	2	0	0
10					
11	OL	0	0	0	0
12					
13	OL-2	2904	0	0	2,904
14					
15	SL1-2	0	0	0	0
16					
17	SL3	0	0	0	0
18					
19					
20	TOTAL	33,186	2	16	33,168

Supporting Schedules: Recap Schedules:

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 20240099-EI

EXPLANATION: Provide a schedule of the number of customers served at transmission, subtransmission, primary distribution, and secondary distribution voltages by rate schedule for the test year and prior year. (Customers served directly from a company-owned substation must be listed under the voltage level at which they are served.)

Type of Data Shown:
X__ Projected Test Year Ended 12/31/2025
___ Prior Year Ended 12/31/2024
___ Historical Test Year Ended 12/31/2023
Witness: Haffecke

Line No.	Rate Schedule	Total Customers	Transmission Voltage Level	Distribution Primary Voltage Level	Distribution Secondary Voltage Level
	2023				
1	RS	25,738	0	0	25,738
2					
3	GS	3,787	0	3	3,784
4					
5	GSD	668	0	8	660
6					
7	GSLD	26	0	5	21
8					
9	GSLD1/SB	2	2	0	0
10					
11	OL	0	0	0	0
12					
13	OL-2	2,905	0	0	2,905
14					
15	SL1-2	0	0	0	0
16					
17	SL3	0	0	0	0
18					
19					
20	TOTAL	33,126	2	16	33,108

Supporting Schedules: Recap Schedules:

Florida Public Service Commission

COMPANY: FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 20240099-EI

Explanation: For each rate class that is not 100% metered by time recording meters, provide the estimated historic value and 90% confidence interval by month from the latest load research for (1) contribution to monthly system peaks (coincident), (2) monthly non coincident peak (class peaks) and (3) monthly customer maximum demand (billing demand for demand classes). For classes that are 100% metered with time recording meters, provide actual monthly values for the aforementioned demands and identify such as actual values. Provide the annual kWh as well as the 12 CP Load Factor, Class NCP Load Factor and the Customer Load Factor for each class.

Type of Data Shown:
X___ Projected Test Year Ended 12/31/2025
___ Prior Year Ended 12/31/2024
___ Historical Test Year Ended 12/31/2023
Witness: Haffecke

Rate Schedule	Month and Year	Estimated Coincident Peak	90% Confidence Interval	Estimated Non coincident (Class) Peak	90% Confidence Interval	Estimated Customer Maximum Demand	90% Confidence Interval

Because of the relatively small electric system and non-generating status, the Company has not been required to conduct load research and such data on the Company's system is not available. No monthly analysis of non-coincident or customer maximum demands is available. Billing demands by month for demand rate class during 2025 are shown on schedule E-18.

Annual Peak:

12 Coincident Peak Average:

90% Confidence Interval:

Sum of individual customer maximum demands:

Annual kWh:

12 CP Load Factor:

Class (NCP) Load Factor:

Customer (Billing or Maximum Demand) Load Factor:

Supporting Schedules:

Recap Schedules:

FPSC EXH NO. 7
ADMITTED

J479

Florida Public Service Commission

COMPANY: FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 20240099-EI

Explanation: Provide monthly peaks for the test year and the five previous years.

Type of Data Shown:
X__ Projected Test Year Ended 12/31/2025
___ Prior Year Ended 12/31/2024
___ Historical Test Year Ended 12/31/2023
Witness: Haffecke

Line No.	Month & Year	Peak in MW	Day of Week	Day of Month	Hour	Actual (A) or Estimated (E)
1	Northwest Florida					
2						
3	January 2020	77.3	Sunday	19	9:00AM	A
4	February 2020	51.8	Tuesday	4	8:00AM	A
5	March 2020	29.9	Monday	16	5:00PM	A
6	April 2020	36.1	Wednesday	29	6:00PM	A
7	May 2020	53.2	Monday	11	3:00PM	A
8	June 2020	59.3	Thursday	11	6:00PM	A
9	July 2020	64.4	Monday	20	1:00PM	A
10	August 2020	68.2	Monday	31	3:00PM	A
11	September 2020	64.4	Wednesday	2	4:00PM	A
12	October 2020	45.5	Monday	26	8:00PM	A
13	November 2020	26.3	Friday	27	9:00AM	A
14	December 2020	37.2	Tuesday	22	1:00PM	A
15						
16	January 2021	77.3	Tuesday	19	9:00 AM	A
17	February 2021	51.8	Thursday	4	8:00 AM	A
18	March 2021	29.9	Tuesday	16	5:00 PM	A
19	April 2021	36.1	Thursday	29	6:00 PM	A
20	May 2021	53.2	Tuesday	11	3:00 PM	A
21	June 2021	59.3	Friday	11	6:00 PM	A
22	July 2021	64.4	Tuesday	20	1:00 PM	A
23	August 2021	68.2	Tuesday	31	3:00 PM	A
24	September 2021	64.4	Thursday	2	4:00 PM	A
25	October 2021	45.5	Tuesday	26	8:00 PM	A
26	November 2021	26.3	Saturday	27	9:00 AM	A
27	December 2021	37.2	Wednesday	22	1:00 PM	A
28						
29						
30						

Supporting Schedules: Recap Schedules:

Florida Public Service Commission

COMPANY: FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 20240099-EI

Explanation: Provide monthly peaks for the test year and the five previous years.

Type of Data Shown:
X__ Projected Test Year Ended 12/31/2025
___ Prior Year Ended 12/31/2024
___ Historical Test Year Ended 12/31/2023
Witness: Haffecke

Line No.	Month & Year	Peak in MW	Day of Week	Day of Month	Hour	Actual (A) or Estimated (E)
1	Northwest Florida	Northeast Florida				
2						
3	January 2020	62.8	Tuesday	14	6:00 AM	A
4	February 2020	63.8	Monday	17	6:00 AM	A
5	March 2020	45.2	Sunday	8	6:00 AM	A
6	April 2020	44.4	Tuesday	28	4:00 PM	A
7	May 2020	54.0	Monday	25	4:00 PM	A
8	June 2020	59.7	Monday	15	2:00 PM	A
9	July 2020	64.3	Thursday	30	4:00 PM	A
10	August 2020	63.8	Sunday	9	4:00 PM	A
11	September 2020	58.9	Tuesday	1	3:00 PM	A
12	October 2020	53.1	Thursday	15	3:00 PM	A
13	November 2020	53.5	Saturday	7	1:00 AM	A
14	December 2020	51.1	Wednesday	23	6:00 AM	A
15						
16	January 2021	62.8	Thursday	14	6:00 AM	A
17	February 2021	63.8	Wednesday	17	6:00 AM	A
18	March 2021	45.2	Monday	8	6:00 AM	A
19	April 2021	44.4	Wednesday	28	4:00 PM	A
20	May 2021	54.0	Tuesday	25	4:00 PM	A
21	June 2021	59.7	Tuesday	15	2:00 PM	A
22	July 2021	64.3	Friday	30	4:00 PM	A
23	August 2021	63.8	Monday	9	4:00 PM	A
24	September 2021	58.9	Wednesday	1	3:00 PM	A
25	October 2021	53.1	Friday	15	3:00 PM	A
26	November 2021	53.5	Sunday	7	1:00 AM	A
27	December 2021	51.1	Thursday	23	6:00 AM	A
28						
29						
30						

Supporting Schedules:

Florida Public Service Commission

COMPANY: FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 20240099-EI

Explanation: Provide monthly peaks for the test year and the five previous years.

Type of Data Shown:
X__ Projected Test Year Ended 12/31/2025
___ Prior Year Ended 12/31/2024
___ Historical Test Year Ended 12/31/2023
Witness: Haffecke

Line No.	Month & Year	Peak in MW	Day of Week	Day of Month	Hour	Actual (A) or Estimated (E)
1	Northwest Florida					
2						
3	January 2022	77.3	Wednesday	19	9:00AM	A
4	February 2022	51.8	Friday	4	8:00AM	A
5	March 2022	29.9	Wednesday	16	5:00PM	A
6	April 2022	36.1	Friday	29	6:00PM	A
7	May 2022	53.2	Wednesday	11	3:00PM	A
8	June 2022	59.3	Saturday	11	6:00PM	A
9	July 2022	64.4	Wednesday	20	1:00PM	A
10	August 2022	68.2	Wednesday	31	3:00PM	A
11	September 2022	64.4	Friday	2	4:00PM	A
12	October 2022	45.5	Wednesday	26	8:00PM	A
13	November 2022	26.3	Sunday	27	9:00AM	A
14	December 2022	37.2	Thursday	22	1:00PM	A
15						
16	January 2023	56.4	Monday	16	7:00 AM	A
17	February 2023	51.2	Monday	13	6:00 AM	A
18	March 2023	49.0	Tuesday	21	6:00 AM	A
19	April 2023	45.7	Wednesday	5	4:00 PM	A
20	May 2023	55.7	Monday	15	2:00 PM	A
21	June 2023	61.5	Tuesday	27	4:00 PM	A
22	July 2023	64.1	Thursday	27	4:00 PM	A
23	August 2023	66.7	Monday	14	4:00 PM	A
24	September 2023	61.1	Thursday	7	3:00 PM	A
25	October 2023	49.1	Tuesday	3	3:00 PM	A
26	November 2023	57.6	Thursday	30	6:00 AM	A
27	December 2023	56.3	Wednesday	20	7:00 AM	A
28						
29						
30						

Supporting Schedules:

J481

Florida Public Service Comm
COMPANY: FLORIDA PU
Consolidated Electric Div
DOCKET NO.: 20240099-

Explanation: Provide monthly peaks for the test year and the five previous years.

Type of Data Shown:
X__ Projected Test Year Ended 12/31/2025
___ Prior Year Ended 12/31/2024
___ Historical Test Year Ended 12/31/2023
Witness: Haffecke

Line No.	Month & Year	Peak in MW	Day of Week	Day of Month	Hour	Actual (A) or Estimated (E)
1	Northwest Florida	Northeast Florida				
2						
3	January 2022	62.8	Friday	14	6:00 AM	A
4	February 2022	63.8	Thursday	17	6:00 AM	A
5	March 2022	45.2	Tuesday	8	6:00 AM	A
6	April 2022	44.4	Thursday	28	4:00 PM	A
7	May 2022	54.0	Wednesday	25	4:00 PM	A
8	June 2022	59.7	Wednesday	15	2:00 PM	A
9	July 2022	64.3	Saturday	30	4:00 PM	A
10	August 2022	63.8	Tuesday	9	4:00 PM	A
11	September 2022	58.9	Thursday	1	3:00 PM	A
12	October 2022	53.1	Saturday	15	3:00 PM	A
13	November 2022	53.5	Monday	7	1:00 AM	A
14	December 2022	51.1	Friday	23	6:00 AM	A
15						
16	January 2023	58.8	Thursday	19	9:00 AM	A
17	February 2023	44.2	Tuesday	7	8:00 AM	A
18	March 2023	45.2	Tuesday	7	2:00 PM	A
19	April 2023	44.2	Saturday	1	7:00 PM	A
20	May 2023	67.0	Tuesday	9	6:00 PM	A
21	June 2023	73.3	Tuesday	13	6:00 PM	A
22	July 2023	87.3	Friday	21	7:00 PM	A
23	August 2023	73.4	Thursday	10	4:00 PM	A
24	September 2023	75.2	Thursday	7	5:00 PM	A
25	October 2023	51.8	Sunday	1	5:00 PM	A
26	November 2023	43.5	Wednesday	29	8:00 AM	A
27	December 2023	54.6	Sunday	31	9:00 AM	A
28						
29						
30						

Supporting Schedules: Recap Schedules:

Florida Public Service Commission

COMPANY: FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 20240099-EI

Explanation: Provide monthly peaks for the test year and the five previous years.

Type of Data Shown:
X__ Projected Test Year Ended 12/31/2025
___ Prior Year Ended 12/31/2024
___ Historical Test Year Ended 12/31/2023
Witness: Haffecke

Explanation:

Line No.	Month & Year	Peak in MW	Day of Week	Day of Month	Hour	Actual (A) or Estimated (E)	Peak in MW
1	Northwest Florida						Northeast Florida
2							
3	January 2024	73.1	Wednesday	17	7:00 AM	A	77.8
4	February 2024	52.6	Tuesday	20	7:00 AM	A	66.2
5	March 2024	39.5	Tuesday	12	7:00 AM	A	43.0
6	April 2024	38.5	N/A	N/A	N/A	E	44.4
7	May 2024	53.8	N/A	N/A	N/A	E	57.2
8	June 2024	59.9	N/A	N/A	N/A	E	63.1
9	July 2024	64.3	N/A	N/A	N/A	E	70.0
10	August 2024	67.8	N/A	N/A	N/A	E	66.2
11	September 2024	63.6	N/A	N/A	N/A	E	63.0
12	October 2024	46.4	N/A	N/A	N/A	E	52.8
13	November 2024	34.1	N/A	N/A	N/A	E	51.0
14	December 2024	42.0	N/A	N/A	N/A	E	52.0
15							
16	January 2025	73.5	N/A	N/A	N/A	E	78.2
17	February 2025	52.9	N/A	N/A	N/A	E	66.5
18	March 2025	39.7	N/A	N/A	N/A	E	43.2
19	April 2025	38.7	N/A	N/A	N/A	E	44.6
20	May 2025	54.1	N/A	N/A	N/A	E	57.5
21	June 2025	60.2	N/A	N/A	N/A	E	63.4
22	July 2025	64.6	N/A	N/A	N/A	E	70.4
23	August 2025	68.1	N/A	N/A	N/A	E	66.5
24	September 2025	63.9	N/A	N/A	N/A	E	63.3
25	October 2025	46.6	N/A	N/A	N/A	E	53.0
26	November 2025	34.3	N/A	N/A	N/A	E	51.3
27	December 2025	42.2	N/A	N/A	N/A	E	52.2
28							
29							
30							

Complete

Supporting Schedules:

Florida Public Service Commission
COMPANY: FLORIDA PUBLIC UTI
Consolidated Electric Division
DOCKET NO.: 20240099-EI

Provide monthly peaks for the test year and the five previous years.

Type of Data Shown:
X__ Projected Test Year Ended 12/31/2025
___ Prior Year Ended 12/31/2024
___ Historical Test Year Ended 12/31/2023
Witness: Haffecke

Line No.	Month & Year	Day of Week	Day of Month	Hour	Actual (A) or Estimated (E)
1	Northwest Florida				
2					
3	January 2024	Friday	19	9:00 AM	A
4	February 2024	Monday	19	8:00 PM	A
5	March 2024	Monday	25	10:00 AM	A
6	April 2024	N/A	N/A	am	E
7	May 2024	N/A	N/A	N/A	E
8	June 2024	N/A	N/A	N/A	E
9	July 2024	N/A	N/A	N/A	E
10	August 2024	N/A	N/A	N/A	E
11	September 2024	N/A	N/A	N/A	E
12	October 2024	N/A	N/A	N/A	E
13	November 2024	N/A	N/A	N/A	E
14	December 2024	N/A	N/A	N/A	E
15					
16	January 2025	N/A	N/A	N/A	E
17	February 2025	N/A	N/A	N/A	E
18	March 2025	N/A	N/A	N/A	E
19	April 2025	N/A	N/A	N/A	E
20	May 2025	N/A	N/A	N/A	E
21	June 2025	N/A	N/A	N/A	E
22	July 2025	N/A	N/A	N/A	E
23	August 2025	N/A	N/A	N/A	E
24	September 2025	N/A	N/A	N/A	E
25	October 2025	N/A	N/A	N/A	E
26	November 2025	N/A	N/A	N/A	E
27	December 2025	N/A	N/A	N/A	E
28					
29					
30					

Supporting Schedules: Recap Schedules:

Florida Public Service Commission

COMPANY: FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 20240099-EI

Explanation: Provide estimates of demand and energy losses for transmission and distribution system components and explain the methodology used in determining losses.

Type of Data Shown:
X___ Projected Test Year Ended 12/31/2025
___ Prior Year Ended 12/31/2024
___ Historical Test Year Ended 12/31/2023
Witness: Haffecke

	Demand Losses by Component: Energy Losses	Winter Peak	Summer Peak	12 Month Average
Transmission System				
Generator Step-up Transformer }				
Transmission Line (69 kV) }	The Company maintains a small amount of transmission plant in the Northeast Division. The losses			
Transmission Substations }	associated with these facilities is insignificant in comparison to total system losses.			
Common Sub Transmission Lines (40 kV to 69 kV) }				
Direct Assigned Subtransmission* }				
Distribution System				
Distribution Substation }	N/A	N/A	N/A	
Distribution Primary Lines (kV to 39 kV)	2%	2.5%	2.5%	
Distribution Primary Services*				
Distribution Line Transformers				
Distribution Secondary Line }	2.5%	3.1%	3.1%	
Distribution Secondary Drops }				

*Provide only if over 1% of total line losses

Metholdology and Assumption:

For the 2025 test year, overall energy losses were assumed to be the same as those experienced in the previous rate proceeding. Of this, 2.5% were estimated to be from the secondary system. Demand losses are estimated to be 25% greater overall than the energy losses. Secondary demand losses were thus computed to be 3.1% and the balance primary.

Supporting Schedules: Recap Schedules:

J485

Florida Public Service Commission

COMPANY: FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 20240099-EI

Explanation: Show energy losses by rate schedule for the test year and explain the methodology and assumptions used in determining these losses.

Type of Data Shown:
X Projected Test Year Ended 12/31/2025
___ Prior Year Ended 12/31/2024
___ Historical Test Year Ended 12/31/2023
Witness: Haffecke

Rate Schedule	(1) Energy at Generation	(2) Sales at Meter	(3) Losses and Company Use MWH	(3) Losses and Company Use %	(4) Delivered Efficiency (2) / (1)	(5) Company Use	(6) System Losses
RS	321,168	300,934	20,234	6.3%	0.937	N/A	20,234
GS	63,854	59,832	4,023	6.3%	0.937	N/A	4,023
GSD	173,214	162,302	10,912	6.3%	0.937	N/A	10,912
GSLD	83,437	78,181	5,257	6.3%	0.937	N/A	5,257
GSLD1	66,156	80,465	-14,309	-21.6%	1.216	N/A	-14,309
OL	3,326	3,117	210	6.3%	0.937	N/A	210
SL	0	0	0	0.0%	0.0000	N/A	0
TOTAL	711,156	684,830	26,326	3.7%	0.963	N/A	26,326

Supporting Schedules: Recap Schedules:

Florida Public Service Commission

COMPANY: FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 20240099-EI

Explanation: Show maximum demand losses by rate schedule for the test year and explain the methodology and assumptions used in determining losses.

Type of Data Shown:
X__ Projected Test Year Ended 12/31/2025
___ Prior Year Ended 12/31/2024
___ Historical Test Year Ended 12/31/2023
Witness: Haffecke

Rate Schedule	(1) 12 Month Average Coincident Demand At Generation (kW)	(2) 12 Month Average Coincident Peak At The Meter (kW)	(3) Total Losses kW (l) - (2)	(4) Percent Losses	(5) Company Use	(6) System Losses
RS	56,970	53,593	3,376	6.30%	N/A	3,376
GS	11,977	11,267	710	6.30%	N/A	710
GSD	25,880	24,346	1,534	6.30%	N/A	1,534
GSLD	10,811	10,171	641	6.30%	N/A	641
GSLD1	11,107	10,889	218	2.00%	N/A	218
OL	684	644	41	6.30%	N/A	41
SL	0	0	0	0.00%	N/A	0
TOTAL	117,429	110,910	6,519	5.55%	N/A	6,519

Supporting Schedules:

Recap Schedules:

FLORIDA PUBLIC UTILITIES
DOCKET NO. 20240099-EI
MINIMUM FILING REQUIREMENTS
TABLE OF CONTENTS

FLORIDA PUBLIC SERVICE COMMISSION COMPANY: FLORIDA PUBLIC UTILITIES Consolidated Electric Division DOCKET NO.: 20240099-EI	EXPLANATION: Provide a copy of the most recent Annual Report to Shareholders and all subsequent Quarterly Reports. The company shall file all Quarterly and Annual Reports as they become available during the proceeding.	Type of Data Shown: Projected Test Year Ended 12/31/2025 Prior Year Ended 12/31/2024 Historical Test Year Ended 12/31/2023 Witness: Galtman

See Attachment F-1 2023 Annual Report. At this time there have been no subsequent quarterly reports filed.

Supporting Schedules:

Recap Schedules:

J490

CHESAPEAKE UTILITIES CORPORATION

2023 ANNUAL REPORT

UNLOCKING OPPORTUNITIES
WITH STRATEGIC INTENTION

CHESAPEAKE UTILITIES CORPORATION

SAFETY FIRST:
Introducing Innovative Lone Worker Personal Monitors

Safety is our priority. In 2023, we introduced a comprehensive safety initiative incorporating lone worker personal monitors. These devices serve as a crucial lifeline, utilizing wearable technology to connect workers to immediate assistance, if necessary. The monitors continuously track gas concentrations in the surrounding environment and trigger notifications, including direct communication with the employee through a dedicated call center.

Key features of these devices include:

- GPS functionality enabled with satellite technology
- No-motion and fall detection capabilities
- Missed check-in notifications
- SOS latch with visible/audible alarm

"This device can be a true lifeline for our employees, ensuring constant communication, and is just one of the many ways in which we are committed to protecting our team."

KYLE MOORE, GENERAL MANAGER, OHIO, AND DIRECTOR OF OPERATIONS SAFETY AND DAMAGE PREVENTION

Dear Fellow Shareholders,

2023 was an extraordinary year of challenges and opportunities for Chesapeake Utilities. The year began with one of the mildest winters on record, resulting in several million dollars of reduced energy delivery margins. The unfavorable weather, in combination with rising interest rates, could have resulted in a negative impact of over $0.75 per share for the year. But, by the end of summer, we had effectively managed through a significant portion of the potential EPS impact and were working toward a 17th consecutive year of record earnings.*

17th consecutive year of record earnings*

Our regulated natural gas distribution businesses continued to gain customers at more than twice the national average, and we executed on several opportunities to expand our natural gas transmission systems. Even with unusually warm weather, our propane business was on target to, as usual, make its meaningful contribution to the Company's earnings, with returns well above authorized regulated levels. Capital investment for growth across the Company was tracking to exceed $200 million for the year. Looking to the future, we launched the largest technology improvement project in our history, with the first phase aimed at the conversion of two legacy customer information systems to a consolidated SAP platform. We also continued to make solid progress in our other business transformation initiatives focused on safety, employee engagement and the customer experience.

By any measure, 2023 was shaping up to be another successful and profitable year. However, as has been typical of Chesapeake Utilities over many years, we pushed ourselves to take advantage of additional opportunities as they arose. Late in the summer, we evaluated the opportunity to acquire Florida City Gas (FCG) from NextEra Energy. We announced a definitive Stock Purchase Agreement toward the end of September. In what had to be near record time, we were able to complete the financing, including a significant equity offering, and close a transformational $923 million transaction on Nov. 30, 2023. The acquisition more than doubled our regulated operations in Florida, a growing state with a constructive business climate where we have operated successfully for nearly 40 years.

JEFF HOUSEHOLDER, CHAIR OF THE BOARD, PRESIDENT AND CEO

"The acquisition of Florida City Gas, along with continued customer demand in our legacy businesses, puts us in position to achieve transformational growth over the next several years. Unlocking opportunities that make us a top performer has been a hallmark of the Chesapeake Utilities story."

In adjusted diluted EPS

LETTER FROM THE PRESIDENT

Strategically, the FCG acquisition meshes well with our legacy businesses. It also provides an opportunity to drive incremental earnings growth by enlarging our total investment platform. In combination with growth opportunities in our traditional regulated and non-regulated businesses, the addition of FCG gives us confidence that we can sustain our history of top-quartile financial performance. We expect strong organic growth to meet growing customer demand for service at FCG, similar to that of our other regulated gas distribution utilities. Additionally, we see numerous opportunities to leverage our Peninsula Pipeline Company (PPC) intrastate transmission and Marlin compressed natural gas (CNG) transport businesses to support FCG customer growth and meet the increasing demand for gas in South Florida. We are projecting $500 million of capital investment associated with the FCG transaction over the next five years. The incremental FCG-related investment opportunity propels our total capital deployment forecast to $1.5 billion to $1.8 billion over the next five years.

Strategic Intent

At Chesapeake Utilities, we speak frequently about strategic intent, disciplined investment and an unwavering focus on the operational fundamentals that support long-term growth. We have a clear vision of who we are, what we are good at and where we are headed. Our ability to consistently deliver both internal expansion projects and select targeted acquisitions speaks to our robust strategic planning process and ability to successfully execute on opportunities aligned with our strategic objectives, financial discipline and operational capabilities.

When I became president five years ago, there were two things that were top of mind. First, I wanted to expand and refine our long-standing strategic planning process. If Chesapeake Utilities was going to continue to produce top-quartile financial performance, we needed to understand the growth trajectory inherent in our existing businesses and plan accordingly. That led to many interesting conversations. After all, our existing businesses were booming (and they still are). Over the past five years, we have invested approximately $1 billion in those businesses. The Company has produced a five-year EPS growth compound annual growth rate (CAGR) of 8.9% (based upon 2023 Adjusted Diluted EPS of $5.31).*

> *Our Total Shareholder Return over the same period was at the 100th percentile among our peer group.*

Of course, the fundamental growth question was straightforward. In a business designed to deploy capital to serve customers and generate earnings, could our existing businesses indefinitely sustain a level of capital investment that supported top-quartile earnings growth?

Our strategic planning projections indicated excellent growth prospects in our existing businesses. As mentioned above, those projections proved to be accurate over the past five years. In fact, given continued increases in customer demand, in 2023 we increased the investment projections for our legacy Chesapeake Utilities business units through 2028. However, when we looked out over a longer-term planning horizon, it became clear that to sustain our historic earnings performance we would eventually need to add another significant platform for growth.

The second thing on my mind back in 2019 was the need to evolve our business practices to keep pace with a rapidly growing company. Chesapeake Utilities had doubled in size twice in the 10 years since the 2009 acquisition of Florida Public Utilities (FPU). Our projections in 2019 indicated that we could double again by the end of 2023; and we did exactly that. Today, with the acquisition of FCG and the significant growth we continue to achieve in our legacy businesses, there is a distinct possibility of once again repeating that level of growth over the next several years.

*Amount excludes transaction-related expenses associated with the FCG acquisition

Major Growth Initiatives

Many opportunities for expansion exist within our established core distribution and transmission businesses. Below are several projects aimed at fostering growth in the years ahead:

120K+ customers added with FCG acquisition

- **Organic Natural Gas Growth:** Organic growth in our territories outpaced the national average. In 2023, we experienced residential customer growth of 5.4% in our Delmarva service territories and a 3.9% increase in our Florida service territories. Through the FCG acquisition, we added more than 120,000 customers.
- **Largest-Ever Technology-Based Capital Improvement Project:** 1CX, with an expected total investment of more than $50 million, launched in 2023 to improve billing service platforms for our regulated utility customers and employees. Go-live is expected by the end of 2024.
- **Florida Rate Cases:** FCG and FPU both completed rate cases in 2023. The anticipated collective impact is a $31.3 million increase in adjusted gross margin. 2024 is the first full year rates are in effect.
- **Infrastructure Safety and Reliability Programs:** FPU's GUARD program, coupled with FCG's SAFE program, are projected to reach $410 million in capital investment over the next decade. Eastern Shore Natural Gas' (ESNG) capital surcharge program provides a rate recovery mechanism for certain pipeline replacement expenditures and does not include a specific limit on capital investment or time frame. Additionally, our electric storm protection plan and associated cost recovery mechanisms, approved by the Florida Public Service Commission (FPSC) in Q4 2022, resulted in approximately $8 million in capital investment in 2023.

TRANSMISSION PROJECTS

- **Liquefied Natural Gas (LNG) Storage and Peaking Facility:** ESNG filed an application with the Federal Energy Regulatory Commission (FERC) for its $80 million Worcester Resiliency Upgrade in Bishopville, Maryland, to enhance capacity for delivering essential energy services during peak winter heating seasons.
- **PPC Wildlight Community Expansion, Yulee, Florida:** Various phases of this projected $13.4 million capital investment commenced in Q1 2023 and will continue through 2025, with a projected adjusted gross margin of $2.6 million in 2025.
- **ESNG Southern Expansion, Bridgeville, Delaware:** This $14 million capital investment will generate adjusted gross margin of $2.3 million in 2024 and thereafter.
- **PPC Newberry Pipeline Expansion, Newberry, Florida:** This $18.1 million expansion project will bring gas service to the city of Newberry with a projected adjusted gross margin of $0.9 million in 2024 and $2.6 million in 2025.
- **PPC St. Cloud/Twin Lakes Expansion:** This $3.5 million project will expand service in Osceola County, Florida, and support the existing distribution system. Projected adjusted gross margin is $0.6 million in 2024 and beyond.
- **PPC Winter Haven Expansion:** This $3.5 million expansion project is anticipated to generate $0.6 million adjusted gross margin in 2024 and beyond.

OUR REGULATED NATURAL GAS DISTRIBUTION BUSINESSES CONTINUED TO GAIN CUSTOMERS AT MORE THAN TWICE THE NATIONAL AVERAGE, CONTINUALLY EXPANDING OUR SERVICE TERRITORIES.

LETTER FROM THE PRESIDENT

Transformational growth requires transformational capabilities. Successfully managing and operating a company with the dramatic growth we have experienced at Chesapeake Utilities requires an investment in people, processes and technology, along with realignments in organizational structure. At the end of the day, in any organization, it's all about people. If you have a great team, you can do great things. Our growth over the years, and certainly our accomplishments in 2023, reflect a commitment to excellence and the demonstrated capability of Chesapeake Utilities team members throughout our Company. 2023 wasn't an easy year. Coming off two-plus years of COVID pandemic impacts, we were focused on overcoming a warm winter, solving lingering supply chain issues, working through regulatory and commodity pricing uncertainty that impacted the timing of growth projects, navigating a tumultuous economic environment and implementing substantive technology initiatives. When we asked the team to add on the FCG acquisition, it was an opportunity met with enthusiasm and purpose.

We've been intentional about building a strong team. Our focus has been on developing an increasingly engaged group of employees committed to Chesapeake Utilities' strategic objectives and willing to take the actions necessary to drive success. We have worked to eliminate operational silos by simplifying our organizational structure, moving toward greater standardization of our processes, improving technology and increasing collaboration across our businesses. We've brought additional talent and skill sets into the Company, enhanced operational controls and rallied around issues such as safety, inclusion and a customer-centric view of our energy delivery mission.

We also significantly strengthened our balance sheet over the past five years, anticipating that future growth would likely involve financing a substantial acquisition or other major investment. Our equity ratio (equity/total capitalization including short-term debt) moved from 45% at the end of 2018 to 53% at the time we committed to the FCG acquisition. Our performance track record and balance sheet positioned us to take advantage of the FCG opportunity when it became available. The timing wasn't perfect. Interest rates went up and valuations in the utility market were resetting.

Sustainability in Action

Our renewable natural gas (RNG) projects have led to pioneering advancements. Here are some of our RNG projects that demonstrate ingenuity and financial viability:

- **Full Circle Dairy RNG Facility, Lee, Florida,** is a $29.6 million capital investment, which includes a 1MW solar array and a 1.5-mile pipeline for gas distribution. Construction of the facility involved pioneering the creation and deployment of a CNG/RNG-fueled, self-contained irrigation and waste pump directly on the farm. Powered by RNG derived from dairy waste generated on-site, the groundbreaking system not only marks a significant advancement in sustainable agriculture, but also lays the groundwork for future conversions of irrigation and waste pump machinery to RNG/CNG fuel sources. The first injection of RNG from this facility is projected to occur in the first half of 2024.
- **Peninsula Pipeline Company (PPC) Injection Point, Yulee, Florida,** accepts RNG, CNG and liquefied natural gas (LNG) and is our first enhancement of a gate system in Florida that allows for alternative fuels to be injected into the pipeline delivery system. This helps FPU expand service to meet the growing demand in the Wildlight community and surrounding areas.
- **Planet Found Energy Development, LLC (PFED),** purchased in 2022, is undergoing improvements to manufacture RNG that aligns with market standards.
- **ESNG Injection Points** - In December 2023, ESNG received FERC approval for a tariff service enabling the expansion of facilities to inject RNG and/or CNG into specific injection points and create a market for RNG produced at the PFED facility.

THE NEW FACILITY AT FULL CIRCLE DAIRY IN LEE, FLORIDA, IS A $29.6 MILLION CAPITAL INVESTMENT AND A SIGNIFICANT ADVANCEMENT IN SUSTAINABLE AGRICULTURE.

But we have evolved into an organization strong enough to overcome the margin deficits from an abnormally warm 2023 winter, rising interest rates, a significant downturn in utility industry stock prices and the initiation of a large technology project to successfully conclude a transformational acquisition. Excluding the one-time costs related to the FCG acquisition, our 2023 adjusted diluted EPS was $5.31, another record year of earnings.

Through all the growth, the changes in the work environment and our internal business transformation efforts, we have been able to retain the special culture that has marked Chesapeake Utilities' success over the years. Our employee engagement metrics have continued to reach higher levels. We've focused on the things our team has identified as most important: recognition for great work, communication about strategy and the connection of individual jobs to Company objectives and developing employees to succeed in a changing work environment. I'll say it again:

"We have a great team. We all embrace and foster the unique Chesapeake Utilities culture. Our culture is grounded in a solid foundation of regulated businesses, but enhanced by an entrepreneurial, innovative and competitive market mindset applied to everything we do. It's been a successful combination – an intentional strategy."

FLORIDA CITY GAS

Unlocking Opportunities

Going into the FCG acquisition, we clearly understood the economics of the deal. We knew that overcoming the premium paid to acquire this business was going to require a combination of prudent capital investment, operational synergies, cost management across our entire enterprise and proactive regulatory initiatives. We were prepared to manage the Company to achieve 2024 EPS above our 2023 adjusted earnings. We were also targeting to achieve our previously issued EPS guidance level of $6.15 to $6.35 per share for 2025.

The market shift for utilities that occurred at the end of September 2023 posed additional challenges to reaching our guidance range in 2025. Utility stock prices declined at exactly the wrong time for us, although it was great timing for investors who acquired Chesapeake Utilities shares at what turned out to be a significant discount. However, that event did not shake our belief that the FCG transaction continued to be the right set of assets in the right place to help us sustain our top-quartile performance record into the future. The acquisition was consistent with our long-term capital deployment growth strategy. We were confident that the incremental investment opportunities associated with FCG would make a significant contribution to achieving our long-term earnings objectives.

So, we did what we always do at Chesapeake Utilities when things don't go quite according to plan: figure out what it takes to make it work and get on with it.

DORAL OFFICE, FLORIDA CITY GAS; WITH THE ACQUISITION OF FCG, CHESAPEAKE UTILITIES MORE THAN DOUBLED ITS CUSTOMER BASE AND NATURAL GAS INFRASTRUCTURE IN THE STATE OF FLORIDA.

We recalculated our operating income targets and reset the measures needed to meet our guidance commitments. It won't be easy, but there is a clear path to achieving 2024 earnings above our adjusted 2023 earnings and achieving our guidance in 2025. Our entire organization is focused on making this happen. The other thing we are focused on is ensuring our actions over the next two years, especially our capital investments, continue to drive earnings growth in 2026, and the years to follow. Our legacy businesses are strong and growing. The FCG assets are poised to contribute to the incremental growth that will provide top-quartile earnings potential for years to come.

The interesting thing for me is that we've done all this before, more than once. We've doubled the size of our Company three times over the past 15 years, including integrating and subsequently growing another transformational acquisition, the Florida Public Utilities Company in 2009. The work we have ahead of us is nothing new. None of it has been easy, but we always found a way to succeed. As we grew, we never sacrificed performance. We maintained our place among the leading companies in the industry.

Now, we have the opportunity in front of us to transform the Company again. We'll use the same time-tested playbook. Focus on the fundamentals. Provide safe and reliable service to customers. Continue a disciplined approach to investing capital for growth. Proactively work with regulators. Pay attention to our people, processes and technology. Drive value for our shareholders.

It has been an exciting year. The team did a wonderful job overcoming the potential earnings impacts of unfavorable weather and tough economic conditions. The acquisition of Florida City Gas, along with continued customer demand in our legacy businesses, puts us in a position to achieve transformational growth over the next several years. Unlocking opportunities that make us a top performer has been a hallmark of the Chesapeake Utilities story. We've had a great run thus far, with almost unprecedented growth. I think we are just getting started.

Thank you for your interest and trust in Chesapeake Utilities Corporation.

Sincerely,

Jeff Householder
Chair of the Board, President and CEO

STRENGTHENING SHAREHOLDER RETURNS

$5.31
adjusted diluted EPS for 2023, reflecting 5% growth over 2022, and marking the 17th consecutive year of record earnings for the Company.*

$33.9M
adjusted gross margin increase in 2023, representing an 8.1% growth compared to 2022 and marking one of the highest annual increases in our history.

50.2%
operating expenses as a percentage of adjusted gross margin in 2023, a lower percentage than the five-year average (2018-2022), despite the FCG acquisition.

65%
increase in capital expenditure guidance, from $900 million to $1.1 billion (2021-2025) to $1.5 billion to $1.8 billion for the five years ended 2028.

$211M
invested in capital expenditures in 2023, with the Company investing $1.9 billion in new capital investments over the last five years.

$3.3B
in total assets at December 31, 2023, an increase of approximately 50% over 2022.

*In adjusted diluted EPS.

FINANCIAL HIGHLIGHTS

Dollars in thousands, except per share data.	2023	2022	2023/2022 % CHANGE	2021	2022/2021 % CHANGE
ADJUSTED GROSS MARGIN[1]	$ 454,123	$ 420,198	8%	$ 383,017	10%
OPERATING INCOME	$ 150,803	$ 142,933	6%	$ 131,112	9%
NET INCOME	$ 87,212	$ 89,796	-3%	$ 83,466	8%
ADJUSTED NET INCOME[2]	$ 97,837	$ 89,796	9%	$ 83,466	8%
DILUTED EARNINGS PER SHARE					
GAAP	$ 4.73	$ 5.04	-6%	$ 4.73	7%
Adjusted[2]	$ 5.31	$ 5.04	5%	$ 4.73	7%
ANNUALIZED DIVIDENDS PER SHARE	$ 2.36	$ 2.14	10%	$ 1.92	11%
TOTAL ASSETS	$ 3,304,704	$ 2,215,037	49%	$ 2,114,869	5%
STOCKHOLDERS' EQUITY[3]	$ 1,246,104	$ 832,801	50%	$ 774,130	8%
OTHER					
EMPLOYEES AT YEAR-END[4]	1,281	1,034	24%	1,007	3%
SHARES OUTSTANDING AT YEAR-END	22,235,337	17,741,418	25%	17,655,410	0%
AVERAGE DISTRIBUTION CUSTOMERS[5]	441,895	309,915	43%	287,314	8%

[1] *Adjusted Gross Margin is a non-GAAP measure. A reconciliation from GAAP Gross Margin to Adjusted Gross Margin is included in the Annual Report on Form 10-K*
[2] *Amounts exclude transaction-related expenses associated with the FCG acquisition*
[3] *Includes amounts associated with the acquisition of FCG*
[4] *Reflects employees gained through the FCG acquisition in November 2023*
[5] *Reflects customers gained through the FCG acquisition in November 2023*

ADJUSTED DILUTED EARNINGS PER SHARE[6]

17 Years of Consecutive Earnings Growth

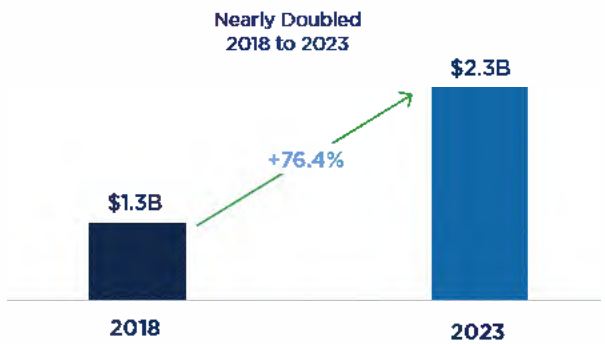
ANNUALIZED DIVIDENDS PER SHARE

Strong Earnings Growth Drives Strong Dividend Growth

[6] *Amounts exclude transaction-related expenses associated with the FCG acquisition in 2023*

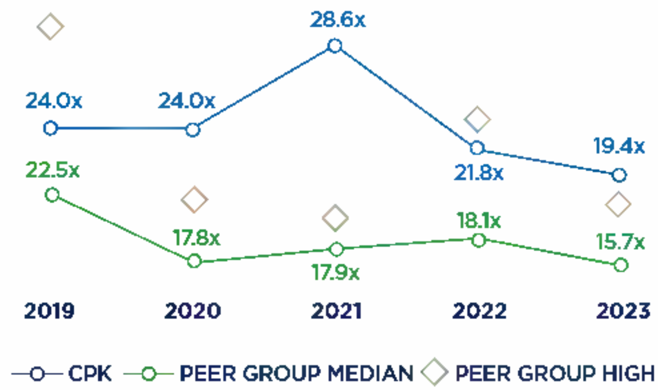
MARKET CAPITALIZATION[7]

Continued Growth of the Company

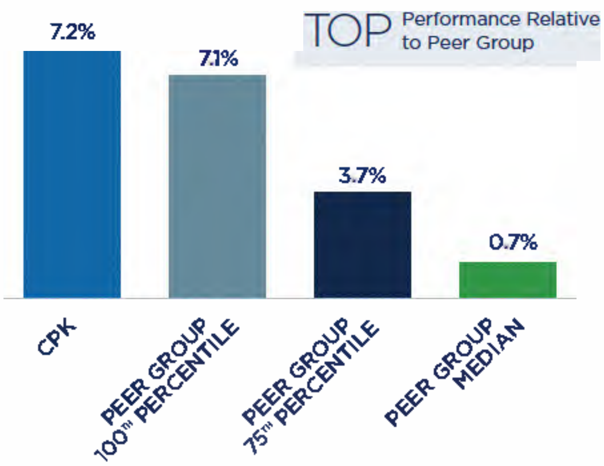


PRICE-TO-EARNINGS RATIO[8]

CPK Performance Driving Premium Valuation

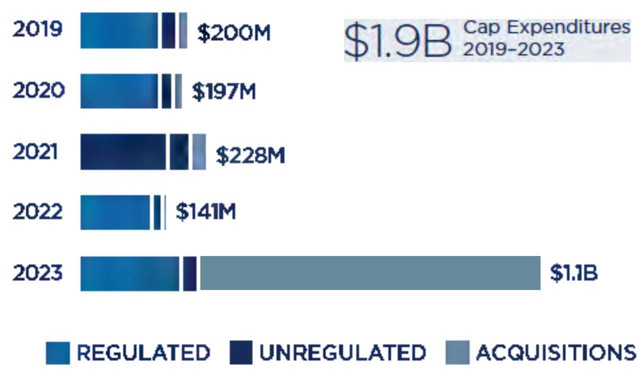


FIVE-YEAR COMPOUND ANNUAL SHAREHOLDER RETURN



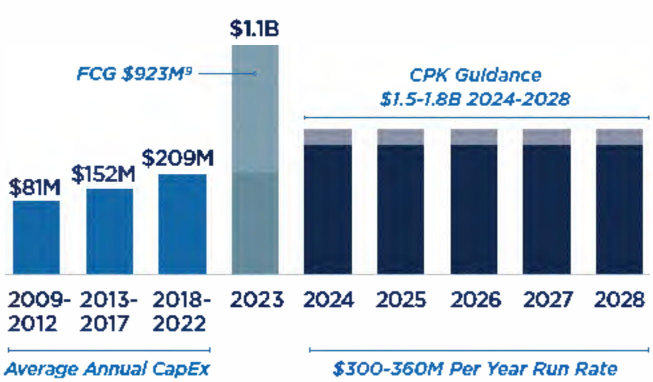
CAPITAL EXPENDITURES

46% Organic CapEx | 54% Acquisitions

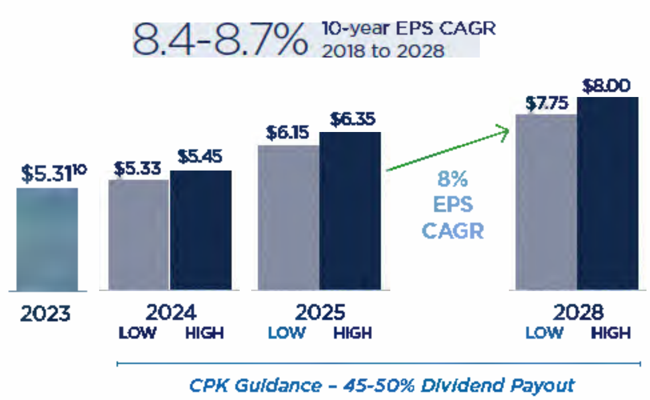


Guidance

CAPITAL EXPENDITURES



EPS AND DIVIDEND PAYOUT



[7] Values as of Dec 31 for the corresponding year
[8] Price-to-Earnings Ratio sourced from FactSet and is based on analyst consensus estimates for the next twelve months earnings
[9] Acquisition of Florida City Gas on 11/30/23
[10] Amount excludes transaction-related expenses associated with the FCG acquisition

In 2019, our Company launched a multiyear business transformation initiative aimed at boosting growth and operational efficiency through simplification, standardization, collaboration and automation. As we pursue our growth goals, we prioritize fostering a cohesive one-Company culture based on these principles.

We have undertaken a comprehensive approach to eliminate operational barriers by streamlining our organizational structure, advancing process standardization, enhancing technological capabilities and fostering increased collaboration across our business segments. We have enhanced our talent pool, bringing in additional expertise to strengthen our operational controls while rallying around pivotal issues such as safety, diversity and service excellence.

Our Business Transformation Journey Begins with Safety

Safety has always been a top priority for our Company. We are proud of our long record of safe operations and have consistently earned national safety awards. They represent our commitment to protecting our employees, customers and communities.

With standardization in mind, our senior leadership team reorganized our safety teams and formed an Enterprise Health and Safety (EHS) Team in 2022, under the leadership of risk management. Additionally, our operations safety and damage prevention teams were consolidated under one director.

"Our concern for the safety of employees extends beyond the workplace. We encourage our employees to demonstrate their leadership and excellence in health and safety practices for the benefit of their families, friends and community. An engaged workforce is a key building block for a strong safety culture."

JEFF HOUSEHOLDER, CHAIR OF THE BOARD, PRESIDENT AND CEO

Together, EHS and the operations safety teams have worked to implement an Enterprise Safety Program aligned with ANSI/API Recommended Practice 1173, Pipeline Safety Management Systems.

While Recommended Practice 1173 is geared toward organizations that operate hazardous liquids and gas pipelines, we found this risk-based approach to be applicable across our entire enterprise.

The Enterprise Safety Program is a dynamic strategy driven by data, aligned with the plan-do-check-act cycle and the 10 essential elements of Recommended Practice 1173.

Safety Strategy Key Elements:

- **Leadership and Management Commitment:** A Safety Handbook, including a letter from the CEO, has been introduced to convey the organization's dedication to safety.
- **Stakeholder Engagement:** Initiatives have been launched to improve internal and external communication about safety concerns, welcoming feedback and suggestions.
- **Incident Investigation, Evaluation and Lessons Learned:** A safety data management system (SDMS) has been implemented to streamline incident tracking, provide essential data for safety action plans and facilitate continuous improvement.
- **Safety Assurance:** The SDMS offers robust reporting metrics, including key performance indicators, used to demonstrate risk reduction efforts and guide corrective actions. Monthly safety metric dashboards are shared with employees.
- **Competence Awareness and Training:** Monthly virtual and in-person safety meetings are assigned to all employees, covering various safety topics to enhance safety competence and awareness across the organization. In 2023, 89% of team members attended monthly safety meetings in The Grove Learning Management System.

As part of our transformation strategy, Company culture plays a crucial role, ensuring that our commitment to safety is embraced across the organization.

"We have built an Enterprise Safety Program that focuses on prevention and anticipates hazards before they arise. We approach safety proactively rather than reactively. Our commitment to ensure safety and compliance in our operations and everyday processes has consistently led to industry recognition for our efforts to improve service, reliability and safety."

JEFFREY SYLVESTER, SENIOR VICE PRESIDENT AND CHIEF OPERATING OFFICER

"As part of our commitment, we invest in our workplace health and safety programs. The return on our investment is much more than avoiding workers' compensation costs and regulatory fines. It's about keeping our employees and stakeholders safe."

BETH COOPER, EXECUTIVE VICE PRESIDENT, CHIEF FINANCIAL OFFICER, TREASURER AND ASSISTANT CORPORATE SECRETARY

"At Chesapeake Utilities Corporation, our mission goes beyond simply delivering energy; it's about enhancing the lives of the people and communities we serve. Our mission is achieved by putting people first, doing the right thing even when no one is watching and by holding each other accountable to do the work that makes us better every day."

JAMES MORIARTY, EXECUTIVE VICE PRESIDENT, GENERAL COUNSEL, CORPORATE SECRETARY AND CHIEF POLICY AND RISK OFFICER

SAFETY TOWN IN DOVER, DELAWARE, PROVIDES A STATE-OF-THE-ART TRAINING OPPORTUNITY FOR EMPLOYEES AND FIRST RESPONDERS. A SECOND SAFETY TOWN WILL OPEN IN DEBARY, FLORIDA, IN 2024.

Enriching Our Company Culture

Fostering a culture that attracts, nurtures and retains highly engaged employees is the driving force behind our continued success. It is critical to our mission that every individual understands how their role contributes to Chesapeake Utilities' strategic objectives. We have taken several steps to assess engagement levels and enhance the employee experience.

CREATING A SENSE OF BELONGING AT WORK

Our ongoing commitment to equity, diversity and inclusion (EDI) contributes to enhanced engagement. In 2023, two new employee resource groups (ERGs) were established to expand our diversity and inclusion efforts. One of these groups, Pride, is focused on supporting LGBTQIA+ individuals and allies, while the other group, Green, is dedicated to environmental initiatives. Our 10 ERGs serve as platforms for employees to connect with team members, collaborate on meaningful projects and give back as a collective force to the communities we serve.

Our employees participate in training and education aimed at enhancing awareness and knowledge, nurturing empathy and encouraging understanding among individuals with diverse backgrounds and experiences.

These programs play a vital role in creating and strengthening a diverse and inclusive workforce while ensuring that EDI principles are an integral part of our Company culture.

TURNING EMPLOYEE FEEDBACK INTO AN ACTION PLAN

Assessing employee engagement levels helps us retain a highly engaged team. In October 2023, we conducted our third Chesapeake Speaks Gallup engagement survey and continue to see improvement in participation (93%) and survey results.

CHESAPEAKE CONNECTIONS
CONNECTING US FORWARD

Launched in 2023, the Chesapeake Connections Program pairs every new employee with a "connector," someone from a different department who fosters a welcoming environment from their first day of employment with the Company. Connectors help new employees understand our one-Company culture and build relationships outside of their immediate work groups.

Chesapeake Speaks Engagement Survey

93%	650	4.02
employee participation rate	individual written comments	average score out of 5 overall

A PIPELINE GAS CONTROLLER IN OUR 24/7 CONTROL ROOM MONITORS TRANSMISSION PIPELINES, RESPONDS TO EMERGENCIES AND DISPATCHES TECHNICIANS.

THE 1CX TEAM BRINGS TOGETHER PEOPLE FROM CHESAPEAKE UTILITIES, IBM AND SAP TO LAUNCH OUR MOST COMPREHENSIVE TECHNOLOGY-DRIVEN BUSINESS TRANSFORMATION PROJECT TO DATE.

In previous years, our employees indicated they wanted to see enhancements in three key areas: employee recognition, training and development and clear and consistent communications at all levels of the organization. In response to these findings, we implemented several successful initiatives that led to increased engagement scores:

- **Management Pods:** To enhance strategic thinking and improve collaboration between our operations and support teams, we established a series of management pods dedicated to our primary business segments: regulated north, regulated south, propane, Aspire Energy and Marlin Gas Services. By establishing these cross-functional teams, we encourage strategic thinking, facilitate robust communication and foster collaboration that drives innovation and efficiency across the organization.
- **Gratitude:** This virtual employee recognition platform enables team members to give kudos and show appreciation for one another in a digital forum. Since its launch in early 2023, employees have shared over 19,000 notes of appreciation, encouragement and recognition for outstanding job performance.
- **The Grove Learning Management System:** As part of our efforts to provide more opportunities for training and career path development, we launched this one-stop online course management tool. The Grove offers a wide range of courses that cover all aspects of Chesapeake Utilities' operations. In 2023, team members completed nearly 24,000 hours of training on various topics of interest.
- **Connect Every Employee Initiative:** As part of our commitment to improving communication across the organization, we launched an initiative to assess every frontline and office employee's ability to access critical information. We conducted surveys, held individual and group meetings with leaders and organized interdepartmental focus groups to gather feedback on the accessibility of Company messaging and technology.

Enhancing the Customer Experience Through Technology

We have improved customer service levels through process improvements and technology upgrades.

Some examples include:

- Fewer steps are needed to start new energy service for a customer
- Customer communications were improved using Americans with Disabilities Act (ADA) recommendations to ensure accessibility for all individuals
- Consolidation of multiple legacy phone systems into a new simplified system

These process enhancements and upgrades have resulted in measurable improvements, as evidenced by customer feedback and satisfaction scores.

1CX SIMPLIFY • ENGAGE • TRANSFORM

As the energy industry continues its rapid evolution, we firmly believe that companies dedicated to delivering exceptional customer service will be best poised for success. In 2023, we initiated our most ambitious technology-driven business transformation project to date – 1CX.

This project is geared toward enhancing Chesapeake Utilities' service platforms for both our regulated utility customers and employees. By implementing an SAP customer information system (CIS) in collaboration with IBM, a leading integrator, we aim to streamline processes, enhance data accuracy and elevate the overall customer experience. We are scheduled to go live with this system by the end of 2024 and be ready to deliver exceptional customer service while transforming our business to meet our growing customer base.

LOOKING TO THE FUTURE

THE 11.5-ACRE FCG LNG STORAGE FACILITY IN HOMESTEAD, FLORIDA, DELIVERS RELIABLE NATURAL GAS TO CUSTOMERS DURING WEATHER EMERGENCIES AND PEAK DEMAND PERIODS.

$1.9B
invested
in capital expenditures

Over the last five years, we've invested $1.9 billion in capital expenditures, encompassing both organic growth and acquisitions. We do not expect to slow down any time soon. We anticipate substantial capital investment associated with our latest acquisition, FCG, over the next five years — approximately $500 million. Our capital expenditure guidance for 2024-2028 stands at $1.5 billion to $1.8 billion, marking a 65% increase from our previous guidance updated in February 2023.

KEY DRIVERS OF OUR INVESTMENT PLAN INCLUDE:

- Enhance distribution systems to accommodate our growing customer base and ensure safety and reliability, spanning both legacy distribution systems and opportunities stemming from the FCG acquisition.
- Expand gas transmission pipelines to support utility systems, cater to large users and uphold safety and reliability, with a focus on pipeline opportunities arising from the FCG acquisition.
- Invest in technology beyond our 1CX project to streamline processes, support enterprise resource planning and drive other software enhancements necessary to foster growth and build capacity.
- Nurture our unregulated operating businesses to facilitate sustained growth and generate continued higher than regulated, allowed returns.
- Make sustainable energy investments, such as pipelines and interconnects, to create a pathway to market for sustainable fuels.

We are well underway. We've launched a significant technology improvement project, commenced business transformation initiatives (focused on safety, employee engagement and customer experience), and strategically incorporated the FCG acquisition into our portfolio. This acquisition aligns seamlessly with our legacy businesses, all of which offer opportunities for incremental earnings growth, expanding our investment platform.

We consistently emphasize our strategic intent and disciplined investment while focusing on operational fundamentals. Our clear vision and execution capabilities underpin our skill in delivering major growth projects and targeted acquisitions in alignment with our objectives, financial discipline and operational proficiency. Our new FCG unit, combined with growth prospects in our regulated and non-regulated businesses, position us well to continue to maintain top-quartile financial performance and generate increased shareholder value.

A NEW 1,875-HP NATURAL GAS-FIRED ENGINE AND COMPRESSOR SKID ALLOWS ESNG TO PROVIDE AN ADDITIONAL 7,200 DT/DAY OF CAPACITY TO ITS CUSTOMERS.

BOARD OF DIRECTORS

Chesapeake Utilities Corporation's Board of Directors provides guidance and insight for the entire Company, leveraging their diverse experiences and leadership expertise to strengthen our business and long-term strategic focus.

LISA G. BISACCIA
Compensation Committee Chair

THOMAS J. BRESNAN
Independent Lead Director, Audit Committee Chair and Investment Committee Member

RONALD G. FORSYTHE, JR.
Audit Committee Member and Compensation Committee Member

STEPHANIE N. GARY
Audit Committee Member

THOMAS P. HILL, JR.*
Investment Committee Chair and Audit Committee Member

JEFF HOUSEHOLDER
Chair of the Board, President and CEO Chesapeake Utilities Corporation

DENNIS S. HUDSON, III
Corporate Governance Committee Chair and Audit Committee Member

LILA A. JABER
Corporate Governance Committee Member and Investment Committee Member

PAUL L. MADDOCK, JR.
Compensation Committee Member and Corporate Governance Committee Member

SHEREE M. PETRONE
Compensation Committee Member and Investment Committee Member

*Thomas Hill has significantly contributed to the Company's growth and success. His service on the Board will conclude in May 2024, following the Annual Meeting of Stockholders.

Thomas P. Hill, Jr.,
18 years of service
Member, Audit Committee, 2006-2024; member, Investment Committee, 2016-2024, including serving as its first non-executive Chair.

CPK
LISTED
NYSE

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-K

(Mark One)

☒ **ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**
For the Fiscal Year Ended: December 31, 2023

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**
Commission File Number: 001-11590

CHESAPEAKE UTILITIES CORPORATION

(Exact name of registrant as specified in its charter)

State of Delaware	**51-0064146**
(State or other jurisdiction of incorporation or organization)	**(I.R.S. Employer Identification No.)**

500 Energy Lane, Dover, Delaware 19901
(Address of principal executive offices, including zip code)

302-734-6799
(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol	Name of each exchange on which registered
Common Stock—par value per share $0.4867	CPK	New York Stock Exchange, Inc.

Securities registered pursuant to Section 12(g) of the Act:
None

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes ☒ No ☐

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes ☐ No ☒

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15 (d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☒	Accelerated filer	☐
Non-accelerated filer	☐	Smaller reporting company	☐
		Emerging growth company	☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report. ☒

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements. ☐

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive based compensation received by any of the registrant's executive officers during the relevant recovery period pursuant to §240.10D-1(b). ☐

Indicate by a check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act). Yes ☐ No ☒

The aggregate market value of the common shares held by non-affiliates of Chesapeake Utilities Corporation as of June 30, 2023, the last business day of its most recently completed second fiscal quarter, based on the last sale price on that date, as reported by the New York Stock Exchange, was approximately $2.1 billion.

The number of shares of Chesapeake Utilities Corporation's common stock outstanding as of February 16, 2024 was 22,238,384.

DOCUMENTS INCORPORATED BY REFERENCE

Portions of the Chesapeake Utilities Corporation Proxy Statement for the 2024 Annual Meeting of Shareholders are incorporated by reference in Part II and Part III hereof.

CHESAPEAKE UTILITIES CORPORATION

FORM 10-K

YEAR ENDED DECEMBER 31, 2023

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GLOSSARY OF DEFINITIONS

ASC: Accounting Standards Codification issued by the FASB

Adjusted Gross Margin: a non-GAAP measure calculated by deducting the purchased cost of natural gas, propane and electricity and the cost of labor spent on direct revenue-producing activities from operating revenues. The costs included in Adjusted Gross Margin exclude depreciation and amortization and certain costs presented in operations and maintenance expenses in accordance with regulatory requirements

Aspire Energy: Aspire Energy of Ohio, LLC, a wholly-owned subsidiary of Chesapeake Utilities

Aspire Energy Express: Aspire Energy Express, LLC, a wholly-owned subsidiary of Chesapeake Utilities

ASU: Accounting Standards Update issued by the FASB

ATM: At-the-market

CDC: U.S. Centers for Disease Control and Prevention

CDD: Cooling Degree-Day

CFG: Central Florida Gas Company, a division of Chesapeake Utilities

Chesapeake or Chesapeake Utilities: Chesapeake Utilities Corporation, its divisions and subsidiaries, as appropriate in the context of the disclosure

CHP: Combined Heat and Power Plant

Company: Chesapeake Utilities Corporation, its divisions and subsidiaries, as appropriate in the context of the disclosure

CNG: Compressed natural gas

Degree-day: Measure of the variation in the weather based on the extent to which the average daily temperature (from 10:00 am to 10:00 am) falls above (CDD) or below (HDD) 65 degrees Fahrenheit

Delmarva Peninsula: A peninsula on the east coast of the U.S. occupied by Delaware and portions of Maryland and Virginia

Diversified Energy: an entity from whom we acquired certain propane operating assets in North Carolina, South Carolina, Virginia, and Pennsylvania

DRIP: Dividend Reinvestment and Direct Stock Purchase Plan

Dt(s): Dekatherm(s), which is a natural gas unit of measurement that includes a standard measure for heating value

Dts/d: Dekatherms per day

Eastern Shore: Eastern Shore Natural Gas Company, a wholly-owned subsidiary of Chesapeake Utilities

Eight Flags: Eight Flags Energy, LLC, a wholly-owned subsidiary of Chesapeake Utilities

Elkton Gas: Elkton Gas Company, a wholly-owned subsidiary of Chesapeake Utilities

ESG: Environmental, Social and Governance

FASB: Financial Accounting Standards Board

FCG or Florida City Gas: Pivotal Utility Holdings, Inc., doing business as Florida City Gas, a wholly-owned subsidiary of Chesapeake Utilities that was acquired from Florida Power & Light Company on November 30, 2023

FERC: Federal Energy Regulatory Commission

FGT: Florida Gas Transmission Company

Florida Natural Gas: Refers to the Company's legacy Florida natural gas distribution operations (excluding FCG) that were consolidated under FPU, for both rate-making and operations purposes

Florida OPC: The Office of Public Counsel, an agency established by the Florida legislature who advocates on behalf of Florida's utility consumers prior to actions or rule changes

FPU: Florida Public Utilities Company, a wholly-owned subsidiary of Chesapeake Utilities

GAAP: Generally Accepted Accounting Principles

GRIP: Gas Reliability Infrastructure Program

Gross Margin: a term under U.S. GAAP which is the excess of sales over costs of goods sold

GUARD: Gas Utility Access and Replacement Directive, a program to enhance the safety, reliability and accessibility of portions of the Company's natural gas distribution system in Florida

Guernsey Power Station: Guernsey Power Station, LLC, a power generation facility in Guernsey County Ohio

Gulfstream: Gulfstream Natural Gas System, LLC, an unaffiliated pipeline network that supplies natural gas to FPU

HDD: Heating Degree-Day

LNG: Liquefied Natural Gas

Marlin Gas Services: Marlin Gas Services, LLC, a wholly-owned subsidiary of Chesapeake Utilities

MetLife: MetLife Investment Advisors, an institutional debt investment management firm, with which we have previously issued Senior Notes and which is a party to the current MetLife Shelf Agreement, as amended

MGP: Manufactured gas plant, which is a site where coal was previously used to manufacture gaseous fuel for industrial, commercial and residential use

MW: Megawatt, which is a unit of measurement for electric power or capacity

NOL: Net operating loss(es)

Peninsula Pipeline: Peninsula Pipeline Company, Inc., a wholly-owned subsidiary of Chesapeake Utilities

Peoples Gas: Peoples Gas System, an Emera Incorporated subsidiary

PHMSA: United States Department of Transportation Pipeline and Hazardous Materials Safety Administration

Prudential: Prudential Investment Management Inc., an institutional investment management firm, with which we have previously issued Senior Notes and which is a party to the current Prudential Shelf Agreement, as amended

PSC: Public Service Commission, which is the state agency that regulates utility rates and/or services in certain of our jurisdictions

Revolver: Our $375.0 million unsecured revolving credit facility with certain lenders

RNG: Renewable natural gas

Sandpiper Energy: Sandpiper Energy, Inc., a wholly-owned subsidiary of Chesapeake Utilities

SAFE: Safety, Access, and Facility Enhancement, a program to enhance the safety, reliability and accessibility of portions of the FCG's natural gas distribution system

SEC: Securities and Exchange Commission

Senior Notes: Our unsecured long-term debt issued primarily to insurance companies on various dates

Sharp: Sharp Energy, Inc., a wholly-owned subsidiary of Chesapeake Utilities

Shelf Agreement: An agreement entered into by Chesapeake Utilities and a counterparty pursuant to which Chesapeake Utilities may request that the counterparty purchase our unsecured senior debt with a fixed interest rate and a maturity date not to exceed 20 years from the date of issuance

Shelf Notes: Unsecured senior promissory notes issuable under the Shelf Agreement executed with various counterparties

SICP: Stock and Incentive Compensation Plan, which as used herein covers stock-based compensation awards issued under the current 2023 plan and the previous 2013 plan

SOFR: Secured Overnight Financing Rate, a secured interbank overnight interest rate established as an alternative to LIBOR

TCJA: Tax Cuts and Jobs Act enacted on December 22, 2017

TETLP: Texas Eastern Transmission, LP, an interstate pipeline interconnected with Eastern Shore's pipeline

Transco: Transcontinental Gas Pipe Line Company, LLC

U.S.: The United States of America

PART I

References in this document to "Chesapeake," "Chesapeake Utilities," the "Company," "we," "us" and "our" mean Chesapeake Utilities Corporation, its divisions and/or its subsidiaries, as appropriate in the context of the disclosure.

Safe Harbor for Forward-Looking Statements

We make statements in this Annual Report on Form 10-K (this "Annual Report") that do not directly or exclusively relate to historical facts. Such statements are "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, Section 21E of the Securities Exchange Act of 1934, as amended, and the Private Securities Litigation Reform Act of 1995. One can typically identify forward-looking statements by the use of forward-looking words, such as "project," "believe," "expect," "anticipate," "intend," "plan," "estimate," "continue," "potential," "forecast" or other similar words, or future or conditional verbs such as "may," "will," "should," "would" or "could." These statements represent our intentions, plans, expectations, assumptions and beliefs about future financial performance, business strategy, projected plans and objectives of the Company. Forward-looking statements speak only as of the date they are made or as of the date indicated and we do not undertake any obligation to update forward-looking statements as a result of new information, future events or otherwise. These statements are subject to many risks and uncertainties. In addition to the risk factors described under *Item 1A, Risk Factors*, the following important factors, among others, could cause actual future results to differ materially from those expressed in the forward-looking statements:

- state and federal legislative and regulatory initiatives that affect cost and investment recovery, have an impact on rate structures, and affect the speed and the degree to which competition enters the electric and natural gas industries;
- the outcomes of regulatory, environmental and legal matters, including whether pending matters are resolved within current estimates and whether the related costs are adequately covered by insurance or recoverable in rates;
- the impact of climate change, including the impact of greenhouse gas emissions or other legislation or regulations intended to address climate change;
- the impact of significant changes to current tax regulations and rates;
- the timing of certification authorizations associated with new capital projects and the ability to construct facilities at or below estimated costs, and within estimated timeframes;
- changes in environmental and other laws and regulations to which we are subject and environmental conditions of property that we now, or may in the future, own or operate;
- possible increased federal, state and local regulation of the safety of our operations;
- the availability and reliability of adequate technology, including our ability to adapt to technological advances, effectively implement new technologies and manage the related costs;
- the inherent hazards and risks involved in transporting and distributing natural gas, electricity and propane;
- the economy in our service territories or markets, the nation, and worldwide, including the impact of economic conditions (which we do not control) on demand for natural gas, electricity, propane or other fuels;
- risks related to cyber-attacks or cyber-terrorism that could disrupt our business operations or result in failure of information technology systems or result in the loss or exposure of confidential or sensitive customer, employee or Company information;
- issues relating to the responsible use of our technologies, including artificial intelligence;
- adverse weather conditions, including the effects of hurricanes, ice storms and other damaging weather events;
- customers' preferred energy sources;
- industrial, commercial and residential growth or contraction in our markets or service territories;
- the effect of competition on our businesses from other energy suppliers and alternative forms of energy;
- the timing and extent of changes in commodity prices and interest rates;
- the effect of spot, forward and future market prices on our various energy businesses;
- the extent of our success in connecting natural gas and electric supplies to our transmission systems, establishing and maintaining key supply sources, and expanding natural gas and electric markets;
- the creditworthiness of counterparties with which we are engaged in transactions;
- the capital-intensive nature of our regulated energy businesses;
- our ability to access the credit and capital markets to execute our business strategy, including our ability to obtain financing on favorable terms, which can be affected by various factors, including credit ratings and general economic conditions;
- the ability to successfully execute, manage and integrate a merger, acquisition or divestiture of assets or businesses and the related regulatory or other conditions associated with the merger, acquisition or divestiture;
- the impact on our costs and funding obligations, under our pension and other post-retirement benefit plans, of potential downturns in the financial markets, lower discount rates, and costs associated with health care legislation and regulation;
- the ability to continue to hire, train and retain appropriately qualified personnel;

- the availability of, and competition for, qualified personnel supporting our natural gas, electricity and propane businesses;
- the effect of accounting pronouncements issued periodically by accounting standard-setting bodies; and
- the impacts associated with a pandemic, including the duration and scope of the pandemic, the corresponding impact on our supply chains, our personnel, our contract counterparties, general economic conditions and growth, the financial markets and any costs to comply with governmental mandates.

ITEM 1. Business.

Corporate Overview and Strategy

Chesapeake Utilities Corporation is a Delaware corporation formed in 1947 with operations primarily in the Mid-Atlantic region, North Carolina, South Carolina, Florida and Ohio. We are an energy delivery company engaged in the distribution of natural gas, electricity and propane, the transmission of natural gas, the generation of electricity and steam, and in providing related services to our customers. Our strategy is focused on growing earnings from a stable regulated energy delivery foundation and investing in related businesses and services that provide opportunities for returns greater than traditional utility returns. We seek to identify and develop opportunities across the energy value chain, with emphasis on midstream and downstream investments that are accretive to earnings per share, consistent with our long-term growth strategy and create opportunities to continue our record of higher-than-authorized regulated returns. The Company's growth strategy includes the continued investment and expansion of the Company's regulated operations that provide a stable base of earnings, as well as investments in other related non-regulated businesses and services including sustainable investments, such as renewable natural gas. By investing in these related businesses and services, the Company creates opportunities to sustain its track record of higher returns, as compared to a traditional utility.

Currently, the Company's growth strategy is focused on the following platforms, including:

- Optimizing the earnings growth in our existing businesses, which includes organic growth, strategic and complimentary acquisitions, territory expansions, and new products and services as well as increased opportunities to transform the Company with a focus on people, process, technology and organizational structure.
- Identification and pursuit of additional pipeline expansions, including new interstate and intrastate transmission projects.
- Growth of Marlin Gas Services' CNG transport business and expansion into LNG and RNG transport services as well as methane capture.
- Identifying and undertaking additional strategic propane acquisitions that provide a larger foundation in current markets and expand our brand and presence into new strategic growth markets.
- Pursuit of growth opportunities that enable us to utilize our integrated set of energy delivery businesses to participate in sustainable energy investments.

Operating Segments

We conduct operations within two reportable segments: Regulated Energy and Unregulated Energy. The remainder of our operations is presented as "Other businesses and eliminations." These segments are described below in detail.

Regulated Energy

Overview

Our regulated energy businesses are comprised of natural gas and electric distribution, as well as natural gas transmission services.

On November 30, 2023, we completed the acquisition of FCG for $923.4 million in cash, including working capital adjustments as defined in the agreement, pursuant to the previously disclosed stock purchase agreement with Florida Power & Light Company. Upon completion of the acquisition, FCG became a wholly-owned subsidiary of the Company and is included within our Regulated Energy segment. FCG serves approximately 120,000 residential and commercial natural gas customers across eight counties in Florida, including Miami-Dade, Broward, Brevard, Palm Beach, Hendry, Martin, St. Lucie and Indian River. Its natural gas system includes approximately 3,800 miles of distribution main and 80 miles of transmission pipe. Results for FCG are included within our consolidated results from the acquisition date.

The following table presents net income for the year ended December 31, 2023 and total assets as of December 31, 2023, by operation and area served:

Operation *(in thousands)*	Areas Served	Net Income (Loss)	Total Assets
Natural Gas Distribution			
Delmarva Natural Gas [(1)]	Delaware/Maryland	$ 9,256	$ 407,089
Florida Natural Gas [(2)]	Florida	23,840	545,952
Florida City Gas [(3)]	Florida	(3,256)	1,010,998
Natural Gas Transmission			
Eastern Shore	Delaware/Maryland/ Pennsylvania	23,284	480,147
Peninsula Pipeline	Florida	12,195	154,301
Aspire Energy Express	Ohio	417	6,746
Electric Distribution			
FPU	Florida	3,727	176,348
Total Regulated Energy		$ 69,463	$ 2,781,581

[(1)] Delmarva Natural Gas consists of Delaware division, Maryland division, Sandpiper Energy and Elkton Gas

[(2)] In accordance with the Florida PSC approval of our natural gas base rate proceeding, effective March 1, 2023, our natural gas distribution business in Florida (FPU, FPU-Indiantown division, FPU-Fort Meade division and Chesapeake Utilities' CFG division) have been consolidated and amounts are now being presented on a consolidated basis consistent with the final rate order

[(3)] FCG net income (loss) includes results from the acquisition date, including transaction-related expenses attributable to the acquisition For additional information on FCG's results, see discussion under *Item 7, Management's Discussion and Analysis of Financial Condition and Results of Operations.*

Revenues in the Regulated Energy segment are based on rates regulated by the PSC in the states in which we operate or, in the case of Eastern Shore, which is an interstate business, by the FERC. The rates are designed to generate revenues to recover all prudent operating and financing costs and provide a reasonable return for our stockholders. Each of our distribution and transmission operations has a rate base, which generally consists of the original cost of the operation's plant (less accumulated depreciation), working capital and other assets. For Delmarva Natural Gas and Eastern Shore, rate base also includes deferred income tax liabilities and other additions or deductions. The Florida Natural Gas regulated energy operations do not include deferred income tax liabilities in their rate base.

Our natural gas and electric distribution operations bill customers at standard rates approved by their respective state PSC. Each state PSC allows us to negotiate rates, based on approved methodologies, for large customers that can switch to other fuels. Some of our customers in Maryland receive propane through underground distribution systems in Worcester County. We bill these customers under PSC-approved rates and include them in the natural gas distribution results and customer statistics.

Our natural gas and electric distribution operations earn profits on the delivery of natural gas or electricity to customers. The cost of natural gas or electricity that we deliver is passed through to customers under PSC-approved fuel cost recovery mechanisms. The mechanisms allow us to adjust our rates on an ongoing basis without filing a rate case to recover changes in the cost of the natural gas and electricity that we purchase for customers. Therefore, while our distribution operating revenues fluctuate with the cost of natural gas or electricity we purchase, our distribution adjusted gross margin is generally not impacted by fluctuations in the cost of natural gas or electricity.

Our natural gas transmission operations bill customers under rate schedules approved by the FERC or at rates negotiated with customers.

Operational Highlights

The following table presents operating revenues, volumes and the average number of customers by customer class for our natural gas and electric distribution operations for the year ended December 31, 2023:

	Delmarva Natural Gas Distribution		Florida Natural Gas Distribution [1]		Florida City Gas Distribution [2]		FPU Electric Distribution	
Operating Revenues ***(in thousands)***								
Residential	$ 87,709	62 %	$ 50,792	30 %	$ 5,042	42 %	$ 49,542	50 %
Commercial and Industrial	54,261	38 %	108,913	65 %	5,872	49 %	52,047	52 %
Other [3]	(997)	<(1)%	8,655	5 %	1,159	9 %	(2,115)	(2)%
Total Operating Revenues	$ 140,973	100 %	$ 168,360	100 %	$ 12,073	100 %	$ 99,474	100 %
Volumes ***(in Dts for natural gas/MW Hours for electric)***								
Residential	4,389,934	29 %	2,081,045	5 %	157,884	10 %	300,118	44 %
Commercial and Industrial	10,230,662	69 %	41,498,921	94 %	940,028	57 %	384,306	56 %
Other	293,186	2 %	627,934	1 %	549,132	33 %	—	— %
Total Volumes	14,913,782	100 %	44,207,900	100 %	1,647,044	100 %	684,424	100 %
Average Number of Customers [4]								
Residential	97,666	92 %	88,384	91 %	112,585	93%	25,719	78 %
Commercial and Industrial	8,246	8 %	8,415	9 %	8,587	7%	7,372	22 %
Other	23	<1%	6	<1%	6	<1%	—	— %
Total Average Number of Customers	105,935	100 %	96,805	100 %	121,178	100 %	33,091	100 %

(1) In accordance with the Florida PSC approval of our natural gas base rate proceeding, effective March 1, 2023, our natural gas distribution business in Florida (FPU, FPU-Indiantown division, FPU-Fort Meade division and Chesapeake Utilities' CFG division) have been consolidated and amounts are now being presented on a consolidated basis consistent with the final rate order.
(2) Operating revenues and volumes for FCG include amounts from the acquisition date. Customer totals for FCG reflect actual amounts at December 31, 2023 since the period from the acquisition covered only one month. For additional information on FCG's results, see discussion under *Item 7, Management's Discussion and Analysis of Financial Condition and Results of Operations.*
(3) Operating Revenues from "Other" sources include revenue, unbilled revenue, under (over) recoveries of fuel cost, conservation revenue, other miscellaneous charges, fees for billing services provided to third parties, and adjustments for pass-through taxes.
(4) Average number of customers is based on the twelve-month average for the year ended December 31, 2023.

The following table presents operating revenues, by customer type, for Eastern Shore and Peninsula Pipeline for the year ended December 31, 2023, as well as contracted firm transportation capacity by customer type, and design day capacity at December 31, 2023. Aspire Energy Express has been excluded from the table below and had operating revenue of $1.5 million and firm transportation capacity of 300,000 Dts/d for the year ended December 31, 2023:

	Eastern Shore		Peninsula Pipeline	
Operating Revenues ***(in thousands)***				
Local distribution companies - affiliated [1]	$ 34,050	43 %	$ 24,324	80 %
Local distribution companies - non-affiliated	22,163	28 %	2,449	8 %
Commercial and industrial - affiliated	—	— %	1,651	5 %
Commercial and industrial - non-affiliated	23,439	29 %	534	2 %
Other [2]	271	<1%	1,442	5 %
Total Operating Revenues	$ 79,923	100 %	$ 30,400	100 %
Contracted firm transportation capacity ***(in Dts/d)***				
Local distribution companies - affiliated	160,595	51 %	351,976	39 %
Local distribution companies - non-affiliated	56,576	18 %	534,825	59 %
Commercial and industrial - affiliated	—	— %	8,300	1 %
Commercial and industrial - non-affiliated	98,540	31 %	5,100	1 %
Total Contracted firm transportation capacity	315,711	100 %	900,201	100 %
Design day capacity ***(in Dts/d)***	315,711	100 %	900,201	100 %

(1) Eastern Shore's and Peninsula Pipeline's service to our local distribution affiliates is based on the respective regulator's approved rates and is an integral component of the cost associated with providing natural gas supplies to the end users of those affiliates. We eliminate operating revenues of these entities against the natural gas costs of those affiliates in our consolidated financial information; however, our local distribution affiliates include this amount in their purchased fuel cost and recover it through fuel cost recovery mechanisms.
(2) Operating revenues from "Other" sources are from the rental of gas properties.

Regulatory Overview

The following table highlights key regulatory information for each of our principal Regulated Energy operations. Peninsula Pipeline and Aspire Energy Express are not regulated with regard to cost of service by either the Florida PSC or Ohio PUC respectively, or the FERC and are therefore excluded from the table. See Item 8, *Financial Statements and Supplementary Data* (Note 18, *Rates and Other Regulatory Activities*, in the consolidated financial statements) for further discussion on the impact of this legislation on our regulated businesses.

	Natural Gas Distribution							
	Delmarva				Florida		Electric Distribution	Natural Gas Transmission
Operation/ Division	**Delaware**	**Maryland (1)**	**Sandpiper (1)**	**Elkton Gas (1)(2)**	**Florida Natural Gas**	**Florida City Gas**	**FPU**	**Eastern Shore**
Regulatory Agency	Delaware PSC	Maryland PSC			Florida PSC			FERC
Effective date - Last Rate Order	01/01/2017	12/1/2007	12/01/2019	02/07/2019	3/1/23	6/9/23	10/8/2020	08/01/2017
Rate Base (in Rates) (in Millions)	Not stated	Not stated	Not stated	Not stated	$453.7	$487.3	$24.9	Not stated
Annual Rate Increase Approved (in Millions)	$2.3	$0.6	N/A (3)	$0.1	$17.2	$14.1	$3.4 base rate and $7.7 from storm surcharge	$9.8
Capital Structure (in rates) (4)*	Not stated	LTD: 42% STD: 5% Equity: 53%	Not stated	LTD: 50% Equity: 50%	LTD: 33% STD: 5% Equity: 45% Other: 17%	LTD: 31% STD: 4% Equity: 53% Other: 12%	LTD: 22% STD: 23% Equity: 55%	Not stated
Allowed Return on Equity (5)	9.75%	10.75%	Not stated (6)	9.80%	10.25%	9.50%	10.25% (7)	Not stated
TJCA Refund Status associated with customer rates	Refunded	Refunded	Refunded	N/A	Retained	Refunded	Refunded	Refunded

(1) In January 2024, our natural gas distribution businesses in Maryland, CUC-Maryland Division, Sandpiper Energy, Inc., and Elkton Gas Company (collectively, "Maryland natural gas distribution businesses") filed a joint application for a natural gas rate case with the Maryland PSC. The outcome of the application is subject to review and approval by the Maryland PSC.

(2) The rate increase and allowed return on equity for Elkton Gas were approved by the Maryland PSC before we acquired the company.

(3) The Maryland PSC approved a declining return on equity.

(4) Other components of capital structure include customer deposits, deferred income taxes and tax credits.

(5) Allowed after-tax return on equity.

(6) The terms of the agreement include revenue neutral rates for the first year (December 1, 2016 through November 30, 2017), followed by a schedule of rate reductions in subsequent years based upon the projected rate of propane to natural gas conversions.

(7) The terms of the settlement agreement for the FPU electric division limited proceeding with the Florida PSC prescribed an authorized return on equity range of 9.25 to 11.25 percent, with a mid-point of 10.25 percent.

* LTD-Long-term debt, STD-Short-term debt.

In May 2022, our legacy natural gas distribution businesses filed a consolidated natural gas rate case with the Florida PSC. The application included a request for the following: (i) permanent rate relief of approximately $24.1 million, effective January 1, 2023; (ii) a depreciation study also submitted with the filing; (iii) authorization to make certain changes to tariffs to include the consolidation of rates and rate structure across the businesses and to unify the Florida natural gas distribution businesses under FPU; (iv) authorization to retain the acquisition adjustment recorded at the time of the FPU merger in our revenue requirement; and (v) authorization to establish an environmental remediation surcharge for the purposes of addressing future expected remediation costs for FPU MGP sites. In August 2022, interim rates were approved by the Florida PSC in the amount of approximately $7.7 million on an annualized basis, effective for all meter readings in September 2022. The discovery process and subsequent hearings were concluded during the fourth quarter of 2022 and briefs were submitted in the same quarter of 2022. In January 2023, the Florida PSC approved the application for consolidation and permanent rate relief of approximately $17.2 million on an annual basis. Actual rates in connection with the rate relief were approved by the Florida PSC in February 2023 with an effective date of March 1, 2023.

In May 2022, FCG filed a general base rate increase with the Florida PSC based on a projected 2023 test year. In June 2023, the Florida PSC issued an order approving a single total base revenue increase of $23.3 million (which included an incremental increase of $14.1 million, a previously approved increase of $3.8 million for a liquefied natural gas facility, and $5.3 million to transfer the SAFE investments from a rider clause to base rates), with new rates becoming effective as of May 1, 2023. The Commission also approved FCG's proposed reserve surplus amortization mechanism ("RSAM") with a $25.0 million reserve amount, continuation and expansion of the capital SAFE program, implementation of an automated metering infrastructure pilot, and continuation of the storm damage reserve with a target reserve of $0.8 million. On June 23, 2023, the Florida OPC filed a motion for reconsideration of the PSC's approval of RSAM, which was denied on September 12, 2023. On July 7, 2023, the Florida OPC filed a notice of appeal with the Florida Supreme Court, which is pending.

The following table presents surcharge and other mechanisms that have been approved by the respective PSC for our regulated energy distribution businesses. These include: Delaware surcharges to expand natural gas service in its service territory as well as for the conversion of propane distribution systems to natural gas; Maryland's surcharges to fund natural gas conversions and system improvements in Worcester County; Elkton's Strategic Infrastructure Development and Enhanced (STRIDE) plan for accelerated pipeline replacement for older portions of the natural gas distribution system; Florida's GRIP surcharge which provides accelerated recovery of the costs of replacing older portions of the natural gas distribution system to improve safety and reliability; FCG's SAFE surcharge which provides accelerated recovery of the costs of replacing older portions of that natural gas distribution system to improve safety and reliability; and the Florida electric distribution operation's limited proceeding which allowed recovery of storm-related costs.

Operation(s)/Division(s)	Jurisdiction	Infrastructure mechanism	Revenue normalization
Delaware division	Delaware	Yes	No
Maryland division	Maryland	No	Yes
Sandpiper Energy	Maryland	Yes	Yes
Elkton Gas	Maryland	Yes	Yes
Florida Natural Gas	Florida	Yes	No
Florida City Gas [(1)]	Florida	Yes	No
FPU electric division	Florida	Yes	No

[(1)] See Item 8, *Financial Statements and Supplementary Data*, Note 18, *Rates and Other Regulatory Activities*, for additional information related to FCG's RSAM that was approved as part of its rate case effective as of May 1, 2023.

Weather

Weather variations directly influence the volume of natural gas and electricity sold and delivered to residential and commercial customers for heating and cooling and changes in volumes delivered impact the revenue generated from these customers. Natural gas volumes are highest during the winter months, when residential and commercial customers use more natural gas for heating. Demand for electricity is highest during the summer months, when more electricity is used for cooling. We measure the relative impact of weather using degree-days. A degree-day is the measure of the variation in the weather based on the extent to which the average daily temperature falls above or below 65 degrees Fahrenheit. Each degree of temperature below 65 degrees Fahrenheit is counted as one heating degree-day, and each degree of temperature above 65 degrees Fahrenheit is counted as one cooling degree-day. Normal heating and cooling degree-days are based on the most recent 10-year average.

Competition

Natural Gas Distribution

While our natural gas distribution operations do not compete directly with other distributors of natural gas for residential and commercial customers in our service areas, we do compete with other natural gas suppliers and alternative fuel providers for sales to industrial customers. Large customers could bypass our natural gas distribution systems and connect directly to intrastate or interstate transmission pipelines, and we compete in all aspects of our natural gas business with alternative energy sources, including electricity, oil, propane and renewables. The most effective means to compete against alternative fuels are lower prices, superior reliability and flexibility of service. Natural gas historically has maintained a price advantage in the residential, commercial and industrial markets, and reliability of natural gas supply and service has been excellent. In addition, we provide flexible pricing to our large customers to minimize fuel switching and protect these volumes and their contributions to the profitability of our natural gas distribution operations.

Natural Gas Transmission

Our natural gas transmission business competes with other interstate and intrastate pipeline companies to provide service to large industrial, generation and distribution customers, primarily in the northern portion of the Delmarva Peninsula and in Florida. Our transmission business in Ohio, Aspire Energy Express, services one customer, Guernsey Power Station, to which it is the sole supplier.

Electric Distribution

While our electric distribution operations do not compete directly with other distributors of electricity for residential and commercial customers in our service areas, we do compete with other electricity suppliers and alternative fuel providers for sales to industrial customers. Some of our large industrial customers may be capable of generating their own electricity, and we structure rates, service offerings and flexibility to retain these customers in order to retain their business and contributions to the profitability of our electric distribution operations.

Supplies, Transmission and Storage

Natural Gas Distribution

Our natural gas distribution operations purchase natural gas from marketers and producers and maintain contracts for transportation and storage with several interstate pipeline companies to meet projected customer demand requirements. We believe that our supply and capacity strategy will adequately meet our customers' needs over the next several years and we will continue to adapt our supply strategy to meet projected growth in customer demand within our service territories.

The Delmarva natural gas distribution systems are directly connected to Eastern Shore's pipeline, which has connections to other pipelines that provide us with transportation and storage. These operations can also use propane-air and liquefied natural gas peak-shaving equipment to serve customers. Our Delmarva Peninsula natural gas distribution operations maintain asset management agreements with a third party to manage their natural gas transportation and storage capacity. The current agreements were effective as of April 1, 2023 and expire in March 2026. Our Delmarva operations receive a fee, which we share with our customers, from the asset manager, who optimizes the transportation, storage and natural gas supply for these operations.

Our Florida Natural Gas distribution business uses Peninsula Pipeline and Peoples Gas to transport natural gas where there is no direct connection with FGT. FPU natural gas distribution and Eight Flags entered into separate 10-year asset management agreements with Emera Energy Services, Inc. to manage their natural gas transportation capacity, each of which expires in November 2030. An agreement with Florida Southeast Connection LLC for additional service to Palm Beach County is also in place for an initial term through December 2044. FCG utilizes FGT and Peninsula Pipeline to transport natural gas.

A summary of our pipeline capacity contracts follows:

Division	Pipeline	Maximum Daily Firm Transportation Capacity (Dts)	Contract Expiration Date
Delmarva Natural Gas Distribution	Eastern Shore	160,595	2024-2035
	Columbia Gas [(1)]	5,246	2024-2026
	Transco [(1)]	30,419	2024-2028
	TETLP [(1)]	50,000	2027
Florida Natural Gas	Gulfstream [(2)]	10,000	2032
	FGT	47,409 - 78,817	2025-2041
	Peninsula Pipeline	346,200	2033-2048
	Peoples Gas	12,160	2024
	Florida Southeast Connection LLC	5,000	2044
	Southern Natural Gas Company	1,500	2029
Florida City Gas	FGT	32,235 - 68,955	2030
	Peninsula Pipeline	15,000	2033 - 2043

(1) Transco, Columbia Gas and TETLP are interstate pipelines interconnected with Eastern Shore's pipeline.
(2) Pursuant to a capacity release program approved by the Florida PSC, all of the capacity under this agreement has been released to various third parties. Under the terms of these capacity release agreements, Chesapeake Utilities is contingently liable to Gulfstream should any party, that acquired the capacity through release, fail to pay the capacity charge.

Eastern Shore has three agreements with Transco for a total of 7,292 Dts/d of firm daily storage injection and withdrawal entitlements and total storage capacity of 288,003 Dts. These agreements expire in March 2028. Eastern Shore retains these firm storage services in order to provide swing transportation service and firm storage service to customers requesting such services.

Aspire Energy Express, our Ohio intrastate pipeline subsidiary, entered into a precedent agreement to provide natural gas transportation capacity to Guernsey Power Station, who completed construction of its power generation facility in Guernsey County, Ohio in January 2023. Aspire Energy Express completed construction of the gas transmission facilities in the fourth quarter of 2021 and began billing for transportation services in the first quarter of 2022.

Electric Distribution

Our Florida electric distribution operation purchases wholesale electricity under the power supply contracts summarized below:

Area Served by Contract	Counterparty	Contracted Amount (MW)	Contract Expiration Date
Northwest Florida	Gulf Power Company	Full Requirement*	2026
Northeast Florida	Florida Power & Light Company	Full Requirement*	2026
Northeast Florida	Eight Flags	21	2036
Northeast Florida	Rayonier	1.7 to 3.0	2036
Northeast Florida	WestRock Company	As-available	N/A

*The counter party is obligated to provide us with the electricity to meet our customers' demand, which may vary.

Unregulated Energy

Overview

The following table presents net income for the year ended December 31, 2023 and total assets as of December 31, 2023, for our Unregulated Energy segment by operation and area served:

Operations	Area Served	Net Income (Loss)	Total Assets
(in thousands)			
Propane Operations (Sharp, Diversified Energy, FPU and Flo-gas)	Delaware, Maryland, Virginia, Pennsylvania, North Carolina, South Carolina, Florida	$ 13,587	$ 191,164
Energy Transmission (Aspire Energy)	Ohio	3,080	145,183
Energy Generation (Eight Flags)	Florida	2,235	37,805
Marlin Gas Services	The Entire U.S.	432	54,256
Sustainable investments and other [1]	Various	(1,697)	48,994
Total		$ 17,637	$ 477,402

[1] Includes our renewable natural gas projects that are in various stages of development

Propane Operations

Our propane operations sell propane to residential, commercial/industrial, wholesale and AutoGas customers, in the Mid-Atlantic region, North Carolina, South Carolina and Florida, through Sharp Energy, Inc., Sharpgas, Inc., Diversified Energy, FPU and Flo-gas. We deliver to and bill our propane customers based on two primary customer types: bulk delivery customers and metered customers. Bulk delivery customers receive deliveries into tanks at their location. We invoice and record revenues for these customers at the time of delivery. Metered customers are either part of an underground propane distribution system or have a meter installed on the tank at their location. We invoice and recognize revenue for these customers based on their consumption as dictated by scheduled meter reads. As a member of AutoGas Alliance, we install and support propane vehicle conversion systems for vehicle fleets and provide on-site fueling infrastructure.

Propane Operations - Operational Highlights

For the year ended December 31, 2023, operating revenues, volumes sold and average number of customers by customer class for our propane operations were as follows:

	Operating Revenues (in thousands)		Volumes (in thousands of gallons)		Average Number of Customers [1]	
Residential bulk	$ 46,913	30 %	15,187	21 %	59,483	70 %
Residential metered	13,931	9 %	4,457	6 %	17,387	21 %
Commercial bulk	37,541	24 %	21,242	30 %	7,703	9 %
Commercial metered	1,809	1 %	574	1 %	202	<1%
Wholesale	25,073	16 %	24,876	35 %	35	<1%
AutoGas	7,045	5 %	4,949	7 %	76	<1%
Other [2]	22,436	15 %	—	— %	—	— %
Total	$ 154,748	100 %	71,285	100 %	84,886	100 %

[1] Average number of customers is based on a twelve-month average for the year ended December 31, 2023. Excludes customers from the propane acquisition that closed in December 2023. See Note 4 under Item 8, Financial Statements and Supplementary Data, for additional information on this acquisition.

[2] Operating revenues from "Other" sources include revenues from customer loyalty programs, delivery, service and appliance fees, and unbilled revenues

Competition

Our propane operations compete with national and local independent companies primarily on the basis of price and service. Propane is generally a cheaper fuel for home heating than oil and electricity but more expensive than natural gas. Our propane operations are largely concentrated in areas that are not currently served by natural gas distribution systems.

Supplies, Transportation and Storage

We purchase propane from major oil companies and independent natural gas liquids producers. Propane is transported by truck and rail to our bulk storage facilities in Pennsylvania, Delaware, Maryland, Virginia, North Carolina, South Carolina and Florida which have a total storage capacity of 8.9 million gallons. Deliveries are made from these facilities by truck to tanks located on customers' premises or to central storage tanks that feed our underground propane distribution systems. While propane supply has traditionally been adequate, significant fluctuations in weather, closing of refineries and disruption in supply chains, could cause temporary reductions in available supplies.

Weather

Propane revenues are affected by seasonal variations in temperature and weather conditions, which directly influence the volume of propane used by our customers. Our propane revenues are typically highest during the winter months when propane is used for heating. Sustained warmer-than-normal temperatures will tend to reduce propane use, while sustained colder-than-normal temperatures will tend to increase consumption.

Unregulated Energy Transmission and Supply (Aspire Energy)

Aspire Energy owns approximately 2,800 miles of natural gas pipeline systems in 40 counties in Ohio. The majority of Aspire Energy's revenues are derived from long-term supply agreements with Columbia Gas of Ohio and Consumers Gas Cooperative ("CGC"), which together serve more than 22,000 end-use customers. Aspire Energy purchases natural gas to serve these customers from conventional producers in the Marcellus and Utica natural gas production areas. In October 2021, Aspire Energy completed construction of its Noble Road Landfill RNG pipeline project, which began transporting RNG generated from the landfill to Aspire Energy's pipeline system in January of 2022, displacing conventionally produced natural gas. In 2023, the RNG volumes represented approximately 10 percent of Aspire Energy's gas gathering volumes and are anticipated to continue at such rate in 2024 and beyond. In addition, Aspire Energy earns revenue by gathering and processing natural gas for customers.

For the twelve-month period ended December 31, 2023, Aspire Energy's operating revenues and deliveries by customer type were as follows:

	Operating revenues		**Deliveries**	
	(in thousands)	% of Total	*(in thousands Dts)*	% of Total
Supply to Columbia Gas of Ohio	$ 11,694	32 %	2,351	31 %
Supply to CGC	16,844	45 %	2,025	27 %
Supply to Marketers	6,287	17 %	3,141	41 %
Other (including natural gas gathering and processing)	2,314	6 %	64	1 %
Total	$ 37,139	100 %	7,581	100 %

Energy Generation (Eight Flags)

Eight Flags generates electricity and steam at its CHP plant located on Amelia Island, Florida. The plant is powered by natural gas transported by Peninsula Pipeline and our Florida Natural Gas distribution business and produces approximately 21 MW of electricity and 75,000 pounds per hour of steam. Eight Flags sells the electricity generated from the plant to our Florida electric distribution operation and sells the steam to the customer who owns the site on which the plant is located, both under separate 20-year contracts.

Marlin Gas Services

Marlin Gas Services is a supplier of mobile CNG and virtual pipeline solutions, primarily to utilities and pipelines. Marlin Gas Services provides temporary hold services, pipeline integrity services, emergency services for damaged pipelines and specialized gas services for customers who have unique requirements. These services are provided by a highly trained staff of drivers and maintenance technicians who safely perform these functions throughout the United States. Marlin Gas Services maintains a fleet of CNG trailers, mobile compression equipment, LNG tankers and vaporizers, and an internally developed

patented regulator system which allows for delivery of over 7,000 Dts/d of natural gas. Marlin Gas Services continues to actively expand the territories it serves, as well as leveraging its fleet of equipment and patented technologies to serve LNG and RNG market needs.

Sustainable Investments

Our sustainable investments are comprised primarily of our renewable natural gas projects that are in various stages of development. Included in these are the assets and intellectual property of Planet Found that we acquired during the fourth quarter of 2022, whose farm scale anaerobic digestion pilot system and technology produces biogas from poultry litter. In addition, we are constructing a dairy manure RNG facility that we will own and operate at Full Circle Dairy in Madison County, Florida. The project consists of a facility converting dairy manure to RNG and transportation assets to bring the gas to market, with capital expenditures totaling $19.3 million through December 31, 2023. The first injection of RNG is projected to occur in the first half of 2024.

Environmental Matters

See *Item 8, Financial Statements and Supplementary Data* (see Note 19*, Environmental Commitments and Contingencies,* in the consolidated financial statements).

Human Capital Initiatives

Our success is the direct result of our employees and our strong culture that fully engages our team and promotes equity, diversity, inclusion, integrity, accountability and reliability. We believe that a combination of diverse team members and an inclusive culture contributes to the success of our Company and to enhanced societal advancement. Each employee is a valued member of our team bringing a diverse perspective to help grow our business and achieve our goals.

Our tradition of serving employees, customers, investors, partners and communities is at the core of our special culture. Our unique culture is grounded in a solid foundation of regulated businesses, but enhanced by an entrepreneurial, innovative and competitive market mindset. Among the ongoing initiatives across our enterprise, we highlight below the importance of our team, our culture of safety, and our commitment to supporting a more sustainable future.

Our Team Drives Our Performance

Our employees are the key to our success. Our leadership and human resources teams are responsible for attracting and retaining top talent and as an equal opportunity employer committed to creating a diverse workforce, we consider all qualified applicants without regard to race, religion, color, sex, national origin, age, sexual orientation, gender identity, disability or veteran status, among other factors. Our senior management team includes a Chief Human Resources Officer, with expertise in diverse candidate recruitment, to ensure that we continue to expand our candidate pools to better reflect the diverse demographics of the communities we serve.

Throughout our organization, we seek to promote from within, reviewing strategic positions regularly and identifying potential internal candidates to fill those positions, evaluating critical job skill sets to identify competency gaps and creating developmental plans to facilitate employee professional growth. We provide training and development programs, including many forms of training on our internal learning platform, as well as tuition reimbursement to promote continued professional growth.

Subsequent to the acquisition of FCG, we had a total of 1,281 employees at December 31, 2023, 196 of whom are union employees represented by two labor unions: the International Brotherhood of Electrical Workers ("IBEW") and the United Food and Commercial Workers Union. The collective bargaining agreements covering our legacy employees with these labor unions expire in 2025. Negotiations began in January 2024 with IBEW for those union employees that joined our Company as part of our acquisition of FCG. We consider our relationships with employees, including those covered by collective bargaining agreements, to be in good standing. We provide a competitive Total Rewards package for our employees including health insurance coverage, wellness initiatives, retirement savings benefits, paid time off, employee assistance programs, educational and tuition reimbursement, competitive pay, career growth opportunities, paid volunteer time, and a culture of recognition.

We listen to our employees and actively seek their input and feedback. Many of the initiatives we have in place are driven by feedback from our employees during an annual survey process or through regular employee engagement. We have also been purposeful in wanting to provide adequate recognition of our employees and their many efforts. Our internal recognition platform was unveiled in 2023 and enables employees to be recognized in real-time for their contributions. Our employees are the backbone of our continued growth and success.

We have an established an equity, diversity and inclusion ("EDI") Council which recommends and promotes our EDI strategy, advises our employee resource groups ("ERGs") and works with our operating units and support teams on EDI initiatives. The EDI Council's charter includes the following objectives:

- Build a more diverse and inclusive workforce
- Promote a culture of understanding, equality and inclusion
- Educate employees about the benefits of diversity at Chesapeake Utilities
- Support community programs and organizations that are diverse and inclusive
- Provide guidance on EDI matters for the Company

The EDI Council includes members of our leadership team, the chairs of each of our ERGs and other individuals in key support roles. The CEO receives a regular report on the achievements of the EDI Council, strategic direction of initiatives, resource needs and issues that require policy decisions or other actions.

Our first ERG was established in 2019, and as of December 31, 2023, there were ten active ERGs meeting throughout the Company. ERGs are voluntary, employee-led groups that focus on shared identities, affinities and experiences and seek to apply those perspectives to initiatives that create value throughout the Company. The ERGs support their members' personal growth and professional development, and help develop learning programs and community service opportunities throughout the Company. ERGs also help foster a sense of belonging by creating a deep and intentional community that extends beyond an employee's day-to-day team and colleagues into a companywide network.

Workplace Health and Safety

We believe that there is nothing more important than the safety of our team, our customers and our communities. We are committed to ensuring safety is at the center of our culture and the way we do business. The importance of safety is exhibited throughout the entire organization, with the direction and tone set by both the Board of Directors and our President and CEO, and evidenced through required attendance at monthly safety meetings, routine safety training and the inclusion of safety moments at key team meetings. Additionally, we remain committed to providing products and services to our customers in a safe and reliable manner.

To maintain safety as a priority, our employees remain committed and work together to ensure that our plans, programs, policies and behaviors are aligned with our aspirations as a Company. The achievement of superior safety performance is both an important short-term and long-term strategic initiative in managing our operations. Our state-of-the art training facility, Safety Town, located in Dover, Delaware, now serves as a resource for training our employees who build, maintain and operate our natural gas infrastructure, offering hands-on training and fully immersive, on-the-job field experiences. First responders and other community partners also benefit from the simulated environment and conditions they could encounter as they enter homes in the community. Construction is underway for our second Safety Town facility in Florida, and we are excited to begin utilizing this facility in 2024.

Driving Sustainability across the Company

Consistent with our culture of teamwork, the focus on sustainability is supported and shared across our organization by the dedication and efforts of our Board of Directors and its Committees, as well as the entrepreneurship and dedication of our team. As stewards of long-term enterprise value, the Board of Directors is committed to overseeing the sustainability of the Company, its environmental stewardship initiatives, its safety and operational compliance practices, and to promoting equity, diversity and inclusion that reflects the diverse communities we serve. Our ESG Committee brings together a cross-functional team of leaders across the organization responsible for identifying, assessing, executing and advancing the Company's strategic sustainability initiatives. Our Environmental Sustainability Office identifies and manages emission-reducing projects both internally as well as those that support our customers' sustainability goals. Throughout the year, Chesapeake Utilities drove numerous initiatives in support of its sustainability focus, including but not limited to:

- Constructed an RNG injection point in Yulee, Florida, providing a pathway to market for produced RNG, and progressed on construction of our first RNG production facility in Lee, Florida;
- Completed an expansion of our intrastate transmission pipeline to Vero Beach, Florida, increasing the availability of natural gas to the area;
- Served as an industry anchor partner in the Mid-Atlantic Clean Hydrogen Hub (MACH2™), which was awarded federal funding of up to $750 million in October 2023; MACH2™ is a collaboration between Delaware, southern New Jersey and southeastern Pennsylvania;

- In Delaware, filed a first-of-its-kind energy efficiency program focused on natural gas; pending approval from the Delaware PSC the program will be implemented in 2024;
- Our Florida Natural Gas distribution business received approval for its 10-year GUARD program to remove accessibility challenges and replace older problematic distribution lines and services, increasing employee, customer, and community safety; FCG received approval to extend its similar program, SAFE, for 10 more years;
- Provided Healthy Pantry Naming Sponsor-level support and donated several recycled benches from our Pipe Recycling Project for the new 70,000 square foot Food Bank of Delaware facility located in Milford, Delaware;
- Rolled out our "Chesapeake Connections Program," connecting new team members with a "connection buddy" outside of their department for the first few months of employment;
- Introduced two new ERGs in 2023 – "PRIDE," which is focused on providing a sense of acceptance and belonging for everyone in the Chesapeake Utilities family, and "GREEN," which is passionate about the environment and committed to reducing societal impacts on the planet; and
- Named a 2023 Champion of Board Diversity by The Forum of Executive Women.

Information About Executive Officers

Set forth below are the names, ages, and positions of our executive officers with their recent business experience. The age of each officer is as of the filing date of this Annual Report.

Name	Age	Executive Officer Since	Offices Held During the Past Five Years
Jeffry M. Householder	66	2010	Chairman of the Board of Directors (May 2023 - present) President (January 2019 - present) Chief Executive Officer (January 2019 - present) Director (January 2019 - present) President of FPU (June 2010 - February 2019)
Beth W. Cooper	57	2005	Executive Vice President (February 2019 - present) Chief Financial Officer (September 2008 - present) Senior Vice President (September 2008 - February 2019) Treasurer (January 2022 - present) Assistant Corporate Secretary (March 2015 - present)
James F. Moriarty	66	2015	Executive Vice President (February 2019 - present) General Counsel & Corporate Secretary (March 2015 - present) Chief Policy and Risk Officer (February 2019 - present) Senior Vice President (February 2017 - February 2019) Vice President (March 2015 - February 2017)
Kevin J. Webber	65	2010	Chief Development Officer (January 2022 - present) Senior Vice President (February 2019 - present) President FPU (February 2019 - December 2019) Vice President Gas Operations and Business Development Florida Business Units (July 2010 - February 2019)
Jeffrey S. Sylvester	54	2019	Chief Operating Officer (January 2022 - present) Senior Vice President (December 2019 - present) Vice President Black Hills Energy (October 2012 - December 2019)

Available Information on Corporate Governance Documents

Our Annual Reports on Form 10-K, Quarterly Reports on Form 10-Q, Current Reports on Form 8-K and other reports and amendments to these reports that we file with or furnish to the SEC at their website, *www.sec.gov,* are also available free of charge at our website, *www.chpk.com,* as soon as reasonably practicable after we electronically file these reports with, or furnish these reports to the SEC. The content of this website is not part of this Annual Report.

In addition, the following documents are available free of charge on our website, *www.chpk.com*:

- Business Code of Ethics and Conduct applicable to all employees, officers and directors;
- Code of Ethics for Financial Officers;
- Corporate Governance Guidelines; and
- Charters for the Audit Committee, Compensation Committee, Investment Committee, and Corporate Governance Committee of the Board of Directors.

Any of these reports or documents may also be obtained by writing to: Corporate Secretary; c/o Chesapeake Utilities Corporation, 500 Energy Lane Suite 100, Dover, DE 19901.

ITEM 1A. RISK FACTORS

The risks described below fall into three broad categories related to (1) financial risks, (2) operational risks, and (3) regulatory, legal and environmental risks, all of which may affect our operations and/or the financial performance of our regulated and unregulated energy businesses. These are not the only risks we face but are considered to be the most material. There may be other unknown or unpredictable risks or other factors that could have material adverse effects on our future results. Refer to the section entitled *Item 7, Management's Discussion and Analysis of Financial Condition and Results of Operations* of this Annual Report for an additional discussion of these and other related factors that affect our operations and/or financial performance.

FINANCIAL RISKS

Our financial results may fluctuate significantly and may not fully reflect the underlying performance of our business.

Our operating results, including our revenues, operating margin, profitability, and cash flow, may vary significantly in the future and period-to-period comparisons of our operating results may not be meaningful. Accordingly, the results of any one quarter or year should not be relied upon as an indication of future performance. Our financial results may fluctuate as a result of a variety of factors, many of which are outside of our control, and such fluctuations and related impacts to any capital or earnings guidance we may issue from time to time, or any modification or withdrawal thereof, may negatively impact the value of our securities.

Instability and volatility in the financial markets could negatively impact access to capital at competitive rates, which could affect our ability to implement our strategic plan, undertake improvements and make other investments required for our future growth.

Our business strategy includes the continued pursuit of growth and requires capital investment in excess of cash flow from operations. As a result, the successful execution of our strategy is dependent upon access to equity and debt at reasonable costs. Our ability to issue new debt and equity capital and the cost of equity and debt are greatly affected by our financial performance and the conditions of the financial markets. In addition, our ability to obtain adequate and cost-effective debt depends on our credit ratings. A downgrade in our current credit ratings could negatively impact our access to and cost of debt. If we are not able to access capital at competitive rates, our ability to implement our strategic plan, undertake improvements and make other investments required for our future growth may be limited.

Fluctuations in propane gas prices could negatively affect results of operations.

The combination of high demand and lower-than-average inventory is always a common driver for higher propane gas prices. We adjust the price of the propane we sell based on changes in our cost of purchasing propane. However, if the market does not allow us to increase propane sales prices to compensate fully for fluctuations in purchased propane costs, our results of operations and cash flows could be negatively affected.

If we fail to comply with our debt covenant obligations, we could experience adverse financial consequences that could affect our liquidity and ability to borrow funds.

Our long-term debt obligations and our Revolver contain financial covenants related to debt-to-capital ratios and interest-coverage ratios. Failure to comply with any of these covenants could result in an event of default which, if not cured or waived, could result in the acceleration of outstanding debt obligations, the inability to borrow under certain credit agreements and terms, or the inability to access capital from other sources. Any such default could cause a material adverse change in our financial condition, results of operations and cash flows. As of December 31, 2023, we were in compliance with all of our debt covenants.

Increases in interest rates may adversely affect our results of operations and cash flows.

Increases in interest rates could increase the cost of future debt issuances. To the extent we are not able to fully recover higher debt costs in the rates we charge our utility customers, or the timing of such recovery is not certain, our earnings could be adversely affected. Increases in short-term interest rates could negatively affect our results of operations, which depend on short-term debt to finance accounts receivable and storage gas inventories and to temporarily finance capital expenditures. Reference should be made to *Item 7A, Quantitative and Qualitative Disclosures about Market Risk* for additional information.

Continuing or worsening inflationary and/or supply chain issues may adversely impact our financial condition and results of operations.

Our business is dependent on the supply chain to ensure that equipment, materials and other resources are available to both expand and maintain our services in a safe and reliable manner. Pricing of equipment, materials and other resources have increased recently and may continue to do so in the future. Failure to secure equipment, materials and other resources on economically acceptable terms, including failure to eliminate or manage the constraints in the supply chain, may impact the availability of items that are necessary to support normal operations as well as materials that are required for continued infrastructure growth, and as a result, may adversely impact our financial condition and results of operations.

In addition, it may become more costly for us to recruit and retain key employees, particularly specialized/technical personnel, in the face of competitive market conditions and increased competition for specialized and experienced workers in our industry.

Disruptions, uncertainty or volatility in the credit and capital markets may exert downward pressure on the market price of the Company's common stock.

The market price and trading volume of the Company's common stock is subject to fluctuations as a result of, among other factors, general credit and capital market conditions and changes in market sentiment regarding the operations, business and financing strategies of the Company and its subsidiaries. As a result, disruptions, uncertainty or volatility in the credit and capital markets may, amongst other things, have a material adverse effect on the market price of the Company's common stock.

Current market conditions could adversely impact the return on plan assets for our Company sponsored defined benefit plans, which may require significant additional funding.

The Company's primary defined benefit pension plan, the FPU pension plan, is a funded plan that is closed to new employees and the future benefits are frozen. At December 31, 2023, the FPU pension plan benefit obligation was $49.4 million and was funded at approximately 100 percent. The costs of providing benefits and related funding requirements of the FPU plan is subject to changes in the market value of the assets that fund the plan and the discount rates used to estimate the pension benefit obligations. The funded status of the plans and the related costs reflected in our financial statements are affected by various factors that are subject to an inherent degree of uncertainty, particularly in the current economic environment. Future losses of asset values and further declines in discount rates may necessitate accelerated funding of the plans to meet minimum federal government requirements and may result in higher pension expense in future years. Adverse changes in the benefit obligation of the FPU pension plan may require us to record higher pension expense and fund obligations earlier than originally planned, which would have an adverse impact on our cash flows from operations, decrease borrowing capacity and increase interest expense.

OPERATIONAL RISKS

We are dependent upon construction of new facilities to support future growth in earnings in our natural gas and electric distribution and natural gas transmission operations.

Construction of new facilities required to support future growth is subject to various regulatory and developmental risks, including but not limited to: (i) our ability to obtain timely certificate authorizations, necessary approvals and permits from regulatory agencies and on terms that are acceptable to us; (ii) potential changes in federal, state and local statutes and regulations, including environmental requirements, that prevent a project from proceeding or increase the anticipated cost of the project; (iii) our inability to acquire rights-of-way or land rights on a timely basis on terms that are acceptable to us; (iv) lack of anticipated future growth in available natural gas and electricity supply and demand; (v) insufficient customer throughput commitments; and (vi) lack of available and qualified third-party contractors which could impact the timely construction of new facilities. Adverse outcomes and/or changes in these risks could limit the future growth of our business and cause a material adverse change in our financial condition, results of operations and cash flows.

We do not own all of the land on which our pipelines and facilities are located, which could result in disruptions to our operations.

Because we do not own all of the land on which our pipelines and facilities have been constructed, we are subject to the possibility of more onerous terms or increased costs to retain necessary land use if we do not have valid rights-of-way or if such rights-of-way lapse or terminate. We obtain the rights to construct and operate our pipelines on land owned by third parties and governmental agencies for a specific period of time. Our loss of these rights, through our inability to renew right-of-way contracts or otherwise, could have a material adverse effect on our business, financial condition and results of operations.

We operate in a competitive environment, and we may lose customers to competitors.

Natural Gas. Our natural gas transmission and distribution operations compete with interstate pipelines when our customers are located close enough to a competing pipeline to make direct connections economically feasible. Customers also have the option to switch to alternative fuels, including renewable energy sources. Failure to retain and grow our natural gas customer base would have an adverse effect on our financial condition, results of operations and cash flows.

Electric. Our Florida electric distribution business has remained substantially free from direct competition from other electric service providers but does face competition from other energy sources. Changes in the competitive environment caused by legislation, regulation, market conditions, or initiatives of other electric power providers, particularly with respect to retail electric competition, would adversely affect our financial condition, results of operations and cash flows.

Propane. Our propane operations compete with other propane distributors, primarily on the basis of service and price. Our ability to grow the propane operations business is contingent upon capturing additional market share, expanding into new markets, and successfully utilizing pricing programs that retain and grow our customer base. Failure to retain and grow our customer base in our propane operations would have an adverse effect on our financial condition, results of operations and cash flows.

Fluctuations in weather may cause a significant variance in our earnings.

Our natural gas distribution, propane operations and natural gas transmission operations, are sensitive to fluctuations in weather conditions, which directly influence the volume of natural gas and propane we transport, sell and deliver to our customers. A significant portion of our natural gas distribution, propane operations and natural gas transmission revenue is derived from the sales and deliveries to residential, commercial and industrial heating customers during the five-month peak heating season (November through March). Other than our Maryland natural gas distribution businesses (Maryland division, Sandpiper Energy and Elkton Gas) which have revenue normalization mechanisms, if the weather is warmer than normal, we generally sell and deliver less natural gas and propane to customers, and earn less revenue, which could adversely affect our results of operations, cash flows and financial condition. Conversely, if the weather is colder than normal, we generally sell and deliver more natural gas and propane to customers, and earn more revenue, which could positively affect our results of operations, cash flows and financial condition. Variations in weather from year to year can cause our results of operations, cash flows and financial condition to vary accordingly.

Our electric distribution operation is also affected by variations in weather conditions and unusually severe weather conditions. However, electricity consumption is generally less seasonal than natural gas and propane because it is used for both heating and cooling in our service areas.

Severe weather events (such as a major hurricane, flood or tornado), natural disasters and acts of terrorism could adversely impact earnings and access to insurance coverage.

Inherent in energy transmission and distribution activities are a variety of hazards and operational risks, such as leaks, ruptures, fires, uncontrollable flows of natural gas, explosions, release of contaminants into the environment, sabotage and mechanical problems. Severe weather events and natural disasters may damage our assets, cause operational interruptions and result in the loss of human life, all of which could negatively affect our earnings, financial condition and results of operations.

Acts of terrorism and the impact of retaliatory military and other action by the U.S. and its allies may lead to increased political, economic and financial market instability and volatility in the price of natural gas, electricity and propane that could negatively affect our operations. Companies in the energy industry may face a heightened risk of exposure to acts of terrorism, which could affect our financial condition, results of operations and cash flows.

The insurance industry may also be affected by severe weather events, natural disasters and acts of terrorism. As a result, the availability of insurance covering risks against which we and our competitors typically insure may be limited. In addition, the insurance we are able to obtain may have higher deductibles, higher premiums and more restrictive policy terms, which could adversely affect our financial condition, results of operations and cash flows.

Operating events affecting public safety and the reliability of our natural gas and electric distribution and transmission systems could adversely affect our operations and increase our costs.

Our natural gas and electric operations are exposed to operational events and risks, such as major leaks, outages, mechanical failures and breakdown, operations below the expected level of performance or efficiency, and accidents that could affect public safety and the reliability of our distribution and transmission systems, significantly increase costs and cause loss of customer confidence. If we are unable to recover all or some of these costs from insurance and/or customers through the regulatory process, our financial condition, results of operations and cash flows could be adversely affected.

A security breach disrupting our operating systems and facilities or exposing confidential information may adversely affect our reputation, disrupt our operations and increase our costs.

The cybersecurity risks associated with the protection of our infrastructure and facilities is evolving and increasingly complex. We continue to heavily rely on technological tools that support our business operations and corporate functions while enhancing our security. There are various risks associated with our information technology infrastructure, including hardware and software failure, communications failure, data distortion or destruction, unauthorized access to data, misuse of proprietary or confidential data, unauthorized control through electronic means, cyber-attacks, cyber-terrorism, data breaches, programming mistakes, and other inadvertent errors or deliberate human acts. Further, the U.S. government has issued public warnings that indicate energy assets might be specific targets of cybersecurity threats and/or attacks.

Many of our employees, service providers, and vendors have been working, and continue to work, from remote locations, where cybersecurity protections could be limited and cybersecurity procedures and safeguards could be less effective. As such, we could be subject to a higher risk of cybersecurity breaches than ever before. Therefore, we could be required to expend significant resources to continue to modify or enhance our procedures and controls or to upgrade our digital and operational systems, related infrastructure, technologies and network security.

Any such failure, attack, or security breach could adversely impact our ability to safely and reliably deliver services to our customers through our transmission, distribution, and generation systems, subjecting us to reputational and other harm, and subject us to legal and regulatory proceedings and claims and demands from third parties, any of which could adversely affect our business, our earnings, results of operation and financial condition. In addition, the protection of customer, employee and Company data is crucial to our operational security. A breach or breakdown of our systems that results in the unauthorized release of individually identifiable customer information or other sensitive data could have an adverse effect on our reputation, results of operations and financial condition and could also materially increase our costs of maintaining our system and protecting it against future breakdowns or breaches. We take reasonable precautions to safeguard our information systems from cyber-attacks and security breaches; however, there is no guarantee that the procedures implemented to protect against unauthorized access to our information systems are adequate to safeguard against all attacks and breaches. We also cannot assure that any redundancies built into our networks and technology, or the procedures we have implemented to protect against cyber-attacks and other unauthorized access to secured data, are adequate to safeguard against all failures of technology or security breaches.

The Company's business, results of operations, financial condition and cash flows could be adversely affected by interruption of the Company's information technology or network systems as well as the Company's implementation of its technology roadmap.

Currently, we rely on centralized and local information technology networks and systems, some of which are managed or accessible by third parties, to process, transmit and store electronic information, and to otherwise manage or support our business. Additionally, the Company collects and stores certain data, including proprietary business information, and has access to confidential or personal information that is subject to privacy and security laws, regulations and customer-imposed controls. The processing and storage of personal information is increasingly subject to privacy and data security regulations. The interpretation and application of data protection laws in the U.S. are continuing to evolve and may be different across jurisdictions. Violations of these laws could result in criminal or civil sanctions and even the mere allegation of such violations, could harm the Company's reputation.

Information technology system and/or network disruptions, whether caused by acts of sabotage, employee error, malfeasance or otherwise, could have an adverse impact on the Company's operations as well as the operations of the Company's customers and suppliers. As a result, the Company may be subject to legal claims or regulatory proceedings which could result in liability or penalties under privacy laws, disruption in the Company's operations, and damage to the Company's reputation, adversely affecting the Company's business, results of operations, financial condition and cash flows.

The Company is also implementing a technology roadmap that will significantly advance our technological capabilities. The implementation of new software in multiple phases is a complex process that involves several risks. Some of the common risks include:

- Expectations of what the software can do is not achieved and requires additional spending, resources and time;
- Inadequate planning, including changes in implementation plans, can lead to delays, cost overruns, and poor outcomes;
- Ensuring continued team engagement is critical as technology and systems projects are significant and involve many resources within the Company as well as the use of various third parties;
- Implementing new software can expose the organization to new security risks; and

- Integrating new software with existing systems can be challenging, as a result of compatibility issues, data migration and system downtime.

Concerns relating to the responsible use of new and evolving technologies, such as artificial intelligence (AI), may result in reputational or financial harm and liability.

While providing significant benefits, AI poses emerging legal, social, and ethical issues and presents risks and challenges. If we utilize AI solutions that have unintended consequences or may be deemed controversial, or if we are unable to develop effective internal policies and frameworks relating to the responsible use of AI, we may experience brand or reputational harm, competitive harm or legal liability. Complying with regulations related to AI could increase our cost of doing business, may change the way that we operate in certain jurisdictions, or may impede our ability to offer services in certain jurisdictions if we are unable to comply with regulations.

Failure to attract and retain an appropriately qualified employee workforce could adversely affect operations.

Our ability to implement our business strategy and serve our customers depends upon our continuing ability to attract, develop and retain talented professionals and a technically skilled workforce in a manner competitive with current market conditions, and transfer the knowledge and expertise of our workforce to new employees as our existing employees retire. Failure to hire and adequately train replacement employees, including the transfer of significant internal historical knowledge and expertise to new employees, or the future availability and cost of contract labor could adversely affect our ability to manage and operate our business. If we were unable to hire, train and retain appropriately qualified personnel, our results of operations could be adversely affected.

A strike, work stoppage or a labor dispute could adversely affect our operations.

We are party to collective bargaining agreements with labor unions at some of our Florida operations. A strike, work stoppage or a labor dispute with a union or employees represented by a union could cause interruption to our operations and our results could be adversely affected.

Our businesses are capital-intensive, and the increased costs and/or delays of capital projects may adversely affect our future earnings.

Our businesses are capital-intensive and require significant investments in ongoing infrastructure projects. These projects are subject to state and federal regulatory oversight and require certain property rights, such as easements and rights-of-way from public and private owners, as well as regulatory approvals, including environmental and other permits and licenses. There is no assurance that we will be able to obtain the necessary property rights, permits and licenses and approvals in a timely and cost-efficient manner, or at all, which may result in the delay or failure to complete a project. In addition, the availability of the necessary materials and qualified vendors could also impact our ability to complete such projects on a timely basis and manage the overall costs. Failure to complete any pending or future infrastructure projects could have a material adverse impact on our financial condition, results of operations and cash flows. Where we are able to successfully complete pending or future infrastructure projects, our revenues may not increase immediately upon the expenditure of funds on a particular project or as anticipated over the life of the project. As a result, there is the risk that new and expanded infrastructure may not achieve our expected investment returns, which could have a material adverse effect on our business, financial condition and results of operations.

Our regulated energy business may be at risk if franchise agreements are not renewed, or new franchise agreements are not obtained, which could adversely affect our future results or operating cash flows and financial condition.

Our regulated natural gas and electric distribution operations hold franchises in each of the incorporated municipalities that require franchise agreements in order to provide natural gas and electricity. Ongoing financial results would be adversely impacted in the event that franchise agreements were not renewed. If we are unable to obtain franchise agreements for new service areas, growth in our future earnings could be negatively impacted.

Slowdowns in customer growth may adversely affect earnings and cash flows.

Our ability to increase revenues in our natural gas, propane and electric distribution businesses is dependent upon growth in the residential construction market, adding new commercial and industrial customers and conversion of customers to natural gas, electricity or propane from other energy sources. Slowdowns in growth may adversely affect our financial condition, results of operations and cash flows.

Energy conservation could lower energy consumption, which would adversely affect our earnings.

Federal and state legislative and regulatory initiatives to promote energy efficiency, conservation and the use of alternative energy sources could lower consumption of natural gas and propane by our customers. For example, on August 16, 2022, the Inflation Reduction Act of 2022 was signed into law, with hundreds of billions of dollars in incentives for the development of renewable energy, clean hydrogen, and clean fuels, amongst other provisions. These incentives could further accelerate the transition of the U.S. economy away from the use of fossil fuels towards lower- or zero-carbon emissions alternatives and impact demand for our products and services. In addition, increasing attention to climate change, societal expectations on companies to address climate change, investor and societal expectations including mandatory climate related disclosures, and the aforementioned demand for alternative forms of energy, may result in increased costs and reduced demand for our products and services. While we cannot predict the ultimate effect that the development of alternative energy sources and related laws might have on our operations, we may be subject to reduced profits, increased investigations and litigation against us, and negative impacts on our stock price and access to capital markets.

In addition, higher costs of natural gas, propane and electricity may cause customers to conserve fuel. To the extent recovery through customer rates of higher costs or lower consumption from energy efficiency or conservation is not allowed, and our propane retail prices cannot be increased due to market conditions, our financial condition, results of operations and cash flows could be adversely affected.

Commodity price increases may adversely affect the operating costs and competitive positions of our natural gas, electric and propane operations, which may adversely affect our results of operations, cash flows and financial condition.

Natural Gas and Electricity. Higher natural gas prices can significantly increase the cost of gas billed to our natural gas customers. Increases in the cost of natural gas and other fuels used to generate electricity can significantly increase the cost of electricity billed to our electric customers. Damage to the production or transportation facilities of our suppliers, which decreases their supply of natural gas and electricity, could result in increased supply costs and higher prices for our customers. Such cost increases generally have no immediate effect on our revenues and net income because of our regulated fuel cost recovery mechanisms. However, our net income may be reduced by higher expenses that we may incur for uncollectible customer accounts and by lower volumes of natural gas and electricity deliveries when customers reduce their consumption. Therefore, increases in the price of natural gas and other fuels can adversely affect our financial condition, results of operations and cash flows, as well as the competitiveness of natural gas and electricity as energy sources.

Propane. Propane costs are subject to changes as a result of product supply or other market conditions, including weather, economic and political factors affecting crude oil and natural gas supply or pricing. For example, weather conditions could damage production or transportation facilities, which could result in decreased supplies of propane, increased supply costs and higher prices for customers. Such increases in costs can occur rapidly and can negatively affect profitability. There is no assurance that we will be able to pass on propane cost increases fully or immediately, particularly when propane costs increase rapidly. Therefore, average retail sales prices can vary significantly from year-to-year as product costs fluctuate in response to propane, fuel oil, crude oil and natural gas commodity market conditions. In addition, in periods of sustained higher commodity prices, declines in retail sales volumes due to reduced consumption and increased amounts of uncollectible accounts may adversely affect net income.

Refer to *Item 7A*, *Quantitative and Qualitative Disclosures about Market Risk* for additional information.

Our use of derivative instruments may adversely affect our results of operations.

Fluctuating commodity prices may affect our earnings and financing costs because our propane operations use derivative instruments, including forwards, futures, swaps, puts, and calls, to hedge price risk. While we have risk management policies and operating procedures in place to control our exposure to risk, if we purchase derivative instruments that are not properly matched to our exposure, our results of operations, cash flows, and financial condition may be adversely affected. In addition, fluctuations in market prices could result in significant unrealized gains or losses, which could require margins to be posted on unsettled positions and impact our financial position, results of operations and cash flows.

A substantial disruption or lack of growth in interstate natural gas pipeline transmission and storage capacity or electric transmission capacity may impair our ability to meet customers' existing and future requirements.

In order to meet existing and future customer demands for natural gas and electricity, we must acquire sufficient supplies of natural gas and electricity, interstate pipeline transmission and storage capacity, and electric transmission capacity to serve such requirements. We must contract for reliable and adequate upstream transmission capacity for our distribution systems while considering the dynamics of the interstate pipeline and storage and electric transmission markets, our own on-system resources, as well as the characteristics of our markets. Our financial condition and results of operations would be materially and adversely affected if the future availability of these capacities were insufficient to meet future customer demands for natural gas and electricity. Currently, our natural gas operations in Florida rely primarily on two pipeline systems, FGT and Peninsula Pipeline (our intrastate pipeline subsidiary), for most of their natural gas supply and transmission. Our Florida electric operation secures electricity from external parties. Any continued interruption of service from these suppliers could adversely affect our ability to meet the demands of our customers, which could negatively impact our financial condition, results of operations and cash flows.

Our ability to grow our businesses could be adversely affected if we are not successful in making acquisitions or integrating the acquisitions we have completed.

One of our strategies is to grow through acquisitions of complementary businesses. On November 30, 2023, we completed the acquisition of FCG, a regulated natural gas distribution utility serving approximately 120,000 residential and commercial natural gas customers in Florida, for $923.4 million in cash, pursuant to the previously disclosed stock purchase agreement with Florida Power & Light Company. Our acquisitions, including FCG as well as future acquisitions, involve a number of risks including, but not limited to, the following:

- We may fail to realize the benefits and growth prospects anticipated as a result of the acquisition;
- We may not identify all material facts, issues and/or liabilities in due diligence; accurately anticipate required capital expenditures; or design and implement an effective internal control environment with respect to acquired businesses;
- We may experience difficulty in integrating the technology, systems, policies, processes or operations and retaining the employees, including key personnel of the acquired business;
- The historical financial results of acquisitions may not be representative of our future financial condition, results of operations and cash flows, and may not deliver the expected strategic and operational benefits;
- An acquisition may divert management's attention to integration activities or disrupt ongoing operations; and
- We may overpay for assets, which could result in the recording of excess goodwill and other intangible assets at values that ultimately may be subject to impairment charges.

These factors, amongst others, could impact our ability to successfully grow our business which could have a material adverse effect on our financial condition, results of operations and cash flows.

An impairment of our assets including long-lived assets, goodwill and other intangible assets, could negatively impact our financial condition and results of operations.

In accordance with GAAP, goodwill, intangibles, and other long-lived assets are tested for impairment annually or whenever events or changes in circumstances indicate impairment may have occurred. The testing of assets for impairment requires us to make significant estimates about our future performance and cash flows, as well as other assumptions. These values may be impacted by significant negative industry or economic trends, changes in technology, regulatory or industry conditions, disruptions to our business, inability to effectively integrate acquired businesses, unexpected significant change or planned changes in use of our assets, changes in the structure of our business, divestitures, market capitalization declines or changes in economic conditions or interest rates. If the testing performed indicates that impairment has occurred, we are required to record an impairment charge for the difference between the carrying value of the applicable asset and the implied fair value in the period the determination is made. Any changes in key assumptions, or actual performance compared with key assumptions, about our business and its future prospects could affect the fair value of one or more of our assets, which may result in an impairment charge and could negatively affect our financial condition and results of operations.

REGULATORY, LEGAL AND ENVIRONMENTAL RISKS

Regulation of our businesses, including changes in the regulatory environment, may adversely affect our financial condition, results of operations and cash flows.

The Delaware, Maryland, Ohio and Florida PSCs regulate our utility operations in those states. Eastern Shore is regulated by the FERC. The PSCs and the FERC set the rates that we can charge customers for services subject to their regulatory jurisdiction. Our ability to obtain timely rate increases and rate supplements to maintain current rates of return depends on regulatory approvals, and there can be no assurance that our regulated operations will be able to obtain such approvals or maintain currently authorized rates of return. When earnings from our regulated utilities exceed the authorized rate of return, the respective regulatory authority may require us to reduce our rates charged to customers in the future.

We may face certain regulatory and financial risks related to pipeline safety legislation.

We are subject to a number of legislative proposals at the federal and state level to implement increased oversight over natural gas pipeline operations and facilities to inspect pipeline facilities, upgrade pipeline facilities, or control the impact of a breach of such facilities. Additional operating expenses and capital expenditures may be necessary to remain in compliance.

If new legislation is adopted and we incur additional expenses and expenditures, our financial condition, results of operations and cash flows could be adversely affected, particularly if we are not authorized through the regulatory process to recover from customers some or all of these costs and earn at an authorized rate of return.

Pipeline integrity programs and repairs may impose significant costs and liabilities on the Company.

The PHMSA requires pipeline operators to develop integrity management programs to comprehensively evaluate their pipelines and to take additional measures to protect pipeline segments located in areas where a leak or rupture could potentially do the most harm. The PHMSA constantly updates its regulations to ensure the highest levels of pipeline safety. As the operator of pipelines, we are required to: perform ongoing assessments of pipeline integrity; identify and characterize applicable threats to pipelines; improve data collection, integration and analysis; repair and remediate the pipelines as necessary; and implement preventative and mitigating actions. These new and any future regulations adopted by the PHMSA may impose more stringent requirements applicable to integrity management programs and other pipeline safety aspects of our operations, which could cause us to incur increased capital and operating costs and operational delays. Moreover, should we fail to comply with the PHMSA rules and regulations, we could be subject to significant penalties and fines which may adversely affect our financial condition, results of operations and cash flows.

We are subject to operating and litigation risks that may not be fully covered by insurance.

Our operations are subject to the operating hazards and risks normally incidental to handling, storing, transporting, transmitting and delivering natural gas, electricity and propane to end users. From time to time, we are a defendant in legal proceedings arising in the ordinary course of business. We maintain insurance coverage for our general liabilities in the amount of $52 million, which we believe is reasonable and prudent. However, there can be no assurance that such insurance will be adequate to protect us from all material expenses related to potential future claims for personal injury and property damage or that such levels of insurance will be available in the future at economical prices.

Costs of compliance with environmental laws may be significant.

We are subject to federal, state and local laws and regulations governing environmental quality and pollution control. These evolving laws and regulations may require expenditures over a long period of time to control environmental effects at our current and former operating sites, especially former MGP sites. To date, we have been able to recover, through regulatory rate mechanisms, the costs associated with the remediation of former MGP sites. However, there is no guarantee that we will be able to recover future remediation costs in the same manner or at all. A change in our approved rate mechanisms for recovery of environmental remediation costs at former MGP sites could adversely affect our financial condition, results of operations and cash flows.

Further, existing environmental laws and regulations may be revised, or new laws and regulations seeking to protect the environment may be adopted and be applicable to us. Revised or additional laws and regulations could result in additional operating restrictions on our facilities or increased compliance costs, which may not be fully recoverable. Any such increase in compliance costs could adversely affect our financial condition, results of operations and cash flows. Compliance with these legal obligations requires us to commit capital. If we fail to comply with environmental laws and regulations, even if such failure is caused by factors beyond our control, we may be assessed administrative, civil, or criminal penalties and fines, imposed with investigatory and remedial obligations, or issued injunctions all of which could impact our financial condition, results of operations and cash flows. See *Item 8, Financial Statements and Supplementary Data* (see Note 19*, Environmental Commitments and Contingencies,* in the consolidated financial statements).

Unanticipated changes in our tax provisions or exposure to additional tax liabilities could affect our profitability and cash flow.

We are subject to income and other taxes in the U.S. and the states in which we operate. Changes in applicable state or U.S. tax laws and regulations, or their interpretation and application, including the possibility of retroactive effect, could affect our tax expense and profitability. In addition, the final determination of any tax audits or related litigation could be materially different from our historical income tax provisions and accruals. Changes in our tax provision or an increase in our tax liabilities, due to changes in applicable law and regulations, the interpretation or application thereof, future changes in the tax rate or a final determination of tax audits or litigation, could have a material adverse effect on our financial position, results of operations and cash flows.

Our business may be subject in the future to additional regulatory and financial risks associated with global warming and climate change.

There have been a number of federal and state legislative and regulatory initiatives proposed in recent years in an attempt to control or limit the effects of global warming and overall climate change, including greenhouse gas emissions. The direction of future U.S. climate change regulation is difficult to predict given the potential for policy changes under different Presidential administrations and Congressional leadership. The Environmental Protection Agency, or other Federal agencies, may or may not continue developing regulations to reduce greenhouse gas emissions. Even if federal efforts in this area slow, states, cities and local jurisdictions may continue pursuing climate regulations. Any laws or regulations that may be adopted to restrict or reduce emissions of greenhouse gases could require us to incur additional operating costs, such as costs to purchase and operate emissions controls, to obtain emission allowances or to pay emission taxes, and could reduce demand for our energy delivery services. Federal, state and local legislative initiatives to implement renewable portfolio standards or to further subsidize the cost of solar, wind and other renewable power sources may change the demand for natural gas. We cannot predict the potential impact that such laws or regulations, if adopted, may have on our future business, financial condition or financial results.

Climate changes may impact the demand for our services in the future and could result in more frequent and more severe weather events, which ultimately could adversely affect our financial results.

Significant climate change creates physical and financial risks for us. Our customers' energy needs vary with weather conditions, primarily temperature and humidity. For residential customers, heating and cooling represent their largest energy use. To the extent weather conditions may be affected by climate change, customers' energy use could increase or decrease depending on the duration and magnitude of any changes. To the extent that climate change adversely impacts the economic health or weather conditions of our service territories directly, it could adversely impact customer demand or our customers' ability to pay. Changes in energy use due to weather variations may affect our financial condition through volatility and/or decreased revenues and cash flows. Extreme weather conditions require more system backups and can increase costs and system stresses, including service interruptions. Severe weather impacts our operating territories primarily through thunderstorms, tornadoes, hurricanes, and snow or ice storms. Weather conditions outside of our operating territories could also have an impact on our revenues and cash flows by affecting natural gas prices. To the extent the frequency of extreme weather events increases, this could increase our costs of providing services. We may not be able to pass on the higher costs to our customers or recover all the costs related to mitigating these physical risks. To the extent financial markets view climate change and emissions of greenhouse gases as a financial risk, this could adversely affect our ability to access capital markets or cause us to receive less favorable terms and conditions in future financings. Our business could be affected by the potential for investigations and lawsuits related to or against greenhouse gas emitters based on the claimed connection between greenhouse gas emissions and climate change, which could impact adversely our business, results of operations and cash flows.

Our certificate of incorporation and bylaws may delay or prevent a transaction that stockholders would view as favorable.

Our certificate of incorporation and bylaws, as well as Delaware law, contain provisions that could delay, defer or prevent an unsolicited change in control of Chesapeake Utilities, which may negatively affect the market price of our common stock or the ability of stockholders to participate in a transaction in which they might otherwise receive a premium for their shares over the then current market price. These provisions may also prevent changes in management. In addition, our Board of Directors is authorized to issue preferred stock without stockholder approval on such terms as our Board of Directors may determine. Our common stockholders will be subject to, and may be negatively affected by, the rights of any preferred stock that may be issued in the future.

ITEM 1B. UNRESOLVED STAFF COMMENTS.

None.

ITEM 1C. CYBERSECURITY

We recognize the importance of assessing, identifying, and managing material risks associated with cybersecurity threats, as such term is defined in Item 106(a) of Regulation S-K. We face a multitude of increasing cybersecurity threats, including those that target the Nation's critical infrastructure sectors. Reliable service and operational continuity are critical to our success and the welfare of those we serve, including our ability to safely and reliably deliver energy to our customers through our transmission, distribution, and generation systems. We are committed to maintaining robust governance and oversight of these risks and to investing in the implementation of mechanisms, controls, technologies, and processes designed to help us assess, identify, and manage these risks in an everchanging landscape.

To mitigate the threat to our business, we take a comprehensive, cross-functional approach to cybersecurity risk management. Our management team is actively involved in the oversight and implementation of our risk management program, of which cybersecurity represents an important component. At least annually, we conduct a cybersecurity risk assessment that evaluates information from internal stakeholders and external sources. The results of the assessment inform our alignment and prioritization of initiatives to enhance our security controls. As described in more detail below, we have established policies, standards, processes and practices for assessing, identifying, and managing material risks from cybersecurity threats which follow frameworks established by the National Institute of Standards and Technology (NIST). These include, among other things: security awareness training for employees; mechanisms to detect and monitor unusual network activity; services that identify cybersecurity threats; conducting scans of the threat environment; evaluating our industry's risk profile; utilizing internal and external audits; conducting threat and vulnerability assessments; and containment and incident response tools. We also actively engage with industry groups for benchmarking and awareness of best practices. We maintain controls and procedures that are designed to ensure prompt escalation of certain cybersecurity incidents so that decisions regarding public disclosure and reporting of such incidents can be made in a timely manner.

Our approach to cybersecurity risk management includes the following key elements:

- Multi-Layered Defense and Continuous Monitoring: We work to protect our business from cybersecurity threats through multi-layered defenses and apply lessons learned from our defense and monitoring efforts to help prevent future attacks. We utilize data analytics to detect anomalies and review trends in the data. We regularly assess and deploy technical safeguards designed to protect our information systems from cybersecurity threats. Such safeguards are regularly evaluated and enhanced based on vulnerability assessments, cybersecurity threat intelligence and incident response experience.

- Information Sharing and Collaboration: We share and receive threat intelligence and best practices with industry peers, government agencies, information sharing and analysis centers, industry trade organizations, and cybersecurity forums. These relationships enable the rapid sharing of information around threat and vulnerability mitigation.

- Third-Party Risk Assessments: We engage third-party services to conduct assessments of our security controls, whether through penetration testing, independent audits or consulting on best practices to address new challenges. These assessments include testing both the design and operational effectiveness of security controls.

- Companywide Policies and Procedures: We have companywide cybersecurity policies and procedures, such as encryption standards, antivirus protection, remote access protocols, multi-factor authentication, protection of confidential information, and the use of the internet, social media, email, and wireless devices. These policies go through an internal review process and are approved by the appropriate members of management.

- Training and Awareness: We provide awareness training to our employees to help identify, avoid and mitigate cybersecurity threats. Our employees routinely participate in phishing campaigns, education that reinforces compliance with our policies, standards and practices, and other awareness training. We also periodically perform simulations and other exercises with management and incorporate external resources and advisors as needed. Our team of cybersecurity professionals collaborate with stakeholders across our business units to further analyze the risk to the Company, and form detection, mitigation and remediation strategies.

- Supplier Engagement: We work collectively with our suppliers to support cybersecurity resiliency in our supply chain. The Company uses a variety of processes to address third-party cybersecurity threats, including reviewing the cybersecurity practices of such provider(s), contractually imposing obligations on the provider(s), notifications in the event of any known or suspected cyber incident, conducting security assessments, and periodic reassessments during the course of the Company's engagement with such provider(s).

As of the date of this Form 10-K, there have not been any cybersecurity incidents that have materially affected our business strategy, results of operations or financial condition. There can be no guarantee that our policies and procedures will be followed or, if followed, will be effective. For more information regarding the risks we face from cybersecurity threats, please see *Item 1A*, *Risk Factors*, which should be read in conjunction with this Item 1C.

Cybersecurity Risk Governance and Oversight

The Company's Board, in conjunction with its Audit Committee, oversees management's approach to cybersecurity risk and its alignment with the Company's risk management program. The Board and Audit Committee receive reports from management about the prevention, detection, mitigation, and remediation of cybersecurity incidents, including material security risks and vulnerabilities. Additionally, management provides the Audit Committee with updates on cybersecurity risk assessments, risk mitigation strategies, and relevant internal and industry cybersecurity matters. The Company's Chief Information Officer ("CIO") is responsible for developing and implementing our information security program and reporting on cybersecurity matters to the Board and Audit Committee. The Company's CIO has 25 years of experience in the information technology industry. The CIO reports to the Chief Executive Officer and is supported by a dedicated cybersecurity team within our information systems department, as well as a multidisciplinary incident response team. Employees across the organization also have a role in our cybersecurity defenses, which we believe improves our cybersecurity posture.

In addition, the Company's Risk Management Committee ("RMC") evaluates risks relating to cybersecurity, among other significant risks, and applicable mitigation plans to address such risks. The RMC is comprised of members of the executive leadership team. The RMC meets monthly and receives updates from the CIO or a member of our cybersecurity team. The RMC reviews security performance metrics, global security risks, security enhancements, and updates on our security posture.

ITEM 2. Properties.

Offices and other operational facilities

We own or lease offices and other operational facilities in our service territories located in Delaware, Maryland, Virginia, North Carolina, South Carolina, Florida, Pennsylvania and Ohio.

Regulated Energy Segment

The following table presents a summary of miles of assets operated by our natural gas distribution, natural gas transmission and electric business units as of December 31, 2023:

Operations	Miles
Natural Gas Distribution	
Delmarva Natural Gas (Natural gas pipelines)	2,075
Delmarva Natural Gas (Underground propane pipelines)	17
FPU (Natural gas pipelines)	3,154
Florida City Gas (Natural gas pipelines)	3,860
Natural Gas Transmission	
Eastern Shore	517
Florida City Gas	79
Peninsula Pipeline	177
Aspire Energy Express [1]	—
Electric Distribution	
FPU	906
Total	10,785

[1] Aspire Energy Express had less than 1 mile of natural gas pipeline at December 31, 2023.

Peninsula Pipeline also has a 50 percent jointly owned intrastate transmission pipeline with Seacoast Gas Transmission, LLC ("Seacoast Gas Transmission") in Nassau County, Florida. The 26-mile pipeline serves demand in both Nassau and Duval Counties.

Unregulated Energy Segment

The following table presents propane storage capacity, miles of underground distribution mains and transmission for our Unregulated Energy Segment operations as of December 31, 2023:

Operations	Gallons or miles
Propane distribution	
Propane storage capacity (gallons in millions)	8.9
Underground propane distribution mains (miles)	153
Unregulated Energy Transmission and gathering (Aspire Energy)	
Natural gas pipelines (miles)	2,800

ITEM 3. Legal Proceedings.

See Note 20, *Other Commitments and Contingencies* in the Consolidated Financial Statements, which is incorporated into Item 3 by reference.

ITEM 4. Mine Safety Disclosures.

Not applicable.

PART II

ITEM 5. Market for the Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities.

Common Stock Dividends and Stockholder Information:

Chesapeake Utilities common stock is traded on the New York Stock Exchange ("NYSE") under the ticker symbol CPK. As of February 16, 2024, we had 1,974 holders of record of our common stock. We declared quarterly cash dividends on our common stock totaling $2.305 per share in 2023 and $2.085 per share in 2022, and have paid a cash dividend to holders of our common stock for 63 consecutive years. Future dividend payments and amounts are at the discretion of the Board of Directors and will depend on our financial condition, results of operations, capital requirements, and other factors.

Indentures to our long-term debt contain various restrictions which limit our ability to pay dividends. Refer to *Item 8, Financial Statements and Supplementary Data* (see Note 12, *Long-Term Debt*, in the consolidated financial statements) for additional information.

Purchases of Equity Securities by the Issuer

The following table sets forth information on purchases by us or on our behalf of shares of our common stock during the quarter ended December 31, 2023:

Period	Total Number of Shares Purchased	Average Price Paid per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs [2]	Maximum Number of Shares That May Yet Be Purchased Under the Plans or Programs [2]
October 1, 2023 through October 31, 2023 [1]	663	$ 95.19	—	—
November 1, 2023 through November 30, 2023	—	—	—	—
December 1, 2023 through December 31, 2023	—	—	—	—
Total	663	$ 95.19	—	—

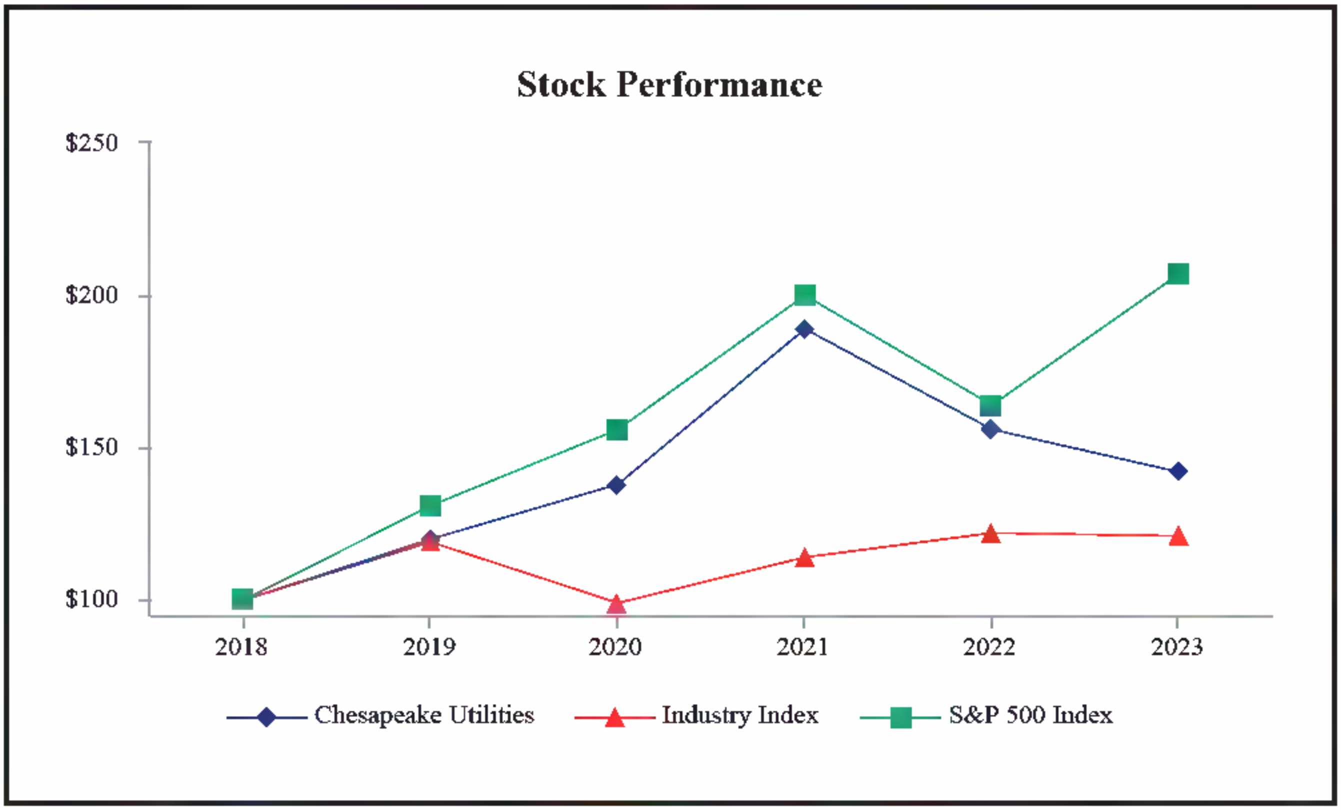
[1] In October 2023, we purchased 663 shares of common stock on the open market for the purpose of reinvesting the dividend on shares held in the Rabbi Trust accounts under the Non-Qualified Deferred Compensation Plan. The Non-Qualified Deferred Compensation Plan is discussed in detail in Item 8, Financial Statements and Supplementary Data (see Note 16, Employee Benefit Plans, in the consolidated financial statements).
[2] Except for the purpose described in footnote [1], we have no publicly announced plans or programs to repurchase our shares.

Information on certain of our equity compensation plans, for which shares of our common stock are authorized for issuance, is included in the section of our Proxy Statement captioned “Equity Compensation Plan Information” and is incorporated herein by reference.

Common Stock Performance Graph

The stock performance graph and table below compares cumulative total stockholder return on our common stock during the five fiscal years ended December 31, 2023, with the cumulative total stockholder return of the Standard & Poor's 500 Index and the cumulative total stockholder return of select peers, which include the following companies: Atmos Energy Corporation; Black Hills Corporation; New Jersey Resources Corporation; NiSource; Northwest Natural Gas Company; Northwestern Corporation; ONE Gas, Inc.; RGC Resources, Inc.; Spire, Inc.; and Unitil Corporation.

The comparison assumes $100 was invested on December 31, 2018 in our common stock and in each of the foregoing indices and assumes reinvested dividends. The comparisons in the graph below are based on historical data and are not intended to forecast the possible future performance of our common stock.



	2018	2019	2020	2021	2022	2023
Chesapeake Utilities	$ 100	$ 120	$ 138	$ 189	$ 156	$ 142
Industry Index	$ 100	$ 119	$ 99	$ 114	$ 122	$ 121
S&P 500 Index	$ 100	$ 131	$ 156	$ 200	$ 164	$ 207

ITEM 6. RESERVED

ITEM 7. Management's Discussion and Analysis of Financial Condition and Results of Operations

This section provides management's discussion of Chesapeake Utilities and its consolidated subsidiaries, with specific information on results of operations, liquidity and capital resources, as well as discussion of how certain accounting principles affect our financial statements. It includes management's interpretation of our financial results and our operating segments, the factors affecting these results, the major factors expected to affect future operating results as well as investment and financing plans. This discussion should be read in conjunction with our consolidated financial statements and notes thereto in *Item 8, Financial Statements and Supplementary Data*.

Several factors exist that could influence our future financial performance, some of which are described in Item 1A*, Risk Factors*. They should be considered in connection with forward-looking statements contained in this Annual Report, or otherwise made by or on behalf of us, since these factors could cause actual results and conditions to differ materially from those set out in such forward-looking statements.

Earnings per share information is presented on a diluted basis, unless otherwise noted.

Acquisition of FCG

On November 30, 2023, we completed the acquisition of FCG for $923.4 million in cash, including working capital adjustments as defined in the agreement, pursuant to the previously disclosed stock purchase agreement with Florida Power & Light Company. Upon completion of the acquisition, FCG became a wholly-owned subsidiary of the Company and is included within our Regulated Energy segment. FCG serves approximately 120,000 residential and commercial natural gas customers across eight counties in Florida, including Miami-Dade, Broward, Brevard, Palm Beach, Hendry, Martin, St. Lucie and Indian River. Its natural gas system includes approximately 3,800 miles of distribution main and 80 miles of transmission pipe. Results for FCG are included within our consolidated results from the acquisition date.

In June 2023, FCG received approval from the Florida PSC for a $23.3 million total increase in base revenue in connection with its May 2022 rate case filing. The new rates, which became effective as of May 1, 2023, included the transfer of its SAFE program provisions from a rider clause to base rates, an increase in rates associated with a liquefied natural gas facility, and approval of FCG's proposed reserve surplus amortization mechanism ("RSAM") with a $25.0 million reserve amount. The RSAM is recorded as either an increase or decrease to accrued removal costs on the balance sheet, with a corresponding increase or decrease to depreciation and amortization expense.

The impact of FCG's results from the acquisition date and effects on our liquidity are discussed further below and throughout Item 7, *Management's Discussion and Analysis of Financial Condition and Results of Operations*.

Non-GAAP Financial Measures

This document, including the tables herein, include references to both Generally Accepted Accounting Principles ("GAAP") and non-GAAP financial measures, including Adjusted Gross Margin, Adjusted Net Income and Adjusted EPS. A "non-GAAP financial measure" is generally defined as a numerical measure of a company's historical or future performance that includes or excludes amounts, or that is subject to adjustments, so as to be different from the most directly comparable measure calculated or presented in accordance with GAAP. Our management believes certain non-GAAP financial measures, when considered together with GAAP financial measures, provide information that is useful to investors in understanding period-over-period operating results separate and apart from items that may, or could, have a disproportionately positive or negative impact on results in any particular period.

We calculate Adjusted Gross Margin by deducting the purchased cost of natural gas, propane and electricity and the cost of labor spent on direct revenue-producing activities from operating revenues. The costs included in Adjusted Gross Margin exclude depreciation and amortization and certain costs presented in operations and maintenance expenses in accordance with regulatory requirements. We calculate Adjusted Net Income and Adjusted EPS by deducting non-recurring costs and expenses associated with significant acquisitions that may affect the comparison of period-over-period results. These non-GAAP financial measures are not in accordance with, or an alternative to, GAAP and should be considered in addition to, and not as a substitute for, the comparable GAAP measures. We believe that these non-GAAP financial measures are useful and meaningful to investors as a basis for making investment decisions, and provide investors with information that demonstrates the profitability achieved by the Company under allowed rates for regulated energy operations and under the Company's competitive pricing structures for unregulated energy operations. The Company's management uses these non-GAAP financial measures in assessing a business unit's and the overall Company performance. Other companies may calculate these non-GAAP financial measures in a different manner.

The following tables reconcile Gross Margin, Net Income, and EPS, all as defined under GAAP, to our non-GAAP financial measures of Adjusted Gross Margin, Adjusted Net Income and Adjusted EPS for the years ended December 31, 2023, 2022 and 2021:

Adjusted Gross Margin

(in thousands)	For the Year Ended December 31, 2023			
	Regulated Energy	**Unregulated Energy**	**Other and Eliminations**	**Total**
Operating Revenues	**$ 473,595**	**$ 223,148**	**$ (26,139)**	**$ 670,604**
Cost of Sales:				
Natural gas, propane and electric costs	(140,008)	(102,492)	26,019	(216,481)
Depreciation & amortization	(48,162)	(17,347)	8	(65,501)
Operations & maintenance expenses (1)	(27,485)	(31,507)	343	(58,649)
Gross Margin (GAAP)	**257,940**	**71,802**	**231**	**329,973**
Operations & maintenance expenses (1)	27,485	31,507	(343)	58,649
Depreciation & amortization	48,162	17,347	(8)	65,501
Adjusted Gross Margin (Non-GAAP)	**$ 333,587**	**$ 120,656**	**$ (120)**	**$ 454,123**

(in thousands)	For the Year Ended December 31, 2022			
	Regulated Energy	**Unregulated Energy**	**Other and Eliminations**	**Total**
Operating Revenues	**$ 429,424**	**$ 280,750**	**$ (29,470)**	**$ 680,704**
Cost of Sales:				
Natural gas, propane and electric costs	(127,172)	(162,683)	29,349	(260,506)
Depreciation & amortization	(52,707)	(16,257)	(9)	(68,973)
Operations & maintenance expenses (1)	(35,472)	(29,825)	9	(65,288)
Gross Margin (GAAP)	**214,073**	**71,985**	**(121)**	**285,937**
Operations & maintenance expenses (1)	35,472	29,825	(9)	65,288
Depreciation & amortization	52,707	16,257	9	68,973
Adjusted Gross Margin (Non-GAAP)	**$ 302,252**	**$ 118,067**	**$ (121)**	**$ 420,198**

(in thousands)	For the Year Ended December 31, 2021 Regulated Energy	Unregulated Energy	Other and Eliminations	Total
Operating Revenues	**$ 383,920**	**$ 206,869**	**$ (20,821)**	**$ 569,968**
Cost of Sales:				
Natural gas, propane and electric costs	(100,737)	(106,900)	20,687	(186,950)
Depreciation & amortization	(48,748)	(13,869)	(44)	(62,661)
Operations & maintenance expenses [(1)]	(32,780)	(24,123)	179	(56,724)
Gross Margin (GAAP)	**201,655**	**61,977**	**1**	**263,633**
Operations & maintenance expenses [(1)]	32,780	24,123	(179)	56,724
Depreciation & amortization	48,748	13,869	44	62,661
Adjusted Gross Margin (Non-GAAP)	**$ 283,183**	**$ 99,969**	**$ (134)**	**$ 383,018**

[(1)] Operations & maintenance expenses within the Consolidated Statements of Income are presented in accordance with regulatory requirements and to provide comparability within the industry. Operations & maintenance expenses which are deemed to be directly attributable to revenue producing activities have been separately presented above in order to calculate Gross Margin as defined under U.S. GAAP.

2023 to 2022 Gross Margin (GAAP) Variance – Regulated Energy

Gross Margin (GAAP) for the Regulated Energy segment for 2023 was $257.9 million, an increase of $43.9 million, or 20.5 percent, compared to 2022. Higher gross margin reflects contributions from the Company's Florida Natural Gas base rate proceeding, organic growth in the Company's natural gas distribution businesses and continued pipeline expansion projects, and contributions attributable to the acquisition of FCG. These increases were partially offset by reduced customer consumption resulting from the significantly warmer temperatures in our northern service territories throughout the year and increased employee costs related to growth initiatives, the ongoing competitive labor market and higher benefits costs.

2022 to 2021 Gross Margin (GAAP) Variance – Regulated Energy

Gross Margin (GAAP) for the Regulated Energy segment for the year ended December 31, 2022 compared to 2021 is described in Item 7, *Management's Discussion and Analysis of Financial Condition and Results of Operations* in our Annual Report on Form 10-K for the year ended December 31, 2022, which is incorporated herein by reference.

2023 to 2022 Gross Margin (GAAP) Variance – Unregulated Energy

Gross Margin (GAAP) for the Unregulated Energy segment for 2023 was $71.8 million, which was largely consistent with gross margin for the prior year. The effects of changes in customer consumption due primarily to significantly warmer weather in our Mid-Atlantic and North Carolina service areas throughout the year and increased operating expenses and depreciation were largely offset by increased propane margins and fees and increased gathering charges and consumption for Aspire Energy.

2022 to 2021 Gross Margin (GAAP) Variance – Unregulated Energy

Gross Margin (GAAP) for the Unregulated Energy segment for the year ended December 31, 2022 compared to 2021 is described in Item 7, *Management's Discussion and Analysis of Financial Condition and Results of Operations* in our Annual Report on Form 10-K for the year ended December 31, 2022, which is incorporated herein by reference.

Adjusted Net Income and Adjusted EPS

(in thousands, except shares and per share data)	Year Ended December 31, 2023	2022	2021
Net Income (GAAP)	**$ 87,212**	$ 89,796	$ 83,466
FCG transaction-related expenses, net [1]	**10,625**	—	—
Adjusted Net Income (Non-GAAP)	**$ 97,837**	$ 89,796	$ 83,466
Weighted average common shares outstanding - diluted	**18,434,857**	17,804,294	17,633,029
Earnings Per Share - Diluted (GAAP)	**$ 4.73**	$ 5.04	$ 4.73
FCG transaction-related expenses, net [1]	**0.58**	—	—
Adjusted Earnings Per Share - Diluted (Non-GAAP)	**$ 5.31**	$ 5.04	$ 4.73

[1] Transaction-related expenses for the year ended December 31, 2023 represent costs incurred attributable to the acquisition of FCG, including pretax operating expenses of $10.4 million associated with legal, consulting and audit fees and $4.1 million of interest charges related to pretax fees and expenses associated with the Bridge Facility.

2023 to 2022 Net Income (GAAP) Variance

Net income (GAAP) for the year ended December 31, 2023 was $87.2 million, or $4.73 per share, compared to $89.8 million, or $5.04 per share in 2022. Net income for the year ended December 31, 2023 included $10.6 million of transaction-related expenses in connection with the FCG acquisition. Excluding these costs, net income increased by $8.0 million or 9 percent compared to the prior year.

2022 to 2021 Net Income (GAAP) Variance

Net income (GAAP) for the year ended December 31, 2022 compared to 2021 is described in Item 7, *Management's Discussion and Analysis of Financial Condition and Results of Operations* in our Annual Report on Form 10-K for the year ended December 31, 2022, which is incorporated herein by reference.

Overview and Highlights

(in thousands except shares and per share data)

For the Year Ended December 31,	2023	2022	Increase (Decrease)	2022	2021	Increase (Decrease)
Operating Income						
Regulated Energy	**$ 126,199**	$ 115,317	$ 10,882	$ 115,317	$ 106,174	$ 9,143
Unregulated Energy	**24,426**	27,350	(2,924)	27,350	24,427	2,923
Other businesses and eliminations	**178**	266	(88)	266	511	(245)
Operating Income	**150,803**	142,933	7,870	142,933	131,112	11,821
Other income, net	**1,438**	5,051	(3,613)	5,051	1,720	3,331
Interest charges	**36,951**	24,356	12,595	24,356	20,135	4,221
Income from Before Income Taxes	**115,290**	123,628	(8,338)	123,628	112,697	10,931
Income Taxes	**28,078**	33,832	(5,754)	33,832	29,231	4,601
Net Income	**$ 87,212**	$ 89,796	$ (2,584)	$ 89,796	$ 83,466	$ 6,330
Basic Earnings Per Share of Common Stock	**$ 4.75**	$ 5.07	$ (0.32)	$ 5.07	$ 4.75	$ 0.32
Diluted Earnings Per Share of Common Stock	**$ 4.73**	$ 5.04	$ (0.31)	$ 5.04	$ 4.73	$ 0.31
Adjusted Net Income and Adjusted Earnings Per Share						
Net Income (GAAP)	**$ 87,212**	$ 89,796	$ (2,584)	**$ 89,796**	$ 83,466	$ 6,330
FCG transaction-related expenses, net [(1)]	**10,625**	—	10,625	**—**	—	—
Adjusted Net Income (Non-GAAP)	**$ 97,837**	$ 89,796	$ 8,041	**$ 89,796**	$ 83,466	$ 6,330
Weighted average common shares outstanding - diluted	**18,434,857**	17,804,294	630,563	**17,804,294**	17,633,029	171,265
Earnings Per Share - Diluted (GAAP)	**$ 4.73**	$ 5.04	$ (0.31)	**$ 5.04**	$ 4.73	$ 0.31
FCG transaction-related expenses, net [(1)]	**0.58**	—	0.58	**—**	—	—
Adjusted Earnings Per Share - Diluted (Non-GAAP)	**$ 5.31**	$ 5.04	$ 0.27	**$ 5.04**	$ 4.73	$ 0.31

[(1)] Transaction-related expenses for the year ended December 31, 2023 represent costs incurred attributable to the acquisition of FCG, including pretax operating expenses of $10.4 million associated with legal, consulting and audit fees and $4.1 million of interest charges related to pretax fees and expenses associated with the Bridge Facility.

2023 compared to 2022

Key variances in operations between 2023 and 2022 included:

(in thousands, except per share data)	Pre-tax Income	Net Income	Earnings Per Share
Year ended December 31, 2022 Adjusted Results**	$ 123,628	$ 89,796	$ 5.04
Non-recurring Items:			
One-time benefit associated with reduction in state tax rate	—	2,469	0.13
Absence of interest income from federal income tax refund	(826)	(600)	(0.03)
Absence of gain from sales of assets	(1,902)	(1,382)	(0.07)
	(2,728)	487	0.03
Increased (Decreased) Adjusted Gross Margins:			
Contribution from rate changes associated with Florida Natural Gas base rate proceeding*	13,361	9,820	0.53
Increased propane margins per gallon and fees	8,821	6,483	0.34
Contribution from the acquisition of FCG	8,687	6,385	0.35
Natural gas growth (excluding service expansions)	6,214	4,567	0.25
Natural gas transmission service expansions*	4,812	3,537	0.19
Contributions from regulated infrastructure programs*	2,597	1,909	0.10
Increased margins from Aspire Energy	1,141	839	0.05
Increased adjusted gross margin from off-system natural gas capacity sales	960	706	0.04
Customer consumption primarily resulting from weather	(13,627)	(10,016)	(0.54)
	32,966	24,230	1.31
(Increased) Decreased Other Operating Expenses (Excluding Natural Gas, Electricity and Propane Costs):			
Payroll, benefits and other employee-related expenses	(9,013)	(6,625)	(0.36)
FCG operating expenses	(4,190)	(3,080)	(0.17)
Facilities expenses, maintenance costs and outside services	(1,756)	(1,290)	(0.07)
Customer service related costs	(820)	(603)	(0.03)
Regulatory expenses	(658)	(484)	(0.03)
Depreciation, amortization and property tax costs	615	452	0.02
Decreased vehicle expenses	577	424	0.02
	(15,245)	(11,206)	(0.62)
Interest charges	(8,494)	(6,243)	(0.34)
Change in pension expense	(1,453)	(1,068)	(0.06)
Increase in shares outstanding due to 2023 and 2022 equity offerings	—	—	(0.17)
Net other changes	1,070	1,841	0.12
Year ended December 31, 2023 Adjusted Results**	$ 129,744	$ 97,837	$ 5.31

* See the Major Projects and Initiatives table

** Transaction-related expenses attributable to the acquisition of FCG have been excluded from the Company's non-GAAP measures of adjusted net income and adjusted EPS See previous tables for a reconciliation of these items against the related GAAP measures

Summary of Key Factors

Recently Completed and Ongoing Major Projects and Initiatives

We constantly pursue and develop additional projects and initiatives to serve existing and new customers, further grow our businesses and earnings, and increase shareholder value. The following table includes the major projects and initiatives recently completed and currently underway. Major projects and initiatives that have generated consistent year-over-year adjusted gross margin contributions are removed from the table at the beginning of the next calendar year. Our practice is to add new projects and initiatives to this table once negotiations or details are substantially final and/or the associated earnings can be estimated.

	Adjusted Gross Margin				
	Year Ended December 31,			Estimate for Calendar Year	
(in thousands)	2021	2022	2023	2024	2025
Pipeline Expansions:					
Guernsey Power Station	$ 187	$ 1,377	**$ 1,478**	$ 1,482	$ 1,478
Southern Expansion	—	—	**586**	2,344	2,344
Winter Haven Expansion	—	260	**637**	626	626
Beachside Pipeline Expansions	—	—	**1,810**	2,451	2,414
North Ocean City Connector	—	—	**—**	—	494
St. Cloud / Twin Lakes Expansion	—	—	**264**	584	584
Clean Energy [1]	—	126	**1,064**	1,009	1,079
Wildlight	—	—	**471**	2,000	2,038
Lake Wales	—	—	**265**	454	454
Newberry	—	—	**—**	862	2,585
Total Pipeline Expansions	187	1,763	**6,575**	11,812	14,096
CNG/RNG/LNG Transportation and Infrastructure	7,566	11,100	**11,181**	12,500	13,969
Regulatory Initiatives:					
Florida GUARD Program	—	—	**353**	2,421	5,136
FCG SAFE Program	—	—	**—**	2,683	5,293
Capital Cost Surcharge Programs	1,199	2,001	**2,829**	3,979	4,374
Florida Rate Case Proceeding [2]	—	2,474	**15,835**	17,153	17,153
Maryland Rate Case [3]	—	—	**—**	TBD	TBD
Electric Storm Protection Plan	—	486	**1,326**	2,433	3,951
Total Regulatory Initiatives	1,199	4,961	**20,343**	28,669	35,907
Total	$ 8,952	$ 17,824	**$ 38,099**	$ 52,981	$ 63,972

[1] Includes adjusted gross margin generated from interim services through the project in-service date in September 2023.
[2] Includes adjusted gross margin during 2023 comprised of both interim rates and permanent base rates which became effective in March 2023.
[3] Rate case application filed with the Maryland PSC in January 2024. See additional information provided below.

Discussion of Major Projects and Initiatives

Pipeline Expansions

Guernsey Power Station

Guernsey Power Station and our affiliate, Aspire Energy Express, are engaged in a firm transportation capacity agreement whereby Guernsey Power Station has constructed a power generation facility and Aspire Energy Express provides firm natural gas transportation service to this facility. Guernsey Power Station commenced construction of the project in October 2019, Aspire Energy Express completed construction of the gas transmission facilities in the fourth quarter of 2021, and the facility went into service during the first quarter of 2023. The project generated additional adjusted gross margin of $0.1 million for the year ended December 31, 2023, and is expected to produce adjusted gross margin of approximately $1.5 million in 2024 and beyond.

Southern Expansion

Eastern Shore installed a new natural gas driven compressor skid unit at its existing Bridgeville, Delaware compressor station that provides 7,300 Dts of incremental firm transportation pipeline capacity. The project was placed in service in the fourth quarter of 2023 and generated adjusted gross margin of $0.6 million for the year ended December 31, 2023 and is expected to produce adjusted gross margin of approximately $2.3 million in 2024 and beyond.

Winter Haven Expansion

In May 2021, Peninsula Pipeline filed a petition with the Florida PSC for approval of its Transportation Service Agreement with Florida Natural Gas for an incremental 6,800 Dts/d of firm service in the Winter Haven, Florida area. As part of this agreement, Peninsula Pipeline constructed a new interconnect with FGT and a new regulator station for Florida Natural Gas. Florida Natural Gas is using the additional firm service to support new incremental load due to growth in the area, including providing service, most immediately, to a new can manufacturing facility, as well as reliability and operational benefits to Florida Natural Gas's existing distribution system in the area. In connection with Peninsula Pipeline's new regulator station, Florida Natural Gas also extended its distribution system to connect to the new station. This expansion was placed in service in the third quarter of 2022. The project generated additional adjusted gross margin of $0.4 million for the year ended December 31, 2023, and is expected to produce adjusted gross margin of approximately $0.6 million in 2024 and beyond.

Beachside Pipeline Expansion

In June 2021, Peninsula Pipeline and FCG entered into a Transportation Service Agreement for an incremental 10,176 Dts/d of firm service in Indian River County, Florida, to support Florida City Gas' growth along the Indian River's barrier island. As part of this agreement, Peninsula Pipeline constructed approximately 11.3 miles of pipeline from its existing pipeline in the Sebastian, Florida, area east under the Intercoastal Waterway and southward on the barrier island. Construction was completed and the project went into service in April 2023. Subsequent to the acquisition of FCG, the agreement is now an affiliate agreement. The project generated additional adjusted gross margin of $1.8 million for the year ended December 31, 2023, and is expected to produce adjusted gross margin of approximately $2.5 million in 2024 and $2.4 million in 2025 and beyond.

North Ocean City Connector

During the second quarter of 2022, we began construction of an extension of service into North Ocean City, Maryland. Our Delaware natural gas division and Sandpiper installed approximately 5.4 miles of pipeline across southern Sussex County, Delaware to Fenwick Island, Delaware and Worcester County, Maryland. The project reinforces our existing system in Ocean City, Maryland and enables incremental growth along the pipeline. Construction of this project was completed in the second quarter of 2023. The Company filed a natural gas rate case application with the PSC for the state of Maryland in January 2024 as discussed below. Adjusted gross margin in connection with this project is contingent upon the completion of the rate case and inclusion of the project in rate base. As a result, we expect this expansion to generate annual adjusted gross margin of approximately $0.5 million beginning in 2025, with additional margin opportunities from incremental growth.

St. Cloud / Twin Lakes Expansion

In July 2022, Peninsula Pipeline filed a petition with the Florida PSC for approval of its Transportation Service Agreement with FPU for an additional 2,400 Dt/day of firm service in the St. Cloud, Florida area. As part of this agreement, Peninsula Pipeline constructed a pipeline extension and regulator station for FPU. The extension supports new incremental load due to growth in the area, including providing service, most immediately, to the residential development, Twin Lakes. The expansion also improves reliability and provides operational benefits to FPU's existing distribution system in the area, supporting future growth. This project was placed into service in July 2023 and generated additional adjusted gross margin of $0.3 million for the year ended December 31, 2023. We expect this extension to generate additional annual adjusted gross margin of approximately $0.6 million in 2024 and beyond.

Clean Energy Expansion

During the fourth quarter of 2022, Clean Energy Fuels ("Clean Energy") and Florida Natural Gas entered into a precedent agreement for firm transportation services associated with a CNG fueling station Clean Energy is constructing. We installed approximately 2.2 miles of main extension in Davenport, Florida to support the filling station which was placed into service during September 2023. Our subsidiary, Marlin Gas Services, provided interim services to Clean Energy during the construction phase of the project. The project generated additional adjusted gross margin of $0.9 million for the year ended December 31, 2023, and is expected to contribute adjusted gross margin of approximately $1.0 million in 2024 and $1.1 million in 2025 and beyond.

Wildlight Expansion

In August 2022, Peninsula Pipeline and FPU filed a joint petition with the Florida PSC for approval of its Transportation Service Agreement associated with the Wildlight planned community located in Nassau County, Florida. The project enables us to meet the significant growing demand for service in Yulee, Florida. The agreement will enable us to build the project during the construction and build-out of the community, and charge the reservation rate as each phase of the project goes into service. Construction of the pipeline facilities will occur in two separate phases. Phase one consists of three extensions with associated facilities, and a gas injection interconnect with associated facilities. Phase two will consist of two additional pipeline extensions. Various phases of the project commenced in the first quarter of 2023, with construction on the overall project continuing through 2025. The project generated additional adjusted gross margin of $0.5 million for the year ended December 31, 2023, and is expected to contribute adjusted gross margin of approximately $2.0 million in 2024 and beyond.

Lake Wales Expansion

In February 2023, Peninsula Pipeline filed a petition with the Florida PSC for approval of its Transportation Service Agreement with our Florida Natural Gas distribution business, FPU, for an additional 9,000 Dt/d of firm service in the Lake Wales, Florida area. The PSC approved the petition in April 2023. Approval of the agreement enabled Peninsula Pipeline to complete the acquisition of an existing pipeline in May 2023 that is being utilized to serve both current and new natural gas customers. The project generated additional adjusted gross margin of $0.3 million for the year ended December 31, 2023, and is expected to contribute adjusted gross margin of approximately $0.5 million in 2024 and beyond.

Newberry Expansion

In April 2023, Peninsula Pipeline filed a petition with the Florida PSC for approval of its Transportation Service Agreement with FPU for an additional 8,000 Dt/d of firm service in the Newberry, Florida area. The petition was approved by the Florida PSC in the third quarter of 2023. Peninsula Pipeline will construct a pipeline extension, which will be used by FPU to support the development of a natural gas distribution system to provide gas service to the City of Newberry. A filing to address the acquisition and conversion of propane community gas systems in Newberry was made in November 2023, and the Florida PSC is scheduled to vote on this in March 2024. The project is expected to contribute adjusted gross margin of approximately $0.9 million in 2024 and $2.6 million in 2025 and beyond.

Worcester Resiliency Upgrade

In August 2023, Eastern Shore filed an application with the FERC requesting authorization to construct the Worcester Resiliency Upgrade, which consists of a mixture of storage and transmission facilities in Sussex County, DE and Wicomico, Worcester, and Somerset Counties in Maryland. The project will provide long-term incremental supply necessary to support the growing demand of the participating shippers. Eastern Shore has requested certificate authorization by December 2024, with a target in-service date by the third quarter of 2025.

East Coast Reinforcement Projects

In December 2023, Peninsula Pipeline filed a petition with the Florida PSC for approval of its Transportation Service Agreements with FPU for projects that will support additional supply to communities on the East Coast of Florida. The projects are driven by the need for increased supply to coastal portions of the state that have experienced an increase in population growth. Peninsula Pipeline will construct several pipeline extensions which will support FPU's distribution system in the areas of Boynton Beach and New Smyrna Beach with an additional 15,000 Dts/day and 3,400 Dts/day, respectively. The Florida PSC is scheduled to vote on the projects in March 2024.

Central Florida Reinforcement Projects

In February 2024, Peninsula Pipeline filed a petition with the Florida PSC for approval of its Transportation Service Agreements with FPU for projects that will support additional supply to communities located in Central Florida. The projects are driven by the need for increased supply to communities in central Florida that have experienced an increase in population growth. Peninsula Pipeline will construct several pipeline extensions which will support FPU's distribution system in the areas of Plant City and Lake Mattie with an additional 5,000 Dts/day and 8,700 Dts/day, respectively.

CNG/RNG/LNG Transportation and Infrastructure

We have made a commitment to meet customer demand for CNG, RNG and LNG in the markets we serve. This has included making investments within Marlin Gas Services to be able to transport these products through its virtual pipeline fleet to customers. To date, we have also made an infrastructure investment in Ohio, enabling RNG to fuel a third-party landfill fleet and to transport RNG to end use customers off our pipeline system. Similarly, we announced in March 2022, the opening of a high-capacity CNG truck and tube trailer fueling station in Port Wentworth, Georgia. As one of the largest public access CNG stations on the East Coast, it will offer a RNG option to customers in the near future. We constructed the station in partnership with Atlanta Gas Light, a subsidiary of Southern Company Gas.

We are also involved in various other projects, all at various stages and all with different opportunities to participate across the energy value chain. In many of these projects, Marlin will play a key role in ensuring the RNG is transported to one of our many pipeline systems where it will be injected. We include our RNG transportation service and infrastructure related adjusted gross margin from across the organization in combination with our CNG and LNG projects.

For the year ended December 31, 2023, we generated $0.1 million in additional adjusted gross margin associated with the transportation of CNG and RNG by Marlin's virtual pipeline and Aspire Energy's Noble Road RNG pipeline. We estimate annual adjusted gross margin of approximately $12.5 million in 2024, and $14.0 million in 2025 for these transportation related services, with potential for additional growth in future years.

Full Circle Dairy

In February 2023, we announced plans to construct, own and operate a dairy manure RNG facility at Full Circle Dairy in Madison County, Florida. The project consists of a facility converting dairy manure to RNG and transportation assets to bring the gas to market. The first injection of RNG is projected to occur in the first half of 2024.

Noble Road Landfill RNG Project

In October 2021, Aspire Energy completed construction of its Noble Road Landfill RNG pipeline project, a 33.1-mile pipeline, which transports RNG generated from the Noble Road landfill to Aspire Energy's pipeline system, displacing conventionally produced natural gas. In conjunction with this expansion, Aspire Energy also upgraded an existing compressor station and installed two new metering and regulation sites. The RNG volume is expected to represent nearly 10 percent of Aspire Energy's gas gathering volumes.

Regulatory Initiatives

Florida GUARD Program

In February 2023, FPU filed a petition with the Florida PSC for approval of the GUARD program. GUARD is a ten-year program to enhance the safety, reliability, and accessibility of portions of our natural gas distribution system. We identified various categories of projects to be included in GUARD, which include the relocation of mains and service lines located in rear easements and other difficult to access areas to the front of the street, the replacement of problematic distribution mains, service lines, and maintenance and repair equipment and system reliability projects. In August 2023, the Florida PSC approved the GUARD program, which included $205 million of capital expenditures projected to be spent over a 10-year period. For the year ended December 31, 2023, there was $0.4 million of incremental adjusted gross margin generated pursuant to the program. The program is expected to generate $2.4 million of adjusted gross margin in 2024 and $5.1 million in 2025.

FCG SAFE Program

In June 2023, the Florida PSC issued the approval order for the continuation of the SAFE program beyond its 2025 expiration date and inclusion of 150 miles of additional mains and services located in rear property easements. The SAFE program is designed to relocate certain mains and facilities associated with rear lot easements to street front locations to improve FCG's ability to inspect and maintain the facilities and reduce opportunities for damage and theft. In the same order, the Commission approved a replacement of 160 miles of pipe that was used in the 1970s and 1980s and shown through industry research to exhibit premature failure in the form of cracking. The program includes projected capital expenditures of $205 million over a 10-year period. The program is expected to generate $2.7 million of adjusted gross margin in 2024 and $5.3 million in 2025.

Capital Cost Surcharge Programs

In December 2019, the FERC approved Eastern Shore's capital cost surcharge to become effective January 1, 2020. The surcharge, an approved item in the settlement of Eastern Shore's last general rate case, allows Eastern Shore to recover capital costs associated with mandated highway or railroad relocation projects that required the replacement of existing Eastern Shore facilities. In 2023, there was $0.8 million of incremental adjusted gross margin generated pursuant to the program. Eastern Shore expects to produce adjusted gross margin of approximately $4.0 million in 2024 and $4.4 million in 2025 from relocation projects, which is ultimately dependent upon the timing of filings and the completion of construction.

Florida Natural Gas Rate Case Proceeding

In May 2022, our legacy natural gas distribution businesses in Florida filed a consolidated natural gas rate case with the Florida PSC. The application included a request for the following: (i) permanent rate relief of approximately $24.1 million, effective January 1, 2023; (ii) a depreciation study also submitted with the filing; (iii) authorization to make certain changes to tariffs to include the consolidation of rates and rate structure across the businesses and to unify the Florida Natural Gas distribution business under FPU; (iv) authorization to retain the acquisition adjustment recorded at the time of the FPU merger in our revenue requirement; and (v) authorization to establish an environmental remediation surcharge for the purposes of addressing future expected remediation costs for FPU MGP sites. In August 2022, interim rates were approved by the Florida PSC in the amount of approximately $7.7 million on an annualized basis, effective for all meter readings in September 2022. The discovery process and related hearings were concluded during the fourth quarter of 2022 and briefs were submitted in the same quarter of 2022. In January 2023, the Florida PSC approved the application for consolidation and permanent rate relief of approximately $17.2 million on an annual basis. Actual rates in connection with the rate relief were approved by the Florida PSC in February 2023 with an effective date of March 1, 2023. For the year ended December 31, 2023, there was $15.8 million of adjusted gross margin generated pursuant to this proceeding, and it is expected to generate $17.2 million of total adjusted gross margin in 2024 and 2025.

Maryland Natural Gas Rate Case

In January 2024, our natural gas distribution businesses in Maryland, CUC-Maryland Division, Sandpiper Energy, Inc., and Elkton Gas Company (collectively, “Maryland natural gas distribution businesses”) filed a joint application for a natural gas rate case with the Maryland PSC. In connection with the application, we are seeking approval of the following: (i) permanent rate relief of approximately $6.9 million; (ii) authorization to make certain changes to tariffs to include a unified rate structure and to consolidate the Maryland natural gas distribution businesses under the new corporate entity which we anticipate will be called Chesapeake Utilities of Maryland, Inc.; and (iii) authorization to establish a rider for recovery of the costs associated with our new technology systems. The outcome of the application is subject to review and approval by the Maryland PSC.

Storm Protection Plan

In 2020, the Florida PSC implemented the Storm Protection Plan ("SPP") and Storm Protection Plan Cost Recovery Clause ("SPPCRC"), which require electric utilities to petition the Florida PSC for approval of a Transmission and Distribution Storm Protection Plan that covers the utility’s immediate 10-year planning period with updates to the plan at least every 3 years. The SPPCRC rules allow the utility to file for recovery of associated costs related to its SPP. Our Florida electric distribution operation's SPP and SPPCRC were filed during the first quarter of 2022 and approved in the fourth quarter of 2022, with modifications, by the Florida PSC. For the year ended December 31, 2023, this initiative generated incremental adjusted gross margin of $0.8 million, and is expected to generate $2.4 million in 2024 and $4.0 million in 2025. We expect continued investment under the SPP going forward.

COVID-19 Regulatory Proceeding

In October 2020, the Florida PSC approved a joint petition of our natural gas and electric distribution utilities in Florida to establish a regulatory asset to record incremental expenses incurred due to COVID-19. The regulatory asset allows us to obtain recovery of these costs in the next base rate proceedings. Our Florida regulated business units reached a settlement with the Florida OPC in June 2021, enabling the business units to establish a regulatory asset of $2.1 million. This amount includes COVID-19 related incremental expenses for bad debt write-offs, personnel protective equipment, cleaning and business information services for remote work. Our Florida regulated business units are currently amortizing the amount over two years effective January 1, 2022 and recovering the regulatory asset through the Purchased Gas Adjustment and Swing Service mechanisms for the natural gas business units and through the Fuel Purchased Power Cost Recovery clause for the electric division. This resulted in additional adjusted gross margin of $1.0 million annually for both 2022 and 2023, which was offset by a corresponding amortization of regulatory asset expense in each year.

Other Major Factors Influencing Adjusted Gross Margin

Weather and Consumption

Weather had a significant impact on customer consumption during 2023, resulting in adjusted gross margin being negatively impacted by approximately $13.6 million compared to 2022 driven largely by significantly warmer weather in some of the Company's service territories resulting in reduced consumption. The following table summarizes heating degree day ("HDD") and cooling degree day ("CDD") variances from the 10-year average HDD/CDD ("Normal") for the years ended 2023 compared to 2022, and 2022 compared to 2021.

HDD and CDD Information

	For the Years Ended December 31,					
	2023	2022	Variance	2022	2021	Variance
Delmarva						
Actual HDD	**3,416**	4,088	(672)	4,088	3,849	239
10-Year Average HDD ("Normal")	**4,161**	4,147	14	4,147	4,182	(35)
Variance from Normal	**(745)**	(59)		(59)	(333)	
Florida						
Actual HDD	**664**	836	(172)	836	829	7
10-Year Average HDD ("Normal")	**826**	828	(2)	828	839	(11)
Variance from Normal	**(162)**	8		8	(10)	
Ohio						
Actual HDD	**5,043**	5,532	(489)	5,532	5,138	394
10-Year Average HDD ("Normal")	**5,594**	5,557	37	5,557	5,621	(64)
Variance from Normal	**(551)**	(25)		(25)	(483)	
Florida						
Actual CDD	**3,101**	2,826	275	2,826	2,687	139
10-Year Average CDD ("Normal")	**2,934**	2,929	5	2,929	2,952	(23)
Variance from Normal	**167**	(103)		(103)	(265)	

Natural Gas Distribution Growth

The average number of residential customers served on the Delmarva Peninsula and our legacy Florida Natural Gas distribution business increased by approximately 5.4 percent and 3.9 percent, respectively, during 2023.

On the Delmarva Peninsula, a larger percentage of the adjusted gross margin growth was generated from residential growth given the expansion of gas into new housing communities and conversions to natural gas as our distribution infrastructure continues to build out. In Florida, as new communities continue to build out due to population growth and the additional infrastructure to support the growth. there is increased load from both residential customers as well as new commercial and industrial customers. The details are provided in the following table:

	Adjusted Gross Margin Increase	
	For the Year Ended December 31, 2023	
(in thousands)	Delmarva Peninsula	Florida
Customer growth:		
Residential	$ 1,895	$ 1,599
Commercial and industrial	589	2,131
Total customer growth [(1)]	$ 2,484	$ 3,730

[(1)] Customer growth amounts for our legacy Florida operations include the effects of revised rates associated with the Company's natural gas base rate proceeding, but exclude the effects of the FCG acquisition

For the Year Ended December	2023	2022	Increase (Decrease)	2022	2021	Increase (Decrease)
(in thousands)						
Revenue	**$ 473,595**	$ 429,424	$ 44,171	$ 429,424	$ 383,920	$ 45,504
Natural gas and electric costs	**140,008**	127,172	12,836	127,172	100,737	26,435
Adjusted gross margin [(1)]	**333,587**	302,252	31,335	302,252	283,183	19,069
Operations & maintenance	**125,310**	112,963	12,347	112,963	108,190	4,773
Depreciation & amortization	**48,162**	52,707	(4,545)	52,707	48,748	3,959
FCG transaction-related expenses [(2)]	**10,355**	—	10,355	—	—	—
Other taxes	**23,561**	21,265	2,296	21,265	20,071	1,194
Other operating expenses	**207,388**	186,935	20,453	186,935	177,009	9,926
Operating Income	**$ 126,199**	$ 115,317	$ 10,882	$ 115,317	$ 106,174	$ 9,143

[(1)] Adjusted Gross Margin is a non-GAAP measure utilized by Management to review business unit performance. For a more detailed discussion on the differences between Gross Margin (GAAP) and Adjusted Gross Margin, see the Reconciliation of GAAP to Non-GAAP Measures presented above.
[(2)] Transaction-related expenses referred to in this table represent pretax operating expenses of $10.4 million associated with legal, consulting and audit fees incurred in connection with the acquisition of FCG.

2023 compared to 2022

Operating income for the Regulated Energy segment for 2023 was $126.2 million, an increase of $10.9 million, or 9.4 percent, compared to 2022. Excluding transaction-related expenses associated with the acquisition of FCG, operating income increased $21.2 million or 18.4 percent compared to the prior year. Higher operating income reflects contributions from our regulatory initiatives, organic growth in our natural gas distribution businesses and continued pipeline expansion projects, and contributions from the acquisition of FCG. These increases were partially offset by changes in customer consumption resulting from the significantly warmer temperatures in our northern service territories throughout the year. Excluding the transaction-related expenses described above, operating expenses increased by $10.1 million compared to the prior year primarily attributable to increased employee costs driven by growth initiatives, the ongoing competitive labor market and higher benefits costs and higher property taxes compared to the prior year. Increases in depreciation and amortization expense attributable to growth projects that were placed into service during the current year were offset by reductions related to revised depreciation rates approved in the Company's Florida Natural Gas rate case and electric depreciation study filing, and a $5.1 million RSAM adjustment from FCG.

Items contributing to the year-over-year adjusted gross margin increase are listed in the following table:

(in thousands)	
Rate changes associated with the Florida Natural Gas base rate proceeding [(1)]	$ 13,361
Contribution from the acquisition of FCG	8,687
Natural gas growth including conversions (excluding service expansions)	6,214
Natural gas transmission service expansions	4,812
Contributions from regulated infrastructure programs	2,597
Changes in customer consumption, driven by significantly warmer temperatures	(5,096)
Other variances	760
Year-over-year increase in adjusted gross margin	$ 31,335

[(1)] Includes adjusted gross margin contributions from interim rates and permanent base rates that became effective in March 2023.

The following narrative discussion provides further detail and analysis of the significant variances in adjusted gross margin detailed above.

Rate Changes Associated with the Florida Natural Gas Base Rate Proceeding
In August 2022, the Florida PSC approved interim rates starting in September 2022. In February 2023, we obtained a final rate order in connection with the Florida Natural Gas base rate proceeding with permanent rates effective on March 1, 2023. These interim and permanent rates contributed additional adjusted gross margin of $13.4 million. Refer to Note 18, *Rates and Other Regulatory Activities*, in the consolidated financial statements for additional information.

Contribution from Acquisition of FCG
FCG contributed adjusted gross margin of $8.7 million from the acquisition date.

Natural Gas Distribution Customer Growth
We generated additional adjusted gross margin of $6.2 million from natural gas customer growth. Adjusted gross margin increased by $3.7 million for our Florida Natural Gas distribution business and $2.5 million on the Delmarva Peninsula compared to 2022, due primarily to residential customer growth of 3.9 percent and 5.4 percent in Florida and on the Delmarva Peninsula, respectively.

Natural Gas Transmission Service Expansions
We generated increased adjusted gross margin of $4.8 million from natural gas transmission service expansions of Peninsula Pipeline, Eastern Shore and Aspire Energy Express.

Contributions from Regulated Infrastructure Programs
Contributions from regulated infrastructure programs generated incremental adjusted gross margin of $2.6 million for the year. The increase in adjusted gross margin was primarily related to FPU Electric's storm protection plan, Eastern Shore's capital surcharge program and Florida's GUARD program. Refer to Note 18, *Rates and Other Regulatory Activities*, in the consolidated financial statements for additional information.

Customer Consumption - Inclusive of Weather
We experienced reduced customer consumption for the year ended December 31, 2023, largely the result of significantly warmer weather experienced in the Delmarva service territory throughout the year resulting in reduced adjusted gross margin of $5.1 million compared to 2022.

The major components of the increase in other operating expenses are as follows:

(in thousands)		
FCG transaction-related expenses [1]	$	10,355
Payroll, benefits and other employee-related expenses		5,054
FCG operating expenses		4,190
Facilities expenses, maintenance costs and outside services		1,416
Customer service related costs		764
Regulatory expenses		658
Depreciation, amortization and property tax costs		(2,308)
Other variances		324
Year-over-year increase in other operating expenses	$	20,453

[1] Transaction-related expenses referred to in this table represent pretax operating expenses of $10.4 million associated with legal, consulting and audit fees incurred in connection with the acquisition of FCG.

2022 compared to 2021

The results for the Regulated Energy segment for the year ended December 31, 2022 compared to 2021 are described in Item 7, *Management's Discussion and Analysis of Financial Condition and Results of Operations* in our Annual Report on Form 10-K for the year ended December 31, 2022, which is incorporated herein by reference.

UNREGULATED ENERGY

For the Year Ended December 31,	2023	2022	Increase (Decrease)	2022	2021	Increase (Decrease)
(in thousands)						
Revenue	**$ 223,148**	$ 280,750	$ (57,602)	$ 280,750	$ 206,869	$ 73,881
Propane and natural gas costs	**102,492**	162,683	(60,191)	162,683	106,900	55,783
Adjusted gross margin [1]	**120,656**	118,067	2,589	118,067	99,969	18,098
Operations & maintenance	**74,168**	70,489	3,679	70,489	57,905	12,584
Depreciation & amortization	**17,347**	16,257	1,090	16,257	13,869	2,388
Other taxes	**4,715**	3,971	744	3,971	3,768	203
Other operating expenses	**96,230**	90,717	5,513	90,717	75,542	15,175
Operating Income	**$ 24,426**	$ 27,350	$ (2,924)	$ 27,350	$ 24,427	$ 2,923

[1] Adjusted Gross Margin is a non-GAAP measure utilized by Management to review business unit performance. For a more detailed discussion on the differences between Gross Margin (GAAP) and Adjusted Gross Margin, see the Reconciliation of GAAP to Non-GAAP Measures presented above.

2023 Compared to 2022

Operating income for the Unregulated Energy segment for 2023 decreased by $2.9 million compared to 2022. Operating results were impacted by changes in customer consumption due to significantly warmer weather in our Mid-Atlantic and North Carolina service areas throughout the year as well as conversion of propane customers to our natural gas distribution service. Additionally, we experienced increased operating expenses associated with increased payroll, benefits and employee related expenses driven by competition in the current labor market, depreciation, amortization and property taxes, as well as increased costs for facilities, maintenance and outside services. These factors were partially offset by increased propane margins and fees and increased gathering charges and customer consumption for Aspire.

Adjusted Gross Margin

Items contributing to the year-over-year increase in adjusted gross margin are listed in the following table:

(in thousands)	
Propane Operations	
Increased propane margins and fees	$ 8,821
Propane customer consumption - primarily weather related	(8,235)
Decreased customer consumption due to conversion of customers to our natural gas system	(793)
Aspire Energy	
Increase in gathering margin	1,141
Increased customer consumption	496
Eight Flags	
Increased electric generation margin	1,018
Other variances	141
Year-over-year increase in adjusted gross margin	**$ 2,589**

The following narrative discussion provides further detail and analysis of the significant items in the foregoing table.

Propane Operations

- *Increased propane margins and fees* - Adjusted gross margin increased by $8.8 million, mainly due to increased margins and customer service fees. These market conditions, which include market pricing and competition with other propane suppliers, as well as the availability and price of alternative energy sources, may fluctuate based on changes in demand, supply and other energy commodity prices.
- *Propane customer consumption* - Adjusted gross margin was negatively impacted by $8.2 million as a result of reduced customer consumption driven by significantly warmer weather that our Mid-Atlantic and North Carolina service areas experienced throughout 2023.
- *Reduced customer consumption due to conversion of customers to natural gas* - Adjusted gross margin was reduced by $0.8 million as more customers converted from propane to our natural gas distribution service.

Aspire Energy

- *Increase in gathering charges* - Adjusted gross margin increased by $1.1 million primarily due to increased gathering charges associated with a large commercial customer.

- *Increased customer consumption* - Adjusted gross margin increased by $0.5 million despite warmer temperatures due to increased customer consumption from agricultural customers compared to the prior year.

Eight Flags

- *Increased electric generation margin* - Adjusted gross margin increased by $1.0 million due to increased electric generation compared to the prior year.

Other Operating Expenses

Items contributing to the period-over-period increase in other operating expenses are listed in the following table:

(in thousands)		
Increased payroll, benefits and other employee-related expenses	$	3,959
Increased depreciation, amortization and property tax costs		1,717
Other variances		(163)
Period-over-period increase in other operating expenses	**$**	**5,513**

2022 compared to 2021

The results for the Unregulated Energy segment for the year ended December 31, 2022 compared to 2021 are described in Item 7, *Management's Discussion and Analysis of Financial Condition and Results of Operations* in our Annual Report on Form 10-K for the year ended December 31, 2022, which is incorporated by reference.

OTHER INCOME, NET

Other income, net was $1.4 million and $5.1 million for 2023 and 2022, respectively. Other income, net includes non-operating investment income (expense), interest income, late fees charged to customers, gains or losses from the sale of assets for our unregulated businesses and pension and other benefits expense. The decrease was primarily attributable to the absence of a one-time gain related to a building sale during 2022, the absence of interest income received in connection with a Federal Income Tax refund during 2022, and higher pension related expenses compared to the prior-year period.

INTEREST CHARGES

2023 Compared to 2022

Interest charges for 2023 increased by $12.6 million compared to the same period in 2022. This increase is primarily attributable to $6.2 million in interest expense as a result of long-term debt placements in 2023, including the November 2023 placement in connection with the FCG acquisition as well as $4.1 million related to bridge financing costs also attributable to the FCG acquisition. Higher interest expense on Revolver borrowings of $3.1 million driven by higher average interest rates compared to the prior year also contributed to the increase. The weighted-average interest rate on our Revolver borrowings was 5.4 percent for the year ended December 31, 2023 compared to 2.5 percent during the prior year as a result of the Federal Reserve actions in 2022 and 2023. These factors were partially offset by higher capitalized interest of $1.7 million during the current year associated with capital projects.

INCOME TAXES

2023 Compared to 2022

Income tax expense was $28.1 million for 2023 compared to $33.8 million for 2022. Our effective income tax rates were 24.4 percent and 27.4 percent for the years ended December 31, 2023 and 2022, respectively. Income tax expense for the year ended December 31, 2023 includes a $2.5 million benefit resulting from a reduction in the Pennsylvania state income tax rate. Excluding this change, our effective income tax rate was 26.5 percent in 2023.

Liquidity and Capital Resources

Our capital requirements reflect the capital-intensive and seasonal nature of our business and are principally attributable to investment in new plant and equipment, retirement of outstanding debt and seasonal variability in working capital. We rely on cash generated from operations, short-term borrowings, and other sources to meet normal working capital requirements and to temporarily finance capital expenditures. We may also issue long-term debt and equity to fund capital expenditures and to maintain our capital structure within our target capital structure range. We maintain effective shelf registration statements with the SEC, as applicable, for the issuance of shares of common stock under various types of equity offerings, including the DRIP and previously, shares of common stock under an ATM equity program. Depending on our capital needs and subject to market conditions, in addition to other possible debt and equity offerings, we may consider issuing additional shares under the direct share purchase component of the DRIP and/or under an ATM equity program.

Our energy businesses are weather-sensitive and seasonal. We normally generate a large portion of our annual net income and subsequent increases in our accounts receivable in the first and fourth quarters of each year due to significant volumes of natural gas, electricity, and propane delivered by our distribution operations, and our natural gas transmission operations to customers during the peak heating season. In addition, our natural gas and propane inventories, which usually peak in the fall months, are largely drawn down in the heating season and provide a source of cash as the inventory is used to satisfy winter sales demand.

Capital expenditures for investments in new or acquired plant and equipment are our largest capital requirements. Our capital expenditures were $1.1 billion in 2023, which includes $923.4 million attributable to the purchase of FCG and $3.9 million related to an acquisition in the propane distribution business.

The following table shows total capital expenditures for the year ended December 31, 2023 by segment and by business line:

(in thousands)	**For the Year Ended December 31, 2023**
Regulated Energy:	
Natural gas distribution	$ 109,245
Natural gas transmission	40,179
Electric distribution	19,745
Total Regulated Energy	169,169
Unregulated Energy:	
Propane distribution	14,287
Energy transmission	5,469
Other unregulated energy	20,508
Total Unregulated Energy	40,264
Other:	
Corporate and other businesses	1,762
Total Other	1,762
Legacy capital expenditures	**211,195**
FCG Acquisition [1]	**926,702**
Total 2023 Capital Expenditures	**$ 1,137,897**

(1) Includes amounts for the acquisition of FCG net of cash acquired and their capital expenditures from the date of the acquisition through December 31, 2023. For additional information on the FCG acquisition, refer to Note 4, *Acquisitions*, in the consolidated financial statements.

In the table below, we have provided a range of our forecasted capital expenditures by segment and business line for 2024:

	Estimate for Fiscal 2024	
(in thousands)	Low	High
Regulated Energy:		
Natural gas distribution	$ 150,000	$ 170,000
Natural gas transmission	90,000	120,000
Electric distribution	25,000	28,000
Total Regulated Energy	265,000	318,000
Unregulated Energy:		
Propane distribution	13,000	15,000
Energy transmission	5,000	6,000
Other unregulated energy	13,000	15,000
Total Unregulated Energy	31,000	36,000
Other:		
Corporate and other businesses	4,000	6,000
Total 2024 Forecasted Capital Expenditures	**$ 300,000**	**$ 360,000**

The 2024 forecast excludes potential acquisitions due to their opportunistic nature.

As a result of the Company's most recent 5-year strategic plan review where we revisited growth projections over the next five years for our legacy businesses and with the increased scale and investment opportunities related to FCG, the Company previously announced new capital expenditure guidance for the five-year period ended 2028 that will range from $1.5 billion to $1.8 billion.

The capital expenditure projection is subject to continuous review and modification. Actual capital requirements may vary from the above estimates due to a number of factors, including changing economic conditions, supply chain disruptions, capital delays that are greater than currently anticipated, customer growth in existing areas, regulation, new growth or acquisition opportunities and availability of capital and other factors discussed in Item 1A, *Risk Factors*. Historically, actual capital expenditures have typically lagged behind the budgeted amounts. The timing of capital expenditures can vary based on delays in regulatory approvals, securing environmental approvals and other permits. The regulatory application and approval process has lengthened in the past few years, and we expect this trend to continue.

Capital Structure

We are committed to maintaining a sound capital structure and strong credit ratings. This commitment, along with adequate and timely rate relief for our regulated energy operations, is intended to ensure our ability to attract capital from outside sources at a reasonable cost, which will benefit our customers, creditors, employees and stockholders.

The following tables present our capitalization as of December 31, 2023 and 2022 and includes the impacts associated with financing the FCG acquisition:

	December 31, 2023		December 31, 2022	
(dollars in thousands)				
Long-term debt, net of current maturities	**$ 1,187,075**	**49 %**	$ 578,388	41 %
Stockholders' equity	**1,246,104**	**51 %**	832,801	59 %
Total capitalization, excluding short-term borrowings	**$ 2,433,179**	**100 %**	$ 1,411,189	100 %

	December 31, 2023		December 31, 2022	
(dollars in thousands)				
Short-term debt	**$ 179,853**	**7 %**	$ 202,157	12 %
Long-term debt, including current maturities	**1,205,580**	**46 %**	599,871	37 %
Stockholders' equity	**1,246,104**	**47 %**	832,801	51 %
Total capitalization, including short-term borrowings	**$ 2,631,537**	**100 %**	$ 1,634,829	100 %

Our target ratio of equity to total capitalization, including short-term borrowings, is between 50 and 60 percent. We seek to align permanent financing with the in-service dates of our capital projects. We may utilize more temporary short-term debt when the financing cost is attractive as a bridge to the permanent long-term financing or if the equity markets are volatile. We expect to move closer to our target capital structure over the next couple of years.

In November 2023, in connection with our acquisition of FCG, we completed an overnight offering resulting in the issuance of 4.4 million shares of our common stock at a price per share of $82.72 (net of underwriter discounts and commissions). We received net proceeds of $366.4 million which were used to partially finance the acquisition.

During 2023, there were no issuances under the DRIP. In 2022, we issued less than 0.1 million shares at an average price per share of $136.26 and received net proceeds of $4.5 million under the DRIP.

Shelf Agreements

We have entered into Shelf Agreements with Prudential and MetLife, whom are under no obligation to purchase any unsecured debt. In February 2023, we amended these Shelf Agreements, which expanded the total borrowing capacity and extended the term of the agreements for an additional three years from the effective dates to 2026. The following table summarizes our Shelf Agreements at December 31, 2023:

Shelf Agreement [1]	Total Borrowing Capacity	Less: Amount of Debt Issued	Less: Unfunded Commitments	Remaining Borrowing Capacity
(in thousands)				
Prudential Shelf Agreement	$ 405,000	$ (300,000)	—	$ 105,000
MetLife Shelf Agreement	200,000	(50,000)	—	150,000
Total	$ 605,000	$ (350,000)	$ —	$ 255,000

[1] The amended Prudential and MetLife Shelf Agreements both expire in February 2026.

Long-Term Debt

All of our outstanding Senior Notes set forth certain business covenants to which we are subject when any note is outstanding, including covenants that limit or restrict our ability, and the ability of our subsidiaries, to incur indebtedness, or place or permit liens and encumbrances on any of our property or the property of our subsidiaries.

In November 2023, we issued Senior Notes in the aggregate principal amount of $550.0 million at an average interest rate of 6.54 percent that were used to partially finance our acquisition of FCG which closed during the fourth quarter of 2023. These notes have varying maturity dates of between three and 15 years, and the outstanding principal balance of the notes will be due on their respective maturity dates with interest payments payable semiannually until the principal has been paid in full. These Senior Notes have similar covenants and default provisions as our other Senior Notes.

In March 2023, we issued 5.43 percent Senior Notes due March 14, 2038 in the aggregate principal amount of $80.0 million and used the proceeds received from the issuances of the Senior Notes to reduce short-term borrowings under our Revolver and to fund capital expenditures. These Senior Notes have similar covenants and default provisions as our other Senior Notes, and have an annual principal amortization payment beginning in the sixth year after the issuance.

Short-Term Borrowings

We are authorized by our Board of Directors to borrow up to $375.0 million of short-term debt, as required. At December 31, 2023 and 2022, we had $179.9 million and $202.2 million, respectively, of short-term borrowings outstanding at a weighted average interest rate of 5.83 percent and 5.04 percent, respectively. There were no borrowings outstanding under the sustainable investment sublimit of the 364-day tranche at December 31, 2023.

We have entered into several amendments to our Revolver which resulted in modifications to both tranches of the facility. The most recent amendment in October 2023 allowed for a change in our funded indebtedness ratio from 65 percent to 70 percent during the quarter in which the acquisition of FCG is consummated and the quarter subsequent to the closing of the acquisition. The amendment in August 2023 served to renew the 364-day tranche of the Revolver, providing for $175.0 million of short-term debt capacity. Additionally, the amendment for borrowings under the 364-day tranche shall now bear interest (i) based upon the SOFR, plus a 10-basis point credit spread adjustment, and an applicable margin of 1.05 percent or less, with such margin based on total indebtedness as a percentage of total capitalization or (ii) the base rate, solely at our discretion. Further, the amendment provided that borrowings under the 364-day green loan sublimit shall now bear interest at (i) the SOFR rate plus a 10-basis point credit spread adjustment and an applicable margin of 1.00 percent or less, with such margin based on total indebtedness as a percentage of total capitalization or (ii) the base rate plus 0.05 percent or less, solely at our discretion. The amendment entered into in 2022 served to reset the benchmark interest rate to SOFR and to eliminate a previous covenant which capped our investment limit to $150.0 million for investments where we maintain less than 50 percent ownership.

The 364-day tranche of the Revolver expires in August 2024 and the five-year tranche expires in August 2026. Borrowings under both tranches of the Revolver are subject to a pricing grid, including the commitment fee and the interest rate charged based upon our total indebtedness to total capitalization ratio for the prior quarter. As of December 31, 2023, the pricing under the 364-day tranche of the Revolver included a commitment fee of 9-basis points on undrawn amounts and an interest rate of 75-basis points over SOFR plus a 10-basis point SOFR adjustment on outstanding balances. As of December 31, 2023, the pricing under the five-year tranche of the Revolver included a commitment fee of 9-basis points on undrawn amounts and an interest rate of 95-basis points over SOFR plus a 10-basis point SOFR adjustment on outstanding balances.

The availability of funds under the Revolver is subject to conditions specified in the credit agreement, all of which we currently satisfy. These conditions include our compliance with financial covenants and the continued accuracy of representations and warranties contained in the Revolver's loan documents. We are required by the financial covenants in the Revolver to maintain, at the end of each fiscal year, a funded indebtedness ratio as described above. As of December 31, 2023, we are in compliance with this covenant.

Our total available credit under the Revolver at December 31, 2023 was $188.1 million. As of December 31, 2023, we had issued $7.0 million in letters of credit to various counterparties under the Revolver. These letters of credit are not included in the outstanding short-term borrowings and we do not anticipate that they will be drawn upon by the counterparties. The letters of credit reduce the available borrowings under the Revolver.

In connection with our acquisition of FCG, we entered into a 364-day Bridge Facility commitment with Barclays Bank PLC for up to $965.0 million. Upon closing of the FCG acquisition in November 2023, and with the completion of other financing activities as defined in the lending agreement, this facility was terminated without any funds drawn to finance the transaction.

Key statistics regarding our unsecured short-term credit facilities (our Revolver and previous bilateral lines of credit and revolving credit facility) for the years ended December 31, 2023, 2022 and 2021 are as follows:

(in thousands)	**2023**	2022	2021
Average borrowings during the year	**$ 130,246**	$ 170,434	$ 182,305
Weighted average interest rate for the year	**5.41 %**	2.49 %	1.03 %
Maximum month-end borrowings	**$ 206,460**	$ 225,050	$ 226,097

Cash Flows

The following table provides a summary of our operating, investing and financing cash flows for the years ended December 31, 2023, 2022 and 2021:

	For the Year Ended December 31,		
	2023	**2022**	**2021**
(in thousands)			
Net cash provided by (used in):			
Operating activities	**$ 203,482**	$ 158,882	$ 150,504
Investing activities	**(1,111,391)**	(136,448)	(223,023)
Financing activities	**906,609**	(21,206)	73,996
Net (decrease) increase in cash and cash equivalents	**(1,300)**	1,228	1,477
Cash and cash equivalents—beginning of period	**6,204**	4,976	3,499
Cash and cash equivalents—end of period	**$ 4,904**	$ 6,204	$ 4,976

<u>*Cash Flows Provided by Operating Activities*</u>

Changes in our cash flows from operating activities are attributable primarily to changes in net income, adjusted for non-cash items, such as depreciation and changes in deferred income taxes, and changes in working capital. Working capital requirements are determined by a variety of factors, including weather, the prices of natural gas, electricity and propane, the timing of customer collections, payments for purchases of natural gas, electricity and propane, and deferred fuel cost recoveries.

We normally generate a large portion of our annual net income and related increases in our accounts receivable in the first and fourth quarters of each year due to significant volumes of natural gas and propane delivered to customers during the peak heating season by our natural gas and propane operations and our natural gas supply, gathering and processing operation. In addition, our natural gas and propane inventories, which usually peak in the fall months, are largely drawn down in the heating season and provide a source of cash as the inventory is used to satisfy winter sales demand.

During 2023, net cash provided by operating activities was $203.5 million. Operating cash flows were primarily impacted by the following:

- Net income, adjusted for non-cash adjustments, provided a $170.0 million source of cash;
- Changes in net regulatory assets and liabilities due primarily to the change in fuel costs collected through the various cost recovery mechanisms resulted in a $20.1 million source of cash; and
- Other working capital changes, as well as propane inventory and the related hedging activity, resulted in a $9.8 million source of cash.

Cash Flows Used in Investing Activities

Net cash used in investing activities totaled $1.1 billion during the year ended December 31, 2023. Key investing activities contributing to the cash flow change included:

- Net cash of $925.0 million was used in 2023 to acquire FCG and a propane distribution business; and
- Cash used to pay for capital expenditures amounted to $188.6 million for 2023.

Cash Flows Provided by Financing Activities

Net cash provided by financing activities totaled $906.6 million for the year ended December 31, 2023. This source of cash was largely related to financing activities in connection with the FCG acquisition and included:

- A net increase in long-term debt borrowings resulting in a net source of cash of $605.5 million, including $627.0 million from issuances, offset by long-term repayments of $21.5 million;
- Net proceeds of $366.4 million from the issuance of common stock; partially offset by
- A $40.0 million use of cash for dividend payments in 2023; and
- Net repayments under lines of credit resulting in a use of cash of $22.5 million.

Contractual Obligations

We have the following contractual obligations and other commercial commitments as of December 31, 2023:

Contractual Obligations (in thousands)	Payments Due by Period 2024	2025-2026	2027-2028	After 2028	Total
Long-term debt (1)	$ 18,505	$ 160,079	$ 268,373	$ 762,376	$ 1,209,333
Operating leases (2)	2,771	4,062	2,788	5,243	14,864
Purchase obligations (3)					
Transmission capacity	45,314	87,627	70,030	128,326	331,297
Storage capacity	3,312	4,519	860	—	8,691
Commodities	30,983	—	—	—	30,983
Electric supply	6,431	12,936	12,961	12,961	45,289
Unfunded benefits (4)	228	485	474	1,131	2,318
Funded benefits (5)	2,018	4,035	4,035	2,172	12,260
Total Contractual Obligations	**$ 109,562**	**$ 273,743**	**$ 359,521**	**$ 912,209**	**$ 1,655,035**

(1) This represents principal payments on long-term debt. See *Item 8, Financial Statements and Supplementary Data,* Note 12*, Long-Term Debt*, for additional information. The expected interest payments on long-term debt are $62.4 million, $116.4 million, $92.8 million and $160.6 million, respectively, for the periods indicated above. Expected interest payments for all periods total $432.2 million.

(2) See *Item 8, Financial Statements and Supplementary Data,* Note 14*, Leases*, for additional information.

(3) See *Item 8, Financial Statements and Supplementary Data,* Note 20*, Other Commitments and Contingencies*, for additional information.

(4) These amounts associated with our unfunded post-employment and post-retirement benefit plans are based on expected payments to current retirees and assume a retirement age of 62 for currently active employees. There are many factors that would cause actual payments to differ from these amounts, including early retirement, future health care costs that differ from past experience and discount rates implicit in calculations. See *Item 8, Financial Statements and Supplementary Data,* Note 16*, Employee Benefit Plan*s, for additional information on the plans.

(5) We have recorded long-term liabilities of $0.2 million at December 31, 2023 for the FPU qualified, defined benefit pension plan. The assets funding this plan are in a separate trust and are not considered assets of ours or included in our balance sheets. We do not expect to make payments to the trust funds in 2024. Additional contributions may be required in future years based on the actual return earned by the plan assets and other actuarial assumptions, such as the discount rate and long-term expected rate of return on plan assets. See *Item 8, Financial Statements and Supplementary Data,* Note 16*, Employee Benefit Plan*s, for further information on the plans. Additionally, the Contractual Obligations table above includes deferred compensation obligations totaling $12.3 million, funded with Rabbi Trust assets in the same amount. The Rabbi Trust assets are recorded under Investments on the consolidated balance sheets. We assume a retirement age of 65 for purposes of distribution from this trust.

Off-Balance Sheet Arrangements

Our Board of Directors has authorized us to issue corporate guarantees securing obligations of our subsidiaries and to obtain letters of credit securing our subsidiaries' obligations. The maximum authorized liability under such guarantees and letters of credit as of December 31, 2023 was $35.0 million. The aggregate amount guaranteed at December 31, 2023 was approximately $24.3 million with the guarantees expiring on various dates through December 2024. In addition, the Board has authorized us to issue specific purpose corporate guarantees. The amount of specific purpose guarantees outstanding at December 31, 2023 was $4.0 million.

As of December 31, 2023, we have issued letters of credit totaling approximately $7.0 million related to the electric transmission services for FPU's electric division, the firm transportation service agreement between TETLP and our Delaware and Maryland divisions, the capacity agreement between NEXUS and Aspire, and our current and previous primary insurance carriers. These letters of credit have various expiration dates through October 2024. There have been no draws on these letters of credit as of December 31, 2023. We do not anticipate that the counterparties will draw upon these letters of credit, and we expect that they will be renewed to the extent necessary in the future. Additional information is presented in *Item 8, Financial Statements and Supplementary Data,* Note 20*, Other Commitments and Contingencies* in the consolidated financial statements.

Critical Accounting Estimates

We prepare our financial statements in accordance with GAAP. Application of these accounting principles requires the use of estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses, and related disclosures of contingencies during the reporting period. We base our estimates on historical experience and on various assumptions that are believed to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying value of assets and liabilities that are not readily apparent from other sources. Since a significant portion of our businesses are regulated and the accounting methods used by these businesses must comply with the requirements of the regulatory bodies, the choices available are limited by these regulatory requirements. In the normal course of business, estimated amounts are subsequently adjusted to actual results that may differ from the estimates.

Regulatory Assets and Liabilities

As a result of the ratemaking process, we record certain assets and liabilities in accordance with ASC Topic 980, *Regulated Operations*, and consequently, the accounting principles applied by our regulated energy businesses differ in certain respects from those applied by the unregulated businesses. Amounts are deferred as regulatory assets and liabilities when there is a probable expectation that they will be recovered in future revenues or refunded to customers as a result of the regulatory process. This is more fully described in Item 8, *Financial Statements and Supplementary Data,* Note 2, *Summary of Significant Accounting Policies,* in the consolidated financial statements. If we were required to terminate the application of ASC Topic 980, we would be required to recognize all such deferred amounts as a charge or a credit to earnings, net of applicable income taxes. Such an adjustment could have a material effect on our results of operations.

Financial Instruments

We utilize financial instruments to mitigate commodity price risk associated with fluctuations of natural gas, electricity and propane and to mitigate interest rate risk. We continually monitor the use of these instruments to ensure compliance with our risk management policies and account for them in accordance with GAAP, such that every derivative instrument is recorded as either an asset or a liability measured at its fair value. It also requires that changes in the derivatives' fair value are recognized in the current period earnings unless specific hedge accounting criteria are met. If these instruments do not meet the definition of derivatives or are considered "normal purchases and normal sales," they are accounted for on an accrual basis of accounting.

Additionally, GAAP also requires us to classify the derivative assets and liabilities based on the lowest level of input that is significant to the fair value measurement. Our assessment of the significance of a particular input to the fair value measurement requires judgment and may affect the fair value of the assets and liabilities and their placement within the fair value hierarchy.

We determined that certain propane put options, call options, swap agreements and interest rate swap agreements met the specific hedge accounting criteria. We also determined that most of our contracts for the purchase or sale of natural gas, electricity and propane either: (i) did not meet the definition of derivatives because they did not have a minimum purchase/sell requirement, or (ii) were considered "normal purchases and normal sales" because the contracts provided for the purchase or sale of natural gas, electricity or propane to be delivered in quantities that we expect to use or sell over a reasonable period of time in the normal course of business. Accordingly, these contracts were accounted for on an accrual basis of accounting.

Additional information about our derivative instruments is disclosed in Item 8, *Financial Statements and Supplementary Data,* Note 8, *Derivative Instruments,* in the consolidated financial statements.

Goodwill and Other Intangible Assets

We test goodwill for impairment at least annually in December, or more frequently if an event occurs or circumstances change that would more likely than not reduce the fair value of a reporting unit below its carrying value. We generally use a present value technique based on discounted cash flows to estimate the fair value of our reporting units. An impairment charge is recognized if the carrying value of a reporting unit's goodwill exceeds its fair value. The annual impairment testing for 2023 indicated no impairment of goodwill. At December 31, 2023, our goodwill balance totaled $508.2 million including $461.2 million attributable to the acquisition of FCG. Additional information is presented in Item 8*, Financial Statements and Supplementary Data,* Note 4, *Acquisitions,* and Note 10*, Goodwill and Other Intangible Assets,* in the consolidated financial statements.

Other Assets Impairment Evaluations

We periodically evaluate whether events or circumstances have occurred which indicate that long-lived assets may not be recoverable. When events or circumstances indicate that an impairment is present, we record an impairment loss equal to the excess of the asset's carrying value over its fair value, if any.

Pension and Other Postretirement Benefits

Pension and other postretirement plan costs and liabilities are determined on an actuarial basis and are affected by numerous assumptions and estimates including the market value of plan assets, estimates of the expected returns on plan assets, assumed discount rates, the level of contributions made to the plans, and current demographic and actuarial mortality data. The assumed discount rates and the expected returns on plan assets are the assumptions that generally have the most significant impact on the pension costs and liabilities. The assumed discount rates, the assumed health care cost trend rates and the assumed rates of retirement generally have the most significant impact on our postretirement plan costs and liabilities. Additional information is presented in Item 8, *Financial Statements and Supplementary Data,* Note 16*, Employee Benefit Plans,* in the consolidated financial statements, including plan asset investment allocation, estimated future benefit payments, general descriptions of the plans, significant assumptions, the impact of certain changes in assumptions, and significant changes in estimates.

At December 31, 2023, actuarial assumptions include expected long-term rates of return on plan assets for FPU's pension plan of 6.00 percent and a discount rate of 5.00 percent. The discount rate was determined by management considering high-quality corporate bond rates, such as the Empower curve index and the FTSE Index. changes in those rates from the prior year and other pertinent factors, including the expected lives of the plans and the availability of the lump-sum payment option. A 0.25 percent increase or decrease in the discount rate would not have a material impact on our pension and postretirement liabilities and related costs.

Actual changes in the fair value of plan assets and the differences between the actual return on plan assets and the expected return on plan assets could have a material effect on the amount of pension benefit costs that we ultimately recognize for our funded pension plan. A 0.25 percent change in the rate of return would not have a material impact on our annual pension cost for the FPU pension plan.

ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK.

INTEREST RATE RISK

The fluctuation in interest rates expose us to potential increased cost we could incur when we issue debt instruments or to provide financing and liquidity for our business activities. We evaluate whether to refinance existing debt or permanently refinance existing short-term borrowings based in part on the fluctuation in interest rates. We utilize interest rate swap agreements to mitigate short-term borrowing rate risk. Additional information about our long-term debt and short-term borrowing is disclosed in Note 12, *Long-Term Debt,* and Note 13, *Short-Term Borrowings*, respectively, in the consolidated financial statements.

COMMODITY PRICE RISK

Regulated Energy Segment

We have entered into agreements with various wholesale suppliers to purchase natural gas and electricity for resale to our customers. Our regulated energy distribution businesses that sell natural gas or electricity to end-use customers have fuel cost recovery mechanisms authorized by the PSCs that allow us to recover all of the costs prudently incurred in purchasing natural gas and electricity for our customers. Therefore, our regulated energy distribution operations have limited commodity price risk exposure.

Unregulated Energy Segment

Our propane operations are exposed to commodity price risk as a result of the competitive nature of retail pricing offered to our customers. In order to mitigate this risk, we utilize propane storage activities and forward contracts for supply and sales activities.

We can store up to approximately 8.9 million gallons of propane (including leased storage and rail cars) during the winter season to meet our customers' peak requirements and to serve metered customers. Decreases in the wholesale price of propane may cause the value of stored propane to decline, particularly if we utilize fixed price forward contracts for supply. To mitigate the risk of propane commodity price fluctuations on the inventory valuation, we have adopted a Risk Management Policy that allows our propane distribution operation to enter into fair value hedges, cash flow hedges or other economic hedges of our inventory.

Aspire Energy is exposed to commodity price risk, primarily during the winter season. to the extent we are not successful in balancing our natural gas purchases and sales and have to secure natural gas from alternative sources at higher spot prices. In order to mitigate this risk. we procure firm capacity that meets our estimated volume requirements and we continue to seek out new producers in order to fulfill our natural gas purchase requirements.

The following table reflects the changes in the fair market value of financial derivatives contracts related to propane purchases and sales from December 31, 2022 to December 31, 2023:

(in thousands)	Balance at December 31, 2022	Increase (Decrease) in Fair Market Value	Less Amounts Settled	Balance at December 31, 2023
Sharp	$ 1,507	$ (1,822)	$ (61)	$ (376)

There were no changes in the methods of valuations during the year ended December 31, 2023.

The following is a summary of fair market value of financial derivatives as of December 31, 2023, by method of valuation and by maturity for each fiscal year period.

(in thousands)	**2024**	**2025**	**2026**	**Total Fair Value**
Price based on Mont Belvieu - Sharp	$ (264)	$ (75)	$ (37)	$ (376)

WHOLESALE CREDIT RISK

The Risk Management Committee reviews credit risks associated with counterparties to commodity derivative contracts prior to such contracts being approved.

Additional information about our derivative instruments is disclosed in Item 8, *Financial Statements and Supplementary Data,* Note 8, *Derivative Instruments,* in the consolidated financial statements.

INFLATION

Inflation affects the cost of supply, labor, products and services required for operations, maintenance and capital improvements. To help cope with the effects of inflation on our capital investments and returns, we periodically seek rate increases from regulatory commissions for our regulated operations and closely monitor the returns of our unregulated energy business operations. To compensate for fluctuations in propane gas prices, we adjust propane sales prices to the extent allowed by the market.

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and Stockholders of
Chesapeake Utilities Corporation

Opinions on the Consolidated Financial Statements and Internal Control over Financial Reporting

We have audited the accompanying consolidated balance sheets of Chesapeake Utilities Corporation and Subsidiaries (the "Company") as of December 31, 2023 and 2022, the related consolidated statements of income, comprehensive income, stockholders' equity, and cash flows, for each of the years in the three-year period ended December 31, 2023, and the related notes and financial statement schedule listed in Item 15(a)2 (collectively referred to as the "consolidated financial statements"). We also have audited the Company's internal control over financial reporting as of December 31, 2023, based on criteria established in *Internal Control – Integrated Framework: (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2023 and 2022, and the results of their operations and their cash flows for each of the three years in the period ended December 31, 2023, in conformity with accounting principles generally accepted in the United States of America. Also in our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of December 31, 2023, based on criteria established in *Internal Control – Integrated Framework: (2013)* issued by COSO.

Basis for Opinion

The Company's management is responsible for these consolidated financial statements, for maintaining effective internal control over financial reporting, and for their assessment of the effectiveness of internal control over financial reporting, included in the accompanying Management's Report on Internal Control Over Financial Reporting. Our responsibility is to express an opinion on the Company's consolidated financial statements and an opinion on the Company's internal control over financial reporting based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) ("PCAOB") and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud, and whether effective internal control over financial reporting was maintained in all material respects.

Our audits of the financial statements included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. Our audit of internal control over financial reporting included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audits also included performing such other procedures as we considered necessary in the circumstances.

As indicated in the accompanying Management's Report on Internal Control Over Financial Reporting, management has excluded Florida City Gas ("FCG") from its assessment of internal control over financial reporting as of December 31, 2023, because it was acquired by the Company in a business combination during 2023. We have also excluded FCG from our audit of internal control over financial reporting. FCG is a wholly-owned subsidiary whose total assets and loss before taxes represented 31 percent and 4 percent, respectively, of the Company's consolidated total assets and earnings before taxes as of December 31, 2023 and for the year then ended.

We believe that our audits provide a reasonable basis for our opinions.

Definition and Limitations of Internal Control Over Financial Reporting

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Critical Audit Matter

The critical audit matter communicated below is a matter arising from the current period audit of the consolidated financial statements that was communicated or required to be communicated to the audit committee and that: (1) relates to accounts or disclosures that are material to the consolidated financial statements and (2) involved our especially challenging, subjective, or complex judgments. The communication of the critical audit matter does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.

Goodwill Impairment Assessment - Energy Transmission and Supply Services (Aspire Energy) - Unregulated Energy Segment - Refer to Notes 2 and 10 to the consolidated financial statements

Critical Audit Matter Description

As described in Notes 2 and 10 to the consolidated financial statements, the Company has recorded goodwill associated with the Aspire Energy reporting unit within its Unregulated Energy reportable segment as of December 31, 2023. To test goodwill for impairment, the Company uses a present value technique based on discounted cash flows to estimate the fair value of its reporting units. Management's testing of goodwill as of December 31, 2023 indicated no impairment.

We identified the goodwill impairment assessment of Aspire Energy as a critical audit matter because the fair value estimate requires significant estimates and assumptions by management, including those relating to future revenue and operating margin forecasts and discount rates. Testing these estimates involved especially challenging, subjective, or complex judgments and effort.

How the Critical Audit Matter was Addressed in the Audit

The primary procedures we performed to address this critical audit matter included:

- We obtained an understanding, evaluated the design, and tested the operating effectiveness of controls over management's goodwill impairment evaluation, including those over the determination of the fair value of the Aspire Energy reporting unit.
- We evaluated the appropriateness of management's valuation methodology, including testing the mathematical accuracy of the calculation.
- We assessed the historical accuracy of management's revenue and operating margin forecasts.
- We compared the significant assumptions used by management to current industry and economic trends, current and historical performance of the reporting unit, and other relevant factors.
- We performed sensitivity analyses of the significant assumptions to evaluate the changes in the fair value of the reporting units that would result from changes in the assumptions.
- We evaluated whether the assumptions were consistent with evidence obtained in other areas of the audit, including testing the Company's fair value of all reporting units within the Company's Regulated and Unregulated Energy segments, in relation to the market capitalization of the Company and assessed the results.

/s/ Baker Tilly US, LLP

We have served as the Company's auditor since 2007.

Lancaster, Pennsylvania
February 21, 2024

Chesapeake Utilities Corporation and Subsidiaries

Consolidated Statements of Income

	For the Year Ended December 31, 2023	2022	2021
(in thousands, except shares and per share data)			
Operating Revenues			
Regulated Energy	**$ 473,595**	$ 429,424	$ 383,920
Unregulated Energy	**223,148**	280,750	206,869
Other businesses and eliminations	**(26,139)**	(29,470)	(20,821)
Total operating revenues	**670,604**	680,704	569,968
Operating Expenses			
Natural gas and electricity costs	**140,008**	127,172	100,737
Propane and natural gas costs	**76,474**	133,334	86,213
Operations	**178,437**	164,505	148,294
FCG transaction-related expenses	**10,355**	—	—
Maintenance	**20,401**	18,176	16,793
Depreciation and amortization	**65,501**	68,973	62,661
Other taxes	**28,625**	25,611	24,158
Total operating expenses	**519,801**	537,771	438,856
Operating Income	**150,803**	142,933	131,112
Other income, net	**1,438**	5,051	1,720
Interest charges	**36,951**	24,356	20,135
Income Before Income Taxes	**115,290**	123,628	112,697
Income taxes	**28,078**	33,832	29,231
Net Income	**$ 87,212**	$ 89,796	$ 83,466
Weighted Average Common Shares Outstanding:			
Basic	**18,370,758**	17,722,227	17,558,078
Diluted	**18,434,857**	17,804,294	17,633,029
Earnings Per Share of Common Stock:			
Basic	**$ 4.75**	$ 5.07	$ 4.75
Diluted	**$ 4.73**	$ 5.04	$ 4.73

The accompanying notes are an integral part of the financial statements.

Chesapeake Utilities Corporation and Subsidiaries

Consolidated Statements of Comprehensive Income

	For the Year Ended December 31,		
(in thousands)	**2023**	**2022**	**2021**
Net Income	**$ 87,212**	$ 89,796	$ 83,466
Other Comprehensive Income (Loss), net of tax:			
Employee Benefits, net of tax:			
Reclassifications of amortization of prior service credit and actuarial loss, net of tax of $11, $18 and $550, respectively	**32**	57	1,616
Net (loss) gain, net of tax of $(37), $243, and $93, respectively	**(110)**	705	262
Cash Flow Hedges, net of tax:			
Net (loss) gain on commodity contract cash flow hedges, net of tax of $(501), $(369) and $2,702, respectively	**(1,322)**	(934)	7,075
Reclassifications of net gain on commodity contract cash flow hedges, net of tax of $(17), $(963) and $(1,838), respectively	**(44)**	(2,545)	(4,813)
Net gain on interest rate swap cash flow hedges, net of tax of $165, $0, and $0, respectively	**473**	—	—
Reclassifications of net (gain) loss on interest rate swap cash flow hedges, net of tax of $(135), $12 and $12, respectively	**(388)**	35	28
Total Other Comprehensive (Loss) Income	**(1,359)**	(2,682)	4,168
Comprehensive Income	**$ 85,853**	$ 87,114	$ 87,634

The accompanying notes are an integral part of the financial statements.

Chesapeake Utilities Corporation and Subsidiaries

Consolidated Balance Sheets

Assets	As of December 31, 2023	As of December 31, 2022
(in thousands, except shares and per share data)		
Property, Plant and Equipment		
Regulated Energy	**$ 2,418,494**	$ 1,802,999
Unregulated Energy	**410,807**	393,215
Other businesses and eliminations	**30,310**	29,890
Total property, plant and equipment	**2,859,611**	2,226,104
Less: Accumulated depreciation and amortization	**(516,429)**	(462,926)
Plus: Construction work in progress	**113,192**	47,295
Net property, plant and equipment	**2,456,374**	1,810,473
Current Assets		
Cash and cash equivalents	**4,904**	6,204
Trade and other receivables	**74,485**	65,758
Less: Allowance for credit losses	**(2,699)**	(2,877)
Trade receivables, net	**71,786**	62,881
Accrued revenue	**32,597**	29,206
Propane inventory, at average cost	**9,313**	9,365
Other inventory, at average cost	**19,912**	16,896
Regulatory assets	**19,506**	41,439
Storage gas prepayments	**4,695**	6,364
Income taxes receivable	**3,829**	2,541
Prepaid expenses	**15,407**	15,865
Derivative assets, at fair value	**1,027**	2,787
Other current assets	**2,723**	428
Total current assets	**185,699**	193,976
Deferred Charges and Other Assets		
Goodwill	**508,174**	46,213
Other intangible assets, net	**16,865**	17,859
Investments, at fair value	**12,282**	10,576
Derivative assets, at fair value	**40**	982
Operating lease right-of-use assets	**12,426**	14,421
Regulatory assets	**96,396**	108,214
Receivables and other deferred charges	**16,448**	12,323
Total deferred charges and other assets	**662,631**	210,588
Total Assets	**$ 3,304,704**	$ 2,215,037

The accompanying notes are an integral part of the financial statements.

Chesapeake Utilities Corporation and Subsidiaries

Consolidated Balance Sheets

Capitalization and Liabilities	As of December 31, 2023	2022
(in thousands, except shares and per share data)		
Capitalization		
Stockholders' equity		
Preferred stock, par value $0.01 per share (authorized 2,000,000 shares), no shares issued and outstanding	$ **—**	$ —
Common stock, par value $0.4867 per share (authorized 50,000,000 shares)	**10,823**	8,635
Additional paid-in capital	**749,356**	380,036
Retained earnings	**488,663**	445,509
Accumulated other comprehensive loss	**(2,738)**	(1,379)
Deferred compensation obligation	**9,050**	7,060
Treasury stock	**(9,050)**	(7,060)
Total stockholders' equity	**1,246,104**	832,801
Long-term debt, net of current maturities	**1,187,075**	578,388
Total capitalization	**2,433,179**	1,411,189
Current Liabilities		
Current portion of long-term debt	**18,505**	21,483
Short-term borrowing	**179,853**	202,157
Accounts payable	**77,481**	61,496
Customer deposits and refunds	**46,427**	37,152
Accrued interest	**7,020**	3,349
Dividends payable	**13,119**	9,492
Accrued compensation	**16,544**	14,660
Regulatory liabilities	**13,719**	5,031
Derivative liabilities, at fair value	**354**	585
Other accrued liabilities	**13,362**	13,618
Total current liabilities	**386,384**	369,023
Deferred Credits and Other Liabilities		
Deferred income taxes	**259,082**	256,167
Regulatory liabilities	**195,279**	142,989
Environmental liabilities	**2,607**	3,272
Other pension and benefit costs	**15,330**	16,965
Derivative liabilities at fair value	**927**	1,630
Operating lease - liabilities	**10,550**	12,392
Deferred investment tax credits and other liabilities	**1,366**	1,410
Total deferred credits and other liabilities	**485,141**	434,825
Environmental and other commitments and contingencies (Notes 19 and 20)		
Total Capitalization and Liabilities	**$ 3,304,704**	$ 2,215,037

The accompanying notes are an integral part of the financial statements.

Chesapeake Utilities Corporation and Subsidiaries

Consolidated Statements of Cash Flows

	For the Year Ended December 31,		
(in thousands)	2023	2022	2021
Operating Activities			
Net Income	$ 87,212	$ 89,796	$ 83,466
Adjustments to reconcile net income to net operating cash:			
Depreciation and amortization	65,501	68,973	62,661
Depreciation and accretion included in operations expenses	11,934	11,044	10,228
Deferred income taxes, net	3,413	23,705	26,658
Realized (loss) on sale of assets/commodity contracts	(824)	(7,532)	(9,026)
Unrealized loss (gain) on investments/commodity contracts	(1,916)	1,817	(1,464)
Employee benefits and compensation	342	(1,111)	(53)
Share-based compensation	7,622	6,438	5,945
Other, net	170	—	—
Changes in assets and liabilities:			
Accounts receivable and accrued revenue	2,270	(11,159)	(1,634)
Propane inventory, storage gas and other inventory	293	(7,847)	(9,517)
Regulatory assets/liabilities, net	20,102	(38,671)	(18,464)
Prepaid expenses and other current assets	18,689	9,124	(1,520)
Accounts payable and other accrued liabilities	(16,795)	2,724	8,285
Income taxes receivable	(1,288)	14,919	(4,575)
Customer deposits and refunds	3,928	664	3,176
Accrued compensation	1,462	(1,231)	1,198
Other assets and liabilities, net	1,367	(2,771)	(4,860)
Net cash provided by operating activities	203,482	158,882	150,504
Investing Activities			
Property, plant and equipment expenditures	(188,618)	(128,276)	(186,924)
Proceeds from sale of assets	2,926	3,860	1,033
Acquisitions, net of cash acquired	(925,034)	(11,766)	(36,371)
Environmental expenditures	(665)	(266)	(761)
Net cash used in investing activities	(1,111,391)	(136,448)	(223,023)
Financing Activities			
Common stock dividends	(40,009)	(35,147)	(31,537)
Issuance of stock for Dividend Reinvestment Plan	(28)	4,534	15,851
Proceeds from issuance of common stock, net of expenses	366,417	—	—
Tax withholding payments related to net settled stock compensation	(2,455)	(2,838)	(1,478)
Change in cash overdrafts due to outstanding checks	(301)	955	(1,154)
Net borrowings (repayments) under line of credit agreements	(22,544)	(20,608)	46,647
Proceeds from issuance of long-term debt	627,011	49,859	59,478
Repayment of long-term debt and finance lease obligation	(21,482)	(17,961)	(13,811)
Net cash provided by (used in) financing activities	906,609	(21,206)	73,996
Net (Decrease) Increase in Cash and Cash Equivalents	(1,300)	1,228	1,477
Cash and Cash Equivalents — Beginning of Period	6,204	4,976	3,499
Cash and Cash Equivalents — End of Period	$ 4,904	$ 6,204	$ 4,976

See Note 7 for Supplemental Cash Flow Disclosures.

The accompanying notes are an integral part of the financial statements.

Chesapeake Utilities Corporation and Subsidiaries

Consolidated Statements of Stockholders' Equity

(in thousands, except shares and per share data)	Common Stock [1] Number of Shares [2]	Par Value	Additional Paid-In Capital	Retained Earnings	Accumulated Other Comprehensive Income (Loss)	Deferred Compensation	Treasury Stock	Total
Balance at December 31, 2020	**17,461,841**	**$ 8,499**	**$ 348,482**	**$ 342,969**	**$ (2,865)**	**$ 5,679**	**$ (5,679)**	**$ 697,085**
Net Income	—	—	—	83,466	—	—	—	**83,466**
Other comprehensive income	—	—	—	—	4,168	—	—	**4,168**
Dividends declared ($1.880 per share)	—	—	—	(33,363)	—	—	—	**(33,363)**
Dividend reinvestment plan [5]	147,256	72	18,176	—	—	—	—	**18,248**
Share-based compensation and tax benefit [3] [4]	46,313	22	4,504	—	—	—	—	**4,526**
Treasury stock activities [2]	—	—	—	—	—	1,561	(1,561)	—
Balance at December 31, 2021	**17,655,410**	**8,593**	**371,162**	**393,072**	**1,303**	**7,240**	**(7,240)**	**774,130**
Net Income	—	—	—	89,796	—	—	—	**89,796**
Other comprehensive income	—	—	—	—	(2,682)	—	—	**(2,682)**
Dividends declared ($2.085 per share)	—	—	—	(37,359)	—	—	—	**(37,359)**
Issuance under various plans [5]	39,418	19	5,273	—	—	—	—	**5,292**
Share-based compensation and tax benefit [3] [4]	46,590	23	3,601	—	—	—	—	**3,624**
Treasury stock activities [2]	—	—	—	—	—	(180)	180	—
Balances at December 31, 2022	**17,741,418**	**8,635**	**380,036**	**445,509**	**(1,379)**	**7,060**	**(7,060)**	**832,801**
Net Income	—	—	—	87,212	—	—	—	**87,212**
Issuance of common stock in connection with acquisition of FCG	4,438,596	2,160	364,257	—	—	—	—	**366,417**
Other comprehensive loss	—	—	—	—	(1,359)	—	—	**(1,359)**
Dividends declared ($2.305 per share)	—	—	—	(44,058)	—	—	—	**(44,058)**
Issuance under various plans [5]	—	—	(26)	—	—	—	—	**(26)**
Share-based compensation and tax benefit [3] [4]	55,323	28	5,089	—	—	—	—	**5,117**
Treasury stock activities [2]	—	—	—	—	—	1,990	(1,990)	—
Balances at December 31, 2023	**22,235,337**	**$ 10,823**	**$ 749,356**	**$ 488,663**	**$ (2,738)**	**$ 9,050**	**$ (9,050)**	**$ 1,246,104**

[1] 2,000,000 shares of preferred stock at $0.01 par value per share have been authorized. No shares have been issued or are outstanding; accordingly, no information has been included in the Consolidated Statements of Stockholders' Equity.
[2] Includes 107,623, 108,143 and 116,238 shares at December 31, 2023, 2022 and 2021, respectively, held in a Rabbi Trust related to our Non-Qualified Deferred Compensation Plan.
[3] Includes amounts for shares issued for directors' compensation.
[4] The shares issued under the SICP are net of shares withheld for employee taxes. For 2023, 2022 and 2021, we withheld 19,859, 21,832 and 14,020 shares, respectively, for taxes.
[5] Includes shares issued under the Retirement Savings Plan, DRIP and/or ATM equity issuances, as applicable.

The accompanying notes are an integral part of the financial statements.

1. Organization and Basis of Presentation

Chesapeake Utilities, incorporated in 1947 in Delaware, is a diversified energy company engaged in regulated and unregulated energy businesses.

Our regulated energy businesses consist of: (a) regulated natural gas distribution operations in central and southern Delaware, Maryland's eastern shore and Florida; (b) regulated natural gas transmission operations on the Delmarva Peninsula, in Pennsylvania, Florida and in Ohio; and (c) regulated electric distribution operations serving customers in northeast and northwest Florida.

Our unregulated energy businesses primarily include: (a) propane operations in the Mid-Atlantic region, North Carolina, South Carolina, and Florida; (b) our unregulated natural gas transmission/supply operation in central and eastern Ohio; (c) our CHP plant in Florida that generates electricity and steam; (d) our subsidiary, based in Florida, that provides CNG, LNG and RNG transportation and pipeline solutions, primarily to utilities and pipelines throughout the United States; and (e) sustainable energy investments including renewable natural gas.

Our consolidated financial statements include the accounts of Chesapeake Utilities and its wholly-owned subsidiaries. We do not have any ownership interest in investments accounted for using the equity method or any interest in a variable interest entity. All intercompany accounts and transactions have been eliminated in consolidation. We have assessed and, if applicable, reported on subsequent events through the date of issuance of these consolidated financial statements. Where necessary to improve comparability, prior period amounts have been reclassified to conform to current period presentation.

2. Summary of Significant Accounting Policies

Use of Estimates

Preparing the consolidated financial statements to conform with GAAP requires management to make estimates in measuring assets and liabilities and related revenues and expenses. These estimates involve judgments about various future economic factors that are difficult to predict and are beyond our control; therefore, actual results could differ from these estimates. As additional information becomes available, or actual amounts are determined, recorded estimates are revised. Consequently, operating results can be affected by revisions to prior accounting estimates.

Property, Plant and Equipment

Property, plant and equipment are stated at original cost less accumulated depreciation or fair value, if impaired. Costs include direct labor, materials and third-party construction contractor costs, allowance for funds used during construction ("AFUDC"), and certain indirect costs related to equipment and employees engaged in construction. The costs of repairs and minor replacements are charged to expense as incurred, and the costs of major renewals and improvements are capitalized. Upon retirement or disposition of property within the regulated businesses, the gain or loss, net of salvage value, is charged to accumulated depreciation. Upon retirement or disposition of property owned by the unregulated businesses, the gain or loss, net of salvage value, is charged to income. A summary of property, plant and equipment by classification as of December 31, 2023 and 2022 is provided in the following table:

(in thousands)	As of December 31, 2023	2022
Property, plant and equipment		
Regulated Energy		
Natural gas distribution - Delmarva Peninsula and Florida [1]	**$ 1,486,796**	$ 925,501
Natural gas transmission - Delmarva Peninsula, Pennsylvania, Ohio and Florida	**788,185**	741,865
Electric distribution	**143,513**	135,633
Unregulated Energy		
Propane operations – Mid-Atlantic, North Carolina, South Carolina and Florida	**194,918**	185,090
Natural gas transmission and supply – Ohio	**134,192**	128,620
Electricity and steam generation	**37,064**	36,886
Mobile CNG and pipeline solutions	**40,558**	38,543
Sustainable energy investments, including renewable natural gas	**4,076**	4,076
Other	**30,309**	29,890
Total property, plant and equipment	**2,859,611**	2,226,104
Less: Accumulated depreciation and amortization	**(516,429)**	(462,926)
Plus: Construction work in progress	**113,192**	47,295
Net property, plant and equipment	**$ 2,456,374**	$ 1,810,473

[1] Includes amounts attributable to the acquisition of FCG. See Note 4 for additional details on the acquisition.

Contributions or Advances in Aid of Construction

Customer contributions or advances in aid of construction reduce property, plant and equipment, unless the amounts are refundable to customers. Contributions or advances may be refundable to customers after a number of years based on the amount of revenues generated from the customers or the duration of the service provided to the customers. Refundable contributions or advances are recorded initially as liabilities. Non-refundable contributions reduce property, plant and equipment at the time of such determination. As of December 31, 2023 and 2022, the non-refundable contributions totaled $4.2 million and $7.6 million, respectively.

AFUDC

Some of the additions to our regulated property, plant and equipment include AFUDC, which represents the estimated cost of funds, from both debt and equity sources, used to finance the construction of major projects. AFUDC is capitalized in the applicable rate base for rate-making purposes when the completed projects are placed in service. During the years ended December 31, 2023, 2022 and 2021, AFUDC was immaterial and was reflected as a reduction of interest charges.

Leases

We have entered into lease arrangements for office space, land, equipment, pipeline facilities and warehouses. These leases enable us to conduct our business operations in the regions in which we operate. Our operating leases are included in operating lease right-of-use assets, other accrued liabilities, and operating lease - liabilities in our consolidated balance sheets.

Right-of-use assets represent our right to use an underlying asset for the lease term and lease liabilities represent our obligation to make lease payments arising from the lease. Operating lease right-of-use assets and liabilities are recognized at commencement date based on the present value of lease payments over the lease term. Leases with an initial term of 12 months or less are not recorded on our balance sheet; we recognize lease expense for these leases on a straight-line basis over the lease term. Our leases do not provide an implicit lease rate, therefore, we utilize our incremental borrowing rate, as the basis to calculate the present value of future lease payments, at lease commencement. Our incremental borrowing rate represents the rate that we would have to pay to borrow funds on a collateralized basis over a similar term and in a similar economic environment.

We have lease agreements with lease and non-lease components. At the adoption of ASC 842, we elected not to separate non-lease components from all classes of our existing leases. The non-lease components have been accounted for as part of the single lease component to which they are related. See Note 14, *Leases,* for additional information.

Jointly-owned Pipelines

Property, plant and equipment for our Florida natural gas transmission operation included $28.4 million of jointly owned assets at December 31, 2023, primarily comprised of the 26-mile Callahan intrastate transmission pipeline in Nassau County, Florida jointly-owned with Seacoast Gas Transmission. Peninsula Pipeline's ownership is 50 percent. Direct expenses for the jointly-owned pipeline are included in operating expenses within our consolidated statements of income. Accumulated depreciation for this pipeline totaled $2.2 million and $1.5 million at December 31, 2023 and 2022, respectively.

Impairment of Long-lived Assets

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

Depreciation and Accretion Included in Operations Expenses

We compute depreciation expense for our regulated operations by applying composite, annual rates, as approved by the respective regulatory bodies. Certain components of depreciation and accretion are reported in operations expenses, rather than as depreciation and amortization expense, in the accompanying consolidated statements of income in accordance with industry practice and regulatory requirements. Depreciation and accretion included in operations expenses consists of the accretion of the costs of removal for future retirements of utility assets, vehicle depreciation, computer software and hardware depreciation, and other minor amounts of depreciation expense. For the years ended December 31, 2023, 2022 and 2021, we reported $11.9 million, $11.0 million and $10.2 million, respectively, of depreciation and accretion in operations expenses.

The following table shows the average depreciation rates used for regulated operations during the years ended December 31, 2023, 2022 and 2021:

	2023	**2022**	**2021**
Natural gas distribution – Delmarva Peninsula	**2.5%**	2.5%	2.5%
Natural gas distribution – Florida [(1) (2)]	**2.2%**	2.5%	2.5%
Natural gas transmission – Delmarva Peninsula	**2.7%**	2.7%	2.7%
Natural gas transmission – Florida	**2.4%**	2.4%	2.3%
Natural gas transmission – Ohio	**5.0%**	5.0%	N/A
Electric distribution	**2.4%**	2.8%	2.8%

[(1)] Excludes the acquisition of FCG which was completed on November 30, 2023.
[(2)] Average for 2023 includes the impact of the depreciation study that was approved by the Florida PSC in connection with the natural gas base rate proceeding.

For our unregulated operations, we compute depreciation expense on a straight-line basis over the following estimated useful lives of the assets:

Asset Description	Useful Life
Propane distribution mains	10-37 years
Propane bulk plants and tanks	10-40 years
Propane equipment, meters and meter installations	5-33 years
Measuring and regulating station equipment	5-37 years
Natural gas pipelines	45 years
Natural gas right of ways	Perpetual
CHP plant	30 years
Natural gas processing equipment	20-25 years
Office furniture and equipment	3-10 years
Transportation equipment	4-20 years
Structures and improvements	5-45 years
Other	Various

Regulated Operations

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

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

Revenue Recognition

Revenues for our natural gas and electric distribution operations are based on rates approved by the PSC in each state in which they operate. Customers' base rates may not be changed without formal approval by these commissions. The PSCs, however, have authorized our regulated operations to negotiate rates, based on approved methodologies, with customers that have competitive alternatives. Eastern Shore's revenues are based on rates approved by the FERC. The FERC has also authorized Eastern Shore to negotiate rates above or below the FERC-approved maximum rates, which customers can elect as an alternative to FERC-approved maximum rates.

For regulated deliveries of natural gas and electricity, we read meters and bill customers on monthly cycles that do not coincide with the accounting periods used for financial reporting purposes. We accrue unbilled revenues for natural gas and electricity delivered, but not yet billed, at the end of an accounting period to the extent that they do not coincide. We estimate the amount of the unbilled revenue by jurisdiction and customer class.

All of our regulated natural gas and electric distribution operations have fuel cost recovery mechanisms. These mechanisms allow us to adjust billing rates, without further regulatory approvals, to reflect changes in the cost of purchased fuel. Differences between the cost of fuel purchased and delivered are deferred and accounted for as either unrecovered fuel cost or amounts payable to customers. Generally, these deferred amounts are recovered or refunded within one year.

We charge flexible rates to our natural gas distribution industrial interruptible customers who can use alternative fuels. Interruptible service imposes no contractual obligation to deliver or receive natural gas on a firm service basis.

Our unregulated propane distribution businesses record revenue in the period the products are delivered and/or services are rendered for their bulk delivery customers. For propane customers with meters whose billing cycles do not coincide with our accounting periods, we accrue unbilled revenue for product delivered but not yet billed and bill customers at the end of an accounting period, as we do in our regulated energy businesses.

Our Ohio natural gas transmission/supply operation recognizes revenues based on actual volumes of natural gas shipped using contractual rates based upon index prices that are published monthly.

Eight Flags records revenues based on the amount of electricity and steam generated and sold to its customers.

Our mobile compressed natural gas operation recognizes revenue for CNG services at the end of each calendar month for services provided during the month based on agreed upon rates for labor, equipment utilized, costs incurred for natural gas compression, miles driven, mobilization and demobilization fees.

We report revenue taxes, such as gross receipts taxes, franchise taxes, and sales taxes, on a net basis.

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

Natural Gas, Electric and Propane Costs

Natural gas, electric and propane costs include the direct costs attributable to the products sold or services provided to our customers. These costs include primarily the variable commodity cost of natural gas, electricity and propane, costs of pipeline capacity needed to transport and store natural gas, transmission costs for electricity, costs to gather and process natural gas, costs to transport propane to/from our storage facilities or our mobile CNG equipment to customer locations, and steam and electricity generation costs. Depreciation expense is not included in natural gas, electric and propane costs.

Operations and Maintenance Expenses

Operations and maintenance expenses include operations and maintenance salaries and benefits, materials and supplies, usage of vehicles, tools and equipment, payments to contractors, utility plant maintenance, customer service, professional fees and other outside services, insurance expense, minor amounts of depreciation, accretion of removal costs for future retirements of utility assets and other administrative expenses.

Cash and Cash Equivalents

Our policy is to invest cash in excess of operating requirements in overnight income-producing accounts. Such amounts are stated at cost, which approximates fair value. Investments with an original maturity of three months or less when purchased are considered cash equivalents.

Accounts Receivable and Allowance for Credit Losses

Accounts receivable consist primarily of amounts due for sales of natural gas, electricity and propane and transportation and distribution services to customers. An allowance for doubtful accounts is recorded against amounts due based upon our collections experiences and an assessment of our customers' inability or reluctance to pay. If circumstances change, our estimates of recoverable accounts receivable may also change. Circumstances which could affect such estimates include, but are not limited to, customer credit issues, natural gas, electricity and propane prices and impacts from general economic conditions. Accounts receivable are written off when they are deemed to be uncollectible.

Our estimate for expected credit losses has been developed by analyzing our portfolio of financial assets that present potential credit exposure risk. These assets consist solely of our trade receivables from customers and contract assets. The estimate is based on five years of historical collections experience, a review of current economic and operating conditions in our service territories, and an examination of economic indicators which provide a reasonable and supportable basis of potential future activity. Those indicators include metrics which we believe provide insight into the future collectability of our trade receivables such as unemployment rates and economic growth statistics in our service territories.

When determining estimated credit losses, we analyze the balance of our trade receivables based on the underlying line of business. This includes an examination of trade receivables from our energy distribution, energy transmission, energy delivery services and propane operations businesses. Our energy distribution business consists of all our regulated distribution utility (natural gas and electric) operations on the Delmarva Peninsula and in Florida. These business units have the ability to recover their costs through the rate-making process, which can include consideration for amounts historically written off to be included in rate base. Therefore, they possess a mechanism to recover credit losses which we believe reduces their exposure to credit risk. Our energy transmission and energy delivery services business units consist of our natural gas pipelines and our mobile CNG delivery operations. The majority of customers served by these business units are regulated distribution utilities who also have the ability to recover their costs. We believe this cost recovery mechanism significantly reduces the amount of credit risk associated with these customers. Our propane operations are unregulated and do not have the same ability to recover their costs as our regulated operations. However, historically our propane operations have not had material write offs relative to the amount of revenues generated.

Our estimate of expected credit losses reflects our anticipated losses associated with our trade receivables as a result of non-payment from our customers beginning the day the trade receivable is established. We believe the risk of loss associated with trade receivables classified as current presents the least amount of credit exposure risk and therefore, we assign a lower estimate to our current trade receivables. As our trade receivables age outside of their expected due date, our estimate increases. Our allowance for credit losses relative to the balance of our trade receivables has historically been immaterial as a result of on time payment activity from our customers.

The table below illustrates the changes in the balance of our allowance for expected credit losses for the year ended December 31, 2023:

(in thousands)

Balance at December 31, 2022	**$**	**2,877**
Additions:		
Provision for credit losses		**2,340**
Recoveries		**166**
Deductions:		
Write offs		**(2,684)**
Balance at December 31, 2023	**$**	**2,699**

Inventories

We use the average cost method to value propane, materials and supplies, and other merchandise inventory. If market prices drop below cost, inventory balances that are subject to price risk are adjusted to their net realizable value. There were no lower-of-cost-or-net realizable value adjustment for the years ended December 31, 2023, 2022 or 2021.

Goodwill and Other Intangible Assets

Goodwill is not amortized but is tested for impairment at least annually, or more frequently if an event occurs or circumstances change that would more likely than not reduce the fair value of a reporting unit below its carrying value. We generally use a present value technique based on discounted cash flows to estimate the fair value of our reporting units. An impairment charge is recognized if the carrying value of a reporting unit's goodwill exceeds its fair value. There were no goodwill impairments recognized during the years ended December 31, 2023, 2022 and 2021. Other intangible assets are amortized on a straight-line basis over their estimated economic useful lives.

Other Deferred Charges

Other deferred charges include issuance costs associated with short-term borrowings. These charges are amortized over the life of the related short-term debt borrowings.

Asset Removal Cost

As authorized by the appropriate regulatory body (state PSC or FERC), we accrue future asset removal costs associated with utility property, plant and equipment even if a legal obligation does not exist. Such accruals are provided for through depreciation expense and are recorded with corresponding credits to regulatory liabilities or assets. When we retire depreciable utility plant and equipment, we charge the associated original costs to accumulated depreciation and amortization, and any related removal costs incurred are charged to regulatory liabilities or assets. The difference between removal costs recognized in depreciation rates and the accretion and depreciation expense recognized for financial reporting purposes is a timing difference between recovery of these costs in rates and their recognition for financial reporting purposes. Accordingly, these differences are deferred as regulatory liabilities or assets. In the rate setting process, the regulatory liability or asset is excluded from the rate base upon which those utilities have the opportunity to earn their allowed rates of return. The costs associated with our asset retirement obligations are either currently being recovered in rates or are probable of recovery in future rates.

See Note 18, *Rates and Other Regulatory Activities*, for information related to FCG's reserve surplus amortization mechanism ("RSAM") that was approved as part of its rate case effective as of May 1, 2023.

Pension and Other Postretirement Plans

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

The discount rates are utilized principally in calculating the actuarial present value of our pension and postretirement obligations and net pension and postretirement costs. When estimating our discount rates, we consider high-quality corporate bond rates, such as the Empower curve index and the FTSE Index, changes in those rates from the prior year and other pertinent factors, including the expected life of each of our plans and their respective payment options.

The expected long-term rates of return on assets are utilized in calculating the expected returns on the plan assets component of our annual pension plan costs. We estimate the expected returns on plan assets by evaluating expected bond returns, asset allocations, the effects of active plan management, the impact of periodic plan asset rebalancing and historical performance. We also consider the guidance from our investment advisors in making a final determination of our expected rates of return on plan assets.

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

The mortality assumption used for our pension and postretirement plans is reviewed periodically and is based on the actuarial table that best reflects the expected mortality of the plan participants.

Income Taxes, Investment Tax Credit Adjustments and Tax-Related Contingency

Deferred tax assets and liabilities are recorded for the income tax effect of temporary differences between the financial statement basis and tax basis of assets and liabilities and are measured using the enacted income tax rates in effect in the years in which the differences are expected to reverse. Deferred tax assets are recorded net of any valuation allowance when it is more likely than not that such income tax benefits will be realized. Investment tax credits on utility property have been deferred and are allocated to income ratably over the lives of the subject property.

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

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

Financial Instruments

We utilize financial instruments to mitigate commodity price risk associated with fluctuations of natural gas, electricity and propane and to mitigate interest rate risk. Our propane operations enter into derivative transactions, such as swaps, put options and call options in order to mitigate the impact of wholesale price fluctuations on inventory valuation and future purchase commitments. These transactions may be designated as fair value hedges or cash flow hedges, if they meet all of the accounting requirements pursuant to ASC Topic 815, *Derivatives and Hedging,* and we elect to designate the instruments as hedges. If designated as a fair value hedge, the value of the hedging instrument, such as a swap, future, or put option, is recorded at fair value, with the effective portion of the gain or loss of the hedging instrument effectively reducing or increasing the value of the hedged item. If designated as a cash flow hedge, the value of the hedging instrument, such as a swap or call option, is recorded at fair value with the effective portion of the gain or loss of the hedging instrument being initially recorded in accumulated other comprehensive income (loss) and reclassified to earnings when the associated hedged transaction settles. The ineffective portion of the gain or loss of a hedge is immediately recorded in earnings. If the instrument is not designated as a fair value or cash flow hedge, or it does not meet the accounting requirements of a hedge under ASC Topic 815, *Derivatives and Hedging*, it is recorded at fair value with all gains or losses being recorded directly in earnings.

Our natural gas, electric and propane operations enter into agreements with suppliers to purchase natural gas, electricity, and propane for resale to our respective customers. Purchases under these contracts, as well as distribution and sales agreements with counterparties or customers, either do not meet the definition of a derivative, or qualify for "normal purchases and normal sales" treatment under ASC Topic 815 and are accounted for on an accrual basis.

We manage interest rate risk by entering into derivative contracts to hedge the variability in cash flows attributable to changes in the short-term borrowing rates. We designate and account for the interest rate swaps as cash flows hedges. Accordingly, unrealized gains and losses associated with the interest rate swaps are recorded as a component of accumulated other comprehensive income (loss). When the interest rate swaps settle, the realized gain or loss will be recorded in the income statement and recognized as a component of interest charges.

Recent Accounting Standards Yet to be Adopted

Segment Reporting (ASC 280) - In November 2023, the FASB issued ASU 2023-07, *Improvements to Reportable Segments Disclosures*, which modifies required disclosures about a public entity's reportable segments and addresses requests from investors for more detailed information about a reportable segment's expenses and a more comprehensive reconciliation of each segment's reported profit or loss. ASU 2023-07 will be effective for our annual financial statements beginning January 1, 2024 and our interim financial statements beginning January 1, 2025. ASU 2023-07 only impacts disclosures, and as a result, will not have a material impact on our financial position or results of operations.

Income Taxes (ASC 740) - In December 2023, the FASB issued ASU 2023-09, *Improvements to Income Tax Disclosures,* which modifies required income tax disclosures primarily related to an entity's rate reconciliation and information pertaining to income taxes paid. These enhancements have been made to address requests from investors related to transparency and usefulness of income tax disclosures. ASU 2023-09 will be effective for our annual financial statements beginning January 1, 2024. ASU 2023-09 only impacts disclosures, and as a result, will not have a material impact on our financial position or results of operations.

3. Earnings Per Share

The following table presents the calculation of our basic and diluted earnings per share:

	For the Year Ended December 31,		
	2023	**2022**	**2021**
(in thousands, except shares and per share data)			
Calculation of Basic Earnings Per Share:			
Net Income	**$ 87,212**	$ 89,796	$ 83,466
Weighted average shares outstanding [1]	**18,370,758**	17,722,227	17,558,078
Basic Earnings Per Share	**$ 4.75**	$ 5.07	$ 4.75
Calculation of Diluted Earnings Per Share:			
Reconciliation of Denominator:			
Weighted average shares outstanding — Basic [1]	**18,370,758**	17,722,227	17,558,078
Effect of dilutive securities — Share-based compensation	**64,099**	82,067	74,951
Adjusted denominator — Diluted [1]	**18,434,857**	17,804,294	17,633,029
Diluted Earnings Per Share	**$ 4.73**	$ 5.04	$ 4.73

[1] 2023 weighted average shares reflect the impact of 4.4 million common shares issued in November 2023 in connection with the acquisition of FCG. See Notes 4 and 15 for additional details on the acquisition and related equity offering.

4. Acquisitions

Acquisition of Florida City Gas

On November 30, 2023, we completed the acquisition of FCG for $923.4 million in cash, including working capital adjustments as defined in the agreement, pursuant to the previously disclosed stock purchase agreement with Florida Power & Light Company. Upon completion of the acquisition, FCG became a wholly-owned subsidiary of the Company and is included within our Regulated Energy segment.

FCG, a regulated utility, serves approximately 120,000 residential and commercial natural gas customers across eight counties in Florida, including Miami-Dade, Broward, Brevard, Palm Beach, Hendry, Martin, St. Lucie and Indian River. Its natural gas system includes approximately 3,800 miles of distribution main and 80 miles of transmission pipe.

The purchase price of the acquisition was funded with $366.4 million of net proceeds from the issuance of 4.4 million shares of our common stock, the issuance of approximately $550.0 million principal amount of uncollateralized senior notes, and borrowings under the Company's Revolver. See Note 12, *Long-Term Debt*, and Note 15, *Stockholders' Equity,* for additional details on these financing activities.

We accounted for the acquisition of FCG using the acquisition method. At December 31, 2023, the allocation of the purchase price remains preliminary pending finalizing of certain working capital balances. As such, the fair value measurements presented below are subject to change within the measurement period not to exceed one year from the date of the acquisition. As FCG is a regulated utility, the measurement of the fair value of most of the assets acquired and liabilities assumed were determined using the predecessor's carrying value. In certain other instances where assets and liabilities are not subject to regulation, we determined the fair value in accordance with the principles of ASC Topic 820, *Fair Value Measurements.*

The excess of the purchase price for FCG over the fair value of the assets acquired and liabilities assumed has been reflected as goodwill within the Regulated Energy segment. Goodwill resulting from the acquisition is largely attributable to expansion opportunities provided within our existing regulated operations in Florida, including planned customer growth and growth in rate base through continued investment in our utility infrastructure, as well as natural gas transmission infrastructure supporting the distribution operations. The goodwill recognized in connection with the acquisition of FCG will be deductible for income tax purposes.

The components of the preliminary purchase price allocation are as follows:

(in thousands)

Assets acquired:	**Acquisition Date Fair Value**
Cash	$ 2,270
Accounts receivable, net	14,396
Regulatory assets - current	2,983
Other current assets	2,707
Property, plant and equipment	453,845
Goodwill	461,193
Regulatory assets - non-current	3,381
Other deferred charges and other assets,	18,309
Total assets acquired	**959,084**
Liabilities assumed:	
Current liabilities	(20,954)
Regulatory liabilities	(14,137)
Other deferred credits and other liabilities	(548)
Total liabilities assumed	**(35,639)**
Net purchase price	**$ 923,445**

Direct transaction costs of $10.4 million associated with the FCG acquisition are reflected in "FCG transaction-related expenses" on our consolidated statement of income for the year ended December 31, 2023. In addition, interest charges include $4.1 million related to fees and expenses associated with the Bridge Facility, which was terminated without any funds drawn, for the year ended December 31, 2023. Other transaction costs of $15.9 million related primarily to the debt and equity financings executed in connection with the acquisition have been deferred on the consolidated balance sheet or recorded in equity as an offset to proceeds received, as appropriate.

For the period from the acquisition date through December 31, 2023, the Company's consolidated results include $12.1 million of operating revenue and a $3.3 million net loss attributable to FCG which includes $7.5 million of the transaction-related expenses described above. For additional information on FCG's results, see discussion under Item 7, *Management's Discussion and Analysis of Financial Condition and Results of Operations*. The following unaudited financial information reflects our pro forma operating revenues and net income assuming the FCG acquisition had occurred on January 1, 2022. The unaudited pro forma financial information has been presented for illustrative purposes only and is not necessarily indicative of the results of operations that would have been achieved or the future results of operations of FCG.

	For the Year Ended December 31,	
	2023	**2022**
(in thousands)		
Operating Revenue	**$ 786,473**	$ 798,355
Net Income	**$ 85,398**	$ 81,508

Acquisition of J.T. Lee and Son's

In December 2023, Sharp acquired the propane operating assets of J.T. Lee and Son's in Cape Fear, North Carolina for $3.9 million. In connection with this acquisition, we recorded a $0.3 million liability which is subject to the seller's adherence to various provisions contained in the purchase agreement through the first anniversary of the transaction closing. Through this acquisition, we expanded our operating footprint further in North Carolina, where customers are served by Sharp Energy's Diversified Energy division. Sharp added approximately 3,000 customers and distribution of approximately 800,000 gallons of propane annually. The transaction also includes a bulk plant with 60,000 gallons of propane storage, enabling the Company to realize efficiencies with additional storage capacity and overlapping delivery territories.

In connection with this acquisition, we recorded $2.7 million in property plant and equipment, $0.9 million in goodwill, $0.2 million in working capital, and less than $0.1 million in intangible assets associated primarily with non-compete agreements, all of which are deductible for income tax purposes. The amounts recorded in conjunction with the acquisition are preliminary, and subject to adjustment based on contractual provisions and finalization prior to the first anniversary of the transaction closing. The financial results associated with this acquisition are included within our propane distribution operations within our Unregulated Energy segment. The operating revenues and net income of this acquisition were not material to our consolidated results for the year ended December 31, 2023.

Acquisition of Planet Found Energy Development

In October 2022, we acquired Planet Found Energy Development, LLC ("Planet Found") for $9.5 million. In connection with this acquisition, we recorded a $0.9 million liability which was released after the first anniversary of the transaction closing. We accounted for this acquisition as a business combination within our Unregulated Energy segment beginning in the fourth quarter of 2022. Planet Found's farm scale anaerobic digestion pilot system and technology produces biogas from 1200 tons of poultry litter annually. The transaction accelerated our efforts in converting poultry waste to renewable, sustainable energy while simultaneously improving the local environments in our service territories.

In connection with this acquisition, we recorded $4.4 million in intangible assets associated primarily with intellectual property and non-compete agreements, $4.0 million in property plant and equipment, $1.1 million in goodwill, and less than $0.1 million in working capital, all of which are deductible for income tax purposes. The operating revenues and net income of Planet Found were not material to our consolidated results for the years ended December 31, 2023 and 2022.

Acquisition of Davenport Energy

In June 2022, Sharp acquired the propane operating assets of Davenport Energy's Siler City, North Carolina propane division for approximately $2.0 million. Through this acquisition, the Company expanded its operating footprint further into North Carolina, where customers are served by Sharp Energy's Diversified Energy division. Sharp added approximately 850 customers, and expected distribution of approximately 0.4 million gallons of propane annually. We recorded $1.5 million in property plant and equipment, $0.5 million in goodwill, and immaterial amounts associated with customer relationships and non-compete agreements, all of which are deductible for income tax purposes. The financial results associated with this acquisition are included within the Company's propane distribution operations within its Unregulated Energy segment. The operating revenues and net income of Davenport Energy were not material to our consolidated results for the years ended December 31, 2023 and 2022.

5. REVENUE RECOGNITION

We recognize revenue when our performance obligations under contracts with customers have been satisfied, which generally occurs when our businesses have delivered or transported natural gas, electricity or propane to customers. We exclude sales taxes and other similar taxes from the transaction price. Typically, our customers pay for the goods and/or services we provide in the month following the satisfaction of our performance obligation. The following tables display revenue by major source based on product and service type for the years ended December 31, 2023, 2022 and 2021:

(in thousands)	For the Year Ended December 31, 2023 Regulated Energy	Unregulated Energy	Other and Eliminations	Total
Energy distribution				
Delaware natural gas division	$ 83,882	$ —	$ —	$ 83,882
Florida Natural Gas distribution [1]	168,360	—	—	168,360
Florida City Gas [2]	12,073	—	—	12,073
FPU electric distribution	99,474	—	—	99,474
Maryland natural gas division	28,092	—	—	28,092
Sandpiper natural gas/propane operations	20,185	—	—	20,185
Elkton Gas	8,814	—	—	8,814
Total energy distribution	420,880	—	—	420,880
Energy transmission				
Aspire Energy	—	37,139	—	37,139
Aspire Energy Express	1,478	—	—	1,478
Eastern Shore	79,923	—	—	79,923
Peninsula Pipeline	30,400	—	—	30,400
Total energy transmission	111,801	37,139	—	148,940
Energy generation				
Eight Flags	—	19,207	—	19,207
Propane operations				
Propane distribution operations	—	154,748	—	154,748
Compressed Natural Gas Services				
Marlin Gas Services	—	12,300	—	12,300
Other and eliminations				
Eliminations	(59,086)	(246)	(26,321)	(85,653)
Other	—	—	182	182
Total other and eliminations	(59,086)	(246)	(26,139)	(85,471)
Total operating revenues [3]	**$ 473,595**	**$ 223,148**	**$ (26,139)**	**$ 670,604**

[1] In accordance with the Florida PSC approval of our natural gas base rate proceeding, effective March 1, 2023, our natural gas distribution businesses in Florida (FPU, FPU-Indiantown division, FPU-Fort Meade division and Chesapeake Utilities' CFG division) have been consolidated and amounts above are now being presented on a consolidated basis consistent with the final rate order.

[2] Operating revenues for FCG include amounts from the acquisition date through December 31, 2023. For additional information on FCG's results, see Note 4, Acquisitions, and discussion under Item 7, Management's Discussion and Analysis of Financial Condition and Results of Operations.

[3] Total operating revenues for the year ended December 31, 2023, include other revenue (revenues from sources other than contracts with customers) of $1.2 million and $0.4 million for our Regulated and Unregulated Energy segments, respectively. The sources of other revenues include revenue from alternative revenue programs related to revenue normalization for Maryland division and Sandpiper and late fees.

(in thousands)	For the Year Ended December 31, 2022 Regulated Energy	Unregulated Energy	Other and Eliminations	Total
Energy distribution				
Delaware natural gas division	$ 82,176	$ —	$ —	$ 82,176
Florida Natural Gas distribution [1]	155,870	—	—	155,870
FPU electric distribution	81,714	—	—	81,714
Maryland natural gas division	26,607	—	—	26,607
Sandpiper natural gas/propane operations	21,278	—	—	21,278
Elkton Gas	9,198	—	—	9,198
Total energy distribution	376,843	—	—	376,843
Energy transmission				
Aspire Energy	—	56,225	—	56,225
Aspire Energy Express	1,377	—	—	1,377
Eastern Shore	78,624	—	—	78,624
Peninsula Pipeline	27,263	—	—	27,263
Total energy transmission	107,264	56,225	—	163,489
Energy generation				
Eight Flags	—	25,318	—	25,318
Propane operations				
Propane distribution operations	—	188,412	—	188,412
Compressed Natural Gas Services				
Marlin Gas Services	—	11,159	—	11,159
Other and eliminations				
Eliminations	(54,683)	(364)	(29,778)	(84,825)
Other	—	—	308	308
Total other and eliminations	(54,683)	(364)	(29,470)	(84,517)
Total operating revenues [2]	**$ 429,424**	**$ 280,750**	**$ (29,470)**	**$ 680,704**

[1] In accordance with the Florida PSC approval of our natural gas base rate proceeding, effective March 1, 2023, our natural gas distribution businesses in Florida (FPU, FPU-Indiantown division, FPU-Fort Meade division and Chesapeake Utilities' CFG division) have been consolidated and amounts above are now being presented on a consolidated basis consistent with the final rate order.

[2] Total operating revenues for the year ended December 31, 2022, include other revenue (revenues from sources other than contracts with customers) of $0.5 million and $0.4 million for our Regulated and Unregulated Energy segments, respectively. The sources of other revenues include revenue from alternative revenue programs related to revenue normalization for Maryland division and Sandpiper and late fees.

(in thousands)	For the Year Ended December 31, 2021 Regulated Energy	Unregulated Energy	Other and Eliminations	Total
Energy distribution				
Delaware natural gas division	$ 71,195	$ —	$ —	$ 71,195
Florida Natural Gas distribution [(1)]	134,609	—	—	134,609
FPU electric distribution	78,300	—	—	78,300
Maryland natural gas division	22,449	—	—	22,449
Sandpiper natural gas/propane operations	20,746	—	—	20,746
Elkton Gas	7,105	—	—	7,105
Total energy distribution	334,404	—	—	334,404
Energy transmission				
Aspire Energy	—	38,163	—	38,163
Aspire Energy Express	187	—	—	187
Eastern Shore	76,911	—	—	76,911
Peninsula Pipeline	26,630	—	—	26,630
Total energy transmission	103,728	38,163	—	141,891
Energy generation				
Eight Flags	—	18,652	—	18,652
Propane operations				
Propane distribution operations	—	142,082	—	142,082
Compressed Natural Gas Services				
Marlin Gas Services	—	8,315	—	8,315
Other and eliminations				
Eliminations	(54,212)	(343)	(21,348)	(75,903)
Other	—	—	527	527
Total other and eliminations	(54,212)	(343)	(20,821)	(75,376)
Total operating revenues [(2)]	**$ 383,920**	**$ 206,869**	**$ (20,821)**	**$ 569,968**

(1) In accordance with the Florida PSC approval of our natural gas base rate proceeding, effective March 1, 2023, our natural gas distribution businesses in Florida (FPU, FPU-Indiantown division, FPU-Fort Meade division and Chesapeake Utilities' CFG division) have been consolidated and amounts above are now being presented on a consolidated basis consistent with the final rate order.

(2) Total operating revenues for the year ended December 31, 2021, include other revenue (revenues from sources other than contracts with customers) of $0.2 million and $0.4 million for our Regulated and Unregulated Energy segments, respectively. The sources of other revenues include revenue from alternative revenue programs related to revenue normalization for Maryland division and Sandpiper and late fees.

Regulated Energy Segment

The businesses within our Regulated Energy segment are regulated utilities whose operations and customer contracts are subject to rates approved by the respective state PSC or the FERC.

Our energy distribution operations deliver natural gas or electricity to customers, and we bill the customers for both the delivery of natural gas or electricity and the related commodity, where applicable. In most jurisdictions, our customers are also required to purchase the commodity from us, although certain customers in some jurisdictions may purchase the commodity from a third-party retailer (in which case we provide delivery service only). We consider the delivery of natural gas or electricity and/ or the related commodity sale as one performance obligation because the commodity and its delivery are highly interrelated with two-way dependency on one another. Our performance obligation is satisfied over time as natural gas or electricity is delivered and consumed by the customer. We recognize revenues based on monthly meter readings, which are based on the quantity of natural gas or electricity used and the approved rates. We accrue unbilled revenues for natural gas and electricity that have been delivered, but not yet billed, at the end of an accounting period, to the extent that billing and delivery do not coincide.

Revenues for Eastern Shore are based on rates approved by the FERC. The FERC has also authorized Eastern Shore to negotiate rates above or below the FERC-approved maximum rates, which customers can elect as an alternative to the FERC-approved maximum rates. Eastern Shore's services can be firm or interruptible. Firm services are offered on a guaranteed basis and are available at all times unless prevented by force majeure or other permitted curtailments. Interruptible customers receive service only when there is available capacity or supply. Our performance obligation is satisfied over time as we deliver natural gas to the customers' locations. We recognize revenues based on capacity used or reserved and the fixed monthly charge.

Peninsula Pipeline is engaged in natural gas intrastate transmission to third-party customers and certain affiliates in the State of Florida. Our performance obligation is satisfied over time as the natural gas is transported to customers. We recognize revenue based on rates approved by the Florida PSC and the capacity used or reserved. We accrue unbilled revenues for transportation services provided and not yet billed at the end of an accounting period.

Aspire Energy Express is engaged in natural gas intrastate transmission in the State of Ohio. We currently serve the Guernsey power plant and our performance obligation is satisfied over time as the natural gas is transported to the plant. We recognize revenue based on rates approved by the Ohio PSC and the capacity used or reserved. We accrue unbilled revenues for transportation services provided and not yet billed at the end of an accounting period.

Unregulated Energy Segment

Revenues generated from the Unregulated Energy segment are not subject to any federal, state, or local pricing regulations. Aspire Energy primarily sources gas from hundreds of conventional producers and performs gathering and processing functions to maintain the quality and reliability of its gas for its wholesale customers. Aspire Energy's performance obligation is satisfied over time as natural gas is delivered to its customers. Aspire Energy recognizes revenue based on the deliveries of natural gas at contractually agreed upon rates (which are based upon an established monthly index price and a monthly operating fee, as applicable). For natural gas customers, we accrue unbilled revenues for natural gas that has been delivered, but not yet billed, at the end of an accounting period, to the extent that billing and delivery do not coincide with the end of the accounting period.

Eight Flags' CHP plant, which is located on land leased from a customer, produces three sources of energy: electricity, steam and heated water. This customer purchases the steam (unfired and fired) and heated water, which are used in the customer's production facility. Our electric distribution operation purchases the electricity generated by the CHP plant for distribution to its customers. Eight Flags' performance obligation is satisfied over time as deliveries of heated water, steam and electricity occur. Eight Flags recognizes revenues over time based on the amount of heated water, steam and electricity generated and delivered to its customers.

For our propane distribution operations, we recognize revenue based upon customer type and service offered. Generally, for propane bulk delivery customers (customers without meters) and wholesale sales, our performance obligation is satisfied when we deliver propane to the customers' locations (point-in-time basis). We recognize revenue from these customers based on the number of gallons delivered and the price per gallon at the point-in-time of delivery. For our propane distribution customers with meters, we satisfy our performance obligation over time. We recognize revenue over time based on the amount of propane consumed and the applicable price per unit. For propane distribution metered customers, we accrue unbilled revenues for propane that is estimated to have been consumed, but not yet billed, at the end of an accounting period, to the extent that billing and delivery do not coincide with the end of the accounting period.

Marlin Gas Services provides mobile CNG and pipeline solutions primarily to utilities and pipelines. Marlin Gas Services provides temporary hold services, pipeline integrity services, emergency services for damaged pipelines and specialized gas services for customers who have unique requirements. Marlin Gas Services' performance obligations are comprised of the compression of natural gas, mobilization of CNG equipment, utilization of equipment and on-site CNG support. Our performance obligations for the compression of natural gas, utilization of mobile CNG equipment and for the on-site CNG staff support are satisfied over time when the natural gas is compressed, equipment is utilized or as our staff provide support services to our customers. Our performance obligation for the mobilization of CNG equipment is satisfied at a point-in-time when the equipment is delivered to the customer project location. We recognize revenue for CNG services at the end of each calendar month for services provided during the month based on agreed upon rates for equipment utilized, costs incurred for natural gas compression, miles driven, mobilization and demobilization fees.

Contract balances

The timing of revenue recognition, customer billings and cash collections results in trade receivables, unbilled receivables (contract assets), and customer advances (contract liabilities) in our consolidated balance sheets. The balances of our trade receivables, contract assets, and contract liabilities as of December 31, 2023 and 2022 were as follows:

	Trade Receivables	Contract Assets (Current)	Contract Assets (Noncurrent)	Contract Liabilities (Current)
(in thousands)				
Balance at 12/31/2022	$ 61,687	$ 18	$ 4,321	$ 983
Balance at 12/31/2023	**67,741**	**18**	**3,524**	**1,022**
Increase (decrease)	$ 6,054	$ —	$ (797)	$ 39

Our trade receivables are included in trade and other receivables in the consolidated balance sheets. Our non-current contract assets are included in receivables and other deferred charges in the consolidated balance sheet and relate to operations and maintenance costs incurred by Eight Flags that have not yet been recovered through rates for the sale of electricity to our electric distribution operation pursuant to a long-term service agreement.

At times, we receive advances or deposits from our customers before we satisfy our performance obligation, resulting in contract liabilities. Contract liabilities are included in other accrued liabilities in the consolidated balance sheets and relate to non-refundable prepaid fixed fees for our propane distribution operation's retail offerings. Our performance obligation is satisfied over the term of the respective retail offering plan on a ratable basis. For the years ended December 31, 2023 and 2022, the amounts recognized in revenue were not material.

Remaining performance obligations

Our businesses have long-term fixed fee contracts with customers in which revenues are recognized when performance obligations are satisfied over the contract term. Revenue for these businesses for the remaining performance obligations at December 31, 2023 are expected to be recognized as follows:

(in thousands)	2024	2025	2026	2027	2028	2029 and thereafter
Eastern Shore and Peninsula Pipeline	$ 36,657	$ 30,330	$ 26,547	$23,433	$22,559	$ 149,124
Natural gas distribution operations	9,680	9,216	8,501	6,472	5,252	28,428
FPU electric distribution	652	275	275	275	275	—
Total revenue contracts with remaining performance obligations	$ 46,989	$ 39,821	$ 35,323	$30,180	$28,086	$ 177,552

6. SEGMENT INFORMATION

We use the management approach to identify operating segments. We organize our business around differences in regulatory environment and/or products or services, and the operating results of each segment are regularly reviewed by the chief decision maker (our Chief Executive Officer, or "CEO") in order to make decisions about resources and to assess performance.

Our operations are entirely domestic and are comprised of two reportable segments:

- *Regulated Energy*. Includes energy distribution and transmission services (natural gas distribution, natural gas transmission and electric distribution operations). All operations in this segment are regulated, as to their rates and services, by the PSC having jurisdiction in each operating territory or by the FERC in the case of Eastern Shore.
- *Unregulated Energy.* Includes energy transmission, energy generation (the operations of our Eight Flags' CHP plant), propane distribution operations, mobile compressed natural gas distribution and pipeline solutions operations, and sustainable energy investments including renewable natural gas. Also included in this segment are other unregulated energy services, such as energy-related merchandise sales and heating, ventilation and air conditioning, plumbing and electrical services. These operations are unregulated as to their rates and services.

The remainder of our operations are presented as "Other businesses and eliminations," which consists of unregulated subsidiaries that own real estate leased to Chesapeake Utilities, as well as certain corporate costs not allocated to other operations.

The following tables present information about our reportable segments:

	For the Year Ended December 31,		
(in thousands)	**2023**	**2022**	**2021**
Operating Revenues, Unaffiliated Customers			
Regulated Energy	**$ 471,591**	$ 422,894	$ 381,879
Unregulated Energy	**199,013**	257,810	188,089
Total operating revenues, unaffiliated customers	**$ 670,604**	$ 680,704	$ 569,968
Intersegment Revenues [1]			
Regulated Energy	**$ 2,004**	$ 6,530	$ 2,041
Unregulated Energy	**24,135**	22,940	18,780
Other businesses	**182**	308	527
Total intersegment revenues	**$ 26,321**	$ 29,778	$ 21,348
Operating Income			
Regulated Energy	**$ 126,199**	$ 115,317	$ 106,174
Unregulated Energy	**24,426**	27,350	24,427
Other businesses and eliminations	**178**	266	511
Operating Income	**150,803**	142,933	131,112
Other income, net	**1,438**	5,051	1,720
Interest charges	**36,951**	24,356	20,135
Income before Income Taxes	**115,290**	123,628	112,697
Income Taxes	**28,078**	33,832	29,231
Net Income	**$ 87,212**	$ 89,796	$ 83,466
Depreciation and Amortization			
Regulated Energy [2]	**$ 48,162**	$ 52,707	$ 48,748
Unregulated Energy	**17,347**	16,257	13,869
Other businesses and eliminations	**(8)**	9	44
Total depreciation and amortization	**$ 65,501**	$ 68,973	$ 62,661
Capital Expenditures			
Regulated Energy [3]	**$ 1,095,871**	$ 97,554	$ 139,733
Unregulated Energy	**40,264**	40,773	81,651
Other businesses	**1,762**	2,355	6,425
Total capital expenditures	**$ 1,137,897**	$ 140,682	$ 227,809

(1) All significant intersegment revenues are billed at market rates and have been eliminated from consolidated revenues.
(2) Depreciation and amortization in 2023 includes a $5.1 million RSAM adjustment. See Note 18 for additional details.
(3) Capital expenditures in 2023 include our acquisition of FCG for $923.4 million. See Note 4 for additional details.

	As of December 31,	
(in thousands)	**2023**	**2022**
Identifiable Assets		
Regulated Energy segment	**$ 2,781,581**	$ 1,716,255
Unregulated Energy segment	**477,402**	463,239
Other businesses and eliminations	**45,721**	35,543
Total identifiable assets	**$ 3,304,704**	$ 2,215,037

7. SUPPLEMENTAL CASH FLOW DISCLOSURES

Cash paid for interest and income taxes during the years ended December 31, 2023, 2022 and 2021 were as follows:

	For the Year Ended December 31,		
(in thousands)	**2023**	**2022**	**2021**
Cash paid for interest	**$ 30,525**	$ 24,267	$ 20,809
Cash (received) paid for income taxes, net of refunds	**$ 21,920**	$ (4,963)	$ 8,395

Non-cash investing and financing activities during the years ended December 31, 2023, 2022, and 2021 were as follows:

	For the Year Ended December 31,		
(in thousands)	**2023**	**2022**	**2021**
Capital property and equipment acquired on account, but not paid for as of December 31,	**$ 33,334**	$ 13,211	$ 16,164
Common stock issued for the Retirement Savings Plan	**$ —**	$ —	$ 1,712
Common stock issued under the SICP	**$ 3,740**	$ 2,868	$ 2,834

8. DERIVATIVE INSTRUMENTS

We use derivative and non-derivative contracts to manage risks related to obtaining adequate supplies and the price fluctuations of natural gas, electricity and propane and to mitigate interest rate risk. Our natural gas, electric and propane distribution operations have entered into agreements with suppliers to purchase natural gas, electricity and propane for resale to our customers. Our natural gas gathering and transmission company has entered into contracts with producers to secure natural gas to meet its obligations. Purchases under these contracts typically either do not meet the definition of derivatives or are considered “normal purchases and normal sales” and are accounted for on an accrual basis. Our propane distribution operations may also enter into fair value hedges of their inventory or cash flow hedges of their future purchase commitments in order to mitigate the impact of wholesale price fluctuations. Occasionally, we may enter into interest rate swap agreements to mitigate risk associated with changes in short-term borrowing rates. As of December 31, 2023 and 2022, our natural gas and electric distribution operations did not have any outstanding derivative contracts.

Volume of Derivative Activity

As of December 31, 2023, the volume of our open commodity derivative contracts were as follows:

Business unit	Commodity	Contract Type	Quantity hedged (in millions)	Designation	Longest expiration date of hedge
Sharp	Propane (gallons)	Purchases	18.1	Cash flow hedges	June 2026
Sharp	Propane (gallons)	Sales	3.2	Cash flow hedges	March 2024

Sharp entered into futures and swap agreements to mitigate the risk of fluctuations in wholesale propane index prices associated with the propane volumes expected to be purchased and/or sold during the heating season. Under the futures and swap agreements, Sharp will receive or pay the difference between (i) the index prices (Mont Belvieu prices in December 2023 through June 2026) and (ii) the per gallon propane contracted prices, to the extent the index prices deviate from the contracted prices. We designated and accounted for the propane swaps as cash flows hedges. The change in the fair value of the swap agreements is initially recorded as a component of accumulated other comprehensive income (loss) and later recognized in our consolidated statement of income in the same period and in the same line item as the hedged transaction. We expect to reclassify approximately $0.3 million of unrealized losses from accumulated other comprehensive income (loss) to earnings during the next 12-month period.

Interest Rate Swap Activities

We manage interest rate risk by entering into derivative contracts to hedge the variability in cash flows attributable to changes in the short-term borrowing rates. In September 2022, we entered into an interest rate swap with a notional amount of $50.0 million through September 2025, with pricing of 3.98 percent.

In February 2021, we entered into an interest rate swap with a notional amount of $40.0 million through December 2021 with pricing of 0.17 percent. In the fourth quarter of 2020, we entered into interest rate swaps with notional amounts totaling $60.0 million through December 2021 with pricing of approximately 0.20 percent for the period associated with our outstanding borrowing under the Revolver.

In August 2022, we amended and restated the Revolver and transitioned the benchmark interest rate to the 30-day SOFR as a result of the expiration of LIBOR. Accordingly, our current interest rate swap is cash settled monthly as the counter-party pays us the 30-day SOFR rate less the fixed rate. Prior to August 2022, our short-term borrowing interest rate was based on the 30-day LIBOR rate. Our pre-2022 interest rate swaps were cash settled monthly as the counter-party paid us the 30-day LIBOR rate less the fixed rate.

We designate and account for interest rate swaps as cash flows hedges. Accordingly, unrealized gains and losses associated with the interest rate swaps are initially recorded as a component of accumulated other comprehensive income (loss). As the interest rate swap settles each month, the realized gain or loss is recorded in the income statement and is recognized as a component of interest charges.

Broker Margin

Futures exchanges have contract specific margin requirements that require the posting of cash or cash equivalents relating to traded contracts. Margin requirements consist of initial margin that is posted upon the initiation of a position. maintenance margin that is usually expressed as a percent of initial margin, and variation margin that fluctuates based on the daily mark-to-market relative to maintenance margin requirements. We currently maintain a broker margin account for Sharp included within other current assets on the consolidated balance sheet with a balance of $2.1 million as of December 31, 2023 compared to a current liability of $0.1 million at December 31, 2022.

Financial Statements Presentation

The following tables present information about the fair value and related gains and losses of our derivative contracts. We did not have any derivative contracts with a credit-risk-related contingency. Fair values of the derivative contracts recorded in the consolidated balance sheets as of December 31, 2023 and 2022 are as follows:

	Derivative Assets		
		Fair Value as of	
(in thousands)	**Balance Sheet Location**	**December 31, 2023**	**December 31, 2022**
Derivatives designated as cash flow hedges			
Propane swap agreements	Derivative assets, at fair value [(1)]	$ 702	$ 3,317
Interest rate swap agreements	Derivative assets, at fair value [(1)]	365	452
Total Derivative Assets		$ 1,067	$ 3,769

[(1)] Derivative assets, at fair value include $1.0 million and $2.8 million in current assets in the consolidated balance sheet at December 31, 2023 and 2022, respectively, with the remainder of the balance classified as long-term.

	Derivative Liabilities		
		Fair Value as of	
(in thousands)	**Balance Sheet Location**	**December 31, 2023**	**December 31, 2022**
Derivatives designated as cash flow hedges			
Propane swap agreements	Derivative liabilities, at fair value [(1)]	$ 1,078	$ 1,810
Interest rate swap agreements	Derivative liabilities, at fair value [(1)]	203	405
Total Derivative Liabilities		$ 1,281	$ 2,215

[(1)] Derivative liabilities, at fair value include $0.4 million and $0.6 million in current liabilities in the consolidated balance sheet at December 31, 2023 and 2022, respectively, with the remainder of the balance classified as long-term.

The effects of gains and losses from derivative instruments and their location in the consolidated statements of income are as follows:

(in thousands)	Location of Gain (Loss) on Derivatives	Amount of Gain (Loss) on Derivatives: For the Year Ended December 31, 2023	2022	2021
Derivatives not designated as hedging instruments				
Propane swap agreements	Propane and natural gas costs	$ —	$ 56	$ (1)
Derivatives designated as fair value hedges				
Put/Call option	Propane and natural gas costs	—	—	(24)
Derivatives designated as cash flow hedges				
Propane swap agreements	Revenues	**1,221**	(373)	(536)
Propane swap agreements	Propane and natural gas costs	**(1,160)**	3,881	7,187
Interest rate swap agreements	Interest expense	**523**	(47)	(40)
Total		**$ 584**	$ 3,517	$ 6,586

9. Fair Value of Financial Instruments

GAAP establishes a fair value hierarchy that prioritizes the inputs to valuation methods used to measure fair value. The three levels of the fair value hierarchy are as follows:

Fair Value Hierarchy	Description of Fair Value Level	Fair Value Technique Utilized
Level 1	Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities	*Investments - equity securities* - The fair values of these trading securities are recorded at fair value based on unadjusted quoted prices in active markets for identical securities. *Investments - mutual funds and other* - The fair values of these investments, comprised of money market and mutual funds, are recorded at fair value based on quoted net asset values of the shares.
Level 2	Quoted prices in markets that are not active, or inputs which are observable, either directly or indirectly, for substantially the full term of the asset or liability	*Derivative assets and liabilities* - The fair value of the propane put/call options, propane and interest rate swap agreements are measured using market transactions for similar assets and liabilities in either the listed or over-the-counter markets.
Level 3	Prices or valuation techniques requiring inputs that are both significant to the fair value measurement and unobservable (i.e., supported by little or no market activity)	*Investments - guaranteed income fund* - The fair values of these investments are recorded at the contract value, which approximates their fair value.

Financial Assets and Liabilities Measured at Fair Value

The following tables summarize our financial assets and liabilities that are measured at fair value on a recurring basis and the fair value measurements, by level, within the fair value hierarchy as of December 31, 2023 and 2022, respectively:

		Fair Value Measurements Using:		
As of December 31, 2023	**Fair Value**	**Quoted Prices in Active Markets (Level 1)**	**Significant Other Observable Inputs (Level 2)**	**Significant Unobservable Inputs (Level 3)**
(in thousands)				
Assets:				
Investments—equity securities	$ 21	$ 21	$ —	$ —
Investments—guaranteed income fund	1,489	—	—	1,489
Investments—mutual funds and other	10,772	10,772	—	—
Total investments	12,282	10,793	—	1,489
Derivative assets	1,067	—	1,067	—
Total assets	$ 13,349	$ 10,793	$ 1,067	$ 1,489
Liabilities:				
Derivative liabilities	$ 1,281	$ —	$ 1,281	$ —

		Fair Value Measurements Using:		
As of December 31, 2022	**Fair Value**	**Quoted Prices in Active Markets (Level 1)**	**Significant Other Observable Inputs (Level 2)**	**Significant Unobservable Inputs (Level 3)**
(in thousands)				
Assets:				
Investments—equity securities	$ 24	$ 24	$ —	$ —
Investments—guaranteed income fund	1,853	—	—	1,853
Investments—mutual funds and other	8,699	8,699	—	—
Total investments	10,576	8,723	—	1,853
Derivative assets	3,769	—	3,769	—
Total assets	$ 14,345	$ 8,723	$ 3,769	$ 1,853
Liabilities:				
Derivative liabilities	$ 2,215	$ —	$ 2,215	$ —

The changes in the fair value of our Level 3 investments for the years ended December 31, 2023 and 2022 were immaterial. Investment income from our Level 3 investments is reflected in other income (expense), net in the consolidated statements of income.

At December 31, 2023 and 2022, there were no non-financial assets or liabilities required to be reported at fair value. We review our non-financial assets for impairment at least on an annual basis, as required.

Other Financial Assets and Liabilities

Financial assets with carrying values approximating fair value include cash and cash equivalents and accounts receivable. Financial liabilities with carrying values approximating fair value include accounts payable, other accrued liabilities and short-term debt. The fair value of cash and cash equivalents is measured using the comparable value in the active market (Level 1 measurement). The fair value of short-term debt approximates the carrying value due to its near-term maturities and because interest rates approximate current market rates (Level 2 measurement).

At December 31, 2023, long-term debt, which includes the current maturities but excludes debt issuance cost, had a carrying value of [illegible] billion compared to the estimated fair value of $1.2 billion. At December 31, 2022, long-term debt, which includes the current maturities and excludes debt issuance costs, had a carrying value of $600.8 million, compared to a fair value of [illegible] million. The fair value was calculated using a discounted cash flow methodology that incorporates a market interest rate based on published corporate borrowing rates for debt instruments with similar terms and average maturities, and with adjustments for duration. optionality, and risk profile. The valuation technique used to estimate the fair value of long-term debt would be considered a Level 2 measurement.

See Note 16, *Employee Benefit Plans,* for fair value measurement information related to our pension plan assets.

10. Goodwill and Other Intangible Assets

The carrying value of goodwill as of December 31, 2023 and 2022 was as follows:

(in thousands)	Regulated Energy	Unregulated Energy	Total Goodwill
Balance at December 31, 2022	$ 7,689	$ 38,524	$ 46,213
Additions [(1)]	461,025	936	461,961
Balance at December 31, 2023	**$ 468,714**	**$ 39,460**	**$ 508,174**

[(1)] 2023 additions primarily attributable to goodwill from the November 2023 acquisition of FCG See Note 4 for additional details

There were no goodwill impairments recognized during the three-year period ended December 31, 2023.

The carrying value and accumulated amortization of intangible assets subject to amortization as of December 31, 2023 and 2022 was as follows:

	As of December 31,			
	2023		2022	
(in thousands)	Gross Carrying Amount	Accumulated Amortization	Gross Carrying Amount	Accumulated Amortization
Customer relationships	**$ 17,004**	**$ 7,146**	$ 16,965	$ 6,131
Non-Compete agreements	**3,125**	**1,855**	3,105	1,411
Patents [(1)]	**6,558**	**859**	5,819	533
Other	**270**	**232**	270	225
Total	**$ 26,957**	**$ 10,092**	$ 26,159	$ 8,300

[(1)] Includes amounts related to patented technology developed by Marlin Gas Services and the acquisition of Planet Found

The customer relationships, non-compete agreements, patents and other intangible assets acquired in the purchases of the operating assets of several companies are being amortized over a weighted average of 14 years. Amortization expense of intangible assets for the year ended December 31, 2023, 2022 and 2021 was $1.8 million. $1.5 million and $1.3 million, respectively. Amortization expense of intangible assets is expected to be $1.8 million for the years 2024 through 2025, $1.6 million for 2026, $1.5 million for 2027 and $1.3 million for 2028.

11. Income Taxes

We file a consolidated federal income tax return. Income tax expense allocated to our subsidiaries is based upon their respective taxable incomes and tax credits. State income tax returns are filed on a separate company basis in most states where we have operations and/or are required to file. Our state returns for tax years after 2017 are subject to examination. At December 31, 2023, the 2015 through 2019 federal income tax returns are no longer under examination.

For state income tax purposes, we had NOL in various states of $72.9 million and $67.7 million as of December 31, 2023 and 2022, respectively, almost all of which will expire in 2040. Excluding NOLs from discontinued operations, we have recorded deferred tax assets of $1.8 million and $1.5 million related to state NOL carry-forwards at December 31, 2023 and 2022, respectively. We have not recorded a valuation allowance to reduce the future benefit of the tax NOL because we believe they will be fully utilized.

Tax Law Changes

In March 2020, the CARES Act was signed into law and included several significant changes to the Internal Revenue Code. The CARES Act includes certain tax relief provisions including the ability to carryback five years net operating losses arising in a tax year beginning in 2018, 2019, or 2020. This provision allows a taxpayer to recover taxes previously paid at a 35 percent federal income tax rate during tax years prior to 2018. In addition, the CARES Act removed the taxable income limitation to allow a tax NOL to fully offset taxable income for tax years beginning before January 1, 2021. As a result, our income tax expense for the year ended December 31, 2021 included a tax benefit $0.9 million, attributable to the tax NOL carryback provided under the CARES Act for losses generated in 2018 and 2019 and then applied back to our 2013 and 2015 tax years in which we paid federal income taxes at a 35 percent tax rate. Tax benefits associated with this legislation were not available for the year ended December 31, 2023.

On December 22, 2017, the TCJA was signed into law. Substantially all of the provisions of the TCJA were effective for taxable years beginning on or after January 1, 2018. The provisions that significantly impacted us include the reduction of the corporate federal income tax rate from 35 percent to 21 percent. Our federal income tax expense for periods beginning on January 1, 2018 are based on the new federal corporate income tax rate. The TCJA included changes to the Internal Revenue Code, which materially impacted our 2017 financial statements. ASC 740, *Income Taxes,* requires recognition of the effects of changes in tax laws in the period in which the law is enacted. ASC 740 requires deferred tax assets and liabilities to be measured at the enacted tax rate expected to apply when temporary differences are to be realized or settled. During 2018, we completed the assessment of the impact of accounting for certain effects of the TCJA. At the date of enactment in 2017, we re-measured deferred income taxes based upon the new corporate tax rate. See Note 18, *Rates and Other Regulatory Activities,* for further discussion of the TCJA's impact on our regulated businesses.

The following tables provide: (a) the components of income tax expense in 2023, 2022, and 2021; (b) the reconciliation between the statutory federal income tax rate and the effective income tax rate for 2023, 2022, and 2021; and (c) the components of accumulated deferred income tax assets and liabilities at December 31, 2023 and 2022.

	For the Year Ended December 31,		
	2023	**2022**	**2021**
(in thousands)			
Current Income Tax Expense			
Federal	**$ 14,736**	$ 8,284	$ 2,775
State	**5,496**	1,948	(96)
Other	**(47)**	(47)	(47)
Total current income tax expense (benefit)	**20,185**	10,185	2,632
Deferred Income Tax Expense [1]			
Property, plant and equipment	**17,797**	14,968	24,074
Deferred gas costs	**(7,739)**	8,923	1,857
Pensions and other employee benefits	**(974)**	1,109	(655)
FPU merger-related premium cost and deferred gain	**(351)**	(351)	(351)
Net operating loss carryforwards	**(370)**	2	97
Other	**(470)**	(1,004)	1,577
Total deferred income tax expense	**7,893**	23,647	26,599
Total Income Tax	**$ 28,078**	$ 33,832	$ 29,231

[1] Includes less than $0.1 million, $7.8 million, and $8.2 million of deferred state income taxes for the years 2023, 2022 and 2021, respectively.

(in thousands)	For the Year Ended December 31, 2023	2022	2021
Reconciliation of Effective Income Tax Rates			
Federal income tax expense [1]	**$ 24,214**	$ 25,982	$ 23,666
State income taxes, net of federal benefit	**4,377**	7,714	6,371
ESOP dividend deduction	**(184)**	(177)	(180)
CARES Act Tax Benefit	**—**	—	(919)
Other	**(329)**	313	293
Total Income Tax Expense	**$ 28,078**	$ 33,832	$ 29,231
Effective Income Tax Rate	**24.35 %**	27.34 %	25.94 %

[1] Federal income taxes were calculated at 21 percent for 2023, 2022, and 2021.

(in thousands)	As of December 31, 2023	2022
Deferred Income Taxes		
Deferred income tax liabilities:		
Property, plant and equipment	**$ 252,125**	$ 238,687
Acquisition adjustment	**5,564**	5,915
Loss on reacquired debt	**145**	164
Deferred gas costs	**3,550**	11,288
Natural gas conversion costs	**4,824**	5,026
Storm reserve liability	**5,797**	5,791
Other	**9,655**	8,236
Total deferred income tax liabilities	**$ 281,660**	$ 275,107
Deferred income tax assets:		
Pension and other employee benefits	**$ 4,993**	$ 3,985
Environmental costs	**951**	1,052
Net operating loss carryforwards	**1,847**	1,488
Storm reserve liability	**213**	453
Accrued expenses	**3,335**	9,007
Other	**11,239**	2,955
Total deferred income tax assets	**$ 22,578**	$ 18,940
Deferred Income Taxes Per Consolidated Balance Sheets	**$ 259,082**	$ 256,167

12. Long-Term Debt

Our outstanding long-term debt is shown below:

(in thousands)	As of December 31, 2023	2022
Uncollateralized Senior Notes:		
5.93% notes, due October 31, 2023	$ —	$ 3,000
5.68% notes, due June 30, 2026	**8,700**	11,600
6.43% notes, due May 2, 2028	**3,500**	4,200
3.73% notes, due December 16, 2028	**10,000**	12,000
3.88% notes, due May 15, 2029	**30,000**	35,000
3.25% notes, due April 30, 2032	**59,500**	66,500
3.48% notes, due May 31, 2038	**50,000**	50,000
3.58% notes, due November 30, 2038	**50,000**	50,000
3.98% notes, due August 20, 2039	**100,000**	100,000
2.98% notes, due December 20, 2034	**70,000**	70,000
3.00% notes, due July 15, 2035	**50,000**	50,000
2.96% notes, due August 15, 2035	**40,000**	40,000
2.49% notes, due January 25, 2037	**50,000**	50,000
2.95% notes, due March 15, 2042	**50,000**	50,000
5.43% notes, due March 14, 2038	**80,000**	—
6.39% notes, due December 2026	**100,000**	—
6.44% notes, due December 2027	**100,000**	—
6.45% notes, due December 2028	**100,000**	—
6.62% notes, due December 2030	**100,000**	—
6.71% notes, due December 2033	**100,000**	—
6.73% notes, due December 2038	**50,000**	—
Equipment security note		
2.46% note, due September 24, 2031	**7,633**	8,517
Less: debt issuance costs	**(3,753)**	(946)
Total long-term debt	**1,205,580**	599,871
Less: current maturities	**(18,505)**	(21,483)
Total long-term debt, net of current maturities	**$ 1,187,075**	$ 578,388

Terms of the Senior Notes

All of our outstanding Senior Notes set forth certain business covenants to which we are subject when any note is outstanding, including covenants that limit or restrict our ability, and the ability of our subsidiaries, to incur indebtedness, or place or permit liens and encumbrances on any of our property or the property of our subsidiaries.

Senior Notes

On November 20, 2023, we issued Senior Notes in the aggregate principal amount of $550.0 million at an average interest rate of 6.54 percent that were used to partially finance our acquisition of FCG which closed during the fourth quarter of 2023. These notes have varying maturity dates of between three and 15 years, and the outstanding principal balance of the notes will be due on their respective maturity dates with interest payments payable semiannually until the principal has been paid in full. These Senior Notes have similar covenants and default provisions as our other Senior Notes.

On March 14, 2023 we issued 5.43 percent Senior Notes due March 14, 2038 in the aggregate principal amount of $80.0 million and used the proceeds received from the issuances of the Senior Notes to reduce short-term borrowings under our Revolver and to fund capital expenditures. These Senior Notes have similar covenants and default provisions as our other Senior Notes, and have an annual principal amortization payment beginning in the sixth year after the issuance.

Annual Maturities

Annual maturities and principal repayments of long-term debt are as follows:

Year	2024	2025	2026	2027	2028	Thereafter	Total
(in thousands)							
Payments	$ 18,505	$ 25,528	$ 134,551	$ 131,674	$ 136,699	$ 762,376	$1,209,333

Shelf Agreements

We have entered into Shelf Agreements with Prudential and MetLife, whom are under no obligation to purchase any unsecured debt. In February 2023, we amended these Shelf Agreements, which expanded the total borrowing capacity and extended the term of the agreements for an additional three years to 2026. The following table summarizes the current available capacity under our Shelf Agreements at December 31, 2023:

(in thousands)	Total Borrowing Capacity	Less Amount of Debt Issued	Less Unfunded Commitments	Remaining Borrowing Capacity
Shelf Agreements [1]				
Prudential Shelf Agreement	$ 405,000	$ (300,000)	$ —	$ 105,000
MetLife Shelf Agreement	200,000	(50,000)	—	150,000
Total	$ 605,000	$ (350,000)	$ —	$ 255,000

13. SHORT-TERM BORROWINGS

We are authorized by our Board of Directors to borrow up to $375.0 million of short-term debt, as required. At December 31, 2023 and 2022, we had $179.9 million and $202.2 million, respectively, of short-term borrowings outstanding at a weighted average interest rate of 5.83 percent and 5.04 percent, respectively. There were no borrowings outstanding under the sustainable investment sublimit of the 364-day tranche at December 31, 2023.

We have entered into several amendments to our Revolver which resulted in modifications to both tranches of the facility. The most recent amendment in October 2023 allowed for a change in our funded indebtedness ratio from 65 percent to 70 percent during the quarter in which the acquisition of FCG is consummated and the quarter subsequent to the closing of the acquisition. The amendment in August 2023 served to renew the 364-day tranche of the Revolver, providing for $175.0 million of short-term debt capacity. Additionally, the amendment for borrowings under the 364-day tranche shall now bear interest (i) based upon the SOFR, plus a 10-basis point credit spread adjustment, and an applicable margin of 1.05 percent or less, with such margin based on total indebtedness as a percentage of total capitalization or (ii) the base rate, solely at our discretion. Further, the amendment provided that borrowings under the 364-day green loan sublimit shall now bear interest at (i) the SOFR rate plus a 10-basis point credit spread adjustment and an applicable margin of 1.00 percent or less, with such margin based on total indebtedness as a percentage of total capitalization or (ii) the base rate plus 0.05 percent or less, solely at our discretion. The amendment entered into in 2022 served to reset the benchmark interest rate to SOFR and to eliminate a previous covenant which capped our investment limit to $150.0 million for investments where we maintain less than 50 percent ownership.

The 364-day tranche of the Revolver expires in August 2024 and the five-year tranche expires in August 2026. Borrowings under both tranches of the Revolver are subject to a pricing grid, including the commitment fee and the interest rate charged based upon our total indebtedness to total capitalization ratio for the prior quarter. As of December 31, 2023, the pricing under the 364-day tranche of the Revolver included a commitment fee of 9-basis points on undrawn amounts and an interest rate of 75-basis points over SOFR plus a 10-basis point SOFR adjustment on outstanding balances. As of December 31, 2023, the pricing under the five-year tranche of the Revolver included a commitment fee of 9-basis points on undrawn amounts and an interest rate of 95-basis points over SOFR plus a 10-basis point SOFR adjustment on outstanding balances.

The availability of funds under the Revolver is subject to conditions specified in the credit agreement, all of which we currently satisfy. These conditions include our compliance with financial covenants and the continued accuracy of representations and warranties contained in the Revolver's loan documents. We are required by the financial covenants in the Revolver to maintain, at the end of each fiscal year, a funded indebtedness ratio as described above. As of December 31, 2023, we are in compliance with this covenant.

Our total available credit under the Revolver at December 31, 2023 was $188.1 million. As of December 31, 2023, we had issued $[illegible] million in letters of credit to various counterparties under the Revolver. These letters of credit are not included in the outstanding short-term borrowings and we do not anticipate that they will be drawn upon by the counterparties. The letters of credit reduce the available borrowings under the Revolver.

In connection with our acquisition of FCG, we entered into a 364-day Bridge Facility commitment with Barclays Bank PLC and other lending parties for up to $965.0 million. Upon closing of the FCG acquisition in November 2023, and with the completion of other financing activities as defined in the lending agreement, this facility was terminated with no funds drawn to finance the transaction. For additional information regarding the acquisition and related financing, see Note 4, *Acquisitions*, Note 12, *Long-Term Debt* and Note 15, *Stockholders Equity*.

For additional information on interest rate swaps related to our short-term borrowings, see Note 8, *Derivative Instruments*.

14. Leases

We have entered into lease arrangements for office space, land. equipment, pipeline facilities and warehouses. These lease arrangements enable us to better conduct business operations in the regions in which we operate. Office space is leased to provide adequate workspace for our employees in several locations throughout our service territories. We lease land at various locations throughout our service territories to enable us to inject natural gas into underground storage and distribution systems, for bulk storage capacity, for our propane operations and for storage of equipment used in repairs and maintenance of our infrastructure. We lease natural gas compressors to ensure timely and reliable transportation of natural gas to our customers. We also lease warehouses to store equipment and materials used in repairs and maintenance for our businesses.

Some of our leases are subject to annual changes in the Consumer Price Index ("CPI"). While lease liabilities are not re-measured as a result of changes to the CPI, changes to the CPI are treated as variable lease payments and recognized in the period in which the obligation for those payments was incurred. A 100-basis-point increase in CPI would not have resulted in material additional annual lease costs. Most of our leases include options to renew, with renewal terms that can extend the lease term from one to 25 years or more. The exercise of lease renewal options is at our sole discretion. The amounts disclosed in our consolidated balance sheet at December 31, 2023, pertaining to the right-of-use assets and lease liabilities, are measured based on our current expectations of exercising our available renewal options. Our existing leases are not subject to any restrictions or covenants that would preclude our ability to pay dividends, obtain financing or enter into additional leases. As of December 31, 2023, we have not entered into any leases, which have not yet commenced, that would entitle us to significant rights or create additional obligations. The following table presents information related to our total lease cost included in our consolidated statements of income:

		Year Ended December 31,	
(in thousands)	**Classification**	**2023**	**2022**
Operating lease cost [1]	Operations expense	**$ 3,040**	$ 2,883

[1] Includes short-term leases and variable lease costs, which are immaterial

The following table presents the balance and classifications of our right of use assets and lease liabilities included in our consolidated balance sheets at December 31, 2023 and 2022:

(in thousands)	**Balance sheet classification**	**December 31, 2023**	**December 31, 2022**
Assets			
Operating lease assets	Operating lease right-of-use assets	**$ 12,426**	$ 14,421
Liabilities			
Current			
Operating lease liabilities	Other accrued liabilities	**$ 2,454**	$ 2,552
Noncurrent			
Operating lease liabilities	Operating lease - liabilities	**10,550**	12,392
Total lease liabilities		**$ 13,004**	$ 14,944

The following table presents our weighted-average remaining lease term and weighted-average discount rate for our operating leases at December 31, 2023 and 2022:

	December 31, 2023	December 31, 2022
Weighted-average remaining lease term (*in years*)		
Operating leases	**8.1**	8.5
Weighted-average discount rate		
Operating leases	**3.5 %**	3.4 %

The following table presents additional information related to cash paid for amounts included in the measurement of lease liabilities included in our consolidated statements of cash flows at December 31, 2023 and 2022:

	Year Ended December 31,	
(in thousands)	2023	2022
Operating cash flows from operating leases	**$ 2,906**	$ 2,931

The following table presents the future undiscounted maturities of our operating and financing leases at December 31, 2023 and for each of the next five years and thereafter:

(in thousands)	Operating Leases [(1)]
2024	**$ 2,771**
2025	**2,288**
2026	**1,774**
2027	**1,583**
2028	**1,205**
Thereafter	**5,243**
Total lease payments	**14,864**
Less: Interest	**(1,860)**
Present value of lease liabilities	**$ 13,004**

[(1)] Operating lease payments include $2.1 million related to options to extend lease terms that are reasonably certain of being exercised.

15. STOCKHOLDERS' EQUITY

Common Stock Issuances

In November 2023, in connection with our acquisition of FCG, we completed an overnight offering resulting in the issuance of 4.4 million shares of our common stock at a price per share of $82.72 (net of underwriter discounts and commissions). We received net proceeds of $366.4 million which were used to partially finance the acquisition.

We maintain an effective shelf registration statement with the SEC for the issuance of shares under our DRIP and our previous ATM programs. Depending on our capital needs and subject to market conditions, in addition to other possible debt and equity offerings, we may issue additional shares under the direct stock purchase component of the DRIP. There were no issuances under the DRIP in 2023. In 2022, we issued less than 0.1 million shares at an average price per share of $136.26 and received net proceeds of $4.5 million under the DRIP. Our most recent ATM equity program, which allowed us to issue and sell shares of our common stock up to an aggregate offering price of $75 million, expired in June 2023.

Net proceeds from share issuances under our DRIP and ATM programs are used for general corporate purposes including, but not limited to, financing of capital expenditures, repayment of short-term debt, financing acquisitions, investing in subsidiaries, and general working capital purposes.

Accumulated Other Comprehensive Income (Loss)

Defined benefit pension and postretirement plan items, unrealized gains (losses) of our propane swap agreements designated as commodity contract cash flow hedges, and the unrealized gains (losses) of our interest rate swap agreements designated as cash flow hedges are the components of our accumulated other comprehensive income (loss). The following tables present the changes in the balances of accumulated other comprehensive income (loss) components for the years ended December 31, 2023 and 2022. All amounts in the following tables are presented net of tax.

(in thousands)	Defined Benefit Pension and Postretirement Plan Items	Commodity Contract Cash Flow Hedges	Interest Rate Swap Cash Flow Hedges	Total
As of December 31, 2021	**$ (3,268)**	**$ 4,571**	**$ —**	**$ 1,303**
Other comprehensive income (loss) before reclassifications	705	(934)	—	(229)
Amounts reclassified from accumulated other comprehensive income (loss)	57	(2,545)	35	(2,453)
Net current-period other comprehensive income (loss)	762	(3,479)	35	(2,682)
As of December 31, 2022	**(2,506)**	**1,092**	**35**	**(1,379)**
Other comprehensive income (loss) before reclassifications	(110)	(1,322)	473	(959)
Amounts reclassified from accumulated other comprehensive income (loss)	32	(44)	(388)	(400)
Net current-period other comprehensive income (loss)	(78)	(1,366)	85	(1,359)
As of December 31, 2023	**$ (2,584)**	**$ (274)**	**$ 120**	**$ (2,738)**

Deferred gains or losses for our commodity contract and interest rate swap cash flow hedges are recognized in earnings upon settlement and are included in the effects of gains and losses from derivative instruments. See Note 8, *Derivative Instruments*, for additional details. Amortization of the net loss related to the defined benefit pension plan and postretirement plans is included in the computation of net periodic costs (benefits). See Note 16, *Employee Benefit Plans*, for additional details.

16. Employee Benefit Plans

We measure the assets and obligations of the defined benefit pension plans and other postretirement benefits plans to determine the plans' funded status as of the end of the year. The changes in funded status that occurred during the year that are not recognized as part of net periodic benefit costs are recorded as a component of other comprehensive income (loss) or a regulatory asset.

Defined Benefit Pension Plans

At December 31, 2023 we sponsored two defined benefit pension plans: the FPU Pension Plan and the Chesapeake Supplemental Executive Retirement Plan ("SERP").

The FPU Pension Plan, a qualified plan, covers eligible FPU non-union employees hired before January 1, 2005 and union employees hired before the respective union contract expiration dates in 2005 and 2006. Prior to the FPU merger, the FPU Pension Plan was frozen with respect to additional years of service and compensation, effective December 31, 2009.

The Chesapeake SERP, a nonqualified plan, is comprised of two sub-plans. The first sub-plan was frozen with respect to additional years of service and additional compensation as of December 31, 2004. The second sub-plan provides fixed payments for several executives who joined the Company as a result of an acquisition and whose agreements with the Company provided for this benefit.

The unfunded liability for all plans at both December 31, 2023 and 2022, is included in the other pension and benefit costs liability in our consolidated balance sheets.

The following schedules set forth the funded status at December 31, 2023 and 2022 and the net periodic cost (benefit) for the years ended December 31, 2023, 2022 and 2021 for the FPU Pension Plan and the Chesapeake SERP:

At December 31,	FPU Pension Plan 2023	FPU Pension Plan 2022	Chesapeake SERP 2023	Chesapeake SERP 2022
(in thousands)				
Change in benefit obligation:				
Benefit obligation — beginning of year	**$ 49,941**	$ 67,030	**$ 1,659**	$ 2,096
Interest cost	**2,495**	1,781	**81**	50
Actuarial (gain) loss	**454**	(15,713)	**48**	(335)
Benefits paid	**(3,233)**	(3,157)	**(152)**	(152)
Benefit obligation — end of year	**49,657**	49,941	**1,636**	1,659
Change in plan assets:				
Fair value of plan assets — beginning of year	**46,203**	58,712	**—**	—
Actual return on plan assets	**6,462**	(9,552)	**—**	—
Employer contributions	**—**	200	**152**	152
Benefits paid	**(3,233)**	(3,157)	**(152)**	(152)
Fair value of plan assets — end of year	**49,432**	46,203	**—**	—
Accrued pension cost / funded status	**$ (225)**	$ (3,738)	**$ (1,636)**	$ (1,659)
Assumptions:				
Discount rate	**5.00 %**	5.25 %	**4.88 %**	5.00 %
Expected return on plan assets	**6.00 %**	6.00 %	**— %**	— %

For the Years Ended December 31,	FPU Pension Plan 2023	FPU Pension Plan 2022	FPU Pension Plan 2021	Chesapeake SERP 2023	Chesapeake SERP 2022	Chesapeake SERP 2021
(in thousands)						
Components of net periodic pension cost:						
Interest cost	**$2,495**	$ 1,781	$1,714	**$ 81**	$ 50	$ 48
Expected return on assets	**(2,670)**	(3,430)	(3,306)	**—**	—	—
Amortization of actuarial loss	**407**	466	612	**8**	28	28
Total periodic cost	**$ 232**	$ (1,183)	$ (980)	**$ 89**	$ 78	$ 76
Assumptions:						
Discount rate	**5.25 %**	2.75 %	2.50 %	**5.00 %**	2.50 %	2.25 %
Expected return on plan assets	**6.00 %**	6.00 %	6.00 %	**— %**	— %	— %

During the fourth quarter of 2021, we formally terminated the Chesapeake Pension Plan. Total periodic cost for the plan during that year was $2.0 million attributable to a settlement charge.

Our funding policy provides that payments to the trust of each qualified plan shall be equal to at least the minimum funding requirements of the Employee Retirement Income Security Act of 1974. The following schedule summarizes the assets of the FPU Pension Plan, by investment type, at December 31, 2023, 2022 and 2021:

	FPU Pension Plan		
At December 31,	2023	2022	2021
Asset Category			
Equity securities	**50 %**	53 %	52 %
Debt securities	**49 %**	38 %	38 %
Other	**1 %**	9 %	10 %
Total	**100 %**	100 %	100 %

The investment policy of the FPU Pension Plan is designed to provide the capital assets necessary to meet the financial obligations of the plan. The investment goals and objectives are to achieve investment returns that, together with contributions, will provide funds adequate to pay promised benefits to present and future beneficiaries of the plan, earn a competitive return to increasingly fund a large portion of the plan's retirement liabilities, minimize pension expense and cumulative contributions resulting from liability measurement and asset performance, and maintain the appropriate mix of investments to reduce the risk of large losses over the expected remaining life of the plan.

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

Asset Allocation Strategy

Asset Class	Minimum Allocation Percentage	Maximum Allocation Percentage
Domestic Equities (Large Cap, Mid Cap and Small Cap)	33 %	57 %
Fixed Income (Inflation Bond and Taxable Fixed)	38 %	58 %
Foreign Equities (Developed and Emerging Markets)	3 %	7 %
Cash	0 %	5 %

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

At December 31, 2023 and 2022, the assets of the FPU Pension Plan were comprised of the following investments:

	Fair Value Measurement Hierarchy	
	For Year Ended December 31,	
Asset Category	2023	2022
(in thousands)		
Mutual Funds - Equity securities		
U.S. Large Cap [(1)]	**$ 15,360**	$ 3,413
U.S. Mid Cap [(1)]	**4,271**	1,425
U.S. Small Cap [(1)]	**2,518**	692
International [(2)]	**2,499**	9,352
Alternative Strategies [(3)]	**—**	4,824
	24,648	19,706
Mutual Funds - Debt securities		
Fixed income [(4)]	**24,228**	15,343
High Yield [(4)]	**—**	2,269
	24,228	17,612
Mutual Funds - Other		
Commodities [(5)]	**—**	1,832
Real Estate [(6)]	**—**	1,709
Guaranteed deposit [(7)]	**556**	398
	556	3,939
Total Pension Plan Assets in fair value hierarchy [(8)]	**49,432**	41,257
Investments measured at net asset value [(9)]	**—**	4,946
Total Pension Plan Assets	**$ 49,432**	$ 46,203

(1) Includes funds that invest primarily in United States common stocks.
(2) Includes funds that invest primarily in foreign equities and emerging markets equities.
(3) Includes funds that actively invest in both equity and debt securities, funds that sell short securities and funds that provide long-term capital appreciation. The funds may invest in debt securities below investment grade.
(4) Includes funds that invest in investment grade and fixed income securities.
(5) Includes funds that invest primarily in commodity-linked derivative instruments and fixed income securities.
(6) Includes funds that invest primarily in real estate.
(7) Includes investment in a group annuity product issued by an insurance company.
(8) All investments in the FPU Pension Plan are classified as Level 1 within the Fair Value hierarchy exclusive of the Guaranteed Deposit Account which is classified as Level 3.
(9) Certain investments that were measured at net asset value per share have not been classified in the fair value hierarchy. These amounts are presented to reconcile to total pension plan assets.

At December 31, 2023 and 2022, our pension plan investments were classified under the same fair value measurement hierarchy (Level 1 through Level 3) described under Note 9, *Fair Value of Financial Instruments.* The Level 3 investments were recorded at fair value based on the contract value of annuity products underlying guaranteed deposit accounts, which was calculated using discounted cash flow models. The contract value of these products represented deposits made to the contract, plus earnings at guaranteed crediting rates, less withdrawals and fees. Certain investments that were measured at net asset value per share have not been classified in the fair value hierarchy and are presented in the table above to reconcile to total pension plan assets.

The changes in the fair value within our pension assets for Level 3 investments for the years ended December 31, 2023 and 2022 were immaterial.

Other Postretirement Benefits Plans

We sponsor two defined benefit postretirement health plans: the Chesapeake Utilities Postretirement Plan ("Chesapeake Postretirement Plan") and the FPU Medical Plan. At December 31, 2023 and 2022, the funded status of the Chesapeake Postretirement Plan was $1.1 million and $0.6 million, respectively. The funded status of the FPU Medical Plan was $0.4 million and $0.7 million as of December 31, 2023 and 2022, respectively.

Net periodic postretirement benefit costs for the Chesapeake Postretirement Plan and the FPU Medical Plan were not material for the years ended December 31, 2023, 2022, and 2021.

As of December 31, 2023, there was $12.8 million not yet reflected in net periodic postretirement benefit costs and included in accumulated other comprehensive income (loss) or as a regulatory asset. Net losses of $10.8 million and $1.2 million attributable to the FPU Pension Plan and Chesapeake Postretirement Plan, respectively, comprised most of this amount with $3.2 million recorded in accumulated other comprehensive income (loss) and $8.7 million recorded as a regulatory asset at December 31, 2023.

Pursuant to a Florida PSC order, FPU continues to record as a regulatory asset the portion of the unrecognized pension and postretirement benefit costs after the merger with Chesapeake Utilities related to its regulated operations.

Assumptions

The assumptions used for the discount rate to calculate the benefit obligations were based on the interest rates of high-quality bonds in 2023, considering the expected lives of each of the plans. In determining the average expected return on plan assets for the FPU Pension Plan, various factors, such as historical long-term return experience, investment policy and current and expected allocation, were considered. Since the FPU Pension Plan is frozen with respect to additional years of service and compensation, the rate of assumed compensation increases is not applicable.

The health care inflation rate for 2023 used to calculate the benefit obligation is 5 percent for medical and 6 percent for prescription drugs for the Chesapeake Postretirement Plan; and 5 percent for both medical and prescription drugs for the FPU Medical Plan.

Estimated Future Benefit Payments

In 2024, we do not expect to contribute to the FPU Pension Plan, and total payments of $0.2 million are expected for the Chesapeake SERP, Chesapeake Postretirement Plan and FPU Medical Plan combined.

The schedule below shows the estimated future benefit payments for each of the plans previously described:

(in thousands)	FPU Pension Plan [1]	Chesapeake SERP [2]	Chesapeake Postretirement Plan [2]	FPU Medical Plan [2]
2024	$ 3,528	$ 151	$ 42	$ 35
2025	$ 3,603	$ 164	$ 46	$ 35
2026	$ 3,617	$ 161	$ 45	$ 34
2027	$ 3,616	$ 158	$ 48	$ 33
2028	$ 3,651	$ 154	$ 49	$ 32
Years 2029 through 2033	$ 17,951	$ 689	$ 299	$ 143

[1] The pension plan is funded; therefore, benefit payments are expected to be paid out of the plan assets.
[2] Benefit payments are expected to be paid out of our general funds.

Retirement Savings Plan

We sponsor a 401(k) Retirement Savings Plan which is offered to all eligible employees who have completed three months of service. We match 100 percent of eligible participants' pre-tax contributions to the Retirement Savings Plan up to a maximum of six percent of eligible compensation. The employer matching contribution is made in cash and is invested based on a participant's investment directions. In addition, we may make a discretionary supplemental contribution to participants in the plan, without regard to whether or not they make pre-tax contributions. Any supplemental employer contribution is generally made in our common stock. With respect to the employer match and supplemental employer contribution, employees are 100 percent vested after two years of service or upon reaching 55 years of age while still employed by us. New employees who do not make an election to contribute and do not opt out of the Retirement Savings Plan will be automatically enrolled at a deferral rate of three percent, and the automatic deferral rate will increase by one percent per year up to a maximum of ten percent. All contributions and matched funds can be invested among the mutual funds available for investment.

Employer contributions to our Retirement Savings Plan totaled $6.6 million, $6.2 million, and $5.9 million for the years ended December 31, 2023, 2022 and 2021, respectively. As of December 31, 2023, there were 798,586 shares of our common stock reserved to fund future contributions to the Retirement Savings Plan.

Non-Qualified Deferred Compensation Plan

Members of our Board of Directors and officers of the Company are eligible to participate in the Non-Qualified Deferred Compensation Plan. Directors can elect to defer any portion of their cash or stock compensation and officers can defer up to 80 percent of their base compensation, cash bonuses or any amount of their stock bonuses (net of required withholdings). Officers may receive a matching contribution on their cash compensation deferrals up to six percent of their compensation, provided it does not duplicate a match they receive in the Retirement Savings Plan. Stock bonuses are not eligible for matching contributions. Participants are able to elect the payment of deferred compensation to begin on a specified future date or upon separation from service. Additionally, participants can elect to receive payments upon the earlier or later of a fixed date or separation from service. The payments can be made in one lump sum or annual installments for up to 15 years.

All obligations arising under the Non-Qualified Deferred Compensation Plan are payable from our general assets, although we have established a Rabbi Trust to informally fund the plan. Deferrals of cash compensation may be invested by the participants in various mutual funds (the same options that are available in the Retirement Savings Plan). The participants are credited with gains or losses on those investments. Deferred stock compensation may not be diversified. The participants are credited with dividends on their deferred common stock units in the same amount that is received by all other stockholders. Such dividends are reinvested into additional deferred common stock units. Assets held in the Rabbi Trust, recorded as Investments on the consolidated balance sheet, had a fair value of $12.3 million and $10.6 million at December 31, 2023 and 2022, respectively. The assets of the Rabbi Trust are at all times subject to the claims of our general creditors.

Deferrals of officer base compensation and cash bonuses and directors' cash retainers are paid in cash. All deferrals of executive performance shares and directors' stock retainers are made in the form of deferred common stock units and are paid out in shares of our common stock, on a one-for-one basis, except that cash is paid in lieu of fractional shares. The value of our stock held in the Rabbi Trust is classified within the stockholders' equity section of the consolidated balance sheets and has been accounted for in a manner similar to treasury stock. The amounts recorded under the Non-Qualified Deferred Compensation Plan totaled $9.1 million and $7.1 million at December 31, 2023 and 2022, respectively, which are also shown as a deduction against stockholders' equity in the consolidated balance sheet.

17. SHARE-BASED COMPENSATION PLANS

Our key employees and non-employee directors have been granted share-based awards through our SICP. We record these share-based awards as compensation costs over the respective service period for which services are received in exchange for an award of equity or equity-based compensation. The compensation cost is based primarily on the fair value of the shares awarded, using the estimated fair value of each share on the date it was granted, and the number of shares to be issued at the end of the service period. We have 561,115 shares of common stock reserved for issuance under the SICP.

The table below presents the amounts included in net income related to share-based compensation expense for the awards granted under the SICP for the years ended December 31, 2023, 2022 and 2021:

	For the Year Ended December 31,		
(in thousands)	**2023**	**2022**	**2021**
Awards to key employees	**$ 6,716**	$ 5,479	$ 5,163
Awards to non-employee directors	**906**	959	782
Total compensation expense	**7,622**	6,438	5,945
Less: tax benefit	**(1,947)**	(1,663)	(1,535)
Share-based compensation amounts included in net income	**$ 5,675**	$ 4,775	$ 4,410

Officers and Key Employees

Our Compensation Committee is authorized to grant our key employees the right to receive awards of shares of our common stock, contingent upon the achievement of established performance goals and subject to SEC transfer restrictions once awarded. Our President and CEO has the right to issue awards of shares of our common stock, to other officers and key employees of the Company, contingent upon various performance goals and subject to SEC transfer restrictions.

We currently have several outstanding multi-year performance plans, which are based upon the successful achievement of long-term goals, growth and financial results and comprise both market-based and performance-based conditions and targets. The fair value per share, tied to a performance-based condition or target, is equal to the market price per share on the grant date. For the market-based conditions, we used a Monte Carlo valuation to estimate the fair value of each share granted.

The table below presents the summary of the stock activity for awards to all officers:

	Number of Shares	Weighted Average Fair Value
Outstanding — December 31, 2021	**197,398**	**$ 94.15**
Granted	69,620	117.61
Vested	(60,191)	90.60
Expired	(2,678)	91.42
Outstanding — December 31, 2022	**204,149**	**103.17**
Granted	80,820	126.06
Vested	(68,302)	91.59
Expired	(2,053)	94.64
Forfeited	(1,490)	113.44
Outstanding — December 31, 2023	**213,124**	**$ 117.74**

During the year ended December 31, 2023, we granted awards of 80,820 shares of common stock to officers and key employees under the SICP, including awards granted in February 2023 and to key employees appointed to officer positions. The shares granted are multi-year awards that will vest no later than the three-year service period ending December 31, 2025.

The aggregate intrinsic value of the SICP awards granted was $22.5 million, $24.1 million, and $28.8 million at December 31, 2023, 2022 and 2021, respectively. At December 31, 2023, there was $6.6 million of unrecognized compensation cost related to these awards, which is expected to be recognized through 2025.

In March 2023, 2022 and 2021, upon the election by certain of our executive officers, we withheld shares with a value at least equivalent to each such executive officer's minimum statutory obligation for applicable income and other employment taxes related to shares that vested and were paid in March 2023, 2022 and 2021 for the performance periods ended December 31, 2022, 2021, and 2020. We paid the balance of such awarded shares to each such executive officer and remitted the cash equivalent of the withheld shares to the appropriate taxing authorities. The below table presents the number of shares withheld and amounts remitted:

	For the Year Ended December 31,		
(amounts in thousands, except shares)	2023	2022	2021
Shares withheld to satisfy tax obligations	**19,859**	21,832	14,020
Amounts remitted to tax authorities to satisfy obligations	**$ 2,455**	$ 2,838	$ 1,478

Non-employee Directors

Shares granted to non-employee directors are issued in advance of the directors' service periods and are fully vested as of the grant date. We record a deferred expense equal to the fair value of the shares issued and amortize the expense equally over a service period of one year or less.

Our directors receive an annual retainer of shares of common stock under the SICP for services rendered through the subsequent Annual Meeting of Shareholders. Accordingly, our directors that served on the Board as of May 2023 and 2022 each received 765 and 652 shares of common stock, respectively, with a weighted average fair value of $124.12 and $130.36 per share, respectively.

At December 31, 2023, there was $0.3 million of unrecognized compensation expense related to shares granted to non-employee directors. This expense will be recognized over the remaining service period ending in May 2024.

18. RATES AND OTHER REGULATORY ACTIVITIES

Our natural gas and electric distribution operations in Delaware, Maryland and Florida are subject to regulation by their respective PSC; Eastern Shore, our natural gas transmission subsidiary, is subject to regulation by the FERC; and Peninsula Pipeline and Aspire Energy Express, our intrastate pipeline subsidiaries, are subject to regulation (excluding cost of service) by the Florida PSC and Public Utilities Commission of Ohio, respectively.

Refer to the additional details below pertaining to the Customer Information System Regulatory Asset Petition and COVID-19 impact.

Delaware

The October 2, 2023, application for the issuance of common stock and long-term debt was unanimously approved on October 25, 2023, by the Delaware PSC.

In September 2023, the Delaware Division submitted the Energy Efficiency Rider application for natural gas with the Delaware PSC after obtaining an affirmative recommendation from the Delaware Energy Efficiency Advisory Council ("EEAC"). The application is the first in the state and applies to a portfolio of four programs including, Home Energy Counseling, Home Performance with Energy Star, Assisted Home Performance with Energy Star, and standard Offer Program in which customers can participate and allow for recovery. The evidentiary hearing on this matter is set for April 2024. If approved as filed, rates will be effective May 1, 2024.

Maryland

On October 2, 2023, Chesapeake filed a notification of the financing plans associated with the FCG acquisition with the Maryland PSC. The filing was successfully noted during the November 1, 2023, Maryland PSC administrative meeting.

Maryland Natural Gas Rate Case: In January 2024, our natural gas distribution businesses in Maryland, CUC-Maryland Division, Sandpiper Energy, Inc., and Elkton Gas Company (collectively, "Maryland natural gas distribution businesses") filed a joint application for a natural gas rate case with the Maryland PSC. In connection with the application, we are seeking approval of the following: (i) permanent rate relief of approximately $6.9 million; (ii) authorization to make certain changes to tariffs to include a unified rate structure and to consolidate the Maryland natural gas distribution businesses under the new corporate entity which we anticipate will be called Chesapeake Utilities of Maryland, Inc.; and (iii) authorization to establish a rider for recovery of the costs associated with our new technology systems. The outcome of the application is subject to review and approval by the Maryland PSC.

Maryland Natural Gas Depreciation Study: In January 2024, our Maryland natural gas distribution businesses filed a joint petition for approval of their proposed unified depreciation rates with the Maryland PSC. If approved, new rates will become effective retroactively on January 1, 2023.

Ocean City Maryland Reinforcement: During the second quarter of 2022, we began construction of an extension of service into North Ocean City, Maryland. Our Delaware natural gas division and Sandpiper installed approximately 5.4 miles of pipeline across southern Sussex County, Delaware to Fenwick Island, Delaware and Worcester County, Maryland. The project reinforces our existing system in Ocean City, Maryland and enables incremental growth along the pipeline. Construction of this project was completed in the second quarter of 2023. The Company filed a natural gas rate case application with the PSC for the state of Maryland in January 2024 as discussed above.

Florida

Wildlight Expansion: In August 2022, Peninsula Pipeline and FPU filed a joint petition with the Florida PSC for approval of its Transportation Service Agreement associated with the Wildlight planned community located in Nassau County, Florida. The project enables us to meet the significant growing demand for service in Yulee, Florida. The agreement will enable us to construct the project during the build-out of the community, and charge the reservation rate as each phase of the project goes into service. Construction of the pipeline facilities will occur in two separate phases. Phase one consists of three extensions with associated facilities, and a gas injection interconnect with associated facilities. Phase two will consist of two additional pipeline extensions. The various phases of the project commenced in the first quarter of 2023, with construction on the overall project continuing through 2025. The petition was approved by the Florida PSC in November 2022.

Florida Natural Gas Rate Case: In May 2022, our legacy natural gas distribution businesses in Florida filed a consolidated natural gas rate case with the Florida PSC. The application included a request for the following: (i) permanent rate relief of approximately $24.1 million, effective January 1, 2023, (ii) a depreciation study also submitted with the filing; (iii) authorization to make certain changes to tariffs to include the consolidation of rates and rate structure across the businesses and to unify the Florida Natural Gas distribution businesses under FPU; (iv) authorization to retain the acquisition adjustment recorded at the time of the FPU merger in our revenue requirement; and (v) authorization to establish an environmental remediation surcharge for the purposes of addressing future expected remediation costs for FPU MGP sites. In August 2022, interim rates were approved by the Florida PSC in the amount of approximately $7.7 million on an annualized basis, effective for all meter readings in September 2022. The discovery process and subsequent hearings were concluded during the fourth quarter of 2022 and briefs were submitted during the same quarter of 2022. In January 2023, the Florida PSC approved the application for consolidation and permanent rate relief of approximately $17.2 million on an annual basis. Actual rates in connection with the rate relief were approved by the Florida PSC in February 2023 with an effective date of March 1, 2023.

FCG Natural Gas Rate Case: In May 2022, FCG filed a general base rate increase with the Florida PSC based on a projected 2023 test year. In June 2023, the Florida PSC issued an order approving a single total base revenue increase of $23.3 million (which included an incremental increase of $14.1 million, a previously approved increase of $3.8 million for a liquefied natural gas facility, and $5.3 million to transfer the SAFE investments from a rider clause to base rates), with new rates becoming effective as of May 1, 2023. The Commission also approved FCG's proposed RSAM with a $25.0 million reserve amount, continuation and expansion of the capital SAFE program, implementation of an automated metering infrastructure pilot, and continuation of the storm damage reserve with a target reserve of $0.8 million. On June 23, 2023, the Florida OPC filed a motion for reconsideration of the PSC's approval of RSAM, which was denied on September 12, 2023. On July 7, 2023, the Florida OPC filed a notice of appeal with the Florida Supreme Court, which is pending. The Florida OPC filed their initial brief on January 31, 2024.

The RSAM is recorded as either an increase or decrease to accrued removal costs which is reflected on the Company's balance sheets and a corresponding increase or decrease to depreciation and amortization expense. In order to earn the targeted regulatory ROE in each reporting period subject to the conditions of the effective rate agreement, RSAM is calculated using a trailing thirteen-month average of rate base and capital structure in conjunction with the trailing twelve months regulatory base net operating income, which primarily includes the base portion of rates and other revenues, net of operations and maintenance expenses, depreciation and amortization, interest and tax expenses. In general, the net impact of these income statement line items is adjusted, in part, by RSAM or its reversal to earn the targeted regulatory ROE. For the year ended December 31, 2023, the Company recorded decreases to asset removal costs and depreciation expense of $5.1 million as a result of the RSAM adjustment.

Beachside Pipeline Extension: In June 2021, Peninsula Pipeline and FCG entered into a Transportation Service Agreement for an incremental 10,176 Dts/d of firm service in Indian River County, Florida, to support FCG's growth along the Indian River's barrier island. As part of this agreement, Peninsula Pipeline constructed 11.3 miles of pipeline from its existing pipeline in the Sebastian, Florida area, traveling east under the Intercoastal Waterway and southward on the barrier island. The project was placed in-service during April 2023.

St. Cloud / Twin Lakes Expansion: In July 2022, Peninsula Pipeline filed a petition with the Florida PSC for approval of its Transportation Service Agreement with FPU for an additional 2,400 Dt/d of firm service in the St. Cloud, Florida area. As part of this agreement, Peninsula Pipeline constructed a pipeline extension and regulator station for FPU. The extension supports new incremental load due to growth in the area, including providing service, most immediately, to the residential development, Twin Lakes. The expansion also improves reliability and provides operational benefits to FPU's existing distribution system in the area, supporting future growth. The petition was approved by the Florida PSC in October 2022, and the expansion was placed into service during the third quarter of 2023.

Storm Protection Plan: In 2020, the Florida PSC implemented the Storm Protection Plan ("SPP") and Storm Protection Plan Cost Recovery Clause ("SPPCRC") rules, which require electric utilities to petition the Florida PSC for approval of a Transmission and Distribution Storm Protection Plan that covers the utility's immediate 10-year planning period with updates to the plan at least every 3 years. The SPPCRC rules allow the utility to file for recovery of associated costs for the SPP. Our Florida electric distribution operations' SPP was filed during the first quarter of 2022 and approved in the fourth quarter of 2022, with modifications, by the Florida PSC. Rates associated with this initiative were effective in January 2023. The Company filed 2024 SPPCRC projections on May 1, 2023. A hearing was held on September 12, 2023. The Commission voted to approve the projections on November 9, 2023. FPU projects to spend $13.6 million on the program in 2024.

Lake Wales Pipeline Acquisition: In February 2023, Peninsula Pipeline filed a petition with the Florida PSC for approval of its Transportation Service Agreement with FPU for an additional 9,000 Dt/d of firm service in the Lake Wales, Florida area. The Commission approved the petition in April 2023. Approval of the agreement allowed Peninsula Pipeline to complete the acquisition of the existing pipeline in May 2023 which is being utilized to serve both current and new natural gas customers.

GUARD: In February 2023, FPU filed a petition with the Florida PSC for approval of the GUARD program. GUARD is a ten-year program to enhance the safety, reliability, and accessibility of portions of our natural gas distribution system. We identified various categories of projects to be included in GUARD, which include the relocation of mains and service lines located in rear easements and other difficult to access areas to the front of the street, the replacement of problematic distribution mains, service lines, and maintenance and repair equipment and system reliability projects. In August 2023, the Florida PSC approved the GUARD program, which included $205.0 million of capital expenditures projected to be spent over a 10-year period.

Newberry Expansion: In April 2023, Peninsula Pipeline filed a petition with the Florida PSC for approval of its Transportation Service Agreement with FPU for an additional 8,000 Dt/d of firm service in the Newberry, Florida area. The petition was approved by the Florida PSC in the third quarter of 2023. Peninsula Pipeline will construct a pipeline extension, which will be used by FPU to support the development of a natural gas distribution system to provide gas service to the City of Newberry. A filing to address the acquisition and conversion of propane community gas systems in Newberry was made in November 2023, and the Florida PSC is scheduled to vote on this in March 2024. The Company anticipates beginning the conversions of the community gas systems in the second quarter of 2024.

Amendment to Escambia County Agreement: In April of 2023, Peninsula Pipeline filed a petition with the Florida PSC for approval of an amendment to an existing contract with FPU. This amendment will allow Peninsula Pipeline to construct an additional delivery point on a pipeline located in Escambia County. The additional delivery point comes at the request of an FPU customer and will be used to enhance natural gas service in the area. The amendment was approved by the Florida PSC in the third quarter of 2023.

Florida Electric Depreciation Study: The Florida PSC requires electric utilities to file a depreciation study every four years to reevaluate and set depreciation rates for the utility's plant assets. In June 2023, FPU filed a petition with the Florida PSC for approval of its proposed depreciation rates, which was approved in December 2023.

East Coast Reinforcement Projects: In December 2023, Peninsula Pipeline filed a petition with the Florida PSC for approval of its Transportation Service Agreements with FPU for projects that will support additional supply to communities on the East Coast of Florida. The projects are driven by the need for increased supply to coastal portions of the state that have experienced an increase in population growth. Peninsula Pipeline will construct several pipeline extensions which will support FPU's distribution system in the areas of Boynton Beach and New Smyrna Beach with an additional 15,000 Dts/day and 3,400 Dts/day, respectively.

Eastern Shore

Southern Expansion Project: In January 2022, Eastern Shore submitted a prior notice filing with the FERC pursuant to blanket certificate procedures, regarding its proposal to install an additional compressor unit and related facilities at Eastern Shore's compressor station in Bridgeville, Sussex County, Delaware. The project enables Eastern Shore to provide additional firm natural gas transportation service to an existing shipper on its pipeline system. The project obtained FERC approval in December 2022 and went into service in October 2023.

Capital Cost Surcharge: In December 2022, Eastern Shore submitted a filing with the FERC regarding a capital cost surcharge to recover capital costs associated with the replacement of existing Eastern Shore facilities as a result of mandated highway relocation projects as well as compliance with the PHMSA regulation. The capital cost surcharge mechanism was approved in Eastern Shore's last rate case. In conjunction with the filing of this surcharge, a cumulative adjustment to the existing surcharge to reflect additional depreciation was included. The FERC issued an order approving the surcharge as filed on December 19, 2022. The combined revised surcharge became effective January 1, 2023.

Worcester Resiliency Upgrade: In August 2023, Eastern Shore filed an application with the FERC requesting authorization to construct the Worcester Resiliency Upgrade, which consists of a mixture of storage and transmission facilities in Sussex County, DE and Wicomico, Worcester, and Somerset Counties in Maryland. The project will provide long-term incremental supply necessary to support the growing demand of the participating shippers. Eastern Shore has requested certificate authorization by December 2024, with a target in-service date by the third quarter of 2025.

Various Jurisdictional Activity Related to the Joint Customer Information System Project

In July 2022, we filed a joint petition for our natural gas divisions in Maryland (Maryland Division, Sandpiper, and Elkton Gas) for the approval to establish a regulatory asset for non-capitalizable expenses related to the initial development and implementation of our new Customer Information System ("CIS") system. The petition was approved by the Maryland PSC in August 2022. A similar petition for our Florida Regulated Energy businesses was filed during the same time frame, however, the Florida PSC approved capitalization of these expenses in lieu of establishment of regulatory assets. Additionally, our Delaware Division has the ability to defer these costs as a regulatory asset. We have completed the system selection process and the CIS implementation began during the first quarter of 2023.

COVID-19 Impact

In March 2020, the CDC declared a national emergency due to the rapidly growing outbreak of COVID-19. In response to this declaration and the rapid spread of COVID-19 within the United States, federal, state and local governments throughout the country imposed varying degrees of restrictions on social and commercial activity to promote social distancing in an effort to slow the spread of the illness. These restrictions significantly impacted economic conditions in the United States in 2020 and continued to impact economic conditions, to a lesser extent, through 2021 and 2022. Chesapeake Utilities is considered an "essential business," which allowed us to continue operational activities and construction projects with appropriate safety precautions and personal protective equipment, while being mindful of the social distancing restrictions that were in place.

In response to the COVID-19 pandemic and related restrictions, we experienced reduced consumption of energy largely in the commercial and industrial sectors, higher bad debt expenses and incremental expenses associated with COVID-19, including expenditures associated with personal protective equipment and premium pay for field personnel. The additional operating expenses we incurred support the ongoing delivery of our essential services during the height of the pandemic. In April and May 2020, we were authorized by the Maryland and Delaware PSCs, respectively, to record regulatory assets for COVID-19 related costs which offered us the ability to seek recovery of those costs. In July 2021, the Florida PSC issued an order that approved incremental expenses we incurred due to COVID-19. The order allowed us to establish a regulatory asset in a total amount of $2.1 million as of June 30, 2021 for natural gas and electric distribution operations. The regulatory asset is being amortized over two years and is recovered through the Purchased Gas Adjustment and Swing Service mechanisms for our natural gas distribution businesses and through the Fuel Purchased Power Cost Recovery clause for our electric division. As of December 31, 2023 and 2022, our total COVID-19 regulatory asset balance was $0.2 million and $1.2 million, respectively.

Summary TCJA Table

Customer rates for our regulated business were adjusted, as approved by the regulators, prior to 2020 except for Elkton Gas, which implemented a one-time bill credit in May 2020. The following table summarized the regulatory liabilities related to accumulated deferred taxes ("ADIT") associated with TCJA for our regulated businesses as of December 31, 2023 and 2022:

	Amount (in thousands)		
Operation and Regulatory Jurisdiction	**December 31, 2023**	**December 31, 2022**	**Status**
Eastern Shore (FERC)	$34,190	$34,190	Will be addressed in Eastern Shore's next rate case filing.
Chesapeake Delaware natural gas division (Delaware PSC)	$12,038	$12,230	PSC approved amortization of ADIT in January 2019.
Chesapeake Maryland natural gas division (Maryland PSC)	$3,585	$3,703	PSC approved amortization of ADIT in May 2018.
Sandpiper Energy (Maryland PSC)	$3,487	$3,597	PSC approved amortization of ADIT in May 2018.
Florida Natural Gas distribution (Florida PSC) (1)	$26,757	$27,179	PSC issued order authorizing amortization and retention of net ADIT liability by the Company in February 2019.
FPU electric division (Florida PSC)	$4,760	$4,993	In January 2019, PSC issued order approving amortization of ADIT through purchased power cost recovery, storm reserve and rates.
Elkton Gas (Maryland PSC)	$1,027	$1,059	PSC approved amortization of ADIT in March 2018.

(1) In accordance with the Florida PSC approval of our natural gas base rate proceeding, effective March 1, 2023, our natural gas distribution businesses in Florida have been consolidated and amounts above are now being presented on a consolidated basis consistent with the final rate order

Regulatory Assets and Liabilities

At December 31, 2023 and 2022, our regulated utility operations recorded the following regulatory assets and liabilities included in our consolidated balance sheets, including amounts attributable to FCG. These assets and liabilities will be recognized as revenues and expenses in future periods as they are reflected in customers' rates.

	As of December 31,	
(in thousands)	**2023**	**2022**
Regulatory Assets		
Under-recovered purchased fuel, gas and conservation cost recovery [1] [2]	**$ 13,696**	$ 43,583
Under-recovered GRIP revenue [3]	**1,777**	1,705
Deferred postretirement benefits [4]	**10,802**	13,927
Deferred conversion and development costs [1]	**21,466**	23,653
Acquisition adjustment [5]	**31,857**	25,609
Deferred costs associated with COVID-19 [6]	**190**	1,233
Deferred storm costs [7]	**19,370**	27,687
Deferred rate case expenses - current	**1,171**	—
Other	**15,573**	12,256
Total Regulatory Assets	**$ 115,902**	$ 149,653
Regulatory Liabilities		
Self-insurance [8]	**$ 521**	$ 339
Over-recovered purchased fuel and conservation cost recovery [1]	**12,340**	3,827
Over-recovered GRIP revenue [3]	**501**	—
Storm reserve [8]	**1,900**	2,845
Accrued asset removal cost [9]	**86,534**	50,261
Deferred income taxes due to rate change [10]	**105,055**	87,690
Interest related to storm recovery [7]	**536**	1,207
Other	**1,611**	1,851
Total Regulatory Liabilities	**$ 208,998**	$ 148,020

(1) We are allowed to recover the asset or are required to pay the liability in rates. We do not earn an overall rate of return on these assets.
(2) At December 31, 2022, includes $21.2 million being recovered over a three year period primarily concentrated in our electric division. Per Florida PSC approval, our electric division was allowed to recover these amounts over an extended period of time in an effort to reduce the impact of increased commodity prices to our customers. Recovery of these costs began in January 2023.
(3) The Florida PSC allowed us to recover through a surcharge, capital and other program-related-costs, inclusive of an appropriate return on investment, associated with accelerating the replacement of qualifying distribution mains and services (defined as any material other than coated steel or plastic) in FPU's natural gas distribution, Fort Meade division and Chesapeake Utilities' CFG division. We are allowed to recover the asset or are required to pay the liability in rates related to GRIP.
(4) The Florida PSC allowed FPU to treat as a regulatory asset the portion of the unrecognized costs pursuant to ASC Topic 715, Compensation - Retirement Benefits, related to its regulated operations. This balance also includes the portion of pension settlement expense associated with the termination of the Chesapeake Pension Plan pursuant to an order from the FERC and the respective PSCs that allowed us to defer Eastern Shore, Delaware and Maryland Divisions' portion. See Note 16, Employee Benefit Plans, for additional information.
(5) We are allowed to include the premiums paid in various natural gas utility acquisitions in Florida in our rate bases and recover them over a specific time period pursuant to the Florida PSC approvals. We paid $34.2 million of the premium in 2009, including a gross up for income tax, because it is not tax deductible, and $0.7 million of the premium paid by FPU in 2010. For additional information, see Florida Natural Gas Rate Case discussion above.
(6) We deferred as regulatory assets the net incremental expense impact associated with the net expense impact of COVID-19 as authorized by the stated PSCs.
(7) The Florida PSC authorized us to recover regulatory assets (including interest) associated with the recovery of Hurricanes Michael and Dorian storm costs which will be amortized between 6 and 10 years. Recovery of these costs includes a component of an overall return on capital additions and regulatory assets.
(8) We have storm reserves in our Florida regulated energy operations and self-insurance for our regulated energy operations that allow us to collect through rates amounts to be used against general claims, storm restoration costs and other losses as they are incurred.
(9) See Note 2, Summary of Significant Accounting Policies, for additional information on our asset removal cost policies.
(10) We recorded a regulatory liability for our regulated businesses related to the revaluation of accumulated deferred tax assets/liabilities as a result of the TCJA. The liability will be amortized over a period between 5 to 80 years based on the remaining life of the associated property. Based upon the regulatory proceedings, we will pass back the respective portion of the excess accumulated deferred taxes to rate payers. See Note 11, Income Taxes, for additional information.

19. Environmental Commitments and Contingencies

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

MGP Sites

We have participated in the investigation, assessment or remediation of, and have exposures at, seven former MGP sites. We have received approval for recovery of clean-up costs in rates for sites located in Salisbury, Maryland; Seaford, Delaware; and Winter Haven, Key West, Pensacola, Sanford and West Palm Beach, Florida.

As of December 31, 2023 and 2022, we had approximately $3.6 million and $4.3 million, respectively, in environmental liabilities, related to the former MGP sites. As of December 31, 2023 and 2022, we have cumulative regulatory assets of $0.5 million and $0.8 million, respectively, for future recovery of environmental costs from customers. Specific to FPU's four MGP sites in Key West, Pensacola, Sanford and West Palm Beach, FPU has approval for and has recovered, through a combination of insurance and customer rates, $14.0 million of its environmental costs related to its MGP sites as of December 31, 2023.

Environmental liabilities for our MGP sites are recorded on an undiscounted basis based on the estimate of future costs provided by independent consultants. We continue to expect that all costs related to environmental remediation and related activities, including any potential future remediation costs for which we do not currently have approval for regulatory recovery, will be recoverable from customers through rates.

Remediation is ongoing for the MGP's in Winter Haven and Key West in Florida and in Seaford, Delaware and the remaining clean-up costs are estimated to be between $0.3 million to $0.9 million for these three sites. The Environmental Protection Agency has approved a "site-wide ready for anticipated use" status for the Sanford, Florida MGP site, which is the final step before delisting a site. The remaining remediation expenses for the Sanford MGP site are immaterial.

The remedial actions approved by the Florida Department of Environmental Protection have been implemented on the east parcel of our West Palm Beach Florida site. Similar remedial actions have been initiated on the site's west parcel, and construction of active remedial systems are expected to be completed in 2024. Remaining remedial costs for West Palm Beach, including completion of the construction of the system on the West Parcel, five to ten years of operation, maintenance and monitoring, and final site work for closeout of the property, is estimated to be between $1.9 million and $3.2 million.

20. Other Commitments and Contingencies

Natural Gas, Electric and Propane Supply

In March 2023, our Delmarva Peninsula natural gas distribution operations entered into asset management agreements with a third party to manage their natural gas transportation and storage capacity. The agreements were effective as of April 1, 2023 and expire in March 2026.

FPU natural gas distribution operations and Eight Flags have separate asset management agreements with Emera Energy Services, Inc. to manage their natural gas transportation capacity. These agreements commenced in November 2020 and expire in October 2030.

Florida Natural Gas has firm transportation service contracts with FGT and Gulfstream. Pursuant to a capacity release program approved by the Florida PSC, all of the capacity under these agreements has been released to various third parties. Under the terms of these capacity release agreements, Chesapeake Utilities is contingently liable to FGT and Gulfstream should any party, that acquired the capacity through release, fail to pay the capacity charge. To date, Chesapeake Utilities has not been required to make a payment resulting from this contingency.

FPU's electric supply contracts require FPU to maintain an acceptable standard of creditworthiness based on specific financial ratios. FPU's agreement with Florida Power & Light Company requires FPU to meet or exceed a debt service coverage ratio of 1.25 times based on the results of the prior 12 months. If FPU fails to meet this ratio, it must provide an irrevocable letter of credit or pay all amounts outstanding under the agreement within five business days. FPU's electric supply agreement with Gulf Power requires FPU to meet the following ratios based on the average of the prior six quarters: (a) funds from operations interest coverage ratio (minimum of 2 times), and (b) total debt to total capital (maximum of 65 percent). If FPU fails to meet the requirements, it has to provide the supplier a written explanation of actions taken, or proposed to be taken, to become compliant. Failure to comply with the ratios specified in the Gulf Power agreement could also result in FPU having to provide an irrevocable letter of credit. As of December 31, 2023, FPU was in compliance with all of the requirements of its supply contracts.

Eight Flags provides electricity and steam generation services through its CHP plant located on Amelia Island, Florida. In June 2016, Eight Flags began selling power generated from the CHP plant to FPU pursuant to a 20-year power purchase agreement for distribution to our electric customers. In July 2016, Eight Flags also started selling steam pursuant to a separate 20-year contract, to the landowner on which the CHP plant is located. The CHP plant is powered by natural gas transported by FPU through its distribution system and Peninsula Pipeline through its intrastate pipeline.

The total purchase obligations for natural gas, electric and propane supplies are as follows:

Year	2024	2025-2026	2027-2028	Beyond 2028	Total
(in thousands)					
Purchase Obligations	$ 86,040	$ 105,082	$ 83,851	$ 141,287	$ 416,260

Corporate Guarantees

The Board of Directors has authorized us to issue corporate guarantees securing obligations of our subsidiaries and to obtain letters of credit securing our subsidiaries' obligations. The maximum authorized liability under such guarantees and letters of credit as of December 31, 2023 was $35.0 million. The aggregate amount guaranteed related to our subsidiaries at December 31, 2023 was approximately $24.3 million with the guarantees expiring on various dates through December 2024. In addition, the Board has authorized us to issue specific purpose corporate guarantees. The amount of specific purpose guarantees outstanding at December 31, 2023 was $4.0 million.

As of December 31, 2023, we have issued letters of credit totaling approximately $7.0 million related to the electric transmission services for FPU's electric division, the firm transportation service agreement between TETLP and our Delaware and Maryland divisions, the capacity agreement between NEXUS and Aspire, and our current and previous primary insurance carriers. These letters of credit have various expiration dates through October 2024 and to date, none have been used. We do not anticipate that the counterparties will draw upon these letters of credit, and we expect that they will be renewed to the extent necessary in the future.

ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE.

None.

ITEM 9A. CONTROLS AND PROCEDURES.

EVALUATION OF DISCLOSURE CONTROLS AND PROCEDURES

Our Chief Executive Officer and Chief Financial Officer, with the participation of other Company officials, have evaluated our "disclosure controls and procedures" (as such term is defined under Rule 13a-15(e) and Rule 15d-15(e) promulgated under the Securities Exchange Act of 1934, as amended) as of December 31, 2023. Based upon their evaluation, our Chief Executive Officer and Chief Financial Officer concluded that our disclosure controls and procedures were effective as of December 31, 2023.

CHANGE IN INTERNAL CONTROLS

During the quarter ended December 31, 2023, other than the ongoing changes resulting from the FCG acquisition discussed below, there have been no changes in internal control over financial reporting (as such term is defined in Exchange Act Rule 13a-15(f)) that have materially affected, or are reasonably likely to materially affect, internal controls over financial reporting.

On November 30, 2023, we completed the acquisition of FCG. We are currently integrating processes, procedures, and internal controls related to the acquisition. See Note 4, *Acquisitions,* to the consolidated financial statements and Management's Report on Internal Control Over Financial Reporting for additional information related to the acquisition of FCG. The scope of that assessment excluded FCG, which we acquired on November 30, 2023. FCG's total assets and loss before taxes represented approximately 31 percent and 4 percent, respectively, of the Company's consolidated total assets and earnings before taxes as of December 31, 2023 and for the year then ended. This exclusion is permitted based upon current guidance of the U.S. Securities & Exchange Commission.

CEO AND CFO CERTIFICATIONS

Our Chief Executive Officer and Chief Financial Officer have filed with the SEC the certifications required by Section 302 of the Sarbanes-Oxley Act of 2002 as Exhibits 31.1 and 31.2 to our Annual Report on Form 10-K for the fiscal year ended December 31, 2023. In addition, on May 31, 2023 our Chief Executive Officer certified to the NYSE that he was not aware of any violation by us of the NYSE corporate governance listing standards.

MANAGEMENT'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING

Management is responsible for establishing and maintaining adequate internal control over financial reporting, as such term is defined in Rule 13a-15(f) of the Exchange Act. A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with GAAP. A company's internal control over financial reporting includes those policies and procedures that: (i) pertain to the maintenance of records which in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with GAAP and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Under the supervision and with the participation of management, including the Chief Executive Officer and Chief Financial Officer, our management conducted an evaluation of the effectiveness of its internal control over financial reporting based on the criteria established in an updated report entitled "Internal Control - Integrated Framework," issued in May 2013 by the Committee of Sponsoring Organizations of the Treadway Commission. The scope of that assessment excluded FCG, which we acquired on November 30, 2023. FCG's total assets and loss before taxes represented approximately 31 percent and 4 percent, respectively, of the Company's consolidated total assets and earnings before taxes as of December 31, 2023 and for the year then ended. This exclusion is permitted based upon current guidance of the U.S. Securities & Exchange Commission.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Our management has evaluated and concluded that our internal control over financial reporting was effective as of December 31, 2023.

Our independent registered public accounting firm, Baker Tilly US, LLP, has audited the effectiveness of our internal control over financial reporting as of December 31, 2023, as stated in its attestation report which appears under Part II, *Item 8. Financial Statements and Supplementary Data*.

ITEM 9B. OTHER INFORMATION.

None.

ITEM 9C. DISCLOSURE REGARDING FOREIGN JURISDICTIONS THAT PREVENT INSPECTIONS

None.

PART III

ITEM 10. DIRECTORS, EXECUTIVE OFFICERS OF THE REGISTRANT AND CORPORATE GOVERNANCE.

We have adopted a Code of Ethics that applies to our Principal Executive Officer, President, Principal Financial Officer, Principal Accounting Officer, Treasurer, Assistant Treasurer, Corporate Controller and persons performing similar functions, which is a “code of ethics” as defined by applicable rules of the SEC. This Code of Ethics is publicly available on our website at https://www.chpk.com. If we make any amendments to this code other than technical, administrative or other non-substantive amendments, or grant any waivers, including implicit waivers, from a provision of this code to the individuals and roles noted above, or persons performing similar functions, we intend to disclose the nature of the amendment or waiver, its effective date and to whom it applies by posting such information on our website at the address and location specified above.

The remaining information required by this Item is incorporated herein by reference to the sections of our Proxy Statement (which we intend to file with the SEC within 120 days after the close of our fiscal year) captioned “Election of Directors (Proposal 1),” “Governance Trends and Director Education," "Corporate Governance Practices,” “Board of Directors and its Committees” and “Delinquent Section 16(a) Reports.”

ITEM 11. EXECUTIVE COMPENSATION.

The information required by this Item is incorporated herein by reference to the sections of our Proxy Statement (which we intend to file with the SEC within 120 days after the close of our fiscal year) captioned “Director Compensation,” “Executive Compensation” and “Compensation Discussion and Analysis".

ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS.

The information required by this Item is incorporated herein by reference to the sections of our Proxy Statement (which we intend to file with the SEC within 120 days after the close of our fiscal year) captioned “Security Ownership of Certain Beneficial Owners and Management” and "Equity Compensation Plan Information."

ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS, AND DIRECTOR INDEPENDENCE.

The information required by this Item is incorporated herein by reference to the section of our Proxy Statement (which we intend to file with the SEC within 120 days after the close of our fiscal year) captioned “Corporate Governance Practices” and "Director Independence."

ITEM 14. PRINCIPAL ACCOUNTING FEES AND SERVICES.

The information required by this Item is incorporated herein by reference to the portion of the Proxy Statement (which we intend to file with the SEC within 120 days after the close of our fiscal year) captioned “Fees and Services of Independent Registered Public Accounting Firm." The Company's independent registered public accounting firm is Baker Tilly US, LLP, PCAOB ID: (23)

PART IV

ITEM 15. EXHIBITS, FINANCIAL STATEMENT SCHEDULES.

The following documents are filed as part of this Annual Report:

(a)(1) All of the financial statements, reports and notes to the financial statements included in Item 8 of Part II of this Annual Report on Form 10-K.

(a)(2) Schedule II—Valuation and Qualifying Accounts.

(a)(3) The Exhibits below.

• Exhibit 2.1	Stock Purchase Agreement, dated September 26, 2023, by and among Florida Power & Light Company and Chesapeake Utilities Corporation (incorporated by reference to the Company’s Current Report on Form 8-K filed with the SEC on September 27, 2023).
• Exhibit 3.1	Amended and Restated Certificate of Incorporation of Chesapeake Utilities Corporation is incorporated herein by reference to Exhibit 3.1 of our Quarterly Report on Form 10-Q for the period ended June 30, 2010, File No. 001-11590.
• Exhibit 3.2	Amended and Restated Bylaws of Chesapeake Utilities Corporation, effective May 3, 2023, are incorporated herein by reference to Exhibit 3.1 of our Current Report on Form 8-K, filed May 3, 2023, File No. 001-11590.
• Exhibit 3.3	Certificate of Amendment to the Amended and Restated Certificate of Incorporation of Chesapeake Utilities Corporation, is incorporated herein by reference to Exhibit 3.1 of our Current Report on Form 8-K, filed May 9, 2017, File No. 001-11590.
• Exhibit 3.4	Certificate of Elimination of Series A Participating Cumulative Preferred Stock of Chesapeake Utilities Corporation, is incorporated herein by reference to Exhibit 3.6 to our Annual Report on Form 10-K for the year ended December 31, 2017, File No. 001-11590.
• Exhibit 3.4	Note Purchase Agreement, dated November 20, 2023, by and among Chesapeake Utilities Corporation and the purchasers party thereto (incorporated by reference to the Company’s Current Report on Form 8-K filed with the SEC on November 21, 2023).
• Exhibit 4.2	Note Agreement dated June 29, 2010, among Chesapeake Utilities Corporation, as issuer, Metropolitan Life Insurance Company and New England Life Insurance Company, relating to the private placement of Chesapeake Utilities Corporation’s 5.68% Senior Notes due 2026 and Chesapeake Utilities Corporation’s 6.43% Senior Notes due 2028.†
• Exhibit 4.3	Note Agreement dated September 5, 2013, among Chesapeake Utilities Corporation, as issuer, and certain note holders, relating to the private placement of Chesapeake Utilities Corporation’s 3.73% Senior Notes due 2028 and Chesapeake Utilities Corporation’s 3.88% Senior Notes due 2029.†
• Exhibit 4.4	Private Shelf Agreement dated October 8, 2015, between Chesapeake Utilities Corporation, as issuer, and Prudential Investment Management Inc., relating to the private placement of Chesapeake Utilities Corporation's 3.25% Senior Notes due 2032, 3.98% Senior Notes due 2039, 3.0% Senior Notes due 2035, and the sale of other Chesapeake Utilities Corporation unsecured Senior Notes from time to time, is incorporated herein by reference to Exhibit 4.1 of our Quarterly Report on Form 10-Q for the period ended September 30, 2015, File No. 001-11590.
• Exhibit 4.5	First Amendment to Private Shelf Agreement dated September 14, 2018, between Chesapeake Utilities Corporation, as issuer, and PGIM, Inc. (formerly known as Prudential Investment Management, Inc.), and other purchasers that may become party thereto. †

• Exhibit 4.6	Master Note Agreement dated March 2, 2017, among Chesapeake Utilities Corporation, as issuer, NYL Investors LLC, and other certain note holders that may become party thereto from time to time relating to the private placement of Chesapeake Utilities Corporation's 3.48% Senior Notes due 2038 and Chesapeake Utilities Corporation's 3.58% Senior Notes due 2038, and Chesapeake Utilities Corporation's 2.96% Senior Notes due 2035. †
• Exhibit 4.7	Note Purchase Agreement, dated August 25, 2021, by and among Chesapeake Utilities Corporation, MetLife Insurance K.K., Thrivent Financial For Lutherans, CMFG Life Insurance Company, and American Memorial Life Insurance Company relating to the placement of Chesapeake Utilities Corporation's 2.49% Senior Notes due 2037. †
• Exhibit 4.8	Private Shelf Agreement, dated March 2, 2017, by and among Chesapeake Utilities Corporation, Metropolitan Life Insurance Company, and MetLife Investment Management, LLC, relating to the private placement of Chesapeake Utilities Corporation's 2.95% Senior Notes due 2042.†
• Exhibit 4.9	First Amendment to Private Shelf Agreement, dated May 14, 2020, by and among Chesapeake Utilities Corporation, Metropolitan Life Insurance Company, and MetLife Investment Management, LLC. †
• Exhibit 4.10	Third Amendment to Private Shelf Agreement dated February 8, 2023, between Chesapeake Utilities Corporation, as issuer, and PGIM, Inc. (formerly known as Prudential Investment Management, Inc.), and other purchasers that may become party thereto is filed herewith.
• Exhibit 4.11	Second Amendment to Private Shelf Agreement, dated February 21, 2023, by and among Chesapeake Utilities Corporation, Metropolitan Life Insurance Company, and MetLife Investment Management, LLC is filed herewith.
• Exhibit 4.12	Description of Chesapeake Utilities Corporation's Securities Registered Pursuant to Section 12 of the Securities Exchange Act of 1934, as amended, is incorporated by reference to Exhibit 4.10 of our Annual Report on Form 10-K for the year ended December 31, 2021, File No. 001-11590.
• Exhibit 10.1*	Chesapeake Utilities Corporation Cash Bonus Incentive Plan, effective January 1, 2015, is incorporated herein by reference to our Proxy Statement dated March 31, 2015, in connection with our Annual Meeting held on May 6, 2015, File No. 001-11590.
• Exhibit 10.2*	Non-Qualified Deferred Compensation Plan, effective January 1, 2014, is incorporated herein by reference to Exhibit 10.8 of our Annual Report on Form 10-K for the year ended December 31, 2013, File No. 001-11590.
• Exhibit 10.3*	Chesapeake Utilities Corporation Supplemental Executive Retirement Plan, as amended and restated effective January 1, 2009, is incorporated herein by reference to Exhibit 10.27 of our Annual Report on Form 10-K for the year ended December 31, 2008, File No. 001-11590.
• Exhibit 10.4*	First Amendment to the Chesapeake Utilities Corporation Supplemental Executive Retirement Plan as amended and restated effective January 1, 2009, is incorporated herein by reference to Exhibit 10.30 of our Annual Report on Form 10-K for the year ended December 31, 2010, File No. 001-11590.
• Exhibit 10.5	Revolving Credit Agreement dated October 8, 2015, between Chesapeake Utilities Corporation and PNC Bank, National Association, Bank of America, N.A., Citizens Bank N.A., Royal Bank of Canada and Wells Fargo Bank, National Association as lenders, is incorporated herein by reference to Exhibit 10.1 of our Quarterly Report on Form 10-Q for the period ended September 30, 2015, File No. 001-11590.
• Exhibit 10.6	First Amendment dated February 25, 2016 to the Revolving Credit Agreement dated October 8, 2015, between Chesapeake Utilities Corporation and PNC Bank, National Association, Bank of America, N.A., Citizens Bank N.A., Royal Bank of Canada and Wells Fargo Bank, National Association as lenders, is incorporated herein by reference to Exhibit 10.24 of our Annual Report on Form 10-K for the year ended December 31, 2015, File No. 001-11590.
• Exhibit 10.7	Credit Agreement, dated November 28, 2017, by and between Chesapeake Utilities Corporation and Branch Banking and Trust Company is incorporated herein by reference to Exhibit 10.20 of our Annual Report on Form 10-K for the year ended December 31, 2018, File No. 001-11590.

- Exhibit 10.8* Form of Performance Share Agreement, effective February 25, 2019 for the period January 1, 2019 to December 31, 2021, pursuant to Chesapeake Utilities Corporation 2013 Stock and Incentive Compensation Plan by and between Chesapeake Utilities Corporation and Jeffry M. Householder is incorporated herein by reference to Exhibit 10.24 of our Annual Report on Form 10-K for the year ended December 31, 2018, File No. 001-11590.

- Exhibit 10.9 Note Agreement dated September 28, 2022, among Chesapeake Utilities Corporation, as issuer, PGIM, Inc. (formerly known as Prudential Investment Management, Inc.) and each of its affiliates relating to the private placement of Chesapeake Utilities Corporation's 5.43% Senior Notes due 2038.†

- Exhibit 10.10* Executive Retirement Agreement dated October 9, 2019, between Chesapeake Utilities Corporation and Stephen C. Thompson is incorporated herein by reference to Exhibit 10.1 of our Quarterly Report on Form 10-Q for the quarter ended September 30, 2019, File No. 001-11590.

- Exhibit 10.11 Note Purchase Agreement dated November 19, 2019, between Chesapeake Utilities Corporation, The Guardian Life Insurance Company of America, The Guardian Insurance & Annuity Company, Inc., Berkshire Life Insurance Company of America, Thrivent Financial for Lutherans, United of Omaha Life Insurance Company, and CMFG Life Insurance Company is incorporated herein by reference to our Current Report on Form 8-K filed on November 20, 2019, File No. 001-11590.

- Exhibit 10.12* Form of Performance Share Agreement, effective December 3, 2019 for the period 2019 to 2021, pursuant to Chesapeake Utilities Corporation 2013 Stock and Incentive Compensation Plan by and between Chesapeake Utilities Corporation and each of Jeffry M. Householder, Beth W. Cooper, James F. Moriarty and Kevin Webber is incorporated herein by reference to Exhibit 10.26 to our Annual Report on Form 10-K for the year ended December 31, 2019, File No. 001-11590.

- Exhibit 10.13* Form of Performance Share Agreement dated February 22, 2023 for the period 2023-2025, pursuant to Chesapeake Utilities Corporation 2013 Stock and Incentive Compensation Plan by and between Chesapeake Utilities Corporation and each of Jeffry M. Householder, Beth W. Cooper, James F. Moriarty, Kevin Webber and Jeffrey S. Sylvester is incorporated herein by reference to Exhibit 10.16 to our Annual Report on Form 10-K for the year ended December 31, 2022. File No. 001-11590

- Exhibit 10.14* Form of Performance Share Agreement, effective February 25, 2020 for the period 2020 to 2022, pursuant to Chesapeake Utilities Corporation 2013 Stock and Incentive Compensation Plan by and between Chesapeake Utilities Corporation and each of Jeffry M. Householder, Beth W. Cooper, James F. Moriarty and Kevin Webber is incorporated herein by reference to Exhibit 10.28 to our Annual Report on Form 10-K for the year ended December 31, 2019, File No. 001-11590.

- Exhibit 10.15* Form of Performance Share Agreement, effective February 24, 2021, for the period 2021 to 2023, pursuant to the Chesapeake Utilities Corporation 2013 Stock and Incentive Compensation Plan by and between Chesapeake Utilities Corporation and each of Jeffry M. Householder, Beth W. Cooper, James F. Moriarty, Kevin Webber, and Jeffrey S. Sylvester is incorporated herein by reference to Exhibit 10.18 to our Annual Report on Form 10-K for the year ended December31, 2021, File No. 001-11590.

- Exhibit 10.16 Loan Agreement dated April 24, 2020, between Chesapeake Utilities Corporation and PNC Bank, National Association is incorporated herein by reference to Exhibit 10.3 to our Quarterly Report on Form 10-Q for the quarter ended March 31, 2020, File No.001-11590.

- Exhibit 10.17 Loan Agreement dated April 27, 2020, between Chesapeake Utilities Corporation and Bank of America, N.A. is incorporated herein by reference to Exhibit 10.4 to our Quarterly Report on Form 10-Q for the quarter ended March 31, 2020, File No. 001-11590.

- Exhibit 10.18 Revolving Line of Credit Note dated April 24, 2020 issued by Chesapeake Utilities Corporation in favor of PNC Bank, National Association is incorporated herein by reference to Exhibit 10.5 to our Quarterly Report on Form 10-Q for the quarter ended March 31, 2020, File No. 001-11590.

- Exhibit 10.19 — Promissory Note dated April 22, 2020, issued by Chesapeake Utilities Corporation and in favor of Bank of America, N.A. is incorporated herein by reference to Exhibit 10.6 to our Quarterly Report on Form 10-Q for the quarter ended March 31, 2020, File No.001-11590.
- Exhibit 10.20 — Credit Agreement dated May 29, 2020, between Chesapeake Utilities Corporation and Citizens Bank National Association is incorporated herein by reference to Exhibit 10.1 to our Quarterly Report on Form 10-Q for the quarter ended June 30, 2020, File No. 001-11590.
- Exhibit 10.21 — Loan Agreement dated May 6, 2020 between Chesapeake Utilities Corporation and Royal bank of Canada is incorporated herein by reference to Exhibit 10.2 to our Quarterly Report on Form 10-Q for the quarter ended June 30, 2020, File No. 001-11590.
- Exhibit 10.22 — Form of Revolving Loan Note in favor of Citizens Bank National Association is incorporated herein by reference to Exhibit 10.3 to our Quarterly Report on Form 10-Q for the quarter ended June 30, 2020, File No. 001-11590.
- Exhibit 10.23 — Form of Revolving Credit Note in favor of Royal Bank of Canada is incorporated herein by reference to Exhibit 10.4 to our Quarterly Report on Form 10-Q for the quarter ended June 30, 2020, File No. 001-11590.
- Exhibit 10.24 — Credit Agreement, dated September 30, 2020, by and between Chesapeake Utilities Corporation, PNC Bank, National Association, and several other financial institutions named therein is incorporated herein by reference to Exhibit 10.1 to our Quarterly Report on Form 10-Q for the quarter ended September 30, 2020, File No. 001-11590.
- Exhibit 10.25 — Amended and Restated Credit Agreement, dated August 12, 2021, by and between Chesapeake Utilities Corporation, PNC Bank, National Association, and several other financial institutions named therein is incorporated herein by reference to Exhibit 10.1 to our Quarterly Report on Form 10-Q for the quarter ended September 30, 2021, File No. 001-11590
- Exhibit 10.26* — Executive Employment Agreement, dated December 16, 2021, by and between Chesapeake Utilities Corporation and Jeffrey S. Sylvester is incorporated by reference to Exhibit 10.1 to our Current Report on Form 8-K filed on December 20, 2021, File No. 001-11590
- Exhibit 10.27* — Executive Employment Agreement, dated December 16, 2021, by and between Chesapeake Utilities Corporation and Jeffry M. Householder is incorporated by reference to Exhibit 10.2 to our Current Report on Form 8-K filed on December 20, 2021, File No. 001-11590
- Exhibit 10.28* — Executive Employment Agreement, dated December 16, 2021, by and between Chesapeake Utilities Corporation and Beth W. Cooper is incorporated by reference to Exhibit 10.3 to our Current Report on Form 8-K filed on December 20, 2021, File No. 001-11590
- Exhibit 10.29* — Executive Employment Agreement, dated December 16, 2021, by and between Chesapeake Utilities Corporation and James F. Moriarty is incorporated by reference to Exhibit 10.4 to our Current Report on Form 8-K filed on December 20, 2021, File No.001-11590
- Exhibit 10.30* — Executive Employment Agreement, dated December 16, 2021, by and between Chesapeake Utilities Corporation and Kevin J. Webber is incorporated by reference to Exhibit 10.5 to our Current Report on Form 8-K filed on December 20, 2021, File No. 001-11590
- Exhibit 10.31* — Form of Performance Share Agreement, effective February 23, 2022, for the period 2022 to 2024, pursuant to the Chesapeake Utilities Corporation 2013 Stock and Incentive Compensation Plan by and between Chesapeake Utilities Corporation and each of Jeffry M. Householder, Beth W. Cooper, James F. Moriarty, Kevin J. Webber, and Jeffrey S. Sylvester is incorporated herein by reference to Exhibit 10.34 to our Annual Report on Form 10-K for the year ended December 31, 2021, File No. 001-11590.
- Exhibit 10.32* — Chesapeake Utilities Corporation 2023 Stock and Incentive Compensation Plan as approved by stockholders and effective on May 3, 2023 is incorporated herein by reference to Exhibit 10.1 to our Registration Statement on Form S-8 filed May 3, 2023, File No. 001-11590.
- Exhibit 10.33* — Second Amendment to the Non-Qualified Deferred Compensation Plan, effective October 2, 2023, is filed herewith.

- Exhibit 10.34* Form of Amendment to the Executive Employment Agreement, effective October 2, 2023, for each of Jeffry M. Householder, Beth W. Cooper, James F. Moriarty, Kevin J. Webber and Jeffrey S. Sylvester is filed herewith.
- Exhibit 10.35 Second Amendment to Amended and Restated Credit Agreement, dated August 9, 2023, by and between Chesapeake Utilities Corporation and PNC Bank, National Association, and several other financial institutions is incorporated herein by reference to Exhibit 10.1 of our Quarterly Report on Form 10-Q for the period ended September 30, 2023, File No.001-11590.
- Exhibit 10.36 Commitment Letter for Bridge Facility, dated September 26, 2023, by and between Chesapeake Utilities Corporation and Barclays Bank PLC is incorporated herein by reference to Exhibit 10.2 of our Quarterly Report on Form 10-Q for the period ended September 30, 2023, File No. 001-11590.
- Exhibit 10.37 Third Amendment to Amended and Restated Credit Agreement, dated October 13, 2023, by and between Chesapeake Utilities Corporation and PNC Bank, National Association is incorporated herein by reference to Exhibit 10.3 of our Quarterly Report on Form 10-Q for the period ended September 30, 2023, File No. 001-11590.
- Exhibit 21 Subsidiaries of the Registrant is filed herewith.
- Exhibit 23.1 Consent of Independent Registered Public Accounting Firm is filed herewith.
- Exhibit 31.1 Certificate of Chief Executive Officer of Chesapeake Utilities Corporation pursuant to Exchange Act Rule 13a-14(a) and 15d – 14(a), is filed herewith.
- Exhibit 31.2 Certificate of Chief Financial Officer of Chesapeake Utilities Corporation pursuant to Exchange Act Rule 13a-14(a) and 15d – 14(a), is filed herewith.
- Exhibit 32.1 Certificate of Chief Executive Officer of Chesapeake Utilities Corporation pursuant to 18 U.S.C. Section 1350, is filed herewith.
- Exhibit 32.2 Certificate of Chief Financial Officer of Chesapeake Utilities Corporation pursuant to 18 U.S.C. Section 1350, is filed herewith.
- Exhibit 97 Chesapeake Utilities Corporation Incentive-Based Compensation Clawback Policy effective October 2, 2023, is filed herewith.
- Exhibit 101.INS XBRL Instance Document is filed herewith.
- Exhibit 101.SCH XBRL Taxonomy Extension Schema Document is filed herewith.
- Exhibit 101.CAL XBRL Taxonomy Extension Calculation Linkbase Document is filed herewith.
- Exhibit 101.DEF XBRL Taxonomy Extension Definition Linkbase Document is filed herewith.
- Exhibit 101.LAB XBRL Taxonomy Extension Label Linkbase Document is filed herewith.
- Exhibit 101.PRE XBRL Taxonomy Extension Presentation Linkbase Document is filed herewith.
- Exhibit 104 Cover Page Interactive Data File - formatted in Inline XBRL and contained in Exhibit 101.

* Management contract or compensatory plan or agreement.

† These agreements have not been filed herewith pursuant to Item 601(b)(4)(v) of Regulation S-K under the Securities Act of 1933, as amended. We hereby agree to furnish copies to the SEC upon request.

ITEM 16. FORM 10-K SUMMARY.

None.

SIGNATURES

Pursuant to the requirements of Section 13 or 15 (d) of the Securities Exchange Act of 1934, Chesapeake Utilities Corporation has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

CHESAPEAKE UTILITIES CORPORATION

By: /s/ JEFFRY M. HOUSEHOLDER
Jeffry M. Householder
President, Chief Executive Officer and Director
February 21, 2024

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

/s/ JEFFRY M. HOUSEHOLDER
Jeffry M. Householder
President, Chief Executive Officer and Director
February 21, 2024

/S/ BETH W. COOPER
Beth W. Cooper, Executive Vice President,
Chief Financial Officer, Treasurer
and Assistant Corporate Secretary
(Principal Financial and Accounting Officer)
February 21, 2024

/S/ LISA G. BISACCIA
Lisa G. Bisaccia, Director
February 21, 2024

/S/ LILA A. JABER
Lila A. Jaber, Director
February 21, 2024

/S/ THOMAS J. BRESNAN
Thomas J. Bresnan, Lead Director
February 21, 2024

/S/ PAUL L. MADDOCK, JR.
Paul L. Maddock, Jr., Director
February 21, 2024

/S/ RONALD G. FORSYTHE, JR.
Dr. Ronald G. Forsythe, Jr., Director
February 21, 2024

/S/ SHEREE M. PETRONE
Sheree M. Petrone, Director
February 21, 2024

/S/ STEPHANIE N. GARY
Stephanie N. Gary, Director
February 21, 2024

/S/ THOMAS P. HILL, JR.
Thomas P. Hill, Jr., Director
February 21, 2024

/S/ DENNIS S. HUDSON, III
Dennis S. Hudson, III, Director
February 21, 2024

Chesapeake Utilities Corporation and Subsidiaries
Schedule II
Valuation and Qualifying Accounts

For the Year Ended December 31,	Balance at Beginning of Year	Additions: Charged to Income	Additions: Other Accounts (1)	Deductions (2)	Balance at End of Year
(in thousands)					
Reserve Deducted From Related Assets					
Reserve for Uncollectible Accounts					
2023	$ 2,877	$ 2,340	$ 166	$ (2,684)	$ 2,699
2022	$ 3,141	$ 1,550	$ 172	$ (1,986)	$ 2,877
2021	$ 4,785	$ 134	$ (125)	$ (1,653)	$ 3,141

(1) Recoveries and other allowance adjustments.
(2) Uncollectible accounts charged off.

CORPORATE INFORMATION

CORPORATE OFFICE

Chesapeake Utilities Corporation
500 Energy Lane
Dover, DE 19901

Telephone: 302.734.6799

Website: ***www.chpk.com***

TRANSFER AGENT AND REGISTRAR

Computershare Trust Company, N.A.
c/o Chesapeake Utilities Corporation
P.O. Box 43006
Providence, RI 02940-3078

Toll-Free Telephone
(in US and Canada): 877.498.8865

Outside of US and Canada: 781.575.2879

Website: ***www.computershare.com/investor***

DIVIDEND REINVESTMENT AND DIRECT STOCK PURCHASE PLAN

The Dividend Reinvestment and Direct Stock Purchase Plan provides flexible investment options for those who wish to invest in the Company. Common stock holders can have their dividends automatically reinvested to purchase additional shares directly through the Plan and/or send in additional optional cash investments at any time to increase their holdings. New investors can purchase shares directly through the Plan. For more information, please contact the Company's transfer agent (Computershare) as stated above.

ANALYST INFORMATION

Beth W. Cooper
Executive Vice President, Chief Financial Officer, Treasurer and Assistant Secretary

Telephone: 302.734.6022
bcooper@chpk.com

Michael D. Galtman
Senior Vice President
and Chief Accounting Officer

Telephone: 302.217.7036
mgaltman@chpk.com

COMMON STOCK AND DIVIDEND INFORMATION

CPK
LISTED
NYSE

NYSE: CPK

Chesapeake Utilities Corporation's common stock is traded on the New York Stock Exchange under the symbol **CPK**.

QUARTER ENDED 2023	PRICE RANGE HIGH	LOW	CLOSE	DIVIDENDS DECLARED PER SHARE*
MARCH 31	$ 131.18	$ 113.83	$ 127.99	$ 0.5350
JUNE 30	$ 132.91	$ 117.43	$ 119 00	$ 0.5900
SEPTEMBER 30	$ 124.72	$ 97.45	$ 97.75	$ 0.5900
DECEMBER 31	$ 107.98	$ 83.80	$ 105.63	$ 0.5900

QUARTER ENDED 2022	PRICE RANGE HIGH	LOW	CLOSE	DIVIDENDS DECLARED PER SHARE*
MARCH 31	$ 146.30	$ 125.39	$ 137.76	$ 0.4800
JUNE 30	$ 142.39	$ 117.43	$ 129.55	$ 0.5350
SEPTEMBER 30	$ 138.49	$ 114.49	$ 115 39	$ 0.5350
DECEMBER 31	$ 126.85	$ 105.79	$ 118.18	

** Declaration of dividends is at the discretion of the Board of Directors. Dividends in 2023 and 2022 were paid quarterly*

PUBLIC INFORMATION AND SEC FILINGS

Our latest news and filings with the Securities and Exchange Commission (SEC), including Forms 10-K, 10-Q and 8-K are available to view or request a printed copy, free of charge, at our website, ***www.chpk.com/investors/shareholder-inquiries.***

J627

CHESAPEAKE UTILITIES CORPORATION

500 ENERGY LANE | DOVER, DELAWARE 19901 USA | chpk.com

FLORIDA PUBLIC SERVICE COMMISSION COMPANY: FLORIDA PUBLIC UTILITIES Consolidated Electric Division DOCKET NO.: 20240099-EI	EXPLANATION:	Provide a copy of the most recent Form l0-K annual report to the Securities and Exchange Commission and all Form 10-Q quarterly reports filed subsequent to the filing of the latest 10-k.	Type of Data Shown: Projected Test Year Ended 12/31/2025 Prior Year Ended 12/31/2024 Historical Test Year Ended 12/31/2023 Witness: Galtman

See Attachment F-2a - 10K 2023 Form 10-K and the first quarter filing for 2024. See attachment F-2b -10Q Q1 2024. At this time there have been no subsequent quarterly reports filed.

Supporting Schedules: Recap Schedules:

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-K

(Mark One)

☒ **ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934 For the Fiscal Year Ended: December 31, 2023**

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

Commission File Number: 001-11590

CHESAPEAKE UTILITIES CORPORATION
(Exact name of registrant as specified in its charter)

State of Delaware **(State or other jurisdiction of incorporation or organization)**	**51-0064146** **(I.R.S. Employer Identification No.)**

500 Energy Lane, Dover, Delaware 19901
(Address of principal executive offices, including zip code)

302-734-6799
(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol	Name of each exchange on which registered
Common Stock—par value per share $0 4867	CPK	New York Stock Exchange, Inc

Securities registered pursuant to Section 12(g) of the Act:
None

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act Yes ☒ No ☐

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act Yes ☐ No ☒

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15 (d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§ 232 405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files) Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act

Large accelerated filer	☒	Accelerated filer	☐
Non-accelerated filer	☐	Smaller reporting company	☐
		Emerging growth company	☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act ☐

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U S C 7262(b)) by the registered public accounting firm that prepared or issued its audit report ☒

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements ☐

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive based compensation received by any of the registrant's executive officers during the relevant recovery period pursuant to §240.10D-1(b). ☐

Indicate by a check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act). Yes ☐ No ☒

The aggregate market value of the common shares held by non-affiliates of Chesapeake Utilities Corporation as of June 30, 2023, the last business day of its most recently completed second fiscal quarter, based on the last sale price on that date, as reported by the New York Stock Exchange, was approximately $2.1 billion.

The number of shares of Chesapeake Utilities Corporation's common stock outstanding as of February 16, 2024 was 22,238,384

DOCUMENTS INCORPORATED BY REFERENCE

Portions of the Chesapeake Utilities Corporation Proxy Statement for the 2024 Annual Meeting of Shareholders are incorporated by reference in Part II and Part III hereof.

CHESAPEAKE UTILITIES CORPORATION

FORM 10-K

YEAR ENDED DECEMBER 31, 2023

TABLE OF CONTENTS

GLOSSARY OF DEFINITIONS

ASC: Accounting Standards Codification issued by the FASB

Adjusted Gross Margin: a non-GAAP measure calculated by deducting the purchased cost of natural gas, propane and electricity and the cost of labor spent on direct revenue-producing activities from operating revenues. The costs included in Adjusted Gross Margin exclude depreciation and amortization and certain costs presented in operations and maintenance expenses in accordance with regulatory requirements

Aspire Energy: Aspire Energy of Ohio, LLC, a wholly-owned subsidiary of Chesapeake Utilities

Aspire Energy Express: Aspire Energy Express, LLC, a wholly-owned subsidiary of Chesapeake Utilities

ASU: Accounting Standards Update issued by the FASB

ATM: At-the-market

CDC: U.S. Centers for Disease Control and Prevention

CDD: Cooling Degree-Day

CFG: Central Florida Gas Company, a division of Chesapeake Utilities

Chesapeake or Chesapeake Utilities: Chesapeake Utilities Corporation, its divisions and subsidiaries, as appropriate in the context of the disclosure

CHP: Combined Heat and Power Plant

Company: Chesapeake Utilities Corporation, its divisions and subsidiaries, as appropriate in the context of the disclosure

CNG: Compressed natural gas

Degree-day: Measure of the variation in the weather based on the extent to which the average daily temperature (from 10:00 am to 10:00 am) falls above (CDD) or below (HDD) 65 degrees Fahrenheit

Delmarva Peninsula: A peninsula on the east coast of the U.S. occupied by Delaware and portions of Maryland and Virginia

Diversified Energy: an entity from whom we acquired certain propane operating assets in North Carolina, South Carolina, Virginia, and Pennsylvania

DRIP: Dividend Reinvestment and Direct Stock Purchase Plan

Dt(s): Dekatherm(s), which is a natural gas unit of measurement that includes a standard measure for heating value

Dts/d: Dekatherms per day

Eastern Shore: Eastern Shore Natural Gas Company, a wholly-owned subsidiary of Chesapeake Utilities

Eight Flags: Eight Flags Energy, LLC, a wholly-owned subsidiary of Chesapeake Utilities

Elkton Gas: Elkton Gas Company, a wholly-owned subsidiary of Chesapeake Utilities

ESG: Environmental, Social and Governance

FASB: Financial Accounting Standards Board

FCG or Florida City Gas: Pivotal Utility Holdings, Inc., doing business as Florida City Gas, a wholly-owned subsidiary of Chesapeake Utilities that was acquired from Florida Power & Light Company on November 30, 2023

FERC: Federal Energy Regulatory Commission

FGT: Florida Gas Transmission Company

Florida Natural Gas: Refers to the Company's legacy Florida natural gas distribution operations (excluding FCG) that were consolidated under FPU, for both rate-making and operations purposes

Florida OPC: The Office of Public Counsel, an agency established by the Florida legislature who advocates on behalf of Florida's utility consumers prior to actions or rule changes

FPU: Florida Public Utilities Company, a wholly-owned subsidiary of Chesapeake Utilities

GAAP: Generally Accepted Accounting Principles

GRIP: Gas Reliability Infrastructure Program

Gross Margin: a term under U.S. GAAP which is the excess of sales over costs of goods sold

GUARD: Gas Utility Access and Replacement Directive, a program to enhance the safety, reliability and accessibility of portions of the Company's natural gas distribution system in Florida

Guernsey Power Station: Guernsey Power Station, LLC, a power generation facility in Guernsey County Ohio

Gulfstream: Gulfstream Natural Gas System, LLC, an unaffiliated pipeline network that supplies natural gas to FPU

HDD: Heating Degree-Day

LNG: Liquefied Natural Gas

Marlin Gas Services: Marlin Gas Services, LLC, a wholly-owned subsidiary of Chesapeake Utilities

MetLife: MetLife Investment Advisors, an institutional debt investment management firm, with which we have previously issued Senior Notes and which is a party to the current MetLife Shelf Agreement, as amended

MGP: Manufactured gas plant, which is a site where coal was previously used to manufacture gaseous fuel for industrial, commercial and residential use

MW: Megawatt, which is a unit of measurement for electric power or capacity

NOL: Net operating loss(es)

Peninsula Pipeline: Peninsula Pipeline Company, Inc., a wholly-owned subsidiary of Chesapeake Utilities

Peoples Gas: Peoples Gas System, an Emera Incorporated subsidiary

PHMSA: United States Department of Transportation Pipeline and Hazardous Materials Safety Administration

Prudential: Prudential Investment Management Inc., an institutional investment management firm, with which we have previously issued Senior Notes and which is a party to the current Prudential Shelf Agreement, as amended

PSC: Public Service Commission, which is the state agency that regulates utility rates and/or services in certain of our jurisdictions

Revolver: Our $375.0 million unsecured revolving credit facility with certain lenders

RNG: Renewable natural gas

Sandpiper Energy: Sandpiper Energy, Inc., a wholly-owned subsidiary of Chesapeake Utilities

SAFE: Safety, Access, and Facility Enhancement, a program to enhance the safety, reliability and accessibility of portions of the FCG's natural gas distribution system

SEC: Securities and Exchange Commission

Senior Notes: Our unsecured long-term debt issued primarily to insurance companies on various dates

Sharp: Sharp Energy, Inc., a wholly-owned subsidiary of Chesapeake Utilities

Shelf Agreement: An agreement entered into by Chesapeake Utilities and a counterparty pursuant to which Chesapeake Utilities may request that the counterparty purchase our unsecured senior debt with a fixed interest rate and a maturity date not to exceed 20 years from the date of issuance

Shelf Notes: Unsecured senior promissory notes issuable under the Shelf Agreement executed with various counterparties

SICP: Stock and Incentive Compensation Plan, which as used herein covers stock-based compensation awards issued under the current 2023 plan and the previous 2013 plan

SOFR: Secured Overnight Financing Rate, a secured interbank overnight interest rate established as an alternative to LIBOR

TCJA: Tax Cuts and Jobs Act enacted on December 22, 2017

TETLP: Texas Eastern Transmission, LP, an interstate pipeline interconnected with Eastern Shore's pipeline

Transco: Transcontinental Gas Pipe Line Company, LLC

U.S.: The United States of America

References in this document to “Chesapeake,” “Chesapeake Utilities,” the “Company,” “we,” “us” and “our” mean Chesapeake Utilities Corporation, its divisions and/or its subsidiaries, as appropriate in the context of the disclosure.

Safe Harbor for Forward-Looking Statements

We make statements in this Annual Report on Form 10-K (this "Annual Report") that do not directly or exclusively relate to historical facts. Such statements are “forward-looking statements” within the meaning of Section 27A of the Securities Act of 1933, as amended, Section 21E of the Securities Exchange Act of 1934, as amended, and the Private Securities Litigation Reform Act of 1995. One can typically identify forward-looking statements by the use of forward-looking words, such as “project,” “believe,” “expect,” “anticipate,” “intend,” “plan,” “estimate,” “continue,” “potential,” “forecast” or other similar words, or future or conditional verbs such as “may,” “will,” “should,” “would” or “could.” These statements represent our intentions, plans, expectations, assumptions and beliefs about future financial performance, business strategy, projected plans and objectives of the Company. Forward-looking statements speak only as of the date they are made or as of the date indicated and we do not undertake any obligation to update forward-looking statements as a result of new information, future events or otherwise. These statements are subject to many risks and uncertainties. In addition to the risk factors described under *Item 1A, Risk Factors*, the following important factors, among others, could cause actual future results to differ materially from those expressed in the forward-looking statements:

- state and federal legislative and regulatory initiatives that affect cost and investment recovery, have an impact on rate structures, and affect the speed and the degree to which competition enters the electric and natural gas industries;
- the outcomes of regulatory, environmental and legal matters, including whether pending matters are resolved within current estimates and whether the related costs are adequately covered by insurance or recoverable in rates;
- the impact of climate change, including the impact of greenhouse gas emissions or other legislation or regulations intended to address climate change;
- the impact of significant changes to current tax regulations and rates;
- the timing of certification authorizations associated with new capital projects and the ability to construct facilities at or below estimated costs, and within estimated timeframes;
- changes in environmental and other laws and regulations to which we are subject and environmental conditions of property that we now, or may in the future, own or operate;
- possible increased federal, state and local regulation of the safety of our operations;
- the availability and reliability of adequate technology, including our ability to adapt to technological advances, effectively implement new technologies and manage the related costs;
- the inherent hazards and risks involved in transporting and distributing natural gas, electricity and propane;
- the economy in our service territories or markets, the nation, and worldwide, including the impact of economic conditions (which we do not control) on demand for natural gas, electricity, propane or other fuels;
- risks related to cyber-attacks or cyber-terrorism that could disrupt our business operations or result in failure of information technology systems or result in the loss or exposure of confidential or sensitive customer, employee or Company information;
- issues relating to the responsible use of our technologies, including artificial intelligence;
- adverse weather conditions, including the effects of hurricanes, ice storms and other damaging weather events;
- customers' preferred energy sources;
- industrial, commercial and residential growth or contraction in our markets or service territories;
- the effect of competition on our businesses from other energy suppliers and alternative forms of energy;
- the timing and extent of changes in commodity prices and interest rates;
- the effect of spot, forward and future market prices on our various energy businesses;
- the extent of our success in connecting natural gas and electric supplies to our transmission systems, establishing and maintaining key supply sources, and expanding natural gas and electric markets;
- the creditworthiness of counterparties with which we are engaged in transactions;
- the capital-intensive nature of our regulated energy businesses;
- our ability to access the credit and capital markets to execute our business strategy, including our ability to obtain financing on favorable terms, which can be affected by various factors, including credit ratings and general economic conditions;
- the ability to successfully execute, manage and integrate a merger, acquisition or divestiture of assets or businesses and the related regulatory or other conditions associated with the merger, acquisition or divestiture;
- the impact on our costs and funding obligations, under our pension and other post-retirement benefit plans, of potential downturns in the financial markets, lower discount rates, and costs associated with health care legislation and regulation;
- the ability to continue to hire, train and retain appropriately qualified personnel;

- the availability of, and competition for, qualified personnel supporting our natural gas, electricity and propane businesses;
- the effect of accounting pronouncements issued periodically by accounting standard-setting bodies; and
- the impacts associated with a pandemic, including the duration and scope of the pandemic, the corresponding impact on our supply chains, our personnel, our contract counterparties, general economic conditions and growth, the financial markets and any costs to comply with governmental mandates.

Corporate Overview and Strategy

Chesapeake Utilities Corporation is a Delaware corporation formed in 1947 with operations primarily in the Mid-Atlantic region, North Carolina, South Carolina, Florida and Ohio. We are an energy delivery company engaged in the distribution of natural gas, electricity and propane, the transmission of natural gas, the generation of electricity and steam, and in providing related services to our customers. Our strategy is focused on growing earnings from a stable regulated energy delivery foundation and investing in related businesses and services that provide opportunities for returns greater than traditional utility returns. We seek to identify and develop opportunities across the energy value chain, with emphasis on midstream and downstream investments that are accretive to earnings per share, consistent with our long-term growth strategy and create opportunities to continue our record of higher-than-authorized regulated returns. The Company's growth strategy includes the continued investment and expansion of the Company's regulated operations that provide a stable base of earnings, as well as investments in other related non-regulated businesses and services including sustainable investments, such as renewable natural gas. By investing in these related businesses and services, the Company creates opportunities to sustain its track record of higher returns, as compared to a traditional utility.

Currently, the Company's growth strategy is focused on the following platforms, including:

- Optimizing the earnings growth in our existing businesses, which includes organic growth, strategic and complimentary acquisitions, territory expansions, and new products and services as well as increased opportunities to transform the Company with a focus on people, process, technology and organizational structure.
- Identification and pursuit of additional pipeline expansions, including new interstate and intrastate transmission projects.
- Growth of Marlin Gas Services' CNG transport business and expansion into LNG and RNG transport services as well as methane capture.
- Identifying and undertaking additional strategic propane acquisitions that provide a larger foundation in current markets and expand our brand and presence into new strategic growth markets.
- Pursuit of growth opportunities that enable us to utilize our integrated set of energy delivery businesses to participate in sustainable energy investments.

Operating Segments

We conduct operations within two reportable segments: Regulated Energy and Unregulated Energy. The remainder of our operations is presented as "Other businesses and eliminations." These segments are described below in detail.

Regulated Energy

Overview

Our regulated energy businesses are comprised of natural gas and electric distribution, as well as natural gas transmission services.

On November 30, 2023, we completed the acquisition of FCG for $923.4 million in cash, including working capital adjustments as defined in the agreement, pursuant to the previously disclosed stock purchase agreement with Florida Power & Light Company. Upon completion of the acquisition, FCG became a wholly-owned subsidiary of the Company and is included within our Regulated Energy segment. FCG serves approximately 120,000 residential and commercial natural gas customers across eight counties in Florida, including Miami-Dade, Broward, Brevard, Palm Beach, Hendry, Martin, St. Lucie and Indian River. Its natural gas system includes approximately 3,800 miles of distribution main and 80 miles of transmission pipe. Results for FCG are included within our consolidated results from the acquisition date.

The following table presents net income for the year ended December 31, 2023 and total assets as of December 31, 2023, by operation and area served:

Operations	Areas Served	Net Income (Loss)	Total Assets
(in thousands)			
Natural Gas Distribution			
Delmarva Natural Gas [1]	Delaware/Maryland	$ 9,256	$ 407,089
Florida Natural Gas [2]	Florida	23,840	545,952
Florida City Gas [3]	Florida	(3,256)	1,010,998
Natural Gas Transmission			
Eastern Shore	Delaware/Maryland/ Pennsylvania	23,284	480,147
Peninsula Pipeline	Florida	12,195	154,301
Aspire Energy Express	Ohio	417	6,746
Electric Distribution			
FPU	Florida	3,727	176,348
Total Regulated Energy		$ 69,463	$ 2,781,581

[1] Delmarva Natural Gas consists of Delaware division, Maryland division, Sandpiper Energy and Elkton Gas
[2] In accordance with the Florida PSC approval of our natural gas base rate proceeding, effective March 1, 2023, our natural gas distribution business in Florida (FPU, FPU-Indiantown division, FPU-Fort Meade division and Chesapeake Utilities' CFG division) have been consolidated and amounts are now being presented on a consolidated basis consistent with the final rate order
[3] FCG net income (loss) includes results from the acquisition date, including transaction-related expenses attributable to the acquisition. For additional information on FCG's results, see discussion under *Item 7, Management's Discussion and Analysis of Financial Condition and Results of Operations*

Revenues in the Regulated Energy segment are based on rates regulated by the PSC in the states in which we operate or, in the case of Eastern Shore, which is an interstate business, by the FERC. The rates are designed to generate revenues to recover all prudent operating and financing costs and provide a reasonable return for our stockholders. Each of our distribution and transmission operations has a rate base, which generally consists of the original cost of the operation's plant (less accumulated depreciation), working capital and other assets. For Delmarva Natural Gas and Eastern Shore, rate base also includes deferred income tax liabilities and other additions or deductions. The Florida Natural Gas regulated energy operations do not include deferred income tax liabilities in their rate base.

Our natural gas and electric distribution operations bill customers at standard rates approved by their respective state PSC. Each state PSC allows us to negotiate rates, based on approved methodologies, for large customers that can switch to other fuels. Some of our customers in Maryland receive propane through underground distribution systems in Worcester County. We bill these customers under PSC-approved rates and include them in the natural gas distribution results and customer statistics.

Our natural gas and electric distribution operations earn profits on the delivery of natural gas or electricity to customers. The cost of natural gas or electricity that we deliver is passed through to customers under PSC-approved fuel cost recovery mechanisms. The mechanisms allow us to adjust our rates on an ongoing basis without filing a rate case to recover changes in the cost of the natural gas and electricity that we purchase for customers. Therefore, while our distribution operating revenues fluctuate with the cost of natural gas or electricity we purchase, our distribution adjusted gross margin is generally not impacted by fluctuations in the cost of natural gas or electricity.

Our natural gas transmission operations bill customers under rate schedules approved by the FERC or at rates negotiated with customers.

Operational Highlights

The following table presents operating revenues, volumes and the average number of customers by customer class for our natural gas and electric distribution operations for the year ended December 31, 2023:

	Delmarva Natural Gas Distribution			Florida Natural Gas Distribution (1)			Florida City Gas Distribution (2)			Florida Electric Distribution		
Operating Revenues *(in thousands)*												
Residential	$	87,709	62 %	$	50,792	30 %	$	5,042	42 %	$	49,542	50 %
Commercial and Industrial		54,261	38 %		108,913	65 %		5,872	49 %		52,047	52 %
Other (3)		(997)	<(1)%		8,655	5 %		1,159	9 %		(2,115)	(2)%
Total Operating Revenues	$	140,973	100 %	$	168,360	100 %	$	12,073	100 %	$	99,474	100 %
Volumes *(in Dts for natural gas/MW Hours for electric)*												
Residential		4,389,934	29 %		2,081,045	5 %		157,884	10 %		300,118	44 %
Commercial and Industrial		10,230,662	69 %		41,498,921	94 %		940,028	57 %		384,306	56 %
Other		293,186	2 %		627,934	1 %		549,132	33 %		—	— %
Total Volumes		14,913,782	100 %		44,207,900	100 %		1,647,044	00 %		684,424	100 %
Average Number of Customers (4)												
Residential		97,666	92 %		88,384	91 %		112,585	93%		25,719	78 %
Commercial and Industrial		8,246	8 %		8,415	9 %		8,587	7%		7,372	22 %
Other		23	<1%		6	<1%		6	<1%		—	— %
Total Average Number of Customers		105,935	100 %		96,805	100 %		121,178	100 %		33,091	100 %

(1) In accordance with the Florida PSC approval of our natural gas base rate proceeding, effective March 1, 2023, our natural gas distribution business in Florida (FPU, FPU-Indiantown division, FPU-Fort Meade division and Chesapeake Utilities' CFG division) have been consolidated and amounts are now being presented on a consolidated basis consistent with the final rate order

(2) Operating revenues and volumes for FCG include amounts from the acquisition date Customer totals for FCG reflect actual amounts at December 31, 2023 since the period from the acquisition covered only one month. For additional information on FCG's results, see discussion under *Item 7, Management's Discussion and Analysis of Financial Condition and Results of Operations*

(3) Operating Revenues from "Other" sources include revenue, unbilled revenue, under (over) recoveries of fuel cost, conservation revenue, other miscellaneous charges, fees for billing services provided to third parties, and adjustments for pass-through taxes

(4) Average number of customers is based on the twelve-month average for the year ended December 31, 2023

The following table presents operating revenues, by customer type, for Eastern Shore and Peninsula Pipeline for the year ended December 31, 2023, as well as contracted firm transportation capacity by customer type, and design day capacity at December 31, 2023. Aspire Energy Express has been excluded from the table below and had operating revenue of $1.5 million and firm transportation capacity of 300,000 Dts/d for the year ended December 31, 2023:

	Eastern Shore			Peninsula Pipeline		
Operating Revenues *(in thousands)*						
Local distribution companies - affiliated (1)	$	34,050	43 %	$	24,324	80 %
Local distribution companies - non-affiliated		22,163	28 %		2,449	8 %
Commercial and industrial - affiliated		—	— %		1,651	5 %
Commercial and industrial - non-affiliated		23,439	29 %		534	2 %
Other (2)		271	<1%		1,442	5 %
Total Operating Revenues	$	79,923	100 %	$	30,400	100 %
Contracted firm transportation capacity *(in Dts/d)*						
Local distribution companies - affiliated		160,595	51 %		351,976	39 %
Local distribution companies - non-affiliated		56,576	18 %		534,825	59 %
Commercial and industrial - affiliated		—	— %		8,300	1 %
Commercial and industrial - non-affiliated		98,540	31 %		5,100	1 %
Total Contracted firm transportation capacity		315,711	100 %		900,201	100 %
Design day capacity *(in Dts/d)*		315,711	100 %		900,201	100 %

(1) Eastern Shore's and Peninsula Pipeline's service to our local distribution affiliates is based on the respective regulator's approved rates and is an integral component of the cost associated with providing natural gas supplies to the end users of those affiliates We eliminate operating revenues of these entities against the natural gas costs of those affiliates in our consolidated financial information, however, our local distribution affiliates include this amount in their purchased fuel cost and recover it through fuel cost recovery mechanisms

(2) Operating revenues from "Other" sources are from the rental of gas properties

Regulatory Overview

The following table highlights key regulatory information for each of our principal Regulated Energy operations. Peninsula Pipeline and Aspire Energy Express are not regulated with regard to cost of service by either the Florida PSC or Ohio PUC respectively, or the FERC and are therefore excluded from the table. See Item 8, *Financial Statements and Supplementary Data* (Note 18, *Rates and Other Regulatory Activities*, in the consolidated financial statements) for further discussion on the impact of this legislation on our regulated businesses.

	Natural Gas Distribution							
	Delmarva				**Florida**		**Electric Distribution**	**Natural Gas Transmission**
Operation/Division	**Delaware**	**Maryland** [1]	**Sandpiper** [1]	**Elkton Gas** [1][2]	**Florida Natural Gas**	**Florida City Gas**	**FPU**	**Eastern Shore**
Regulatory Agency	Delaware PSC	Maryland PSC			Florida PSC			FERC
Effective date - Last Rate Order	01/01/2017	12/1/2007	12/01/2019	02/07/2019	3/1/23	6/9/23	10/8/2020	08/01/2017
Rate Base (in Rates) (in Millions)	Not stated	Not stated	Not stated	Not stated	$453.7	$487.3	$24.9	Not stated
Annual Rate Increase Approved (in Millions)	$2.3	$0.6	N/A[3]	$0.1	$17.2	$14.1	$3.4 base rate and $7.7 from storm surcharge	$9.8
Capital Structure (in rates) [4]	Not stated	LTD: 42% STD: 5% Equity: 53%	Not stated	LTD: 50% Equity: 50%	LTD: 33% STD: 5% Equity: 45% Other: 17%	LTD: 31% STD: 4% Equity: 53% Other: 12%	LTD: 22% STD: 23% Equity: 55%	Not stated
Allowed Return on Equity [5]	9.75%	10.75%	Not stated [6]	9.80%	10.25%	9.50%	10.25% [7]	Not stated
TJCA Refund Status associated with customer rates	Refunded	Refunded	Refunded	N/A	Retained	Refunded	Refunded	Refunded

[1] In January 2024, our natural gas distribution businesses in Maryland, CUC-Maryland Division, Sandpiper Energy, Inc., and Elkton Gas Company (collectively, "Maryland natural gas distribution businesses") filed a joint application for a natural gas rate case with the Maryland PSC. The outcome of the application is subject to review and approval by the Maryland PSC.
[2] The rate increase and allowed return on equity for Elkton Gas were approved by the Maryland PSC before we acquired the company.
[3] The Maryland PSC approved a declining return on equity.
[4] Other components of capital structure include customer deposits, deferred income taxes and tax credits.
[5] Allowed after-tax return on equity.
[6] The terms of the agreement include revenue neutral rates for the first year (December 1, 2016 through November 30, 2017), followed by a schedule of rate reductions in subsequent years based upon the projected rate of propane to natural gas conversions.
[7] The terms of the settlement agreement for the FPU electric division limited proceeding with the Florida PSC prescribed an authorized return on equity range of 9.25 to 11.25 percent, with a mid-point of 10.25 percent.
* LTD-Long-term debt, STD-Short-term debt

In May 2022, our legacy natural gas distribution businesses filed a consolidated natural gas rate case with the Florida PSC. The application included a request for the following: (i) permanent rate relief of approximately $24.1 million, effective January 1, 2023; (ii) a depreciation study also submitted with the filing; (iii) authorization to make certain changes to tariffs to include the consolidation of rates and rate structure across the businesses and to unify the Florida natural gas distribution businesses under FPU; (iv) authorization to retain the acquisition adjustment recorded at the time of the FPU merger in our revenue requirement; and (v) authorization to establish an environmental remediation surcharge for the purposes of addressing future expected remediation costs for FPU MGP sites. In August 2022, interim rates were approved by the Florida PSC in the amount of approximately $7.7 million on an annualized basis, effective for all meter readings in September 2022. The discovery process and subsequent hearings were concluded during the fourth quarter of 2022 and briefs were submitted in the same quarter of 2022. In January 2023, the Florida PSC approved the application for consolidation and permanent rate relief of approximately $17.2 million on an annual basis. Actual rates in connection with the rate relief were approved by the Florida PSC in February 2023 with an effective date of March 1, 2023.

In May 2022, FCG filed a general base rate increase with the Florida PSC based on a projected 2023 test year. In June 2023, the Florida PSC issued an order approving a single total base revenue increase of $23.3 million (which included an incremental increase of $14.1 million, a previously approved increase of $3.8 million for a liquefied natural gas facility, and $5.3 million to transfer the SAFE investments from a rider clause to base rates), with new rates becoming effective as of May 1, 2023. The Commission also approved FCG's proposed reserve surplus amortization mechanism ("RSAM") with a $25.0 million reserve amount, continuation and expansion of the capital SAFE program, implementation of an automated metering infrastructure pilot, and continuation of the storm damage reserve with a target reserve of $0.8 million. On June 23, 2023, the Florida OPC filed a motion for reconsideration of the PSC's approval of RSAM, which was denied on September 12, 2023. On July 7, 2023, the Florida OPC filed a notice of appeal with the Florida Supreme Court, which is pending.

The following table presents surcharge and other mechanisms that have been approved by the respective PSC for our regulated energy distribution businesses. These include: Delaware surcharges to expand natural gas service in its service territory as well as for the conversion of propane distribution systems to natural gas; Maryland's surcharges to fund natural gas conversions and system improvements in Worcester County; Elkton's Strategic Infrastructure Development and Enhanced (STRIDE) plan for accelerated pipeline replacement for older portions of the natural gas distribution system; Florida's GRIP surcharge which provides accelerated recovery of the costs of replacing older portions of the natural gas distribution system to improve safety and reliability; FCG's SAFE surcharge which provides accelerated recovery of the costs of replacing older portions of that natural gas distribution system to improve safety and reliability; and the Florida electric distribution operation's limited proceeding which allowed recovery of storm-related costs.

Operation(s)/Division(s)	Jurisdiction	Infrastructure mechanism	Revenue normalization
Delaware division	Delaware	Yes	No
Maryland division	Maryland	No	Yes
Sandpiper Energy	Maryland	Yes	Yes
Elkton Gas	Maryland	Yes	Yes
Florida Natural Gas	Florida	Yes	No
Florida City Gas [(1)]	Florida	Yes	No
FPU electric division	Florida	Yes	No

[(1)] See Item 8, *Financial Statements and Supplementary Data*, Note 18, *Rates and Other Regulatory Activities*, for additional information related to FCG's RSAM that was approved as part of its rate case effective as of May 1, 2023

Weather

Weather variations directly influence the volume of natural gas and electricity sold and delivered to residential and commercial customers for heating and cooling and changes in volumes delivered impact the revenue generated from these customers. Natural gas volumes are highest during the winter months, when residential and commercial customers use more natural gas for heating. Demand for electricity is highest during the summer months, when more electricity is used for cooling. We measure the relative impact of weather using degree-days. A degree-day is the measure of the variation in the weather based on the extent to which the average daily temperature falls above or below 65 degrees Fahrenheit. Each degree of temperature below 65 degrees Fahrenheit is counted as one heating degree-day, and each degree of temperature above 65 degrees Fahrenheit is counted as one cooling degree-day. Normal heating and cooling degree-days are based on the most recent 10-year average.

Competition

Natural Gas Distribution

While our natural gas distribution operations do not compete directly with other distributors of natural gas for residential and commercial customers in our service areas, we do compete with other natural gas suppliers and alternative fuel providers for sales to industrial customers. Large customers could bypass our natural gas distribution systems and connect directly to intrastate or interstate transmission pipelines, and we compete in all aspects of our natural gas business with alternative energy sources, including electricity, oil, propane and renewables. The most effective means to compete against alternative fuels are lower prices, superior reliability and flexibility of service. Natural gas historically has maintained a price advantage in the residential, commercial and industrial markets, and reliability of natural gas supply and service has been excellent. In addition, we provide flexible pricing to our large customers to minimize fuel switching and protect these volumes and their contributions to the profitability of our natural gas distribution operations.

Natural Gas Transmission

Our natural gas transmission business competes with other interstate and intrastate pipeline companies to provide service to large industrial, generation and distribution customers, primarily in the northern portion of the Delmarva Peninsula and in Florida. Our transmission business in Ohio, Aspire Energy Express, services one customer, Guernsey Power Station, to which it is the sole supplier.

Electric Distribution

While our electric distribution operations do not compete directly with other distributors of electricity for residential and commercial customers in our service areas, we do compete with other electricity suppliers and alternative fuel providers for sales to industrial customers. Some of our large industrial customers may be capable of generating their own electricity, and we structure rates, service offerings and flexibility to retain these customers in order to retain their business and contributions to the profitability of our electric distribution operations.

Supplies, Transmission and Storage

Natural Gas Distribution

Our natural gas distribution operations purchase natural gas from marketers and producers and maintain contracts for transportation and storage with several interstate pipeline companies to meet projected customer demand requirements. We believe that our supply and capacity strategy will adequately meet our customers' needs over the next several years and we will continue to adapt our supply strategy to meet projected growth in customer demand within our service territories.

The Delmarva natural gas distribution systems are directly connected to Eastern Shore's pipeline, which has connections to other pipelines that provide us with transportation and storage. These operations can also use propane-air and liquefied natural gas peak-shaving equipment to serve customers. Our Delmarva Peninsula natural gas distribution operations maintain asset management agreements with a third party to manage their natural gas transportation and storage capacity. The current agreements were effective as of April 1, 2023 and expire in March 2026. Our Delmarva operations receive a fee, which we share with our customers, from the asset manager, who optimizes the transportation, storage and natural gas supply for these operations.

Our Florida Natural Gas distribution business uses Peninsula Pipeline and Peoples Gas to transport natural gas where there is no direct connection with FGT. FPU natural gas distribution and Eight Flags entered into separate 10-year asset management agreements with Emera Energy Services, Inc. to manage their natural gas transportation capacity, each of which expires in November 2030. An agreement with Florida Southeast Connection LLC for additional service to Palm Beach County is also in place for an initial term through December 2044. FCG utilizes FGT and Peninsula Pipeline to transport natural gas.

A summary of our pipeline capacity contracts follows:

Division	Pipeline	Maximum Daily Firm Transportation Capacity (Dts)	Contract Expiration Date
Delmarva Natural Gas Distribution	Eastern Shore	160,595	2024-2035
	Columbia Gas [1]	5,246	2024-2026
	Transco [1]	30,419	2024-2028
	TETLP [1]	50,000	2027
Florida Natural Gas	Gulfstream [2]	10,000	2032
	FGT	47,409 - 78,817	2025-2041
	Peninsula Pipeline	346,200	2033-2048
	Peoples Gas	12,160	2024
	Florida Southeast Connection LLC	5,000	2044
	Southern Natural Gas Company	1,500	2029
Florida City Gas	FGT	32,235 - 68,955	2030
	Peninsula Pipeline	15,000	2033 - 2043

[1] Transco, Columbia Gas and TETLP are interstate pipelines interconnected with Eastern Shore's pipeline
[2] Pursuant to a capacity release program approved by the Florida PSC, all of the capacity under this agreement has been released to various third parties Under the terms of these capacity release agreements, Chesapeake Utilities is contingently liable to Gulfstream should any party, that acquired the capacity through release, fail to pay the capacity charge

Eastern Shore has three agreements with Transco for a total of 7,292 Dts/d of firm daily storage injection and withdrawal entitlements and total storage capacity of 288,003 Dts. These agreements expire in March 2028. Eastern Shore retains these firm storage services in order to provide swing transportation service and firm storage service to customers requesting such services.

Aspire Energy Express, our Ohio intrastate pipeline subsidiary, entered into a precedent agreement to provide natural gas transportation capacity to Guernsey Power Station, who completed construction of its power generation facility in Guernsey County, Ohio in January 2023. Aspire Energy Express completed construction of the gas transmission facilities in the fourth quarter of 2021 and began billing for transportation services in the first quarter of 2022.

Electric Distribution

Our Florida electric distribution operation purchases wholesale electricity under the power supply contracts summarized below:

Area Served by Contract	Counterparty	Contracted Amount (MW)	Contract Expiration Date
Northwest Florida	Gulf Power Company	Full Requirement*	2026
Northeast Florida	Florida Power & Light Company	Full Requirement*	2026
Northeast Florida	Eight Flags	21	2036
Northeast Florida	Rayonier	1.7 to 3.0	2036
Northeast Florida	WestRock Company	As-available	N/A

*The counter party is obligated to provide us with the electricity to meet our customers' demand, which may vary

Unregulated Energy

Overview

The following table presents net income for the year ended December 31, 2023 and total assets as of December 31, 2023, for our Unregulated Energy segment by operation and area served:

Operations	Area Served	Net Income (Loss)	Total Assets
(in thousands)			
Propane Operations (Sharp, Diversified Energy, FPU and Flo-gas)	Delaware, Maryland, Virginia, Pennsylvania, North Carolina, South Carolina, Florida	$ 13,587	$ 191,164
Energy Transmission (Aspire Energy)	Ohio	3,080	145,183
Energy Generation (Eight Flags)	Florida	2,235	37,805
Marlin Gas Services	The Entire U.S.	432	54,256
Sustainable investments and other [1]	Various	(1,697)	48,994
Total		$ 17,637	$ 477,402

[1] Includes our renewable natural gas projects that are in various stages of development

Propane Operations

Our propane operations sell propane to residential, commercial industrial, wholesale and AutoGas customers, in the Mid-Atlantic region, North Carolina, South Carolina and Florida, through Sharp Energy, Inc., Sharpgas, Inc., Diversified Energy, FPU and Flo-gas. We deliver to and bill our propane customers based on two primary customer types: bulk delivery customers and metered customers. Bulk delivery customers receive deliveries into tanks at their location. We invoice and record revenues for these customers at the time of delivery. Metered customers are either part of an underground propane distribution system or have a meter installed on the tank at their location. We invoice and recognize revenue for these customers based on their consumption as dictated by scheduled meter reads. As a member of AutoGas Alliance, we install and support propane vehicle conversion systems for vehicle fleets and provide on-site fueling infrastructure.

Propane Operations - Operational Highlights

For the year ended December 31, 2023, operating revenues, volumes sold and average number of customers by customer class for our propane operations were as follows:

	Operating Revenues (in thousands)		Volumes (in thousands of gallons)		Average Number of Customers [1]	
Residential bulk	$ 46,913	30 %	15,187	21 %	59,483	70 %
Residential metered	13,931	9 %	4,457	6 %	17,387	21 %
Commercial bulk	37,541	24 %	21,242	30 %	7,703	9 %
Commercial metered	1,809	%	574	1 %	202	<1%
Wholesale	25,073	16 %	24,876	35 %	35	<1%
AutoGas	7,045	5 %	4,949	7 %	76	<1%
Other [2]	22,436	15 %	—	— %	—	— %
Total	$ 154,748	100 %	71,285	100 %	84,886	100 %

[1] Average number of customers is based on a twelve-month average for the year ended December 31, 2023 Excludes customers from the propane acquisition that closed in December 2023 See Note 4 under *Item 8, Financial Statements and Supplementary Data*, for additional information on this acquisition
[2] Operating revenues from "Other" sources include revenues from customer loyalty programs, delivery, service and appliance fees, and unbilled revenues

Competition

Our propane operations compete with national and local independent companies primarily on the basis of price and service. Propane is generally a cheaper fuel for home heating than oil and electricity but more expensive than natural gas. Our propane operations are largely concentrated in areas that are not currently served by natural gas distribution systems.

Supplies, Transportation and Storage

We purchase propane from major oil companies and independent natural gas liquids producers. Propane is transported by truck and rail to our bulk storage facilities in Pennsylvania, Delaware, Maryland, Virginia, North Carolina, South Carolina and Florida which have a total storage capacity of 8.9 million gallons. Deliveries are made from these facilities by truck to tanks located on customers' premises or to central storage tanks that feed our underground propane distribution systems. While propane supply has traditionally been adequate, significant fluctuations in weather, closing of refineries and disruption in supply chains, could cause temporary reductions in available supplies.

Weather

Propane revenues are affected by seasonal variations in temperature and weather conditions, which directly influence the volume of propane used by our customers. Our propane revenues are typically highest during the winter months when propane is used for heating. Sustained warmer-than-normal temperatures will tend to reduce propane use, while sustained colder-than-normal temperatures will tend to increase consumption.

Unregulated Energy Transmission and Supply (Aspire Energy)

Aspire Energy owns approximately 2,800 miles of natural gas pipeline systems in 40 counties in Ohio. The majority of Aspire Energy's revenues are derived from long-term supply agreements with Columbia Gas of Ohio and Consumers Gas Cooperative ("CGC"), which together serve more than 22,000 end-use customers. Aspire Energy purchases natural gas to serve these customers from conventional producers in the Marcellus and Utica natural gas production areas. In October 2021, Aspire Energy completed construction of its Noble Road Landfill RNG pipeline project, which began transporting RNG generated from the landfill to Aspire Energy's pipeline system in January of 2022, displacing conventionally produced natural gas. In 2023, the RNG volumes represented approximately 10 percent of Aspire Energy's gas gathering volumes and are anticipated to continue at such rate in 2024 and beyond. In addition, Aspire Energy earns revenue by gathering and processing natural gas for customers.

For the twelve-month period ended December 31, 2023, Aspire Energy's operating revenues and deliveries by customer type were as follows:

	Operating revenues		Deliveries	
	(in thousands)	% of Total	*(in thousands Dts)*	% of Total
Supply to Columbia Gas of Ohio	$ 11,694	32 %	2,351	31 %
Supply to CGC	16,844	45 %	2,025	27 %
Supply to Marketers	6,287	17 %	3,141	41 %
Other (including natural gas gathering and processing)	2,314	6 %	64	1 %
Total	$ 37,139	100 %	7,581	100 %

Energy Generation (Eight Flags)

Eight Flags generates electricity and steam at its CHP plant located on Amelia Island, Florida. The plant is powered by natural gas transported by Peninsula Pipeline and our Florida Natural Gas distribution business and produces approximately 21 MW of electricity and 75,000 pounds per hour of steam. Eight Flags sells the electricity generated from the plant to our Florida electric distribution operation and sells the steam to the customer who owns the site on which the plant is located, both under separate 20-year contracts.

Marlin Gas Services

Marlin Gas Services is a supplier of mobile CNG and virtual pipeline solutions, primarily to utilities and pipelines. Marlin Gas Services provides temporary hold services, pipeline integrity services, emergency services for damaged pipelines and specialized gas services for customers who have unique requirements. These services are provided by a highly trained staff of drivers and maintenance technicians who safely perform these functions throughout the United States. Marlin Gas Services maintains a fleet of CNG trailers, mobile compression equipment, LNG tankers and vaporizers, and an internally developed

patented regulator system which allows for delivery of over 7,000 Dts/d of natural gas. Marlin Gas Services continues to actively expand the territories it serves, as well as leveraging its fleet of equipment and patented technologies to serve LNG and RNG market needs.

Sustainable Investments

Our sustainable investments are comprised primarily of our renewable natural gas projects that are in various stages of development. Included in these are the assets and intellectual property of Planet Found that we acquired during the fourth quarter of 2022, whose farm scale anaerobic digestion pilot system and technology produces biogas from poultry litter. In addition, we are constructing a dairy manure RNG facility that we will own and operate at Full Circle Dairy in Madison County, Florida. The project consists of a facility converting dairy manure to RNG and transportation assets to bring the gas to market. with capital expenditures totaling $19.3 million through December 31, 2023. The first injection of RNG is projected to occur in the first half of 2024.

Environmental Matters

See *Item 8, Financial Statements and Supplementary Data* (see Note 19, *Environmental Commitments and Contingencies,* in the consolidated financial statements).

Human Capital Initiatives

Our success is the direct result of our employees and our strong culture that fully engages our team and promotes equity, diversity, inclusion, integrity, accountability and reliability. We believe that a combination of diverse team members and an inclusive culture contributes to the success of our Company and to enhanced societal advancement. Each employee is a valued member of our team bringing a diverse perspective to help grow our business and achieve our goals.

Our tradition of serving employees, customers, investors, partners and communities is at the core of our special culture. Our unique culture is grounded in a solid foundation of regulated businesses, but enhanced by an entrepreneurial, innovative and competitive market mindset. Among the ongoing initiatives across our enterprise, we highlight below the importance of our team, our culture of safety, and our commitment to supporting a more sustainable future.

Our Team Drives Our Performance

Our employees are the key to our success. Our leadership and human resources teams are responsible for attracting and retaining top talent and as an equal opportunity employer committed to creating a diverse workforce, we consider all qualified applicants without regard to race, religion, color, sex, national origin. age, sexual orientation, gender identity, disability or veteran status, among other factors. Our senior management team includes a Chief Human Resources Officer, with expertise in diverse candidate recruitment, to ensure that we continue to expand our candidate pools to better reflect the diverse demographics of the communities we serve.

Throughout our organization, we seek to promote from within. reviewing strategic positions regularly and identifying potential internal candidates to fill those positions, evaluating critical job skill sets to identify competency gaps and creating developmental plans to facilitate employee professional growth. We provide training and development programs, including many forms of training on our internal learning platform, as well as tuition reimbursement to promote continued professional growth.

Subsequent to the acquisition of FCG, we had a total of 1.281 employees at December 31, 2023, 196 of whom are union employees represented by two labor unions: the International Brotherhood of Electrical Workers ("IBEW") and the United Food and Commercial Workers Union. The collective bargaining agreements covering our legacy employees with these labor unions expire in 2025. Negotiations began in January 2024 with IBEW for those union employees that joined our Company as part of our acquisition of FCG. We consider our relationships with employees, including those covered by collective bargaining agreements, to be in good standing. We provide a competitive Total Rewards package for our employees including health insurance coverage, wellness initiatives, retirement savings benefits, paid time off. employee assistance programs, educational and tuition reimbursement. competitive pay, career growth opportunities, paid volunteer time, and a culture of recognition.

We listen to our employees and actively seek their input and feedback. Many of the initiatives we have in place are driven by feedback from our employees during an annual survey process or through regular employee engagement. We have also been purposeful in wanting to provide adequate recognition of our employees and their many efforts. Our internal recognition platform was unveiled in 2023 and enables employees to be recognized in real-time for their contributions. Our employees are the backbone of our continued growth and success.

We have an established an equity, diversity and inclusion ("EDI") Council which recommends and promotes our EDI strategy, advises our employee resource groups ("ERGs") and works with our operating units and support teams on EDI initiatives. The EDI Council’s charter includes the following objectives:

- Build a more diverse and inclusive workforce
- Promote a culture of understanding, equality and inclusion
- Educate employees about the benefits of diversity at Chesapeake Utilities
- Support community programs and organizations that are diverse and inclusive
- Provide guidance on EDI matters for the Company

The EDI Council includes members of our leadership team, the chairs of each of our ERGs and other individuals in key support roles. The CEO receives a regular report on the achievements of the EDI Council, strategic direction of initiatives, resource needs and issues that require policy decisions or other actions.

Our first ERG was established in 2019, and as of December 31, 2023, there were ten active ERGs meeting throughout the Company. ERGs are voluntary, employee-led groups that focus on shared identities, affinities and experiences and seek to apply those perspectives to initiatives that create value throughout the Company. The ERGs support their members' personal growth and professional development, and help develop learning programs and community service opportunities throughout the Company. ERGs also help foster a sense of belonging by creating a deep and intentional community that extends beyond an employee’s day-to-day team and colleagues into a companywide network.

Workplace Health and Safety

We believe that there is nothing more important than the safety of our team, our customers and our communities. We are committed to ensuring safety is at the center of our culture and the way we do business. The importance of safety is exhibited throughout the entire organization, with the direction and tone set by both the Board of Directors and our President and CEO, and evidenced through required attendance at monthly safety meetings, routine safety training and the inclusion of safety moments at key team meetings. Additionally, we remain committed to providing products and services to our customers in a safe and reliable manner.

To maintain safety as a priority, our employees remain committed and work together to ensure that our plans, programs, policies and behaviors are aligned with our aspirations as a Company. The achievement of superior safety performance is both an important short-term and long-term strategic initiative in managing our operations. Our state-of-the art training facility, Safety Town, located in Dover, Delaware, now serves as a resource for training our employees who build, maintain and operate our natural gas infrastructure, offering hands-on training and fully immersive, on-the-job field experiences. First responders and other community partners also benefit from the simulated environment and conditions they could encounter as they enter homes in the community. Construction is underway for our second Safety Town facility in Florida, and we are excited to begin utilizing this facility in 2024.

Driving Sustainability across the Company

Consistent with our culture of teamwork, the focus on sustainability is supported and shared across our organization by the dedication and efforts of our Board of Directors and its Committees, as well as the entrepreneurship and dedication of our team. As stewards of long-term enterprise value, the Board of Directors is committed to overseeing the sustainability of the Company, its environmental stewardship initiatives, its safety and operational compliance practices, and to promoting equity, diversity and inclusion that reflects the diverse communities we serve. Our ESG Committee brings together a cross-functional team of leaders across the organization responsible for identifying, assessing, executing and advancing the Company's strategic sustainability initiatives. Our Environmental Sustainability Office identifies and manages emission-reducing projects both internally as well as those that support our customers' sustainability goals. Throughout the year, Chesapeake Utilities drove numerous initiatives in support of its sustainability focus, including but not limited to:

- Constructed an RNG injection point in Yulee, Florida, providing a pathway to market for produced RNG, and progressed on construction of our first RNG production facility in Lee, Florida;

- Completed an expansion of our intrastate transmission pipeline to Vero Beach, Florida, increasing the availability of natural gas to the area;
- Served as an industry anchor partner in the Mid-Atlantic Clean Hydrogen Hub (MACH2™), which was awarded federal funding of up to $750 million in October 2023; MACH2™ is a collaboration between Delaware, southern New Jersey and southeastern Pennsylvania;
- In Delaware, filed a first-of-its-kind energy efficiency program focused on natural gas; pending approval from the Delaware PSC, the program will be implemented in 2024;
- Our Florida Natural Gas distribution business received approval for its 10-year GUARD program to remove accessibility challenges and replace older problematic distribution lines and services, increasing employee, customer, and community safety; FCG received approval to extend its similar program, SAFE, for 10 more years;
- Provided Healthy Pantry Naming Sponsor-level support and donated several recycled benches from our Pipe Recycling Project for the new 70,000 square foot Food Bank of Delaware facility located in Milford, Delaware;
- Rolled out our "Chesapeake Connections Program," connecting new team members with a "connection buddy" outside of their department for the first few months of employment;
- Introduced two new ERGs in 2023 – "PRIDE," which is focused on providing a sense of acceptance and belonging for everyone in the Chesapeake Utilities family, and "GREEN," which is passionate about the environment and committed to reducing societal impacts on the planet; and
- Named a 2023 Champion of Board Diversity by The Forum of Executive Women.

Information About Executive Officers

Set forth below are the names, ages, and positions of our executive officers with their recent business experience. The age of each officer is as of the filing date of this Annual Report.

Name	Age	Executive Officer Since	Offices Held During the Past Five Years
Jeffry M. Householder	66	2010	Chairman of the Board of Directors (May 2023 - present) President (January 2019 - present) Chief Executive Officer (January 2019 - present) Director (January 2019 - present) President of FPU (June 2010 - February 2019)
Beth W. Cooper	57	2005	Executive Vice President (February 2019 - present) Chief Financial Officer (September 2008 - present) Senior Vice President (September 2008 - February 2019) Treasurer (January 2022 - present) Assistant Corporate Secretary (March 2015 - present)
James F. Moriarty	66	2015	Executive Vice President (February 2019 - present) General Counsel & Corporate Secretary (March 2015 - present) Chief Policy and Risk Officer (February 2019 - present) Senior Vice President (February 2017 - February 2019) Vice President (March 2015 - February 2017)
Kevin J. Webber	65	2010	Chief Development Officer (January 2022 - present) Senior Vice President (February 2019 - present) President FPU (February 2019 - December 2019) Vice President Gas Operations and Business Development Florida Business Units (July 2010 - February 2019)
Jeffrey S. Sylvester	54	2019	Chief Operating Officer (January 2022 - present) Senior Vice President (December 2019 - present) Vice President Black Hills Energy (October 2012 - December 2019)

Available Information on Corporate Governance Documents

Our Annual Reports on Form 10-K, Quarterly Reports on Form 10-Q, Current Reports on Form 8-K and other reports and amendments to these reports that we file with or furnish to the SEC at their website, *www.sec.gov,* are also available free of charge at our website, *www.chpk.com,* as soon as reasonably practicable after we electronically file these reports with, or furnish these reports to the SEC. The content of this website is not part of this Annual Report.

In addition, the following documents are available free of charge on our website, *www.chpk.com*:

- Business Code of Ethics and Conduct applicable to all employees, officers and directors;

- Code of Ethics for Financial Officers;
- Corporate Governance Guidelines; and
- Charters for the Audit Committee, Compensation Committee, Investment Committee, and Corporate Governance Committee of the Board of Directors.

Any of these reports or documents may also be obtained by writing to: Corporate Secretary; c/o Chesapeake Utilities Corporation, 500 Energy Lane Suite 100, Dover, DE 19901.

ITEM 1A. RISK FACTORS

The risks described below fall into three broad categories related to (1) financial risks, (2) operational risks, and (3) regulatory, legal and environmental risks, all of which may affect our operations and/or the financial performance of our regulated and unregulated energy businesses. These are not the only risks we face but are considered to be the most material. There may be other unknown or unpredictable risks or other factors that could have material adverse effects on our future results. Refer to the section entitled *Item 7, Management's Discussion and Analysis of Financial Condition and Results of Operations* of this Annual Report for an additional discussion of these and other related factors that affect our operations and/or financial performance.

FINANCIAL RISKS

Our financial results may fluctuate significantly and may not fully reflect the underlying performance of our business.

Our operating results, including our revenues, operating margin, profitability, and cash flow, may vary significantly in the future and period-to-period comparisons of our operating results may not be meaningful. Accordingly, the results of any one quarter or year should not be relied upon as an indication of future performance. Our financial results may fluctuate as a result of a variety of factors, many of which are outside of our control, and such fluctuations and related impacts to any capital or earnings guidance we may issue from time to time, or any modification or withdrawal thereof, may negatively impact the value of our securities.

Instability and volatility in the financial markets could negatively impact access to capital at competitive rates, which could affect our ability to implement our strategic plan, undertake improvements and make other investments required for our future growth.

Our business strategy includes the continued pursuit of growth and requires capital investment in excess of cash flow from operations. As a result, the successful execution of our strategy is dependent upon access to equity and debt at reasonable costs. Our ability to issue new debt and equity capital and the cost of equity and debt are greatly affected by our financial performance and the conditions of the financial markets. In addition, our ability to obtain adequate and cost-effective debt depends on our credit ratings. A downgrade in our current credit ratings could negatively impact our access to and cost of debt. If we are not able to access capital at competitive rates, our ability to implement our strategic plan, undertake improvements and make other investments required for our future growth may be limited.

Fluctuations in propane gas prices could negatively affect results of operations.

The combination of high demand and lower-than-average inventory is always a common driver for higher propane gas prices. We adjust the price of the propane we sell based on changes in our cost of purchasing propane. However, if the market does not allow us to increase propane sales prices to compensate fully for fluctuations in purchased propane costs, our results of operations and cash flows could be negatively affected.

If we fail to comply with our debt covenant obligations, we could experience adverse financial consequences that could affect our liquidity and ability to borrow funds.

Our long-term debt obligations and our Revolver contain financial covenants related to debt-to-capital ratios and interest-coverage ratios. Failure to comply with any of these covenants could result in an event of default which, if not cured or waived, could result in the acceleration of outstanding debt obligations, the inability to borrow under certain credit agreements and terms, or the inability to access capital from other sources. Any such default could cause a material adverse change in our financial condition, results of operations and cash flows. As of December 31, 2023, we were in compliance with all of our debt covenants.

Increases in interest rates may adversely affect our results of operations and cash flows.

Increases in interest rates could increase the cost of future debt issuances. To the extent we are not able to fully recover higher debt costs in the rates we charge our utility customers, or the timing of such recovery is not certain, our earnings could be adversely affected. Increases in short-term interest rates could negatively affect our results of operations, which depend on short-term debt to finance accounts receivable and storage gas inventories and to temporarily finance capital expenditures. Reference should be made to *Item 7A, Quantitative and Qualitative Disclosures about Market Risk* for additional information.

Continuing or worsening inflationary and/or supply chain issues may adversely impact our financial condition and results of operations.

Our business is dependent on the supply chain to ensure that equipment, materials and other resources are available to both expand and maintain our services in a safe and reliable manner. Pricing of equipment, materials and other resources have increased recently and may continue to do so in the future. Failure to secure equipment, materials and other resources on economically acceptable terms, including failure to eliminate or manage the constraints in the supply chain, may impact the availability of items that are necessary to support normal operations as well as materials that are required for continued infrastructure growth, and as a result, may adversely impact our financial condition and results of operations.

In addition, it may become more costly for us to recruit and retain key employees, particularly specialized/technical personnel, in the face of competitive market conditions and increased competition for specialized and experienced workers in our industry.

Disruptions, uncertainty or volatility in the credit and capital markets may exert downward pressure on the market price of the Company's common stock.

The market price and trading volume of the Company's common stock is subject to fluctuations as a result of, among other factors, general credit and capital market conditions and changes in market sentiment regarding the operations, business and financing strategies of the Company and its subsidiaries. As a result, disruptions, uncertainty or volatility in the credit and capital markets may, amongst other things, have a material adverse effect on the market price of the Company's common stock.

Current market conditions could adversely impact the return on plan assets for our Company sponsored defined benefit plans, which may require significant additional funding.

The Company's primary defined benefit pension plan, the FPU pension plan, is a funded plan that is closed to new employees and the future benefits are frozen. At December 31, 2023, the FPU pension plan benefit obligation was $49.4 million and was funded at approximately 100 percent. The costs of providing benefits and related funding requirements of the FPU plan is subject to changes in the market value of the assets that fund the plan and the discount rates used to estimate the pension benefit obligations. The funded status of the plans and the related costs reflected in our financial statements are affected by various factors that are subject to an inherent degree of uncertainty, particularly in the current economic environment. Future losses of asset values and further declines in discount rates may necessitate accelerated funding of the plans to meet minimum federal government requirements and may result in higher pension expense in future years. Adverse changes in the benefit obligation of the FPU pension plan may require us to record higher pension expense and fund obligations earlier than originally planned, which would have an adverse impact on our cash flows from operations, decrease borrowing capacity and increase interest expense.

OPERATIONAL RISKS

We are dependent upon construction of new facilities to support future growth in earnings in our natural gas and electric distribution and natural gas transmission operations.

Construction of new facilities required to support future growth is subject to various regulatory and developmental risks, including but not limited to: (i) our ability to obtain timely certificate authorizations, necessary approvals and permits from regulatory agencies and on terms that are acceptable to us; (ii) potential changes in federal, state and local statutes and regulations, including environmental requirements, that prevent a project from proceeding or increase the anticipated cost of the project; (iii) our inability to acquire rights-of-way or land rights on a timely basis on terms that are acceptable to us; (iv) lack of anticipated future growth in available natural gas and electricity supply and demand; (v) insufficient customer throughput commitments; and (vi) lack of available and qualified third-party contractors which could impact the timely construction of new facilities. Adverse outcomes and/or changes in these risks could limit the future growth of our business and cause a material adverse change in our financial condition, results of operations and cash flows.

We do not own all of the land on which our pipelines and facilities are located, which could result in disruptions to our operations.

Because we do not own all of the land on which our pipelines and facilities have been constructed, we are subject to the possibility of more onerous terms or increased costs to retain necessary land use if we do not have valid rights-of-way or if such rights-of-way lapse or terminate. We obtain the rights to construct and operate our pipelines on land owned by third parties and governmental agencies for a specific period of time. Our loss of these rights, through our inability to renew right-of-way contracts or otherwise, could have a material adverse effect on our business, financial condition and results of operations.

We operate in a competitive environment, and we may lose customers to competitors.

Natural Gas. Our natural gas transmission and distribution operations compete with interstate pipelines when our customers are located close enough to a competing pipeline to make direct connections economically feasible. Customers also have the option to switch to alternative fuels, including renewable energy sources. Failure to retain and grow our natural gas customer base would have an adverse effect on our financial condition, results of operations and cash flows.

Electric. Our Florida electric distribution business has remained substantially free from direct competition from other electric service providers but does face competition from other energy sources. Changes in the competitive environment caused by legislation, regulation, market conditions, or initiatives of other electric power providers, particularly with respect to retail electric competition, would adversely affect our financial condition, results of operations and cash flows.

Propane. Our propane operations compete with other propane distributors, primarily on the basis of service and price. Our ability to grow the propane operations business is contingent upon capturing additional market share, expanding into new markets, and successfully utilizing pricing programs that retain and grow our customer base. Failure to retain and grow our customer base in our propane operations would have an adverse effect on our financial condition, results of operations and cash flows.

Fluctuations in weather may cause a significant variance in our earnings.

Our natural gas distribution, propane operations and natural gas transmission operations, are sensitive to fluctuations in weather conditions, which directly influence the volume of natural gas and propane we transport, sell and deliver to our customers. A significant portion of our natural gas distribution, propane operations and natural gas transmission revenue is derived from the sales and deliveries to residential, commercial and industrial heating customers during the five-month peak heating season (November through March). Other than our Maryland natural gas distribution businesses (Maryland division, Sandpiper Energy and Elkton Gas) which have revenue normalization mechanisms, if the weather is warmer than normal, we generally sell and deliver less natural gas and propane to customers, and earn less revenue, which could adversely affect our results of operations, cash flows and financial condition. Conversely, if the weather is colder than normal, we generally sell and deliver more natural gas and propane to customers, and earn more revenue, which could positively affect our results of operations, cash flows and financial condition. Variations in weather from year to year can cause our results of operations, cash flows and financial condition to vary accordingly.

Our electric distribution operation is also affected by variations in weather conditions and unusually severe weather conditions. However, electricity consumption is generally less seasonal than natural gas and propane because it is used for both heating and cooling in our service areas.

Severe weather events (such as a major hurricane, flood or tornado), natural disasters and acts of terrorism could adversely impact earnings and access to insurance coverage.

Inherent in energy transmission and distribution activities are a variety of hazards and operational risks, such as leaks, ruptures, fires, uncontrollable flows of natural gas, explosions, release of contaminants into the environment, sabotage and mechanical problems. Severe weather events and natural disasters may damage our assets, cause operational interruptions and result in the loss of human life, all of which could negatively affect our earnings, financial condition and results of operations.

Acts of terrorism and the impact of retaliatory military and other action by the U.S. and its allies may lead to increased political, economic and financial market instability and volatility in the price of natural gas, electricity and propane that could negatively affect our operations. Companies in the energy industry may face a heightened risk of exposure to acts of terrorism, which could affect our financial condition, results of operations and cash flows.

The insurance industry may also be affected by severe weather events, natural disasters and acts of terrorism. As a result, the availability of insurance covering risks against which we and our competitors typically insure may be limited. In addition, the insurance we are able to obtain may have higher deductibles, higher premiums and more restrictive policy terms, which could adversely affect our financial condition, results of operations and cash flows.

Operating events affecting public safety and the reliability of our natural gas and electric distribution and transmission systems could adversely affect our operations and increase our costs.

Our natural gas and electric operations are exposed to operational events and risks, such as major leaks, outages, mechanical failures and breakdown, operations below the expected level of performance or efficiency, and accidents that could affect public safety and the reliability of our distribution and transmission systems, significantly increase costs and cause loss of customer confidence. If we are unable to recover all or some of these costs from insurance and/or customers through the regulatory process, our financial condition, results of operations and cash flows could be adversely affected.

A security breach disrupting our operating systems and facilities or exposing confidential information may adversely affect our reputation, disrupt our operations and increase our costs.

The cybersecurity risks associated with the protection of our infrastructure and facilities is evolving and increasingly complex. We continue to heavily rely on technological tools that support our business operations and corporate functions while enhancing our security. There are various risks associated with our information technology infrastructure, including hardware and software failure, communications failure, data distortion or destruction, unauthorized access to data, misuse of proprietary or confidential data, unauthorized control through electronic means, cyber-attacks, cyber-terrorism, data breaches, programming mistakes, and other inadvertent errors or deliberate human acts. Further, the U.S. government has issued public warnings that indicate energy assets might be specific targets of cybersecurity threats and/or attacks.

Many of our employees, service providers, and vendors have been working, and continue to work, from remote locations, where cybersecurity protections could be limited and cybersecurity procedures and safeguards could be less effective. As such, we could be subject to a higher risk of cybersecurity breaches than ever before. Therefore, we could be required to expend significant resources to continue to modify or enhance our procedures and controls or to upgrade our digital and operational systems, related infrastructure, technologies and network security.

Any such failure, attack, or security breach could adversely impact our ability to safely and reliably deliver services to our customers through our transmission, distribution, and generation systems, subjecting us to reputational and other harm, and subject us to legal and regulatory proceedings and claims and demands from third parties, any of which could adversely affect our business, our earnings, results of operation and financial condition. In addition, the protection of customer, employee and Company data is crucial to our operational security. A breach or breakdown of our systems that results in the unauthorized release of individually identifiable customer information or other sensitive data could have an adverse effect on our reputation, results of operations and financial condition and could also materially increase our costs of maintaining our system and protecting it against future breakdowns or breaches. We take reasonable precautions to safeguard our information systems from cyber-attacks and security breaches; however, there is no guarantee that the procedures implemented to protect against unauthorized access to our information systems are adequate to safeguard against all attacks and breaches. We also cannot assure that any redundancies built into our networks and technology, or the procedures we have implemented to protect against cyber-attacks and other unauthorized access to secured data, are adequate to safeguard against all failures of technology or security breaches.

The Company's business, results of operations, financial condition and cash flows could be adversely affected by interruption of the Company's information technology or network systems as well as the Company's implementation of its technology roadmap.

Currently, we rely on centralized and local information technology networks and systems, some of which are managed or accessible by third parties, to process, transmit and store electronic information, and to otherwise manage or support our business. Additionally, the Company collects and stores certain data, including proprietary business information, and has access to confidential or personal information that is subject to privacy and security laws, regulations and customer-imposed controls. The processing and storage of personal information is increasingly subject to privacy and data security regulations. The interpretation and application of data protection laws in the U.S. are continuing to evolve and may be different across jurisdictions. Violations of these laws could result in criminal or civil sanctions and even the mere allegation of such violations, could harm the Company's reputation.

Information technology system and/or network disruptions, whether caused by acts of sabotage, employee error, malfeasance or otherwise, could have an adverse impact on the Company's operations as well as the operations of the Company's customers and suppliers. As a result, the Company may be subject to legal claims or regulatory proceedings which could result in liability or penalties under privacy laws, disruption in the Company's operations, and damage to the Company's reputation, adversely affecting the Company's business, results of operations, financial condition and cash flows.

The Company is also implementing a technology roadmap that will significantly advance our technological capabilities. The implementation of new software in multiple phases is a complex process that involves several risks. Some of the common risks include:

- Expectations of what the software can do is not achieved and requires additional spending, resources and time;
- Inadequate planning, including changes in implementation plans, can lead to delays, cost overruns, and poor outcomes;
- Ensuring continued team engagement is critical as technology and systems projects are significant and involve many resources within the Company as well as the use of various third parties;
- Implementing new software can expose the organization to new security risks; and
- Integrating new software with existing systems can be challenging, as a result of compatibility issues, data migration and system downtime.

Concerns relating to the responsible use of new and evolving technologies, such as artificial intelligence (AI), may result in reputational or financial harm and liability.

While providing significant benefits, AI poses emerging legal, social, and ethical issues and presents risks and challenges. If we utilize AI solutions that have unintended consequences or may be deemed controversial, or if we are unable to develop effective internal policies and frameworks relating to the responsible use of AI, we may experience brand or reputational harm, competitive harm or legal liability. Complying with regulations related to AI could increase our cost of doing business, may change the way that we operate in certain jurisdictions, or may impede our ability to offer services in certain jurisdictions if we are unable to comply with regulations.

Failure to attract and retain an appropriately qualified employee workforce could adversely affect operations.

Our ability to implement our business strategy and serve our customers depends upon our continuing ability to attract, develop and retain talented professionals and a technically skilled workforce in a manner competitive with current market conditions, and transfer the knowledge and expertise of our workforce to new employees as our existing employees retire. Failure to hire and adequately train replacement employees, including the transfer of significant internal historical knowledge and expertise to new employees, or the future availability and cost of contract labor could adversely affect our ability to manage and operate our business. If we were unable to hire, train and retain appropriately qualified personnel, our results of operations could be adversely affected.

A strike, work stoppage or a labor dispute could adversely affect our operations.

We are party to collective bargaining agreements with labor unions at some of our Florida operations. A strike, work stoppage or a labor dispute with a union or employees represented by a union could cause interruption to our operations and our results could be adversely affected.

Our businesses are capital-intensive, and the increased costs and/or delays of capital projects may adversely affect our future earnings.

Our businesses are capital-intensive and require significant investments in ongoing infrastructure projects. These projects are subject to state and federal regulatory oversight and require certain property rights, such as easements and rights-of-way from public and private owners, as well as regulatory approvals, including environmental and other permits and licenses. There is no assurance that we will be able to obtain the necessary property rights, permits and licenses and approvals in a timely and cost-efficient manner, or at all, which may result in the delay or failure to complete a project. In addition, the availability of the necessary materials and qualified vendors could also impact our ability to complete such projects on a timely basis and manage the overall costs. Failure to complete any pending or future infrastructure projects could have a material adverse impact on our financial condition, results of operations and cash flows. Where we are able to successfully complete pending or future infrastructure projects, our revenues may not increase immediately upon the expenditure of funds on a particular project or as anticipated over the life of the project. As a result, there is the risk that new and expanded infrastructure may not achieve our expected investment returns, which could have a material adverse effect on our business, financial condition and results of operations.

Our regulated energy business may be at risk if franchise agreements are not renewed, or new franchise agreements are not obtained, which could adversely affect our future results or operating cash flows and financial condition.

Our regulated natural gas and electric distribution operations hold franchises in each of the incorporated municipalities that require franchise agreements in order to provide natural gas and electricity. Ongoing financial results would be adversely impacted in the event that franchise agreements were not renewed. If we are unable to obtain franchise agreements for new service areas, growth in our future earnings could be negatively impacted.

Slowdowns in customer growth may adversely affect earnings and cash flows.

Our ability to increase revenues in our natural gas, propane and electric distribution businesses is dependent upon growth in the residential construction market, adding new commercial and industrial customers and conversion of customers to natural gas, electricity or propane from other energy sources. Slowdowns in growth may adversely affect our financial condition, results of operations and cash flows.

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Energy conservation could lower energy consumption, which would adversely affect our earnings.

Federal and state legislative and regulatory initiatives to promote energy efficiency, conservation and the use of alternative energy sources could lower consumption of natural gas and propane by our customers. For example, on August 16, 2022, the Inflation Reduction Act of 2022 was signed into law, with hundreds of billions of dollars in incentives for the development of renewable energy, clean hydrogen, and clean fuels, amongst other provisions. These incentives could further accelerate the transition of the U.S. economy away from the use of fossil fuels towards lower- or zero-carbon emissions alternatives and impact demand for our products and services. In addition, increasing attention to climate change, societal expectations on companies to address climate change, investor and societal expectations including mandatory climate related disclosures, and the aforementioned demand for alternative forms of energy, may result in increased costs and reduced demand for our products and services. While we cannot predict the ultimate effect that the development of alternative energy sources and related laws might have on our operations, we may be subject to reduced profits, increased investigations and litigation against us, and negative impacts on our stock price and access to capital markets.

In addition, higher costs of natural gas, propane and electricity may cause customers to conserve fuel. To the extent recovery through customer rates of higher costs or lower consumption from energy efficiency or conservation is not allowed, and our propane retail prices cannot be increased due to market conditions, our financial condition, results of operations and cash flows could be adversely affected.

Commodity price increases may adversely affect the operating costs and competitive positions of our natural gas, electric and propane operations, which may adversely affect our results of operations, cash flows and financial condition.

Natural Gas and Electricity. Higher natural gas prices can significantly increase the cost of gas billed to our natural gas customers. Increases in the cost of natural gas and other fuels used to generate electricity can significantly increase the cost of electricity billed to our electric customers. Damage to the production or transportation facilities of our suppliers, which decreases their supply of natural gas and electricity, could result in increased supply costs and higher prices for our customers. Such cost increases generally have no immediate effect on our revenues and net income because of our regulated fuel cost recovery mechanisms. However, our net income may be reduced by higher expenses that we may incur for uncollectible customer accounts and by lower volumes of natural gas and electricity deliveries when customers reduce their consumption. Therefore, increases in the price of natural gas and other fuels can adversely affect our financial condition, results of operations and cash flows, as well as the competitiveness of natural gas and electricity as energy sources.

Propane. Propane costs are subject to changes as a result of product supply or other market conditions, including weather, economic and political factors affecting crude oil and natural gas supply or pricing. For example, weather conditions could damage production or transportation facilities, which could result in decreased supplies of propane, increased supply costs and higher prices for customers. Such increases in costs can occur rapidly and can negatively affect profitability. There is no assurance that we will be able to pass on propane cost increases fully or immediately, particularly when propane costs increase rapidly. Therefore, average retail sales prices can vary significantly from year-to-year as product costs fluctuate in response to propane, fuel oil, crude oil and natural gas commodity market conditions. In addition, in periods of sustained higher commodity prices, declines in retail sales volumes due to reduced consumption and increased amounts of uncollectible accounts may adversely affect net income.

Refer to *Item 7A*, *Quantitative and Qualitative Disclosures about Market Risk* for additional information.

Our use of derivative instruments may adversely affect our results of operations.

Fluctuating commodity prices may affect our earnings and financing costs because our propane operations use derivative instruments, including forwards, futures, swaps, puts, and calls, to hedge price risk. While we have risk management policies and operating procedures in place to control our exposure to risk, if we purchase derivative instruments that are not properly matched to our exposure, our results of operations, cash flows, and financial condition may be adversely affected. In addition, fluctuations in market prices could result in significant unrealized gains or losses, which could require margins to be posted on unsettled positions and impact our financial position, results of operations and cash flows.

A substantial disruption or lack of growth in interstate natural gas pipeline transmission and storage capacity or electric transmission capacity may impair our ability to meet customers' existing and future requirements.

In order to meet existing and future customer demands for natural gas and electricity, we must acquire sufficient supplies of natural gas and electricity, interstate pipeline transmission and storage capacity, and electric transmission capacity to serve such requirements. We must contract for reliable and adequate upstream transmission capacity for our distribution systems while considering the dynamics of the interstate pipeline and storage and electric transmission markets, our own on-system resources, as well as the characteristics of our markets. Our financial condition and results of operations would be materially and adversely affected if the future availability of these capacities were insufficient to meet future customer demands for natural gas and electricity. Currently, our natural gas operations in Florida rely primarily on two pipeline systems, FGT and Peninsula Pipeline (our intrastate pipeline subsidiary), for most of their natural gas supply and transmission. Our Florida electric operation secures electricity from external parties. Any continued interruption of service from these suppliers could adversely affect our ability to meet the demands of our customers, which could negatively impact our financial condition, results of operations and cash flows.

Our ability to grow our businesses could be adversely affected if we are not successful in making acquisitions or integrating the acquisitions we have completed.

One of our strategies is to grow through acquisitions of complementary businesses. On November 30, 2023, we completed the acquisition of FCG, a regulated natural gas distribution utility serving approximately 120,000 residential and commercial natural gas customers in Florida, for $923.4 million in cash, pursuant to the previously disclosed stock purchase agreement with Florida Power & Light Company. Our acquisitions, including FCG as well as future acquisitions, involve a number of risks including, but not limited to, the following:

- We may fail to realize the benefits and growth prospects anticipated as a result of the acquisition;
- We may not identify all material facts, issues and/or liabilities in due diligence; accurately anticipate required capital expenditures; or design and implement an effective internal control environment with respect to acquired businesses;
- We may experience difficulty in integrating the technology, systems, policies, processes or operations and retaining the employees, including key personnel of the acquired business;
- The historical financial results of acquisitions may not be representative of our future financial condition, results of operations and cash flows, and may not deliver the expected strategic and operational benefits;
- An acquisition may divert management's attention to integration activities or disrupt ongoing operations; and
- We may overpay for assets, which could result in the recording of excess goodwill and other intangible assets at values that ultimately may be subject to impairment charges.

These factors, amongst others, could impact our ability to successfully grow our business which could have a material adverse effect on our financial condition, results of operations and cash flows.

An impairment of our assets including long-lived assets, goodwill and other intangible assets, could negatively impact our financial condition and results of operations.

In accordance with GAAP, goodwill, intangibles, and other long-lived assets are tested for impairment annually or whenever events or changes in circumstances indicate impairment may have occurred. The testing of assets for impairment requires us to make significant estimates about our future performance and cash flows, as well as other assumptions. These values may be impacted by significant negative industry or economic trends, changes in technology, regulatory or industry conditions, disruptions to our business, inability to effectively integrate acquired businesses, unexpected significant change or planned changes in use of our assets, changes in the structure of our business, divestitures, market capitalization declines or changes in economic conditions or interest rates. If the testing performed indicates that impairment has occurred, we are required to record an impairment charge for the difference between the carrying value of the applicable asset and the implied fair value in the period the determination is made. Any changes in key assumptions, or actual performance compared with key assumptions, about our business and its future prospects could affect the fair value of one or more of our assets, which may result in an impairment charge and could negatively affect our financial condition and results of operations.

REGULATORY, LEGAL AND ENVIRONMENTAL RISKS

Regulation of our businesses, including changes in the regulatory environment, may adversely affect our financial condition, results of operations and cash flows.

The Delaware, Maryland, Ohio and Florida PSCs regulate our utility operations in those states. Eastern Shore is regulated by the FERC. The PSCs and the FERC set the rates that we can charge customers for services subject to their regulatory jurisdiction. Our ability to obtain timely rate increases and rate supplements to maintain current rates of return depends on regulatory approvals, and there can be no assurance that our regulated operations will be able to obtain such approvals or maintain currently authorized rates of return. When earnings from our regulated utilities exceed the authorized rate of return, the respective regulatory authority may require us to reduce our rates charged to customers in the future.

We may face certain regulatory and financial risks related to pipeline safety legislation.

We are subject to a number of legislative proposals at the federal and state level to implement increased oversight over natural gas pipeline operations and facilities to inspect pipeline facilities, upgrade pipeline facilities, or control the impact of a breach of such facilities. Additional operating expenses and capital expenditures may be necessary to remain in compliance. If new legislation is adopted and we incur additional expenses and expenditures, our financial condition, results of operations and cash flows could be adversely affected, particularly if we are not authorized through the regulatory process to recover from customers some or all of these costs and earn at an authorized rate of return.

Pipeline integrity programs and repairs may impose significant costs and liabilities on the Company.

The PHMSA requires pipeline operators to develop integrity management programs to comprehensively evaluate their pipelines and to take additional measures to protect pipeline segments located in areas where a leak or rupture could potentially do the most harm. The PHMSA constantly updates its regulations to ensure the highest levels of pipeline safety. As the operator of pipelines, we are required to: perform ongoing assessments of pipeline integrity; identify and characterize applicable threats to pipelines; improve data collection, integration and analysis; repair and remediate the pipelines as necessary; and implement preventative and mitigating actions. These new and any future regulations adopted by the PHMSA may impose more stringent requirements applicable to integrity management programs and other pipeline safety aspects of our operations, which could cause us to incur increased capital and operating costs and operational delays. Moreover, should we fail to comply with the PHMSA rules and regulations, we could be subject to significant penalties and fines which may adversely affect our financial condition, results of operations and cash flows.

We are subject to operating and litigation risks that may not be fully covered by insurance.

Our operations are subject to the operating hazards and risks normally incidental to handling, storing, transporting, transmitting and delivering natural gas, electricity and propane to end users. From time to time, we are a defendant in legal proceedings arising in the ordinary course of business. We maintain insurance coverage for our general liabilities in the amount of $52 million, which we believe is reasonable and prudent. However, there can be no assurance that such insurance will be adequate to protect us from all material expenses related to potential future claims for personal injury and property damage or that such levels of insurance will be available in the future at economical prices.

Costs of compliance with environmental laws may be significant.

We are subject to federal, state and local laws and regulations governing environmental quality and pollution control. These evolving laws and regulations may require expenditures over a long period of time to control environmental effects at our current and former operating sites, especially former MGP sites. To date, we have been able to recover, through regulatory rate mechanisms, the costs associated with the remediation of former MGP sites. However, there is no guarantee that we will be able to recover future remediation costs in the same manner or at all. A change in our approved rate mechanisms for recovery of environmental remediation costs at former MGP sites could adversely affect our financial condition, results of operations and cash flows.

Further, existing environmental laws and regulations may be revised, or new laws and regulations seeking to protect the environment may be adopted and be applicable to us. Revised or additional laws and regulations could result in additional operating restrictions on our facilities or increased compliance costs, which may not be fully recoverable. Any such increase in compliance costs could adversely affect our financial condition, results of operations and cash flows. Compliance with these legal obligations requires us to commit capital. If we fail to comply with environmental laws and regulations, even if such failure is caused by factors beyond our control, we may be assessed administrative, civil, or criminal penalties and fines, imposed with investigatory and remedial obligations, or issued injunctions all of which could impact our financial condition, results of operations and cash flows. See *Item 8, Financial Statements and Supplementary Data* (see Note 19*, Environmental Commitments and Contingencies,* in the consolidated financial statements).

Unanticipated changes in our tax provisions or exposure to additional tax liabilities could affect our profitability and cash flow.

We are subject to income and other taxes in the U.S. and the states in which we operate. Changes in applicable state or U.S. tax laws and regulations, or their interpretation and application, including the possibility of retroactive effect, could affect our tax expense and profitability. In addition, the final determination of any tax audits or related litigation could be materially different from our historical income tax provisions and accruals. Changes in our tax provision or an increase in our tax liabilities, due to changes in applicable law and regulations, the interpretation or application thereof, future changes in the tax rate or a final determination of tax audits or litigation, could have a material adverse effect on our financial position, results of operations and cash flows.

Our business may be subject in the future to additional regulatory and financial risks associated with global warming and climate change.

There have been a number of federal and state legislative and regulatory initiatives proposed in recent years in an attempt to control or limit the effects of global warming and overall climate change, including greenhouse gas emissions. The direction of future U.S. climate change regulation is difficult to predict given the potential for policy changes under different Presidential administrations and Congressional leadership. The Environmental Protection Agency, or other Federal agencies, may or may not continue developing regulations to reduce greenhouse gas emissions. Even if federal efforts in this area slow, states, cities and local jurisdictions may continue pursuing climate regulations. Any laws or regulations that may be adopted to restrict or reduce emissions of greenhouse gases could require us to incur additional operating costs, such as costs to purchase and operate emissions controls, to obtain emission allowances or to pay emission taxes, and could reduce demand for our energy delivery services. Federal, state and local legislative initiatives to implement renewable portfolio standards or to further subsidize the cost of solar, wind and other renewable power sources may change the demand for natural gas. We cannot predict the potential impact that such laws or regulations, if adopted, may have on our future business, financial condition or financial results.

Climate changes may impact the demand for our services in the future and could result in more frequent and more severe weather events, which ultimately could adversely affect our financial results.

Significant climate change creates physical and financial risks for us. Our customers' energy needs vary with weather conditions, primarily temperature and humidity. For residential customers, heating and cooling represent their largest energy use. To the extent weather conditions may be affected by climate change, customers' energy use could increase or decrease depending on the duration and magnitude of any changes. To the extent that climate change adversely impacts the economic health or weather conditions of our service territories directly, it could adversely impact customer demand or our customers' ability to pay. Changes in energy use due to weather variations may affect our financial condition through volatility and/or decreased revenues and cash flows. Extreme weather conditions require more system backups and can increase costs and system stresses, including service interruptions. Severe weather impacts our operating territories primarily through thunderstorms, tornadoes, hurricanes, and snow or ice storms. Weather conditions outside of our operating territories could also have an impact on our revenues and cash flows by affecting natural gas prices. To the extent the frequency of extreme weather events increases, this could increase our costs of providing services. We may not be able to pass on the higher costs to our customers or recover all the costs related to mitigating these physical risks. To the extent financial markets view climate change and emissions of greenhouse gases as a financial risk, this could adversely affect our ability to access capital markets or cause us to receive less favorable terms and conditions in future financings. Our business could be affected by the potential for investigations and lawsuits related to or against greenhouse gas emitters based on the claimed connection between greenhouse gas emissions and climate change, which could impact adversely our business, results of operations and cash flows.

Our certificate of incorporation and bylaws may delay or prevent a transaction that stockholders would view as favorable.

Our certificate of incorporation and bylaws, as well as Delaware law, contain provisions that could delay, defer or prevent an unsolicited change in control of Chesapeake Utilities, which may negatively affect the market price of our common stock or the ability of stockholders to participate in a transaction in which they might otherwise receive a premium for their shares over the then current market price. These provisions may also prevent changes in management. In addition, our Board of Directors is authorized to issue preferred stock without stockholder approval on such terms as our Board of Directors may determine. Our common stockholders will be subject to, and may be negatively affected by, the rights of any preferred stock that may be issued in the future.

ITEM 1B. UNRESOLVED STAFF COMMENTS.

None.

ITEM 1C. CYBERSECURITY

We recognize the importance of assessing, identifying, and managing material risks associated with cybersecurity threats, as such term is defined in Item 106(a) of Regulation S-K. We face a multitude of increasing cybersecurity threats, including those that target the Nation's critical infrastructure sectors. Reliable service and operational continuity are critical to our success and the welfare of those we serve, including our ability to safely and reliably deliver energy to our customers through our transmission, distribution, and generation systems. We are committed to maintaining robust governance and oversight of these risks and to investing in the implementation of mechanisms, controls, technologies, and processes designed to help us assess, identify, and manage these risks in an everchanging landscape.

To mitigate the threat to our business, we take a comprehensive, cross-functional approach to cybersecurity risk management. Our management team is actively involved in the oversight and implementation of our risk management program, of which cybersecurity represents an important component. At least annually, we conduct a cybersecurity risk assessment that evaluates information from internal stakeholders and external sources. The results of the assessment inform our alignment and prioritization of initiatives to enhance our security controls. As described in more detail below, we have established policies, standards, processes and practices for assessing, identifying, and managing material risks from cybersecurity threats which follow frameworks established by the National Institute of Standards and Technology (NIST). These include, among other things: security awareness training for employees; mechanisms to detect and monitor unusual network activity; services that identify cybersecurity threats; conducting scans of the threat environment; evaluating our industry's risk profile; utilizing internal and external audits; conducting threat and vulnerability assessments; and containment and incident response tools. We also actively engage with industry groups for benchmarking and awareness of best practices. We maintain controls and procedures that are designed to ensure prompt escalation of certain cybersecurity incidents so that decisions regarding public disclosure and reporting of such incidents can be made in a timely manner.

Our approach to cybersecurity risk management includes the following key elements:

- Multi-Layered Defense and Continuous Monitoring: We work to protect our business from cybersecurity threats through multi-layered defenses and apply lessons learned from our defense and monitoring efforts to help prevent future attacks. We utilize data analytics to detect anomalies and review trends in the data. We regularly assess and deploy technical safeguards designed to protect our information systems from cybersecurity threats. Such safeguards are regularly evaluated and enhanced based on vulnerability assessments, cybersecurity threat intelligence and incident response experience.

- Information Sharing and Collaboration: We share and receive threat intelligence and best practices with industry peers, government agencies, information sharing and analysis centers, industry trade organizations, and cybersecurity forums. These relationships enable the rapid sharing of information around threat and vulnerability mitigation.

- Third-Party Risk Assessments: We engage third-party services to conduct assessments of our security controls, whether through penetration testing, independent audits or consulting on best practices to address new challenges. These assessments include testing both the design and operational effectiveness of security controls.

- Companywide Policies and Procedures: We have companywide cybersecurity policies and procedures, such as encryption standards, antivirus protection, remote access protocols, multi-factor authentication, protection of confidential information, and the use of the internet, social media, email, and wireless devices. These policies go through an internal review process and are approved by the appropriate members of management.

- Training and Awareness: We provide awareness training to our employees to help identify, avoid and mitigate cybersecurity threats. Our employees routinely participate in phishing campaigns, education that reinforces compliance with our policies, standards and practices, and other awareness training. We also periodically perform simulations and other exercises with management and incorporate external resources and advisors as needed. Our team of cybersecurity professionals collaborate with stakeholders across our business units to further analyze the risk to the Company, and form detection, mitigation and remediation strategies.

- Supplier Engagement: We work collectively with our suppliers to support cybersecurity resiliency in our supply chain. The Company uses a variety of processes to address third-party cybersecurity threats, including reviewing the cybersecurity practices of such provider(s), contractually imposing obligations on the provider(s), notifications in the event of any known or suspected cyber incident, conducting security assessments, and periodic reassessments during the course of the Company's engagement with such provider(s).

As of the date of this Form 10-K, there have not been any cybersecurity incidents that have materially affected our business strategy, results of operations or financial condition. There can be no guarantee that our policies and procedures will be followed or, if followed, will be effective. For more information regarding the risks we face from cybersecurity threats, please see *Item 1A*, *Risk Factors*, which should be read in conjunction with this Item 1C.

Cybersecurity Risk Governance and Oversight

The Company's Board, in conjunction with its Audit Committee, oversees management's approach to cybersecurity risk and its alignment with the Company's risk management program. The Board and Audit Committee receive reports from management about the prevention, detection, mitigation, and remediation of cybersecurity incidents, including material security risks and vulnerabilities. Additionally, management provides the Audit Committee with updates on cybersecurity risk assessments, risk mitigation strategies, and relevant external and industry cybersecurity matters. The Company's Chief Information Officer ("CIO") is responsible for developing and implementing our information security program and reporting on cybersecurity matters to the Board and Audit Committee. The Company's CIO has 25 years of experience in the information technology industry. The CIO reports to the Chief Executive Officer and is supported by a dedicated cybersecurity team within our information systems department, as well as a multidisciplinary incident response team. Employees across the organization also have a role in our cybersecurity defenses, which we believe improves our cybersecurity posture.

In addition, the Company's Risk Management Committee ("RMC") evaluates risks relating to cybersecurity, among other significant risks, and applicable mitigation plans to address such risks. The RMC is comprised of members of the executive leadership team. The RMC meets monthly and receives updates from the CIO or a member of our cybersecurity team. The RMC reviews security performance metrics, global security risks, security enhancements, and updates on our security posture.

ITEM 2. Properties.

Offices and other operational facilities

We own or lease offices and other operational facilities in our service territories located in Delaware, Maryland, Virginia. North Carolina, South Carolina, Florida. Pennsylvania and Ohio.

Regulated Energy Segment

The following table presents a summary of miles of assets operated by our natural gas distribution, natural gas transmission and electric business units as of December 31, 2023:

Operations	Miles
Natural Gas Distribution	
Delmarva Natural Gas (Natural gas pipelines)	2,075
Delmarva Natural Gas (Underground propane pipelines)	17
FPU (Natural gas pipelines)	3,154
Florida City Gas (Natural gas pipelines)	3,860
Natural Gas Transmission	
Eastern Shore	517
Florida City Gas	79
Peninsula Pipeline	177
Aspire Energy Express [1]	—
Electric Distribution	
FPU	906
Total	10,785

[1] Aspire Energy Express had less than 1 mile of natural gas pipeline at December 31, 2023

Peninsula Pipeline also has a 50 percent jointly owned intrastate transmission pipeline with Seacoast Gas Transmission. LLC ("Seacoast Gas Transmission") in Nassau County, Florida. The 26-mile pipeline serves demand in both Nassau and Duval Counties.

Unregulated Energy Segment

The following table presents propane storage capacity, miles of underground distribution mains and transmission for our Unregulated Energy Segment operations as of December 31, 2023:

Operations	Gallons or miles
Propane distribution	
Propane storage capacity (gallons in millions)	8.9
Underground propane distribution mains (miles)	153
Unregulated Energy Transmission and gathering (Aspire Energy)	
Natural gas pipelines (miles)	2,800

ITEM 3. Legal Proceedings.

See Note 20, *Other Commitments and Contingencies* in the Consolidated Financial Statements, which is incorporated into Item 3 by reference.

ITEM 4. Mine Safety Disclosures.

Not applicable.

PART II

ITEM 5. Market for the Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities.

Common Stock Dividends and Stockholder Information:

Chesapeake Utilities common stock is traded on the New York Stock Exchange ("NYSE") under the ticker symbol CPK. As of February 16, 2024, we had 1,974 holders of record of our common stock. We declared quarterly cash dividends on our common stock totaling $2.305 per share in 2023 and $2.085 per share in 2022, and have paid a cash dividend to holders of our common stock for 63 consecutive years. Future dividend payments and amounts are at the discretion of the Board of Directors and will depend on our financial condition. results of operations, capital requirements, and other factors.

Indentures to our long-term debt contain various restrictions which limit our ability to pay dividends. Refer to *Item 8, Financial Statements and Supplementary Data* (see Note 12, *Long-Term Debt*, in the consolidated financial statements) for additional information.

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Purchases of Equity Securities by the Issuer

The following table sets forth information on purchases by us or on our behalf of shares of our common stock during the quarter ended December 31, 2023:

Period	Total Number of Shares Purchased	Average Price Paid per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs [2]	Maximum Number of Shares That May Yet Be Purchased Under the Plans or Programs [2]
October 1, 2023 through October 31, 2023 [1]	**663**	$ 95.19	—	
November 1, 2023 through November 30, 2023	—	—	—	—
December 1, 2023 through December 31, 2023	—	—	—	—
Total	663	$ 95.19	—	—

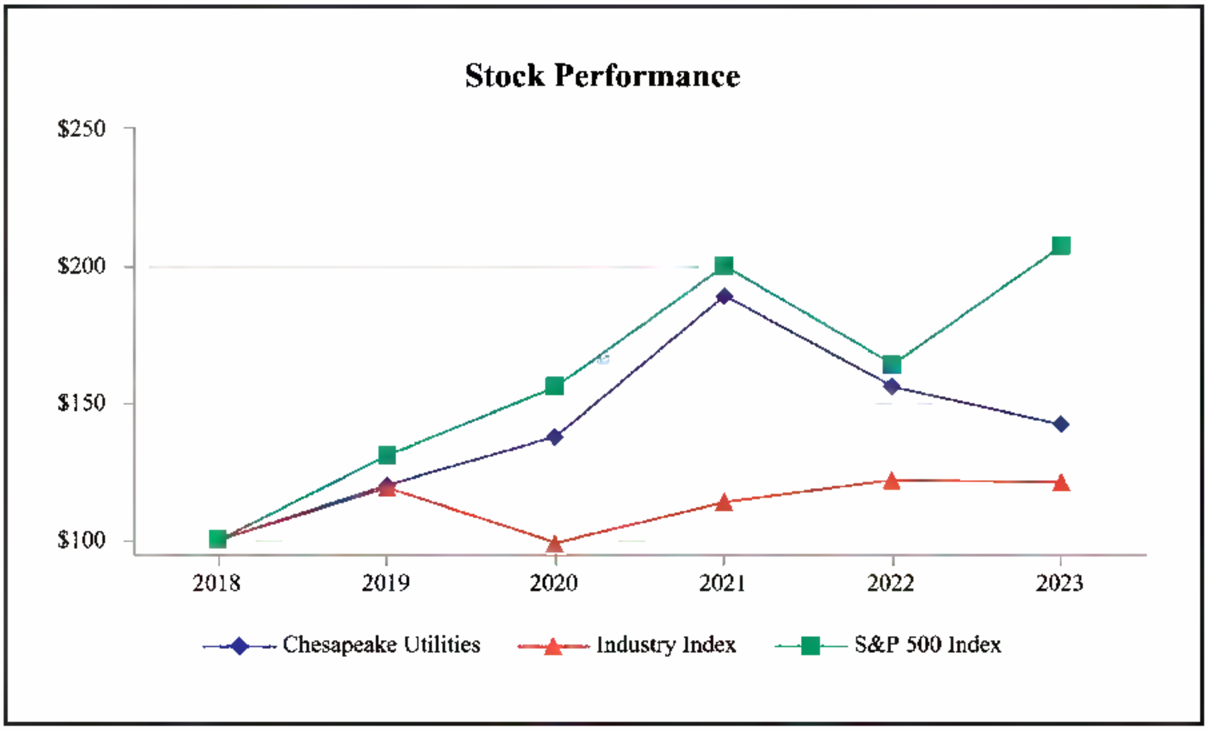
[1] In October 2023, we purchased 663 shares of common stock on the open market for the purpose of reinvesting the dividend on shares held in the Rabbi Trust accounts under the Non-Qualified Deferred Compensation Plan. The Non-Qualified Deferred Compensation Plan is discussed in detail in *Item 8, Financial Statements and Supplementary Data* (see Note 16, *Employee Benefit Plans*, in the consolidated financial statements).
[2] Except for the purpose described in footnote [1], we have no publicly announced plans or programs to repurchase our shares.

Information on certain of our equity compensation plans, for which shares of our common stock are authorized for issuance, is included in the section of our Proxy Statement captioned "Equity Compensation Plan Information" and is incorporated herein by reference.

Common Stock Performance Graph

The stock performance graph and table below compares cumulative total stockholder return on our common stock during the five fiscal years ended December 31, 2023, with the cumulative total stockholder return of the Standard & Poor's 500 Index and the cumulative total stockholder return of select peers, which include the following companies: Atmos Energy Corporation; Black Hills Corporation; New Jersey Resources Corporation; NiSource; Northwest Natural Gas Company; Northwestern Corporation; ONE Gas, Inc.; RGC Resources, Inc.; Spire, Inc.; and Unitil Corporation.

The comparison assumes $100 was invested on December 31, 2018 in our common stock and in each of the foregoing indices and assumes reinvested dividends. The comparisons in the graph below are based on historical data and are not intended to forecast the possible future performance of our common stock.



	2018	2019	2020	2021	2022	2023
Chesapeake Utilities	$ 100	$ 120	$ 138	$ 189	$ 156	$ 142
Industry Index	$ 100	$ 119	$ 99	$ 114	$ 122	$ 121
S&P 500 Index	$ 100	$ 131	$ 156	$ 200	$ 164	$ 207

ITEM 7. Management's Discussion and Analysis of Financial Condition and Results of Operations

This section provides management's discussion of Chesapeake Utilities and its consolidated subsidiaries, with specific information on results of operations, liquidity and capital resources, as well as discussion of how certain accounting principles affect our financial statements. It includes management's interpretation of our financial results and our operating segments, the factors affecting these results, the major factors expected to affect future operating results as well as investment and financing plans. This discussion should be read in conjunction with our consolidated financial statements and notes thereto in *Item 8, Financial Statements and Supplementary Data*.

Several factors exist that could influence our future financial performance, some of which are described in Item 1A*, Risk Factors*. They should be considered in connection with forward-looking statements contained in this Annual Report, or otherwise made by or on behalf of us, since these factors could cause actual results and conditions to differ materially from those set out in such forward-looking statements.

Earnings per share information is presented on a diluted basis, unless otherwise noted.

Acquisition of FCG

On November 30, 2023, we completed the acquisition of FCG for $923.4 million in cash, including working capital adjustments as defined in the agreement, pursuant to the previously disclosed stock purchase agreement with Florida Power & Light Company. Upon completion of the acquisition, FCG became a wholly-owned subsidiary of the Company and is included within our Regulated Energy segment. FCG serves approximately 120,000 residential and commercial natural gas customers across eight counties in Florida, including Miami-Dade, Broward, Brevard, Palm Beach, Hendry, Martin, St. Lucie and Indian River. Its natural gas system includes approximately 3,800 miles of distribution main and 80 miles of transmission pipe. Results for FCG are included within our consolidated results from the acquisition date.

In June 2023, FCG received approval from the Florida PSC for a $23.3 million total increase in base revenue in connection with its May 2022 rate case filing. The new rates, which became effective as of May 1, 2023, included the transfer of its SAFE program provisions from a rider clause to base rates, an increase in rates associated with a liquefied natural gas facility, and approval of FCG's proposed reserve surplus amortization mechanism ("RSAM") with a $25.0 million reserve amount. The RSAM is recorded as either an increase or decrease to accrued removal costs on the balance sheet, with a corresponding increase or decrease to depreciation and amortization expense.

The impact of FCG's results from the acquisition date and effects on our liquidity are discussed further below and throughout Item 7, *Management's Discussion and Analysis of Financial Condition and Results of Operations*.

Non-GAAP Financial Measures

This document, including the tables herein, include references to both Generally Accepted Accounting Principles ("GAAP") and non-GAAP financial measures, including Adjusted Gross Margin, Adjusted Net Income and Adjusted EPS. A "non-GAAP financial measure" is generally defined as a numerical measure of a company's historical or future performance that includes or excludes amounts, or that is subject to adjustments, so as to be different from the most directly comparable measure calculated or presented in accordance with GAAP. Our management believes certain non-GAAP financial measures, when considered together with GAAP financial measures, provide information that is useful to investors in understanding period-over-period operating results separate and apart from items that may, or could, have a disproportionately positive or negative impact on results in any particular period.

We calculate Adjusted Gross Margin by deducting the purchased cost of natural gas, propane and electricity and the cost of labor spent on direct revenue-producing activities from operating revenues. The costs included in Adjusted Gross Margin exclude depreciation and amortization and certain costs presented in operations and maintenance expenses in accordance with regulatory requirements. We calculate Adjusted Net Income and Adjusted EPS by deducting non-recurring costs and expenses associated with significant acquisitions that may affect the comparison of period-over-period results. These non-GAAP financial measures are not in accordance with, or an alternative to, GAAP and should be considered in addition to, and not as a substitute for, the comparable GAAP measures. We believe that these non-GAAP financial measures are useful and meaningful to investors as a basis for making investment decisions, and provide investors with information that demonstrates the profitability achieved by the Company under allowed rates for regulated energy operations and under the Company's competitive pricing structures for unregulated energy operations. The Company's management uses these non-GAAP financial measures in assessing a business unit's and the overall Company performance. Other companies may calculate these non-GAAP financial measures in a different manner.

The following tables reconcile Gross Margin, Net Income, and EPS, all as defined under GAAP, to our non-GAAP financial measures of Adjusted Gross Margin, Adjusted Net Income and Adjusted EPS for the years ended December 31, 2023, 2022 and 2021:

Adjusted Gross Margin

	For the Year Ended December 31, 2023			
(in thousands)	Regulated Energy	Unregulated Energy	Other and Eliminations	Total
Operating Revenues	$ 473,595	$ 223,148	$ (26,139)	$ 670,604
Cost of Sales:				
Natural gas, propane and electric costs	(140,008)	(102,492)	26,019	(216,481)
Depreciation & amortization	(48,162)	(17,347)	8	(65,501)
Operations & maintenance expenses (1)	(27,485)	(31,507)	343	(58,649)
Gross Margin (GAAP)	257,940	71,802	231	329,973
Operations & maintenance expenses (1)	27,485	31,507	(343)	58,649
Depreciation & amortization	48,162	17,347	(8)	65,501
Adjusted Gross Margin (Non-GAAP)	$ 333,587	$ 120,656	$ (120)	$ 454,123

	For the Year Ended December 31, 2022			
(in thousands)	Regulated Energy	Unregulated Energy	Other and Eliminations	Total
Operating Revenues	$ 429,424	$ 280,750	$ (29,470)	$ 680,704
Cost of Sales:				
Natural gas, propane and electric costs	(127,172)	(162,683)	29,349	(260,506)
Depreciation & amortization	(52,707)	(16.257)	(9)	(68,973)
Operations & maintenance expenses (1)	(35,472)	(29,825)	9	(65,288)
Gross Margin (GAAP)	214,073	71,985	(121)	285,937
Operations & maintenance expenses (1)	35,472	29,825	(9)	65,288
Depreciation & amortization	52,707	16,257	9	68,973
Adjusted Gross Margin (Non-GAAP)	$ 302,252	$ 118,067	$ (121)	$ 420,198

For the Year Ended December 31, 2021

(in thousands)	Regulated Energy	Unregulated Energy	Other and Eliminations	Total
Operating Revenues	$ **383,920**	$ **206,869**	$ **(20,821)**	$ **569,968**
Cost of Sales:				
Natural gas, propane and electric costs	(100,737)	(106,900)	20,687	(186,950)
Depreciation & amortization	(48,748)	(13,869)	(44)	(62,661)
Operations & maintenance expenses (1)	(32,780)	(24,123)	179	(56,724)
Gross Margin (GAAP)	**201,655**	**61,977**	**1**	**263,633**
Operations & maintenance expenses (1)	32,780	24,123	(179)	56,724
Depreciation & amortization	48,748	13,869	44	62,661
Adjusted Gross Margin (Non-GAAP)	$ **283,183**	$ **99,969**	$ **(134)**	$ **383,018**

(1) Operations & maintenance expenses within the Consolidated Statements of Income are presented in accordance with regulatory requirements and to provide comparability within the industry Operations & maintenance expenses which are deemed to be directly attributable to revenue producing activities have been separately presented above in order to calculate Gross Margin as defined under U S GAAP

2023 to 2022 Gross Margin (GAAP) Variance – Regulated Energy

Gross Margin (GAAP) for the Regulated Energy segment for 2023 was $257.9 million, an increase of $43.9 million. or 20.5 percent, compared to 2022. Higher gross margin reflects contributions from the Company's Florida Natural Gas base rate proceeding. organic growth in the Company's natural gas distribution businesses and continued pipeline expansion projects, and contributions attributable to the acquisition of FCG. These increases were partially offset by reduced customer consumption resulting from the significantly warmer temperatures in our northern service territories throughout the year and increased employee costs related to growth initiatives, the ongoing competitive labor market and higher benefits costs.

2022 to 2021 Gross Margin (GAAP) Variance – Regulated Energy

Gross Margin (GAAP) for the Regulated Energy segment for the year ended December 31, 2022 compared to 2021 is described in Item 7, *Management's Discussion and Analysis of Financial Condition and Results of Operations* in our Annual Report on Form 10-K for the year ended December 31, 2022, which is incorporated herein by reference.

2023 to 2022 Gross Margin (GAAP) Variance – Unregulated Energy

Gross Margin (GAAP) for the Unregulated Energy segment for 2023 was $71.8 million. which was largely consistent with gross margin for the prior year. The effects of changes in customer consumption due primarily to significantly warmer weather in our Mid-Atlantic and North Carolina service areas throughout the year and increased operating expenses and depreciation were largely offset by increased propane margins and fees and increased gathering charges and consumption for Aspire Energy.

2022 to 2021 Gross Margin (GAAP) Variance – Unregulated Energy

Gross Margin (GAAP) for the Unregulated Energy segment for the year ended December 31, 2022 compared to 2021 is described in Item 7, *Management's Discussion and Analysis of Financial Condition and Results of Operations* in our Annual Report on Form 10-K for the year ended December 31, 2022, which is incorporated herein by reference.

Adjusted Net Income and Adjusted EPS

(in thousands, except shares and per share data)	Year Ended December 31, 2023	2022	2021
Net Income (GAAP)	**$ 87,212**	$ 89,796	$ 83,466
FCG transaction-related expenses, net [1]	**10,625**	—	—
Adjusted Net Income (Non-GAAP)	**$ 97,837**	$ 89,796	$ 83,466
Weighted average common shares outstanding - diluted	**18,434,857**	17,804,294	17,633,029
Earnings Per Share - Diluted (GAAP)	**$ 4.73**	$ 5.04	$ 4.73
FCG transaction-related expenses, net [1]	**0.58**	—	—
Adjusted Earnings Per Share - Diluted (Non-GAAP)	**$ 5.31**	$ 5.04	$ 4.73

[1] Transaction-related expenses for the year ended December 31, 2023 represent costs incurred attributable to the acquisition of FCG, including pretax operating expenses of $10.4 million associated with legal, consulting and audit fees and $4.1 million of interest charges related to pretax fees and expenses associated with the Bridge Facility

2023 to 2022 Net Income (GAAP) Variance

Net income (GAAP) for the year ended December 31, 2023 was $87.2 million. or $4.73 per share, compared to $89.8 million, or $5.04 per share in 2022. Net income for the year ended December 31, 2023 included $10.6 million of transaction-related expenses in connection with the FCG acquisition. Excluding these costs, net income increased by $8.0 million or 9 percent compared to the prior year.

2022 to 2021 Net Income (GAAP) Variance

Net income (GAAP) for the year ended December 31, 2022 compared to 2021 is described in Item 7, *Management's Discussion and Analysis of Financial Condition and Results of Operations* in our Annual Report on Form 10-K for the year ended December 31, 2022, which is incorporated herein by reference.

(in thousands except shares and per share data)

For the Year Ended December 31,		2023		2022		Increase (Decrease)		2022		2021		Increase (Decrease)
Operating Income												
Regulated Energy	$	**126,199**	$	115,317	$	10,882	$	115,317	$	106,174	$	9,143
Unregulated Energy		**24,426**		27,350		(2,924)		27,350		24,427		2,923
Other businesses and eliminations		**178**		266		(88)		266		511		(245)
Operating Income		**150,803**		142,933		7,870		142,933		131,112		11,821
Other income, net		**1,438**		5,051		(3,613)		5,051		1,720		3,331
Interest charges		**36,951**		24,356		12,595		24,356		20,135		4,221
Income from Before Income Taxes		**115,290**		123,628		(8,338)		123,628		112,697		10,931
Income Taxes		**28,078**		33,832		(5,754)		33,832		29,231		4,601
Net Income	**$**	**87,212**	$	89,796	$	(2,584)	$	89,796	$	83,466	$	6,330
Basic Earnings Per Share of Common Stock	$	**4.75**	$	5.07	$	(0.32)	$	5.07	$	4.75	$	0.32
Diluted Earnings Per Share of Common Stock	$	**4.73**	$	5.04	$	(0.31)	$	5.04	$	4.73	$	0.31
Adjusted Net Income and Adjusted Earnings Per Share												
Net Income (GAAP)	$	**87,212**	$	89,796	$	(2,584)	$	**89,796**	$	83,466	$	6,330
FCG transaction-related expenses, net [(1)]		**10,625**		—		10,625		—		—		—
Adjusted Net Income (Non-GAAP)	**$**	**97,837**	$	89,796	$	8,041	$	**89,796**	$	83,466	$	6,330
Weighted average common shares outstanding - diluted		**18,434,857**		17,804,294		630,563		**17,804,294**		17,633,029		171,265
Earnings Per Share - Diluted (GAAP)	$	**4.73**	$	5.04	$	(0.31)	$	**5.04**	$	4.73	$	0.31
FCG transaction-related expenses, net [(1)]		**0.58**		—		0.58		—		—		—
Adjusted Earnings Per Share - Diluted (Non-GAAP)	**$**	**5.31**	$	5.04	$	0.27	$	**5.04**	$	4.73	$	0.31

[(1)] Transaction-related expenses for the year ended December 31, 2023 represent costs incurred attributable to the acquisition of FCG, including pretax operating expenses of $10.4 million associated with legal, consulting and audit fees and $4.1 million of interest charges related to pretax fees and expenses associated with the Bridge Facility.

2023 compared to 2022

Key variances in operations between 2023 and 2022 included:

(in thousands, except per share data)	Pre-tax Income	Net Income	Earnings Per Share
Year ended December 31, 2022 Adjusted Results**	**$ 123,628**	**$ 89,796**	**$ 5.04**
Non-recurring Items:			
One-time benefit associated with reduction in state tax rate	—	2,469	0.13
Absence of interest income from federal income tax refund	(826)	(600)	(0.03)
Absence of gain from sales of assets	(1,902)	(1,382)	(0.07)
	(2,728)	487	0.03
Increased (Decreased) Adjusted Gross Margins:			
Contribution from rate changes associated with Florida Natural Gas base rate proceeding*	13,361	9,820	0.53
Increased propane margins per gallon and fees	8,821	6,483	0.34
Contribution from the acquisition of FCG	8,687	6,385	0.35
Natural gas growth (excluding service expansions)	6,214	4,567	0.25
Natural gas transmission service expansions*	4,812	3,537	0.19
Contributions from regulated infrastructure programs*	2,597	1,909	0.10
Increased margins from Aspire Energy	1,141	839	0.05
Increased adjusted gross margin from off-system natural gas capacity sales	960	706	0.04
Customer consumption primarily resulting from weather	(13,627)	(10,016)	(0.54)
	32,966	24,230	1.31
(Increased) Decreased Other Operating Expenses (Excluding Natural Gas, Electricity and Propane Costs):			
Payroll, benefits and other employee-related expenses	(9,013)	(6,625)	(0.36)
FCG operating expenses	(4,190)	(3,080)	(0.17)
Facilities expenses, maintenance costs and outside services	(1,756)	(1,290)	(0.07)
Customer service related costs	(820)	(603)	(0.03)
Regulatory expenses	(658)	(484)	(0.03)
Depreciation, amortization and property tax costs	615	452	0.02
Decreased vehicle expenses	577	424	0.02
	(15,245)	(11,206)	(0.62)
Interest charges	(8,494)	(6,243)	(0.34)
Change in pension expense	(1,453)	(1,068)	(0.06)
Increase in shares outstanding due to 2023 and 2022 equity offerings	—	—	(0.17)
Net other changes	1,070	1,841	0.12
Year ended December 31, 2023 Adjusted Results**	**$ 129,744**	**$ 97,837**	**$ 5.31**

* See the Major Projects and Initiatives table

** Transaction-related expenses attributable to the acquisition of FCG have been excluded from the Company's non-GAAP measures of adjusted net income and adjusted EPS. See previous tables for a reconciliation of these items against the related GAAP measures.

SUMMARY OF KEY FACTORS

Recently Completed and Ongoing Major Projects and Initiatives

We constantly pursue and develop additional projects and initiatives to serve existing and new customers, further grow our businesses and earnings, and increase shareholder value. The following table includes the major projects and initiatives recently completed and currently underway. Major projects and initiatives that have generated consistent year-over-year adjusted gross margin contributions are removed from the table at the beginning of the next calendar year. Our practice is to add new projects and initiatives to this table once negotiations or details are substantially final and/or the associated earnings can be estimated.

	Adjusted Gross Margin				
	Year Ended December 31,			Estimate for Calendar Year	
(in thousands)	2021	2022	2023	2024	2025
Pipeline Expansions:					
Guernsey Power Station	$ 187	$ 1,377	$ 1,478	$ 1,482	$ 1,478
Southern Expansion	—	—	586	2,344	2,344
Winter Haven Expansion	—	260	637	626	626
Beachside Pipeline Expansions	—	—	1,810	2,451	2,414
North Ocean City Connector	—	—	—	—	494
St. Cloud / Twin Lakes Expansion	—	—	264	584	584
Clean Energy (1)	—	126	1,064	1,009	1,079
Wildlight	—	—	471	2,000	2,038
Lake Wales	—	—	265	454	454
Newberry	—	—	—	862	2,585
Total Pipeline Expansions	187	1,763	6,575	11,812	14,096
CNG/RNG/LNG Transportation and Infrastructure	7,566	11,100	11,181	12,500	13,969
Regulatory Initiatives:					
Florida GUARD Program	—	—	353	2,421	5,136
FCG SAFE Program	—	—	—	2,683	5,293
Capital Cost Surcharge Programs	1,199	2,001	2,829	3,979	4,374
Florida Rate Case Proceeding (2)	—	2,474	15,835	17,153	17,153
Maryland Rate Case (3)	—	—	—	TBD	TBD
Electric Storm Protection Plan	—	486	1,326	2,433	3,951
Total Regulatory Initiatives	1,199	4,961	20,343	28,669	35,907
Total	$ 8,952	$ 17,824	$ 38,099	$ 52,981	$ 63,972

(1) Includes adjusted gross margin generated from interim services through the project in-service date in September 2023.
(2) Includes adjusted gross margin during 2023 comprised of both interim rates and permanent base rates which became effective in March 2023.
(3) Rate case application filed with the Maryland PSC in January 2024. See additional information provided below.

Pipeline Expansions

Guernsey Power Station

Guernsey Power Station and our affiliate, Aspire Energy Express, are engaged in a firm transportation capacity agreement whereby Guernsey Power Station has constructed a power generation facility and Aspire Energy Express provides firm natural gas transportation service to this facility. Guernsey Power Station commenced construction of the project in October 2019, Aspire Energy Express completed construction of the gas transmission facilities in the fourth quarter of 2021, and the facility went into service during the first quarter of 2023. The project generated additional adjusted gross margin of $0.1 million for the year ended December 31, 2023, and is expected to produce adjusted gross margin of approximately $1.5 million in 2024 and beyond.

Southern Expansion

Eastern Shore installed a new natural gas driven compressor skid unit at its existing Bridgeville, Delaware compressor station that provides 7,300 Dts of incremental firm transportation pipeline capacity. The project was placed in service in the fourth quarter of 2023 and generated adjusted gross margin of $0.6 million for the year ended December 31, 2023 and is expected to produce adjusted gross margin of approximately $2.3 million in 2024 and beyond.

Winter Haven Expansion

In May 2021, Peninsula Pipeline filed a petition with the Florida PSC for approval of its Transportation Service Agreement with Florida Natural Gas for an incremental 6,800 Dts/d of firm service in the Winter Haven, Florida area. As part of this agreement, Peninsula Pipeline constructed a new interconnect with FGT and a new regulator station for Florida Natural Gas. Florida Natural Gas is using the additional firm service to support new incremental load due to growth in the area, including providing service, most immediately, to a new can manufacturing facility, as well as reliability and operational benefits to Florida Natural Gas's existing distribution system in the area. In connection with Peninsula Pipeline’s new regulator station, Florida Natural Gas also extended its distribution system to connect to the new station. This expansion was placed in service in the third quarter of 2022. The project generated additional adjusted gross margin of $0.4 million for the year ended December 31, 2023, and is expected to produce adjusted gross margin of approximately $0.6 million in 2024 and beyond.

Beachside Pipeline Expansion

In June 2021, Peninsula Pipeline and FCG entered into a Transportation Service Agreement for an incremental 10,176 Dts/d of firm service in Indian River County, Florida, to support Florida City Gas’ growth along the Indian River's barrier island. As part of this agreement, Peninsula Pipeline constructed approximately 11.3 miles of pipeline from its existing pipeline in the Sebastian, Florida, area east under the Intercoastal Waterway and southward on the barrier island. Construction was completed and the project went into service in April 2023. Subsequent to the acquisition of FCG, the agreement is now an affiliate agreement. The project generated additional adjusted gross margin of $1.8 million for the year ended December 31, 2023, and is expected to produce adjusted gross margin of approximately $2.5 million in 2024 and $2.4 million in 2025 and beyond.

North Ocean City Connector

During the second quarter of 2022, we began construction of an extension of service into North Ocean City, Maryland. Our Delaware natural gas division and Sandpiper installed approximately 5.4 miles of pipeline across southern Sussex County, Delaware to Fenwick Island, Delaware and Worcester County, Maryland. The project reinforces our existing system in Ocean City, Maryland and enables incremental growth along the pipeline. Construction of this project was completed in the second quarter of 2023. The Company filed a natural gas rate case application with the PSC for the state of Maryland in January 2024 as discussed below. Adjusted gross margin in connection with this project is contingent upon the completion of the rate case and inclusion of the project in rate base. As a result, we expect this expansion to generate annual adjusted gross margin of approximately $0.5 million beginning in 2025, with additional margin opportunities from incremental growth.

St. Cloud / Twin Lakes Expansion

In July 2022, Peninsula Pipeline filed a petition with the Florida PSC for approval of its Transportation Service Agreement with FPU for an additional 2,400 Dt/day of firm service in the St. Cloud, Florida area. As part of this agreement, Peninsula Pipeline constructed a pipeline extension and regulator station for FPU. The extension supports new incremental load due to growth in the area, including providing service, most immediately, to the residential development, Twin Lakes. The expansion also improves reliability and provides operational benefits to FPU’s existing distribution system in the area, supporting future growth. This project was placed into service in July 2023 and generated additional adjusted gross margin of $0.3 million for the year ended December 31, 2023. We expect this extension to generate additional annual adjusted gross margin of approximately $0.6 million in 2024 and beyond.

Clean Energy Expansion
During the fourth quarter of 2022, Clean Energy Fuels ("Clean Energy") and Florida Natural Gas entered into a precedent agreement for firm transportation services associated with a CNG fueling station Clean Energy is constructing. We installed approximately 2.2 miles of main extension in Davenport, Florida to support the filling station which was placed into service during September 2023. Our subsidiary, Marlin Gas Services, provided interim services to Clean Energy during the construction phase of the project. The project generated additional adjusted gross margin of $0.9 million for the year ended December 31, 2023, and is expected to contribute adjusted gross margin of approximately $1.0 million in 2024 and $1.1 million in 2025 and beyond.

Wildlight Expansion
In August 2022, Peninsula Pipeline and FPU filed a joint petition with the Florida PSC for approval of its Transportation Service Agreement associated with the Wildlight planned community located in Nassau County, Florida. The project enables us to meet the significant growing demand for service in Yulee, Florida. The agreement will enable us to build the project during the construction and build-out of the community, and charge the reservation rate as each phase of the project goes into service. Construction of the pipeline facilities will occur in two separate phases. Phase one consists of three extensions with associated facilities, and a gas injection interconnect with associated facilities. Phase two will consist of two additional pipeline extensions. Various phases of the project commenced in the first quarter of 2023, with construction on the overall project continuing through 2025. The project generated additional adjusted gross margin of $0.5 million for the year ended December 31, 2023, and is expected to contribute adjusted gross margin of approximately $2.0 million in 2024 and beyond.

Lake Wales Expansion
In February 2023, Peninsula Pipeline filed a petition with the Florida PSC for approval of its Transportation Service Agreement with our Florida Natural Gas distribution business, FPU, for an additional 9,000 Dt/d of firm service in the Lake Wales, Florida area. The PSC approved the petition in April 2023. Approval of the agreement enabled Peninsula Pipeline to complete the acquisition of an existing pipeline in May 2023 that is being utilized to serve both current and new natural gas customers. The project generated additional adjusted gross margin of $0.3 million for the year ended December 31, 2023, and is expected to contribute adjusted gross margin of approximately $0.5 million in 2024 and beyond.

Newberry Expansion
In April 2023, Peninsula Pipeline filed a petition with the Florida PSC for approval of its Transportation Service Agreement with FPU for an additional 8,000 Dt/d of firm service in the Newberry, Florida area. The petition was approved by the Florida PSC in the third quarter of 2023. Peninsula Pipeline will construct a pipeline extension, which will be used by FPU to support the development of a natural gas distribution system to provide gas service to the City of Newberry. A filing to address the acquisition and conversion of propane community gas systems in Newberry was made in November 2023, and the Florida PSC is scheduled to vote on this in March 2024. The project is expected to contribute adjusted gross margin of approximately $0.9 million in 2024 and $2.6 million in 2025 and beyond.

Worcester Resiliency Upgrade
In August 2023, Eastern Shore filed an application with the FERC requesting authorization to construct the Worcester Resiliency Upgrade, which consists of a mixture of storage and transmission facilities in Sussex County, DE and Wicomico, Worcester, and Somerset Counties in Maryland. The project will provide long-term incremental supply necessary to support the growing demand of the participating shippers. Eastern Shore has requested certificate authorization by December 2024, with a target in-service date by the third quarter of 2025.

East Coast Reinforcement Projects
In December 2023, Peninsula Pipeline filed a petition with the Florida PSC for approval of its Transportation Service Agreements with FPU for projects that will support additional supply to communities on the East Coast of Florida. The projects are driven by the need for increased supply to coastal portions of the state that have experienced an increase in population growth. Peninsula Pipeline will construct several pipeline extensions which will support FPU’s distribution system in the areas of Boynton Beach and New Smyrna Beach with an additional 15,000 Dts/day and 3,400 Dts/day, respectively. The Florida PSC is scheduled to vote on the projects in March 2024.

Central Florida Reinforcement Projects
In February 2024, Peninsula Pipeline filed a petition with the Florida PSC for approval of its Transportation Service Agreements with FPU for projects that will support additional supply to communities located in Central Florida. The projects are driven by the need for increased supply to communities in central Florida that have experienced an increase in population growth. Peninsula Pipeline will construct several pipeline extensions which will support FPU’s distribution system in the areas of Plant City and Lake Mattie with an additional 5,000 Dts/day and 8,700 Dts/day, respectively.

CNG/RNG/LNG Transportation and Infrastructure

We have made a commitment to meet customer demand for CNG, RNG and LNG in the markets we serve. This has included making investments within Marlin Gas Services to be able to transport these products through its virtual pipeline fleet to customers. To date, we have also made an infrastructure investment in Ohio, enabling RNG to fuel a third-party landfill fleet and to transport RNG to end use customers off our pipeline system. Similarly, we announced in March 2022, the opening of a high-capacity CNG truck and tube trailer fueling station in Port Wentworth, Georgia. As one of the largest public access CNG stations on the East Coast, it will offer a RNG option to customers in the near future. We constructed the station in partnership with Atlanta Gas Light, a subsidiary of Southern Company Gas.

We are also involved in various other projects, all at various stages and all with different opportunities to participate across the energy value chain. In many of these projects, Marlin will play a key role in ensuring the RNG is transported to one of our many pipeline systems where it will be injected. We include our RNG transportation service and infrastructure related adjusted gross margin from across the organization in combination with our CNG and LNG projects.

For the year ended December 31, 2023, we generated $0.1 million in additional adjusted gross margin associated with the transportation of CNG and RNG by Marlin's virtual pipeline and Aspire Energy's Noble Road RNG pipeline. We estimate annual adjusted gross margin of approximately $12.5 million in 2024, and $14.0 million in 2025 for these transportation related services, with potential for additional growth in future years.

Full Circle Dairy

In February 2023, we announced plans to construct, own and operate a dairy manure RNG facility at Full Circle Dairy in Madison County, Florida. The project consists of a facility converting dairy manure to RNG and transportation assets to bring the gas to market. The first injection of RNG is projected to occur in the first half of 2024.

Noble Road Landfill RNG Project

In October 2021, Aspire Energy completed construction of its Noble Road Landfill RNG pipeline project, a 33.1-mile pipeline, which transports RNG generated from the Noble Road landfill to Aspire Energy’s pipeline system, displacing conventionally produced natural gas. In conjunction with this expansion, Aspire Energy also upgraded an existing compressor station and installed two new metering and regulation sites. The RNG volume is expected to represent nearly 10 percent of Aspire Energy’s gas gathering volumes.

Regulatory Initiatives

Florida GUARD Program

In February 2023, FPU filed a petition with the Florida PSC for approval of the GUARD program. GUARD is a ten-year program to enhance the safety, reliability, and accessibility of portions of our natural gas distribution system. We identified various categories of projects to be included in GUARD, which include the relocation of mains and service lines located in rear easements and other difficult to access areas to the front of the street, the replacement of problematic distribution mains, service lines, and maintenance and repair equipment and system reliability projects. In August 2023, the Florida PSC approved the GUARD program, which included $205 million of capital expenditures projected to be spent over a 10-year period. For the year ended December 31, 2023, there was $0.4 million of incremental adjusted gross margin generated pursuant to the program. The program is expected to generate $2.4 million of adjusted gross margin in 2024 and $5.1 million in 2025.

FCG SAFE Program

In June 2023, the Florida PSC issued the approval order for the continuation of the SAFE program beyond its 2025 expiration date and inclusion of 150 miles of additional mains and services located in rear property easements. The SAFE program is designed to relocate certain mains and facilities associated with rear lot easements to street front locations to improve FCG's ability to inspect and maintain the facilities and reduce opportunities for damage and theft. In the same order, the Commission approved a replacement of 160 miles of pipe that was used in the 1970s and 1980s and shown through industry research to exhibit premature failure in the form of cracking. The program includes projected capital expenditures of $205 million over a 10-year period. The program is expected to generate $2.7 million of adjusted gross margin in 2024 and $5.3 million in 2025.

Capital Cost Surcharge Programs

In December 2019, the FERC approved Eastern Shore's capital cost surcharge to become effective January 1, 2020. The surcharge, an approved item in the settlement of Eastern Shore's last general rate case, allows Eastern Shore to recover capital costs associated with mandated highway or railroad relocation projects that required the replacement of existing Eastern Shore facilities. In 2023, there was $0.8 million of incremental adjusted gross margin generated pursuant to the program. Eastern Shore expects to produce adjusted gross margin of approximately $4.0 million in 2024 and $4.4 million in 2025 from relocation projects, which is ultimately dependent upon the timing of filings and the completion of construction.

Florida Natural Gas Rate Case Proceeding

In May 2022, our legacy natural gas distribution businesses in Florida filed a consolidated natural gas rate case with the Florida PSC. The application included a request for the following: (i) permanent rate relief of approximately $24.1 million, effective January 1, 2023, (ii) a depreciation study also submitted with the filing; (iii) authorization to make certain changes to tariffs to include the consolidation of rates and rate structure across the businesses and to unify the Florida Natural Gas distribution business under FPU; (iv) authorization to retain the acquisition adjustment recorded at the time of the FPU merger in our revenue requirement: and (v) authorization to establish an environmental remediation surcharge for the purposes of addressing future expected remediation costs for FPU MGP sites. In August 2022, interim rates were approved by the Florida PSC in the amount of approximately $7.7 million on an annualized basis, effective for all meter readings in September 2022. The discovery process and related hearings were concluded during the fourth quarter of 2022 and briefs were submitted in the same quarter of 2022. In January 2023, the Florida PSC approved the application for consolidation and permanent rate relief of approximately $17.2 million on an annual basis. Actual rates in connection with the rate relief were approved by the Florida PSC in February 2023 with an effective date of March 1, 2023. For the year ended December 31, 2023, there was $15.8 million of adjusted gross margin generated pursuant to this proceeding. and it is expected to generate $17.2 million of total adjusted gross margin in 2024 and 2025.

Maryland Natural Gas Rate Case

In January 2024, our natural gas distribution businesses in Maryland. CUC-Maryland Division, Sandpiper Energy, Inc., and Elkton Gas Company (collectively, "Maryland natural gas distribution businesses") filed a joint application for a natural gas rate case with the Maryland PSC. In connection with the application, we are seeking approval of the following: (i) permanent rate relief of approximately $6.9 million: (ii) authorization to make certain changes to tariffs to include a unified rate structure and to consolidate the Maryland natural gas distribution businesses under the new corporate entity which we anticipate will be called Chesapeake Utilities of Maryland, Inc.; and (iii) authorization to establish a rider for recovery of the costs associated with our new technology systems. The outcome of the application is subject to review and approval by the Maryland PSC.

Storm Protection Plan

In 2020, the Florida PSC implemented the Storm Protection Plan ("SPP") and Storm Protection Plan Cost Recovery Clause ("SPPCRC"), which require electric utilities to petition the Florida PSC for approval of a Transmission and Distribution Storm Protection Plan that covers the utility's immediate 10-year planning period with updates to the plan at least every 3 years. The SPPCRC rules allow the utility to file for recovery of associated costs related to its SPP. Our Florida electric distribution operation's SPP and SPPCRC were filed during the first quarter of 2022 and approved in the fourth quarter of 2022, with modifications, by the Florida PSC. For the year ended December 31, 2023, this initiative generated incremental adjusted gross margin of $0.8 million. and is expected to generate $2.4 million in 2024 and $4.0 million in 2025. We expect continued investment under the SPP going forward.

COVID-19 Regulatory Proceeding

In October 2020, the Florida PSC approved a joint petition of our natural gas and electric distribution utilities in Florida to establish a regulatory asset to record incremental expenses incurred due to COVID-19. The regulatory asset allows us to obtain recovery of these costs in the next base rate proceedings. Our Florida regulated business units reached a settlement with the Florida OPC in June 2021, enabling the business units to establish a regulatory asset of $2.1 million. This amount includes COVID-19 related incremental expenses for bad debt write-offs, personnel protective equipment, cleaning and business information services for remote work. Our Florida regulated business units are currently amortizing the amount over two years effective January 1, 2022 and recovering the regulatory asset through the Purchased Gas Adjustment and Swing Service mechanisms for the natural gas business units and through the Fuel Purchased Power Cost Recovery clause for the electric division. This resulted in additional adjusted gross margin of $1.0 million annually for both 2022 and 2023, which was offset by a corresponding amortization of regulatory asset expense in each year.

Other Major Factors Influencing Adjusted Gross Margin

Weather and Consumption

Weather had a significant impact on customer consumption during 2023, resulting in adjusted gross margin being negatively impacted by approximately $13.6 million compared to 2022 driven largely by significantly warmer weather in some of the Company's service territories resulting in reduced consumption. The following table summarizes heating degree day ("HDD") and cooling degree day ("CDD") variances from the 10-year average HDD/CDD ("Normal") for the years ended 2023 compared to 2022, and 2022 compared to 2021.

HDD and CDD Information

	For the Years Ended December 31,					
	2023	**2022**	**Variance**	**2022**	**2021**	**Variance**
Delmarva						
Actual HDD	**3,416**	4,088	(672)	4,088	3,849	239
10-Year Average HDD ("Normal")	**4,161**	4,147	14	4,147	4,182	(35)
Variance from Normal	**(745)**	(59)		(59)	(333)	
Florida						
Actual HDD	**664**	836	(172)	836	829	7
10-Year Average HDD ("Normal")	**826**	828	(2)	828	839	(11)
Variance from Normal	**(162)**	8		8	(10)	
Ohio						
Actual HDD	**5,043**	5,532	(489)	5,532	5,138	394
10-Year Average HDD ("Normal")	**5,594**	5,557	37	5,557	5,621	(64)
Variance from Normal	**(551)**	(25)		(25)	(483)	
Florida						
Actual CDD	**3,101**	2,826	275	2,826	2,687	139
10-Year Average CDD ("Normal")	**2,934**	2,929	5	2,929	2,952	(23)
Variance from Normal	**167**	(103)		(103)	(265)	

Natural Gas Distribution Growth

The average number of residential customers served on the Delmarva Peninsula and our legacy Florida Natural Gas distribution business increased by approximately 5.4 percent and 3.9 percent, respectively, during 2023.

On the Delmarva Peninsula, a larger percentage of the adjusted gross margin growth was generated from residential growth given the expansion of gas into new housing communities and conversions to natural gas as our distribution infrastructure continues to build out. In Florida, as new communities continue to build out due to population growth and the additional infrastructure to support the growth, there is increased load from both residential customers as well as new commercial and industrial customers. The details are provided in the following table:

(in thousands)	Adjusted Gross Margin Increase For the Year Ended December 31, 2023	
	Delmarva Peninsula	Florida
Customer growth:		
Residential	$ 1,895	$ 1,599
Commercial and industrial	589	2,131
Total customer growth [1]	$ 2,484	$ 3,730

[1] Customer growth amounts for our legacy Florida operations include the effects of revised rates associated with the Company's natural gas base rate proceeding, but exclude the effects of the FCG acquisition

Regulated Energy

For the Year Ended December	2023	2022	Increase (Decrease)	2022	2021	Increase (Decrease)
(in thousands)						
Revenue	**$ 473,595**	$ 429,424	$ 44,171	$ 429,424	$ 383,920	$ 45,504
Natural gas and electric costs	**140,008**	127,172	12,836	127,172	100,737	26,435
Adjusted gross margin [1]	**333,587**	302,252	31,335	302,252	283,183	19,069
Operations & maintenance	**125,310**	112,963	12,347	112,963	108,190	4,773
Depreciation & amortization	**48,162**	52,707	(4,545)	52,707	48,748	3,959
FCG transaction-related expenses [2]	**10,355**	—	10,355	—	—	—
Other taxes	**23,561**	21,265	2,296	21,265	20,071	1,194
Other operating expenses	**207,388**	186,935	20,453	186,935	177,009	9,926
Operating Income	**$ 126,199**	$ 115,317	$ 10,882	$ 115,317	$ 106,174	$ 9,143

[1] Adjusted Gross Margin is a non-GAAP measure utilized by Management to review business unit performance For a more detailed discussion on the differences between Gross Margin (GAAP) and Adjusted Gross Margin, see the Reconciliation of GAAP to Non-GAAP Measures presented above

[2] Transaction-related expenses referred to in this table represent pretax operating expenses of $10 4 million associated with legal, consulting and audit fees incurred in connection with the acquisition of FCG

2023 compared to 2022

Operating income for the Regulated Energy segment for 2023 was $126.2 million, an increase of $10.9 million. or 9.4 percent, compared to 2022. Excluding transaction-related expenses associated with the acquisition of FCG, operating income increased $21.2 million or 18.4 percent compared to the prior year. Higher operating income reflects contributions from our regulatory initiatives, organic growth in our natural gas distribution businesses and continued pipeline expansion projects, and contributions from the acquisition of FCG. These increases were partially offset by changes in customer consumption resulting from the significantly warmer temperatures in our northern service territories throughout the year. Excluding the transaction-related expenses described above, operating expenses increased by $10.1 million compared to the prior year primarily attributable to increased employee costs driven by growth initiatives, the ongoing competitive labor market and higher benefits costs and higher property taxes compared to the prior year. Increases in depreciation and amortization expense attributable to growth projects that were placed into service during the current year were offset by reductions related to revised depreciation rates approved in the Company's Florida Natural Gas rate case and electric depreciation study filing, and a $5.1 million RSAM adjustment from FCG.

Items contributing to the year-over-year adjusted gross margin increase are listed in the following table:

(in thousands)		
Rate changes associated with the Florida Natural Gas base rate proceeding [1]	$	13,361
Contribution from the acquisition of FCG		8,687
Natural gas growth including conversions (excluding service expansions)		6,214
Natural gas transmission service expansions		4,812
Contributions from regulated infrastructure programs		2,597
Changes in customer consumption, driven by significantly warmer temperatures		(5,096)
Other variances		760
Year-over-year increase in adjusted gross margin	$	31,335

[1] Includes adjusted gross margin contributions from interim rates and permanent base rates that became effective in March 2023

The following narrative discussion provides further detail and analysis of the significant variances in adjusted gross margin detailed above.

Rate Changes Associated with the Florida Natural Gas Base Rate Proceeding
In August 2022, the Florida PSC approved interim rates starting in September 2022. In February 2023, we obtained a final rate order in connection with the Florida Natural Gas base rate proceeding with permanent rates effective on March 1, 2023. These interim and permanent rates contributed additional adjusted gross margin of $13.4 million. Refer to Note 18, *Rates and Other Regulatory Activities*, in the consolidated financial statements for additional information.

Contribution from Acquisition of FCG
FCG contributed adjusted gross margin of $8.7 million from the acquisition date.

Natural Gas Distribution Customer Growth
We generated additional adjusted gross margin of $6.2 million from natural gas customer growth. Adjusted gross margin increased by $3.7 million for our Florida Natural Gas distribution business and $2.5 million on the Delmarva Peninsula compared to 2022, due primarily to residential customer growth of 3.9 percent and 5.4 percent in Florida and on the Delmarva Peninsula, respectively.

Natural Gas Transmission Service Expansions
We generated increased adjusted gross margin of $4.8 million from natural gas transmission service expansions of Peninsula Pipeline, Eastern Shore and Aspire Energy Express.

Contributions from Regulated Infrastructure Programs
Contributions from regulated infrastructure programs generated incremental adjusted gross margin of $2.6 million for the year. The increase in adjusted gross margin was primarily related to FPU Electric's storm protection plan, Eastern Shore's capital surcharge program and Florida's GUARD program. Refer to Note 18, *Rates and Other Regulatory Activities*, in the consolidated financial statements for additional information.

Customer Consumption - Inclusive of Weather

We experienced reduced customer consumption for the year ended December 31, 2023, largely the result of significantly warmer weather experienced in the Delmarva service territory throughout the year resulting in reduced adjusted gross margin of $5.1 million compared to 2022.

The major components of the increase in other operating expenses are as follows:

(in thousands)		
FCG transaction-related expenses [1]	$	10,355
Payroll, benefits and other employee-related expenses		5,054
FCG operating expenses		4,190
Facilities expenses, maintenance costs and outside services		1,416
Customer service related costs		764
Regulatory expenses		658
Depreciation, amortization and property tax costs		(2,308)
Other variances		324
Year-over-year increase in other operating expenses	$	20,453

[1] Transaction-related expenses referred to in this table represent pretax operating expenses of $10.4 million associated with legal, consulting and audit fees incurred in connection with the acquisition of FCG

2022 compared to 2021

The results for the Regulated Energy segment for the year ended December 31, 2022 compared to 2021 are described in Item 7, *Management's Discussion and Analysis of Financial Condition and Results of Operations* in our Annual Report on Form 10-K for the year ended December 31, 2022, which is incorporated herein by reference.

UNREGULATED ENERGY

For the Year Ended December 31,	2023	2022	Increase (Decrease)	2022	2021	Increase (Decrease)
(in thousands)						
Revenue	$ 223,148	$ 280,750	$ (57,602)	$ 280,750	$ 206,869	$ 73,881
Propane and natural gas costs	102,492	162,683	(60,191)	162,683	106,900	55,783
Adjusted gross margin [1]	120,656	118,067	2,589	118,067	99,969	18,098
Operations & maintenance	74,168	70,489	3,679	70,489	57,905	12,584
Depreciation & amortization	17,347	16,257	1,090	16,257	13,869	2,388
Other taxes	4,715	3,971	744	3,971	3,768	203
Other operating expenses	96,230	90,717	5,513	90,717	75,542	15,175
Operating Income	$ 24,426	$ 27,350	$ (2,924)	$ 27,350	$ 24,427	$ 2,923

[1] Adjusted Gross Margin is a non-GAAP measure utilized by Management to review business unit performance. For a more detailed discussion on the differences between Gross Margin (GAAP) and Adjusted Gross Margin, see the Reconciliation of GAAP to Non-GAAP Measures presented above.

2023 Compared to 2022

Operating income for the Unregulated Energy segment for 2023 decreased by $2.9 million compared to 2022. Operating results were impacted by changes in customer consumption due to significantly warmer weather in our Mid-Atlantic and North Carolina service areas throughout the year as well as conversion of propane customers to our natural gas distribution service. Additionally, we experienced increased operating expenses associated with increased payroll, benefits and employee related expenses driven by competition in the current labor market, depreciation, amortization and property taxes, as well as increased costs for facilities, maintenance and outside services. These factors were partially offset by increased propane margins and fees and increased gathering charges and customer consumption for Aspire.

Adjusted Gross Margin

Items contributing to the year-over-year increase in adjusted gross margin are listed in the following table:

(in thousands)		
Propane Operations		
Increased propane margins and fees	$	8,821
Propane customer consumption - primarily weather related		(8,235)
Decreased customer consumption due to conversion of customers to our natural gas system		(793)
Aspire Energy		
Increase in gathering margin		1,141
Increased customer consumption		496
Eight Flags		
Increased electric generation margin		1,018
Other variances		141
Year-over-year increase in adjusted gross margin	**$**	**2,589**

The following narrative discussion provides further detail and analysis of the significant items in the foregoing table.

Propane Operations

- *Increased propane margins and fees* - Adjusted gross margin increased by $8.8 million, mainly due to increased margins and customer service fees. These market conditions, which include market pricing and competition with other propane suppliers, as well as the availability and price of alternative energy sources, may fluctuate based on changes in demand, supply and other energy commodity prices.

- *Propane customer consumption* - Adjusted gross margin was negatively impacted by $8.2 million as a result of reduced customer consumption driven by significantly warmer weather that our Mid-Atlantic and North Carolina service areas experienced throughout 2023.

- *Reduced customer consumption due to conversion of customers to natural gas* - Adjusted gross margin was reduced by $0.8 million as more customers converted from propane to our natural gas distribution service.

Aspire Energy

- *Increase in gathering charges* - Adjusted gross margin increased by $1.1 million primarily due to increased gathering charges associated with a large commercial customer.

- *Increased customer consumption* - Adjusted gross margin increased by $0.5 million despite warmer temperatures due to increased customer consumption from agricultural customers compared to the prior year.

Eight Flags

- *Increased electric generation margin* - Adjusted gross margin increased by $1.0 million due to increased electric generation compared to the prior year.

Other Operating Expenses

Items contributing to the period-over-period increase in other operating expenses are listed in the following table:

(in thousands)		
Increased payroll, benefits and other employee-related expenses	$	3,959
Increased depreciation, amortization and property tax costs		1,717
Other variances		(163)
Period-over-period increase in other operating expenses	**$**	**5,513**

2022 compared to 2021

The results for the Unregulated Energy segment for the year ended December 31, 2022 compared to 2021 are described in Item 7, *Management's Discussion and Analysis of Financial Condition and Results of Operations* in our Annual Report on Form 10-K for the year ended December 31, 2022, which is incorporated by reference.

OTHER INCOME, NET

Other income, net was $1.4 million and $5.1 million for 2023 and 2022, respectively. Other income, net includes non-operating investment income (expense), interest income, late fees charged to customers, gains or losses from the sale of assets for our unregulated businesses and pension and other benefits expense. The decrease was primarily attributable to the absence of a one-time gain related to a building sale during 2022, the absence of interest income received in connection with a Federal Income Tax refund during 2022, and higher pension related expenses compared to the prior-year period.

INTEREST CHARGES

2023 Compared to 2022

Interest charges for 2023 increased by $12.6 million compared to the same period in 2022. This increase is primarily attributable to $6.2 million in interest expense as a result of long-term debt placements in 2023, including the November 2023 placement in connection with the FCG acquisition as well as $4.1 million related to bridge financing costs also attributable to the FCG acquisition. Higher interest expense on Revolver borrowings of $3.1 million driven by higher average interest rates compared to the prior year also contributed to the increase. The weighted-average interest rate on our Revolver borrowings was 5.4 percent for the year ended December 31, 2023 compared to 2.5 percent during the prior year as a result of the Federal Reserve actions in 2022 and 2023. These factors were partially offset by higher capitalized interest of $1.7 million during the current year associated with capital projects.

INCOME TAXES

2023 Compared to 2022

Income tax expense was $28.1 million for 2023 compared to $33.8 million for 2022. Our effective income tax rates were 24.4 percent and 27.4 percent for the years ended December 31, 2023 and 2022, respectively. Income tax expense for the year ended December 31, 2023 includes a $2.5 million benefit resulting from a reduction in the Pennsylvania state income tax rate. Excluding this change, our effective income tax rate was 26.5 percent in 2023.

LIQUIDITY AND CAPITAL RESOURCES

Our capital requirements reflect the capital-intensive and seasonal nature of our business and are principally attributable to investment in new plant and equipment, retirement of outstanding debt and seasonal variability in working capital. We rely on cash generated from operations, short-term borrowings, and other sources to meet normal working capital requirements and to temporarily finance capital expenditures. We may also issue long-term debt and equity to fund capital expenditures and to maintain our capital structure within our target capital structure range. We maintain effective shelf registration statements with the SEC, as applicable, for the issuance of shares of common stock under various types of equity offerings, including the DRIP and previously, shares of common stock under an ATM equity program. Depending on our capital needs and subject to market conditions, in addition to other possible debt and equity offerings, we may consider issuing additional shares under the direct share purchase component of the DRIP and/or under an ATM equity program.

Our energy businesses are weather-sensitive and seasonal. We normally generate a large portion of our annual net income and subsequent increases in our accounts receivable in the first and fourth quarters of each year due to significant volumes of natural gas, electricity, and propane delivered by our distribution operations, and our natural gas transmission operations to customers during the peak heating season. In addition, our natural gas and propane inventories, which usually peak in the fall months, are largely drawn down in the heating season and provide a source of cash as the inventory is used to satisfy winter sales demand.

Capital expenditures for investments in new or acquired plant and equipment are our largest capital requirements. Our capital expenditures were $1.1 billion in 2023, which includes $923.4 million attributable to the purchase of FCG and $3.9 million related to an acquisition in the propane distribution business.

The following table shows our capital expenditures for the year ended December 31, 2023 by segment and by business line:

(in thousands)	For the Year Ended December 31, 2023
Regulated Energy:	
Natural gas distribution	$ 109,245
Natural gas transmission	40,179
Electric distribution	19,745
Total Regulated Energy	169,169
Unregulated Energy:	
Propane distribution	14,287
Energy transmission	5,469
Other unregulated energy	20,508
Total Unregulated Energy	40.264
Other:	
Corporate and other businesses	1,762
Total Other	1,762
Legacy capital expenditures	**211,195**
FCG Acquisition [(1)]	**926,702**
Total 2023 Capital Expenditures	**$ 1,137,897**

[(1)] Includes amounts for the acquisition of FCG net of cash acquired and their capital expenditures from the date of the acquisition through December 31, 2023. For additional information on the FCG acquisition, refer to Note 4, *Acquisitions*, in the consolidated financial statements

In the table below, we have provided a range of our forecasted capital expenditures by segment and business line for 2024:

	Estimate for Fiscal 2024	
(in thousands)	Low	High
Regulated Energy:		
Natural gas distribution	$ 150,000	$ 170,000
Natural gas transmission	90,000	120,000
Electric distribution	25,000	28,000
Total Regulated Energy	265,000	318,000
Unregulated Energy:		
Propane distribution	13,000	15,000
Energy transmission	5,000	6,000
Other unregulated energy	13,000	15,000
Total Unregulated Energy	31,000	36,000
Other:		
Corporate and other businesses	4,000	6,000
Total 2024 Forecasted Capital Expenditures	**$ 300,000**	**$ 360,000**

The 2024 forecast excludes potential acquisitions due to their opportunistic nature.

As a result of the Company's most recent 5-year strategic plan review where we revisited growth projections over the next five years for our legacy businesses and with the increased scale and investment opportunities related to FCG, the Company previously announced new capital expenditure guidance for the five-year period ended 2028 that will range from $1.5 billion to $1.8 billion.

The capital expenditure projection is subject to continuous review and modification. Actual capital requirements may vary from the above estimates due to a number of factors, including changing economic conditions, supply chain disruptions, capital delays that are greater than currently anticipated, customer growth in existing areas, regulation, new growth or acquisition opportunities and availability of capital and other factors discussed in Item 1A, *Risk Factors*. Historically, actual capital expenditures have typically lagged behind the budgeted amounts. The timing of capital expenditures can vary based on delays in regulatory approvals, securing environmental approvals and other permits. The regulatory application and approval process has lengthened in the past few years, and we expect this trend to continue.

Capital Structure

We are committed to maintaining a sound capital structure and strong credit ratings. This commitment, along with adequate and timely rate relief for our regulated energy operations, is intended to ensure our ability to attract capital from outside sources at a reasonable cost, which will benefit our customers, creditors, employees and stockholders.

The following tables present our capitalization as of December 31, 2023 and 2022 and includes the impacts associated with financing the FCG acquisition:

(dollars in thousands)	December 31, 2023		December 31, 2022	
Long-term debt, net of current maturities	**$ 1,187,075**	**49 %**	$ 578,388	41 %
Stockholders' equity	**1,246,104**	**51 %**	832,801	59 %
Total capitalization, excluding short-term borrowings	**$ 2,433,179**	**100 %**	$ 1,411,189	100 %

(dollars in thousands)	December 31, 2023		December 31, 2022	
Short-term **debt**	**$ 179,853**	**7 %**	$ 202,157	12 %
Long-term **debt, including** current maturities	**1,205,580**	**46 %**	599,871	37 %
Stockholders' equity	**1,246,104**	**47 %**	832,801	51 %
Total capitalization, including short-term borrowings	**$ 2,631,537**	**100 %**	$ 1,634,829	100 %

Our target ratio of equity to total capitalization, including short-term borrowings, is between 50 and 60 percent. We seek to align permanent financing with the in-service dates of our capital projects. We may utilize more temporary short-term debt when the financing cost is attractive as a bridge to the permanent long-term financing or if the equity markets are volatile. We expect to move closer to our target capital structure over the next couple of years.

In November 2023, in connection with our acquisition of FCG, we completed an overnight offering resulting in the issuance of 4.4 million shares of our common stock at a price per share of $82.72 (net of underwriter discounts and commissions). We received net proceeds of $366.4 million which were used to partially finance the acquisition.

During 2023, there were no issuances under the DRIP. In 2022, we issued less than 0.1 million shares at an average price per share of $136.26 and received net proceeds of $4.5 million under the DRIP.

Shelf Agreements

We have entered into Shelf Agreements with Prudential and MetLife, whom are under no obligation to purchase any unsecured debt. In February 2023, we amended these Shelf Agreements, which expanded the total borrowing capacity and extended the term of the agreements for an additional three years from the effective dates to 2026. The following table summarizes our Shelf Agreements at December 31, 2023:

Shelf Agreement [(1)] *(in thousands)*	**Total Borrowing Capacity**	**Less: Amount of Debt Issued**	**Less: Unfunded Commitments**	**Remaining Borrowing Capacity**
Prudential Shelf Agreement	$ 405,000	$ (300,000)	—	$ 105,000
MetLife Shelf Agreement	200,000	(50,000)	—	150,000
Total	$ 605,000	$ (350,000)	$ —	$ 255,000

~~(1) The amended Prudential and MetLife Shelf Agreements both expire in February 2026.~~

Long-Term Debt

All of our outstanding Senior Notes set forth certain business covenants to which we are subject when any note is outstanding, including covenants that limit or restrict our ability, and the ability of our subsidiaries, to incur indebtedness, or place or permit liens and encumbrances on any of our property or the property of our subsidiaries.

In November 2023, we issued Senior Notes in the aggregate principal amount of $550.0 million at an average interest rate of 6.54 percent that were used to partially finance our acquisition of FCG which closed during the fourth quarter of 2023. These notes have varying maturity dates of between three and 15 years, and the outstanding principal balance of the notes will be due on their respective maturity dates with interest payments payable semiannually until the principal has been paid in full. These Senior Notes have similar covenants and default provisions as our other Senior Notes.

In March 2023, we issued 5.43 percent Senior Notes due March 14, 2038 in the aggregate principal amount of $80.0 million and used the proceeds received from the issuances of the Senior Notes to reduce short-term borrowings under our Revolver and to fund capital expenditures. These Senior Notes have similar covenants and default provisions as our other Senior Notes, and have an annual principal amortization payment beginning in the sixth year after the issuance.

Short-Term Borrowings

We are authorized by our Board of Directors to borrow up to $375.0 million of short-term debt, as required. At December 31, 2023 and 2022, we had $179.9 million and $202.2 million, respectively, of short-term borrowings outstanding at a weighted average interest rate of 5.83 percent and 5.04 percent, respectively. There were no borrowings outstanding under the sustainable investment sublimit of the 364-day tranche at December 31, 2023.

We have entered into several amendments to our Revolver which resulted in modifications to both tranches of the facility. The most recent amendment in October 2023 allowed for a change in our funded indebtedness ratio from 65 percent to 70 percent during the quarter in which the acquisition of FCG is consummated and the quarter subsequent to the closing of the acquisition. The amendment in August 2023 served to renew the 364-day tranche of the Revolver, providing for $175.0 million of short-term debt capacity. Additionally, the amendment for borrowings under the 364-day tranche shall now bear interest (i) based upon the SOFR, plus a 10-basis point credit spread adjustment, and an applicable margin of 1.05 percent or less, with such margin based on total indebtedness as a percentage of total capitalization or (ii) the base rate, solely at our discretion. Further, the amendment provided that borrowings under the 364-day green loan sublimit shall now bear interest at (i) the SOFR rate plus a 10-basis point credit spread adjustment and an applicable margin of 1.00 percent or less, with such margin based on total indebtedness as a percentage of total capitalization or (ii) the base rate plus 0.05 percent or less, solely at our discretion. The amendment entered into in 2022 served to reset the benchmark interest rate to SOFR and to eliminate a previous covenant which capped our investment limit to $150.0 million for investments where we maintain less than 50 percent ownership.

The 364-day tranche of the Revolver expires in August 2024 and the five-year tranche expires in August 2026. Borrowings under both tranches of the Revolver are subject to a pricing grid, including the commitment fee and the interest rate charged based upon our total indebtedness to total capitalization ratio for the prior quarter. As of December 31, 2023, the pricing under the 364-day tranche of the Revolver included a commitment fee of 9-basis points on undrawn amounts and an interest rate of 75-basis points over SOFR plus a 10-basis point SOFR adjustment on outstanding balances. As of December 31, 2023, the pricing under the five-year tranche of the Revolver included a commitment fee of 9-basis points on undrawn amounts and an interest rate of 95-basis points over SOFR plus a 10-basis point SOFR adjustment on outstanding balances.

The availability of funds under the Revolver is subject to conditions specified in the credit agreement, all of which we currently satisfy. These conditions include our compliance with financial covenants and the continued accuracy of representations and warranties contained in the Revolver's loan documents. We are required by the financial covenants in the Revolver to maintain, at the end of each fiscal year, a funded indebtedness ratio as described above. As of December 31, 2023, we are in compliance with this covenant.

Our total available credit under the Revolver at December 31, 2023 was $188.1 million. As of December 31, 2023, we had issued $7.0 million in letters of credit to various counterparties under the Revolver. These letters of credit are not included in the outstanding short-term borrowings and we do not anticipate that they will be drawn upon by the counterparties. The letters of credit reduce the available borrowings under the Revolver.

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In connection with our acquisition of FCG, we entered into a 364-day Bridge Facility commitment with Barclays Bank PLC [illegible]. Upon closing of the FCG acquisition in November 2023, and with the completion of other financing activities as defined in the lending agreement, this facility was terminated without any funds drawn to finance the transaction.

Key statistics regarding our unsecured short-term credit facilities (our Revolver and previous bilateral lines of credit and revolving credit facility) for the years ended December 31, 2023, 2022 and 2021 are as follows:

(in thousands)		2023		2022		2021
Average borrowings during the year	$	**130,246**	$	170,434	$	182,305
Weighted average interest rate for the year		**5.41 %**		2.49 %		1.03 %
Maximum month-end borrowings	$	**206,460**	$	225,050	$	226,097

Cash Flows

The following table provides a summary of our operating. investing and financing cash flows for the years ended December 31, 2023, 2022 and 2021:

	For the Year Ended December 31,					
(in thousands)		2023		2022		2021
Net cash provided by (used in):						
Operating activities	$	**203,482**	$	158,882	$	150,504
Investing activities		**(1,111,391)**		(136,448)		(223,023)
Financing activities		**906,609**		(21,206)		73,996
Net (decrease) increase in cash and cash equivalents		**(1,300)**		1,228		1,477
Cash and cash equivalents—beginning of period		**6,204**		4,976		3,499
Cash and cash equivalents—end of period	$	**4,904**	$	6,204	$	4,976

Cash Flows Provided by Operating Activities

Changes in our cash flows from operating activities are attributable primarily to changes in net income, adjusted for non-cash items, such as depreciation and changes in deferred income taxes, and changes in working capital. Working capital requirements are determined by a variety of factors, including weather, the prices of natural gas, electricity and propane, the timing of customer collections, payments for purchases of natural gas, electricity and propane, and deferred fuel cost recoveries.

We normally generate a large portion of our annual net income and related increases in our accounts receivable in the first and fourth quarters of each year due to significant volumes of natural gas and propane delivered to customers during the peak heating season by our natural gas and propane operations and our natural gas supply, gathering and processing operation. In addition. our natural gas and propane inventories, which usually peak in the fall months, are largely drawn down in the heating season and provide a source of cash as the inventory is used to satisfy winter sales demand.

During 2023, net cash provided by operating activities was $203.5 million. Operating cash flows were primarily impacted by the following:

- Net income, adjusted for non-cash adjustments, provided a $170.0 million source of cash;
- Changes in net regulatory assets and liabilities due primarily to the change in fuel costs collected through the various cost recovery mechanisms resulted in a $20.1 million source of cash; and
- Other working capital changes, as well as propane inventory and the related hedging activity, resulted in a $9.8 million source of cash.

Cash Flows Used in Investing Activities

Net cash used in investing activities totaled $1.1 billion during the year ended December 31, 2023. Key investing activities contributing to the cash flow change included:

- Net cash of $925.0 million was used in 2023 to acquire FCG and a propane distribution business; and
- Cash used to pay for capital expenditures amounted to $188.6 million for 2023.

Cash Flows Provided by Financing Activities

Net cash provided by financing activities totaled $906.6 million for the year ended December 31, 2023. This source of cash was largely related to financing activities in connection with the FCG acquisition and included:

- A net increase in long-term debt borrowings resulting in a net source of cash of $605.5 million, including $627.0 million from issuances, offset by long-term repayments of $21.5 million;
- Net proceeds of $366.4 million from the issuance of common stock: partially offset by
- A $40.0 million use of cash for dividend payments in 2023; and
- Net repayments under lines of credit resulting in a use of cash of $22.5 million.

Contractual Obligations

We have the following contractual obligations and other commercial commitments as of December 31, 2023:

	Payments Due by Period				
Contractual Obligations	**2024**	**2025-2026**	**2027-2028**	**After 2028**	**Total**
(in thousands)					
Long-term debt [1]	$ 18,505	$ 160,079	$ 268,373	$ 762,376	$ 1,209,333
Operating leases [2]	2,771	4,062	2,788	5,243	14,864
Purchase obligations [3]					
Transmission capacity	45,314	87,627	70,030	128,326	331.297
Storage capacity	3,312	4,519	860	—	8,691
Commodities	30,983	—	—	—	30,983
Electric supply	6,431	12,936	12,961	12,961	45,289
Unfunded benefits [4]	228	485	474	1,131	2,318
Funded benefits [5]	2,018	4,035	4,035	2,172	12,260
Total Contractual Obligations	**$ 109,562**	**$ 273,743**	**$ 359,521**	**$ 912,209**	**$ 1,655,035**

[1] This represents principal payments on long-term debt See *Item 8, Financial Statements and Supplementary Data*, Note 12, *Long-Term Debt*, for additional information The expected interest payments on long-term debt are $62 4 million, $116 4 million, $92 8 million and $160 6 million, respectively, for the periods indicated above Expected interest payments for all periods total $432 2 million.

[2] See *Item 8, Financial Statements and Supplementary Data*, Note 14, *Leases*, for additional information.

[3] See *Item 8, Financial Statements and Supplementary Data*, Note 20, *Other Commitments and Contingencies*, for additional information

[4] These amounts associated with our unfunded post-employment and post-retirement benefit plans are based on expected payments to current retirees and assume a retirement age of 62 for currently active employees There are many factors that would cause actual payments to differ from these amounts, including early retirement, future health care costs that differ from past experience and discount rates implicit in calculations See *Item 8, Financial Statements and Supplementary Data*, Note 16, *Employee Benefit Plans*, for additional information on the plans

[5] We have recorded long-term liabilities of $0 2 million at December 31, 2023 for the FPU qualified, defined benefit pension plan The assets funding this plan are in a separate trust and are not considered assets of ours or included in our balance sheets We do not expect to make payments to the trust funds in 2024 Additional contributions may be required in future years based on the actual return earned by the plan assets and other actuarial assumptions, such as the discount rate and long-term expected rate of return on plan assets See *Item 8, Financial Statements and Supplementary Data*, Note 16, *Employee Benefit Plans*, for further information on the plans Additionally, the Contractual Obligations table above includes deferred compensation obligations totaling $12 3 million, funded with Rabbi Trust assets in the same amount The Rabbi Trust assets are recorded under Investments on the consolidated balance sheets We assume a retirement age of 65 for purposes of distribution from this trust

Off-Balance Sheet Arrangements

Our Board of Directors has authorized us to issue corporate guarantees securing obligations of our subsidiaries and to obtain letters of credit securing our subsidiaries' obligations. The maximum authorized liability under such guarantees and letters of credit as of December 31, 2023 was $35.0 million. The aggregate amount guaranteed at December 31, 2023 was approximately $24.3 million with the guarantees expiring on various dates through December 2024. In addition, the Board has authorized us to issue specific purpose corporate guarantees. The amount of specific purpose guarantees outstanding at December 31, 2023 was $4.0 million.

As of December 31, 2023, we have issued letters of credit totaling approximately $7.0 million related to the electric transmission services for FPU's electric division, the firm transportation service agreement between TETLP and our Delaware and Maryland divisions, the capacity agreement between NEXUS and Aspire, and our current and previous primary insurance carriers. These letters of credit have various expiration dates through October 2024. There have been no draws on these letters of credit as of December 31, 2023. We do not anticipate that the counterparties will draw upon these letters of credit, and we expect that they will be renewed to the extent necessary in the future. Additional information is presented in *Item 8, Financial Statements and Supplementary Data*, Note 20, *Other Commitments and Contingencies* in the consolidated financial statements.

Critical Accounting Estimates

We prepare our financial statements in accordance with GAAP. Application of these accounting principles requires the use of estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses, and related disclosures of contingencies during the reporting period. We base our estimates on historical experience and on various assumptions that are believed to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying value of assets and liabilities that are not readily apparent from other sources. Since a significant portion of our businesses are regulated and the accounting methods used by these businesses must comply with the requirements of the regulatory bodies, the choices available are limited by these regulatory requirements. In the normal course of business, estimated amounts are subsequently adjusted to actual results that may differ from the estimates.

Regulatory Assets and Liabilities

As a result of the ratemaking process, we record certain assets and liabilities in accordance with ASC Topic 980, *Regulated Operations*, and consequently, the accounting principles applied by our regulated energy businesses differ in certain respects from those applied by the unregulated businesses. Amounts are deferred as regulatory assets and liabilities when there is a probable expectation that they will be recovered in future revenues or refunded to customers as a result of the regulatory process. This is more fully described in Item 8*, Financial Statements and Supplementary Data,* Note 2*, Summary of Significant Accounting Policies,* in the consolidated financial statements. If we were required to terminate the application of ASC Topic 980, we would be required to recognize all such deferred amounts as a charge or a credit to earnings, net of applicable income taxes. Such an adjustment could have a material effect on our results of operations.

Financial Instruments

We utilize financial instruments to mitigate commodity price risk associated with fluctuations of natural gas, electricity and propane and to mitigate interest rate risk. We continually monitor the use of these instruments to ensure compliance with our risk management policies and account for them in accordance with GAAP, such that every derivative instrument is recorded as either an asset or a liability measured at its fair value. It also requires that changes in the derivatives' fair value are recognized in the current period earnings unless specific hedge accounting criteria are met. If these instruments do not meet the definition of derivatives or are considered "normal purchases and normal sales," they are accounted for on an accrual basis of accounting.

Additionally, GAAP also requires us to classify the derivative assets and liabilities based on the lowest level of input that is significant to the fair value measurement. Our assessment of the significance of a particular input to the fair value measurement requires judgment and may affect the fair value of the assets and liabilities and their placement within the fair value hierarchy.

We determined that certain propane put options, call options, swap agreements and interest rate swap agreements met the specific hedge accounting criteria. We also determined that most of our contracts for the purchase or sale of natural gas, electricity and propane either: (i) did not meet the definition of derivatives because they did not have a minimum purchase/sell requirement, or (ii) were considered "normal purchases and normal sales" because the contracts provided for the purchase or sale of natural gas, electricity or propane to be delivered in quantities that we expect to use or sell over a reasonable period of time in the normal course of business. Accordingly, these contracts were accounted for on an accrual basis of accounting.

Additional information about our derivative instruments is disclosed in Item 8, *Financial Statements and Supplementary Data,* Note 8, *Derivative Instruments,* in the consolidated financial statements.

Goodwill and Other Intangible Assets

We test goodwill for impairment at least annually in December, or more frequently if an event occurs or circumstances change that would more likely than not reduce the fair value of a reporting unit below its carrying value. We generally use a present value technique based on discounted cash flows to estimate the fair value of our reporting units. An impairment charge is recognized if the carrying value of a reporting unit's goodwill exceeds its fair value. The annual impairment testing for 2023 indicated no impairment of goodwill. At December 31, 2023, our goodwill balance totaled $508.2 million including $461.2 million attributable to the acquisition of FCG. Additional information is presented in Item 8*, Financial Statements and Supplementary Data,* Note 4, *Acquisitions,* and Note 10*, Goodwill and Other Intangible Assets,* in the consolidated financial statements.

Other Assets Impairment Evaluations

We periodically evaluate whether events or circumstances have occurred which indicate that long-lived assets may not be recoverable. When events or circumstances indicate that an impairment is present, we record an impairment loss equal to the excess of the asset's carrying value over its fair value, if any.

Pension and Other Postretirement Benefits

Pension and other postretirement plan costs and liabilities are determined on an actuarial basis and are affected by numerous assumptions and estimates including the market value of plan assets, estimates of the expected returns on plan assets, assumed discount rates, the level of contributions made to the plans, and current demographic and actuarial mortality data. The assumed discount rates and the expected returns on plan assets are the assumptions that generally have the most significant impact on the pension costs and liabilities. The assumed discount rates, the assumed health care cost trend rates and the assumed rates of retirement generally have the most significant impact on our postretirement plan costs and liabilities. Additional information is presented in Item 8, *Financial Statements and Supplementary Data,* Note 16*, Employee Benefit Plans,* in the consolidated financial statements, including plan asset investment allocation, estimated future benefit payments, general descriptions of the plans, significant assumptions, the impact of certain changes in assumptions, and significant changes in estimates.

At December 31, 2023, actuarial assumptions include expected long-term rates of return on plan assets for FPU's pension plan of 6.00 percent and a discount rate of 5.00 percent. The discount rate was determined by management considering high-quality corporate bond rates, such as the Empower curve index and the FTSE Index, changes in those rates from the prior year and other pertinent factors, including the expected lives of the plans and the availability of the lump-sum payment option. A 0.25 percent increase or decrease in the discount rate would not have a material impact on our pension and postretirement liabilities and related costs.

Actual changes in the fair value of plan assets and the differences between the actual return on plan assets and the expected return on plan assets could have a material effect on the amount of pension benefit costs that we ultimately recognize for our funded pension plan. A 0.25 percent change in the rate of return would not have a material impact on our annual pension cost for the FPU pension plan.

ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK.

INTEREST RATE RISK

The fluctuation in interest rates expose us to potential increased cost we could incur when we issue debt instruments or to provide financing and liquidity for our business activities. We evaluate whether to refinance existing debt or permanently refinance existing short-term borrowings based in part on the fluctuation in interest rates. We utilize interest rate swap agreements to mitigate short-term borrowing rate risk. Additional information about our long-term debt and short-term borrowing is disclosed in Note 12, *Long-Term Debt,* and Note 13, *Short-Term Borrowings*, respectively, in the consolidated financial statements.

COMMODITY PRICE RISK

Regulated Energy Segment

We have entered into agreements with various wholesale suppliers to purchase natural gas and electricity for resale to our customers. Our regulated energy distribution businesses that sell natural gas or electricity to end-use customers have fuel cost recovery mechanisms authorized by the PSCs that allow us to recover all of the costs prudently incurred in purchasing natural gas and electricity for our customers. Therefore, our regulated energy distribution operations have limited commodity price risk exposure.

Unregulated Energy Segment

Our propane operations are exposed to commodity price risk as a result of the competitive nature of retail pricing offered to our customers. In order to mitigate this risk, we utilize propane storage activities and forward contracts for supply and sales activities.

We can store up to approximately 8.9 million gallons of propane (including leased storage and rail cars) during the winter season to meet our customers' peak requirements and to serve metered customers. Decreases in the wholesale price of propane may cause the value of stored propane to decline, particularly if we utilize fixed price forward contracts for supply. To mitigate the risk of propane commodity price fluctuations on the inventory valuation, we have adopted a Risk Management Policy that allows our propane distribution operation to enter into fair value hedges, cash flow hedges or other economic hedges of our inventory.

Aspire Energy is exposed to commodity price risk, primarily during the winter season, to the extent we are not successful in balancing our natural gas purchases and sales and have to secure natural gas from alternative sources at higher spot prices. In order to mitigate this risk, we procure firm capacity that meets our estimated volume requirements and we continue to seek out new producers in order to fulfill our natural gas purchase requirements.

The following table reflects the changes in the fair market value of financial derivatives contracts related to propane purchases and sales from December 31, 2022 to December 31, 2023:

(in thousands)	Balance at December 31, 2022	Increase (Decrease) in Fair Market Value	Less Amounts Settled	Balance at December 31, 2023
Sharp	$ 1,507	$ (1,822)	$ (61)	$ (376)

There were no changes in the methods of valuations during the year ended December 31, 2023.

The following is a summary of fair market value of financial derivatives as of December 31, 2023, by method of valuation and by maturity for each fiscal year period.

(in thousands)	2024	2025	2026	Total Fair Value
Price based on Mont Belvieu - Sharp	$ (264)	$ (75)	$ (37)	$ (376)

WHOLESALE CREDIT RISK

The Risk Management Committee reviews credit risks associated with counterparties to commodity derivative contracts prior to such contracts being approved.

Additional information about our derivative instruments is disclosed in Item 8, *Financial Statements and Supplementary Data,* Note 8, *Derivative Instruments,* in the consolidated financial statements.

INFLATION

Inflation affects the cost of supply, labor, products and services required for operations, maintenance and capital improvements. To help cope with the effects of inflation on our capital investments and returns, we periodically seek rate increases from regulatory commissions for our regulated operations and closely monitor the returns of our unregulated energy business operations. To compensate for fluctuations in propane gas prices, we adjust propane sales prices to the extent allowed by the market.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and Stockholders of
Chesapeake Utilities Corporation

Opinions on the Consolidated Financial Statements and Internal Control over Financial Reporting

We have audited the accompanying consolidated balance sheets of Chesapeake Utilities Corporation and Subsidiaries (the "Company") as of December 31, 2023 and 2022, the related consolidated statements of income, comprehensive income, stockholders' equity, and cash flows, for each of the years in the three-year period ended December 31, 2023, and the related notes and financial statement schedule listed in Item 15(a)2 (collectively referred to as the "consolidated financial statements"). We also have audited the Company's internal control over financial reporting as of December 31, 2023, based on criteria established in *Internal Control – Integrated Framework: (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2023 and 2022, and the results of their operations and their cash flows for each of the three years in the period ended December 31, 2023, in conformity with accounting principles generally accepted in the United States of America. Also in our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of December 31, 2023, based on criteria established in *Internal Control – Integrated Framework: (2013)* issued by COSO.

Basis for Opinion

The Company's management is responsible for these consolidated financial statements, for maintaining effective internal control over financial reporting, and for their assessment of the effectiveness of internal control over financial reporting, included in the accompanying Management's Report on Internal Control Over Financial Reporting. Our responsibility is to express an opinion on the Company's consolidated financial statements and an opinion on the Company's internal control over financial reporting based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) ("PCAOB") and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud, and whether effective internal control over financial reporting was maintained in all material respects.

Our audits of the financial statements included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. Our audit of internal control over financial reporting included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audits also included performing such other procedures as we considered necessary in the circumstances.

As indicated in the accompanying Management's Report on Internal Control Over Financial Reporting, management has excluded Florida City Gas ("FCG") from its assessment of internal control over financial reporting as of December 31, 2023, because it was acquired by the Company in a business combination during 2023. We have also excluded FCG from our audit of internal control over financial reporting. FCG is a wholly-owned subsidiary whose total assets and loss before taxes represented 31 percent and 4 percent, respectively, of the Company's consolidated total assets and earnings before taxes as of December 31, 2023 and for the year then ended.

We believe that our audits provide a reasonable basis for our opinions.

Definition and Limitations of Internal Control Over Financial Reporting

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Critical Audit Matter

The critical audit matter communicated below is a matter arising from the current period audit of the consolidated financial statements that was communicated or required to be communicated to the audit committee and that: (1) relates to accounts or disclosures that are material to the consolidated financial statements and (2) involved our especially challenging, subjective, or complex judgments. The communication of the critical audit matter does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.

Goodwill Impairment Assessment - Energy Transmission and Supply Services (Aspire Energy) - Unregulated Energy Segment - Refer to Notes 2 and 10 to the consolidated financial statements

Critical Audit Matter Description

As described in Notes 2 and 10 to the consolidated financial statements, the Company has recorded goodwill associated with the Aspire Energy reporting unit within its Unregulated Energy reportable segment as of December 31, 2023. To test goodwill for impairment, the Company uses a present value technique based on discounted cash flows to estimate the fair value of its reporting units. Management's testing of goodwill as of December 31, 2023 indicated no impairment.

We identified the goodwill impairment assessment of Aspire Energy as a critical audit matter because the fair value estimate requires significant estimates and assumptions by management, including those relating to future revenue and operating margin forecasts and discount rates. Testing these estimates involved especially challenging, subjective, or complex judgments and effort.

How the Critical Audit Matter was Addressed in the Audit

The primary procedures we performed to address this critical audit matter included:

- We obtained an understanding, evaluated the design, and tested the operating effectiveness of controls over management's goodwill impairment evaluation, including those over the determination of the fair value of the Aspire Energy reporting unit.
- We evaluated the appropriateness of management's valuation methodology, including testing the mathematical accuracy of the calculation.
- We assessed the historical accuracy of management's revenue and operating margin forecasts.
- We compared the significant assumptions used by management to current industry and economic trends, current and historical performance of the reporting unit, and other relevant factors.
- We performed sensitivity analyses of the significant assumptions to evaluate the changes in the fair value of the reporting units that would result from changes in the assumptions.
- We evaluated whether the assumptions were consistent with evidence obtained in other areas of the audit, including testing the Company's fair value of all reporting units within the Company's Regulated and Unregulated Energy segments, in relation to the market capitalization of the Company and assessed the results.

/s/ Baker Tilly US, LLP

We have served as the Company's auditor since 2007.

Lancaster, Pennsylvania
February 21, 2024

Chesapeake Utilities Corporation and Subsidiaries

Consolidated Statements of Income

(in thousands, except shares and per share data)	For the Year Ended December 31, 2023	2022	2021
Operating Revenues			
Regulated Energy	$ **473,595**	$ 429,424	$ 383,920
Unregulated Energy	**223,148**	280,750	206,869
Other businesses and eliminations	**(26,139)**	(29,470)	(20,821)
Total operating revenues	**670,604**	680,704	569,968
Operating Expenses			
Natural gas and electricity costs	**140,008**	127,172	100,737
Propane and natural gas costs	**76,474**	133,334	86,213
Operations	**178,437**	164,505	148,294
FCG transaction-related expenses	**10,355**	—	—
Maintenance	**20,401**	18,176	16,793
Depreciation and amortization	**65,501**	68,973	62,661
Other taxes	**28,625**	25,611	24,158
Total operating expenses	**519,801**	537,771	438,856
Operating Income	**150,803**	142,933	131,112
Other income, net	**1,438**	5,051	1,720
Interest charges	**36,951**	24,356	20,135
Income Before Income Taxes	**115,290**	123,628	112,697
Income taxes	**28,078**	33,832	29,231
Net Income	$ **87,212**	$ 89,796	$ 83,466
Weighted Average Common Shares Outstanding:			
Basic	**18,370,758**	17,722,227	17,558,078
Diluted	**18,434,857**	17,804,294	17,633,029
Earnings Per Share of Common Stock:			
Basic	$ **4.75**	$ 5.07	$ 4.75
Diluted	$ **4.73**	$ 5.04	$ 4.73

The accompanying notes are an integral part of the financial statements.

Chesapeake Utilities Corporation and Subsidiaries

Consolidated Statements of Comprehensive Income

(in thousands)	For the Year Ended December 31, 2023	2022	2021
Net Income	**$ 87,212**	$ 89,796	$ 83,466
Other Comprehensive Income (Loss), net of tax:			
Employee Benefits, net of tax:			
Reclassifications of amortization of prior service credit and actuarial loss, net of tax of $11, $18 and $550, respectively	**32**	57	1,616
Net (loss) gain, net of tax of $(37), $243, and $93, respectively	**(110)**	705	262
Cash Flow Hedges, net of tax:			
Net (loss) gain on commodity contract cash flow hedges, net of tax of $(501), $(369) and $2,702, respectively	**(1,322)**	934)	7,075
Reclassifications of net gain on commodity contract cash flow hedges, net of tax of $(17), $(963) and $(1,838), respectively	**(44)**	(2,545)	(4,813)
Net gain on interest rate swap cash flow hedges, net of tax of $165, $0, and $0, respectively	**473**	—	—
Reclassifications of net (gain) loss on interest rate swap cash flow hedges, net of tax of $(135), $12 and $12, respectively	**(388)**	35	28
Total Other Comprehensive (Loss) Income	**(1,359)**	(2,682)	4,168
Comprehensive Income	**$ 85,853**	$ 87,114	$ 87,634

The accompanying notes are an integral part of the financial statements.

Chesapeake Utilities Corporation and Subsidiaries

Consolidated Balance Sheets

Assets	As of December 31, 2023	2022
(in thousands, except shares and per share data)		
Property, Plant and Equipment		
Regulated Energy	$ **2,418,494**	$ 1,802,999
Unregulated Energy	**410,807**	393,215
Other businesses and eliminations	**30,310**	29,890
Total property, plant and equipment	**2,859,611**	2,226,104
Less: Accumulated depreciation and amortization	**(516,429)**	(462,926)
Plus: Construction work in progress	**113,192**	47,295
Net property, plant and equipment	**2,456,374**	1,810,473
Current Assets		
Cash and cash equivalents	**4,904**	6,204
Trade and other receivables	**74,485**	65,758
Less: Allowance for credit losses	**(2,699)**	(2,877)
Trade receivables, net	**71,786**	62,881
Accrued revenue	**32,597**	29,206
Propane inventory, at average cost	**9,313**	9,365
Other inventory, at average cost	**19,912**	16,896
Regulatory assets	**19,506**	41,439
Storage gas prepayments	**4,695**	6,364
Income taxes receivable	**3,829**	2,541
Prepaid expenses	**15,407**	15,865
Derivative assets, at fair value	**1,027**	2,787
Other current assets	**2,723**	428
Total current assets	**185,699**	193,976
Deferred Charges and Other Assets		
Goodwill	**508,174**	46,213
Other intangible assets, net	**16,865**	17,859
Investments, at fair value	**12,282**	10,576
Derivative assets, at fair value	**40**	982
Operating lease right-of-use assets	**12,426**	14,421
Regulatory assets	**96,396**	108,214
Receivables and other deferred charges	**16,448**	12,323
Total deferred charges and other assets	**662,631**	210,588
Total Assets	$ **3,304,704**	$ 2,215,037

The accompanying notes are an integral part of the financial statements.

Chesapeake Utilities Corporation and Subsidiaries

Consolidated Balance Sheets

Capitalization and Liabilities	As of December 31, 2023	2022
(in thousands, except shares and per share data)		
Capitalization		
Stockholders' equity		
Preferred stock, par value $0.01 per share (authorized 2,000,000 shares), no shares issued and outstanding	$ —	$ —
Common stock, par value $0.4867 per share (authorized 50,000,000 shares)	10,823	8,635
Additional paid-in capital	749,356	380,036
Retained earnings	488,663	445,509
Accumulated other comprehensive loss	(2,738)	(1,379)
Deferred compensation obligation	9,050	7,060
Treasury stock	(9,050)	(7,060)
Total stockholders' equity	1,246,104	832,801
Long-term debt, net of current maturities	1,187,075	578,388
Total capitalization	2,433,179	1,411,189
Current Liabilities		
Current portion of long-term debt	18,505	21,483
Short-term borrowing	179,853	202,157
Accounts payable	77,481	61,496
Customer deposits and refunds	46,427	37,152
Accrued interest	7,020	3,349
Dividends payable	13,119	9,492
Accrued compensation	16,544	14,660
Regulatory liabilities	13,719	5,031
Derivative liabilities, at fair value	354	585
Other accrued liabilities	13,362	13,618
Total current liabilities	386,384	369,023
Deferred Credits and Other Liabilities		
Deferred income taxes	259,082	256,167
Regulatory liabilities	195,279	142,989
Environmental liabilities	2,607	3,272
Other pension and benefit costs	15,330	16,965
Derivative liabilities at fair value	927	1,630
Operating lease - liabilities	10,550	12,392
Deferred investment tax credits and other liabilities	1,366	1,410
Total deferred credits and other liabilities	485,141	434,825
Environmental and other commitments and contingencies (Notes 19 and 20)		
Total Capitalization and Liabilities	$ 3,304,704	$ 2,215,037

The accompanying notes are an integral part of the financial statements.

Chesapeake Utilities Corporation and Subsidiaries

Consolidated Statements of Cash Flows

(in thousands)	For the Year Ended December 31, 2023	2022	2021
Operating Activities			
Net Income	$ 87,212	$ 89,796	$ 83,466
Adjustments to reconcile net income to net operating cash			
Depreciation and amortization	65,501	68,973	62,661
Depreciation and accretion included in operations expenses	11,934	11,044	10,228
Deferred income taxes, net	3,413	23,705	26,658
Realized (loss) on sale of assets/commodity contracts	(824)	(7,532)	(9,026)
Unrealized loss (gain) on investments/commodity contracts	(1,916)	1,817	(1,464)
Employee benefits and compensation	342	(1,111)	(53)
Share-based compensation	7,622	6,438	5,945
Other, net	170	—	—
Changes in assets and liabilities			
Accounts receivable and accrued revenue	2,270	(11,159)	(1,634)
Propane inventory, storage gas and other inventory	293	(7,847)	(9,517)
Regulatory assets/liabilities, net	20,102	(38,671)	(18,464)
Prepaid expenses and other current assets	18,689	9,124	(1,520)
Accounts payable and other accrued liabilities	(16,795)	2,724	8,285
Income taxes receivable	(1,288)	14,919	(4,575)
Customer deposits and refunds	3,928	664	3,176
Accrued compensation	1,462	(1,231)	1,198
Other assets and liabilities, net	1,367	(2,771)	(4,860)
Net cash provided by operating activities	203,482	158,882	150,504
Investing Activities			
Property, plant and equipment expenditures	(188,618)	(128,276)	(186,924)
Proceeds from sale of assets	2,926	3,860	1,033
Acquisitions, net of cash acquired	(925,034)	(11,766)	(36,371)
Environmental expenditures	(665)	(266)	(761)
Net cash used in investing activities	(1,111,391)	(136,448)	(223,023)
Financing Activities			
Common stock dividends	(40,009)	(35,147)	(31,537)
Issuance of stock for Dividend Reinvestment Plan	(28)	4,534	15,851
Proceeds from issuance of common stock, net of expenses	366,417	—	—
Tax withholding payments related to net settled stock compensation	(2,455)	(2,838)	(1,478)
Change in cash overdrafts due to outstanding checks	(301)	955	(1,154)
Net borrowings (repayments) under line of credit agreements	(22,544)	(20,608)	46,647
Proceeds from issuance of long-term debt	627,011	49,859	59,478
Repayment of long-term debt and finance lease obligation	(21,482)	(17,961)	(13,811)
Net cash provided by (used in) financing activities	906,609	(21,206)	73,996
Net (Decrease) Increase in Cash and Cash Equivalents	(1,300)	1,228	1,477
Cash and Cash Equivalents — Beginning of Period	6,204	4,976	3,499
Cash and Cash Equivalents — End of Period	$ 4,904	$ 6,204	$ 4,976

See Note 7 for Supplemental Cash Flow Disclosures.

The accompanying notes are an integral part of the financial statements.

Chesapeake Utilities Corporation and Subsidiaries

Consolidated Statements of Stockholders' Equity

(in thousands, except shares and per share data)	Common Stock [1] Number of Shares [2]	Common Stock [1] Par Value	Additional Paid-In Capital	Retained Earnings	Accumulated Other Comprehensive Income (Loss)	Deferred Compensation	Treasury Stock	Total
Balance at December 31, 2020	17,461,841	$ 8,499	$ 348,482	$ 342,969	$ (2,865)	$ 5,679	$ (5,679)	$ 697,085
Net Income	—	—	—	83,466	—	—	—	83,466
Other comprehensive income	—	—	—	—	4,168	—	—	4,168
Dividends declared ($1 880 per share)	—	—	—	(33,363)	—	—	—	(33,363)
Dividend reinvestment plan [3]	147,256	72	18,176	—	—	—	—	18,248
Share-based compensation and tax benefit [3][4]	46,313	22	4,504	—	—	—	—	4,526
Treasury stock activities [2]	—	—	—	—	—	1,561	(1,561)	—
Balance at December 31, 2021	17,655,410	8,593	371,162	393,072	1,303	7,240	(7,240)	774,130
Net Income	—	—	—	89,796	—	—	—	89,796
Other comprehensive income	—	—	—	—	(2,682)	—	—	(2,682)
Dividends declared ($2 085 per share)	—	—	—	(37,359)	—	—	—	(37,359)
Issuance under various plans [5]	39,418	19	5,273	—	—	—	—	5,292
Share-based compensation and tax benefit [3][4]	46,590	23	3,601		—	—	—	3,624
Treasury stock activities [2]	—	—	—	—	—	(180)	180	—
Balances at December 31, 2022	17,741,418	8,635	380,036	445,509	(1,379)	7,060	(7,060)	832,801
Net Income	—	—	—	87,212	—	—	—	87,212
Issuance of common stock in connection with acquisition of FCG	,438,596	2,160	364,257		—	—	—	366,417
Other comprehensive loss	—	—	—	—	(1,359)	—	—	(1,359)
Dividends declared ($2 305 per share)	—	—	—	(44,058)	—	—	—	(44,058)
Issuance under various plans [5]	—	—	(26)	—	—	—	—	(26)
Share-based compensation and tax benefit [3][4]	55,323	28	5,089	—	—	—	—	5,117
Treasury stock activities [2]	—	—	—	—	—	1,990	(1,990)	—
Balances at December 31, 2023	22,235,337	$ 10,823	$ 749,356	$ 488,663	$ (2,738)	$ 9,050	$ (9,050)	$ 1,246,104

[1] 2,000,000 shares of preferred stock at $0 01 par value per share have been authorized No shares have been issued or are outstanding, accordingly, no information has been included in the Consolidated Statements of Stockholders' Equity
[2] Includes 107,623, 108,143 and 116,238 shares at December 31, 2023, 2022 and 2021, respectively, held in a Rabbi Trust related to our Non-Qualified Deferred Compensation Plan.
[3] Includes amounts for shares issued for directors' compensation.
[4] The shares issued under the SICP are net of shares withheld for employee taxes For 2023, 2022 and 2021, we withheld 19,859, 21,832 and 14,020 shares, respectively, for taxes
[5] Includes shares issued under the Retirement Savings Plan, DRIP and/or ATM equity issuances, as applicable

The accompanying notes are an integral part of the financial statements.

FPSC EXH NO. 8

ADMITTED

1. Organization and Basis of Presentation

Chesapeake Utilities, incorporated in 1947 in Delaware, is a diversified energy company engaged in regulated and unregulated energy businesses.

Our regulated energy businesses consist of: (a) regulated natural gas distribution operations in central and southern Delaware, Maryland's eastern shore and Florida; (b) regulated natural gas transmission operations on the Delmarva Peninsula, in Pennsylvania, Florida and in Ohio; and (c) regulated electric distribution operations serving customers in northeast and northwest Florida.

Our unregulated energy businesses primarily include: (a) propane operations in the Mid-Atlantic region, North Carolina, South Carolina, and Florida; (b) our unregulated natural gas transmission/supply operation in central and eastern Ohio; (c) our CHP plant in Florida that generates electricity and steam; (d) our subsidiary, based in Florida, that provides CNG, LNG and RNG transportation and pipeline solutions, primarily to utilities and pipelines throughout the United States; and (e) sustainable energy investments including renewable natural gas.

Our consolidated financial statements include the accounts of Chesapeake Utilities and its wholly-owned subsidiaries. We do not have any ownership interest in investments accounted for using the equity method or any interest in a variable interest entity. All intercompany accounts and transactions have been eliminated in consolidation. We have assessed and, if applicable, reported on subsequent events through the date of issuance of these consolidated financial statements. Where necessary to improve comparability, prior period amounts have been reclassified to conform to current period presentation.

2. Summary of Significant Accounting Policies

Use of Estimates

Preparing the consolidated financial statements to conform with GAAP requires management to make estimates in measuring assets and liabilities and related revenues and expenses. These estimates involve judgments about various future economic factors that are difficult to predict and are beyond our control; therefore, actual results could differ from these estimates. As additional information becomes available, or actual amounts are determined, recorded estimates are revised. Consequently, operating results can be affected by revisions to prior accounting estimates.

Property, Plant and Equipment

Property, plant and equipment are stated at original cost less accumulated depreciation or fair value, if impaired. Costs include direct labor, materials and third-party construction contractor costs, allowance for funds used during construction ("AFUDC"), and certain indirect costs related to equipment and employees engaged in construction. The costs of repairs and minor replacements are charged to expense as incurred, and the costs of major renewals and improvements are capitalized. Upon retirement or disposition of property within the regulated businesses, the gain or loss, net of salvage value, is charged to accumulated depreciation. Upon retirement or disposition of property owned by the unregulated businesses, the gain or loss, net of salvage value, is charged to income. A summary of property, plant and equipment by classification as of December 31, 2023 and 2022 is provided in the following table:

(in thousands)	As of December 31, 2023	2022
Property, plant and equipment		
Regulated Energy		
Natural gas distribution - Delmarva Peninsula and Florida [(1)]	$ 1,486,796	$ 925,501
Natural gas transmission - Delmarva Peninsula, Pennsylvania, Ohio and Florida	788,185	741,865
Electric distribution	143,513	135,633
Unregulated Energy		
Propane operations – Mid-Atlantic, North Carolina, South Carolina and Florida	194,918	185,090
Natural gas transmission and supply – Ohio	134,192	128,620
Electricity and steam generation	37,064	36,886
Mobile CNG and pipeline solutions	40,558	38,543
Sustainable energy investments, including renewable natural gas	4,076	4,076
Other	30,309	29,890
Total property, plant and equipment	2,859,611	2,226,104
Less: Accumulated depreciation and amortization	(516,429)	(462,926)
Plus: Construction work in progress	113,192	47,295
Net property, plant and equipment	$ 2,456,374	$ 1,810,473

[(1)] Includes amounts attributable to the acquisition of FCG. See Note 4 for additional details on the acquisition.

Contributions or Advances in Aid of Construction

Customer contributions or advances in aid of construction reduce property, plant and equipment, unless the amounts are refundable to customers. Contributions or advances may be refundable to customers after a number of years based on the amount of revenues generated from the customers or the duration of the service provided to the customers. Refundable contributions or advances are recorded initially as liabilities. Non-refundable contributions reduce property, plant and equipment at the time of such determination. As of December 31, 2023 and 2022, the non-refundable contributions totaled $4.2 million and $7.6 million, respectively.

AFUDC

Some of the additions to our regulated property, plant and equipment include AFUDC, which represents the estimated cost of funds, from both debt and equity sources, used to finance the construction of major projects. AFUDC is capitalized in the applicable rate base for rate-making purposes when the completed projects are placed in service. During the years ended December 31, 2023, 2022 and 2021, AFUDC was immaterial and was reflected as a reduction of interest charges.

Leases

We have entered into lease arrangements for office space, land, equipment, pipeline facilities and warehouses. These leases enable us to conduct our business operations in the regions in which we operate. Our operating leases are included in operating lease right-of-use assets, other accrued liabilities, and operating lease - liabilities in our consolidated balance sheets.

Right-of-use assets represent our right to use an underlying asset for the lease term and lease liabilities represent our obligation to make lease payments arising from the lease. Operating lease right-of-use assets and liabilities are recognized at commencement date based on the present value of lease payments over the lease term. Leases with an initial term of 12 months or less are not recorded on our balance sheet; we recognize lease expense for these leases on a straight-line basis over the lease term. Our leases do not provide an implicit lease rate, therefore, we utilize our incremental borrowing rate, as the basis to calculate the present value of future lease payments, at lease commencement. Our incremental borrowing rate represents the rate that we would have to pay to borrow funds on a collateralized basis over a similar term and in a similar economic environment.

We have lease agreements with lease and non-lease components. At the adoption of ASC 842, we elected not to separate non-lease components from all classes of our existing leases. The non-lease components have been accounted for as part of the single lease component to which they are related. See Note 14, *Leases,* for additional information.

Jointly-owned Pipelines

Property, plant and equipment for our Florida natural gas transmission operation included $28.4 million of jointly owned assets at December 31, 2023, primarily comprised of the 26-mile Callahan intrastate transmission pipeline in Nassau County, Florida jointly-owned with Seacoast Gas Transmission. Peninsula Pipeline's ownership is 50 percent. Direct expenses for the jointly-owned pipeline are included in operating expenses within our consolidated statements of income. Accumulated depreciation for this pipeline totaled $2.2 million and $1.5 million at December 31, 2023 and 2022, respectively.

Impairment of Long-lived Assets

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

Depreciation and Accretion Included in Operations Expenses

We compute depreciation expense for our regulated operations by applying composite, annual rates, as approved by the respective regulatory bodies. Certain components of depreciation and accretion are reported in operations expenses, rather than as depreciation and amortization expense, in the accompanying consolidated statements of income in accordance with industry practice and regulatory requirements. Depreciation and accretion included in operations expenses consists of the accretion of the costs of removal for future retirements of utility assets, vehicle depreciation, computer software and hardware depreciation, and other minor amounts of depreciation expense. For the years ended December 31, 2023, 2022 and 2021, we reported $11.9 million, $11.0 million and $10.2 million, respectively, of depreciation and accretion in operations expenses.

The following table shows the average depreciation rates used for regulated operations during the years ended December 31, 2023, 2022 and 2021:

	2023	2022	2021
Natural gas distribution – Delmarva Peninsula	**2.5%**	2.5%	2.5%
Natural gas distribution – Florida [(1) (2)]	**2.2%**	2.5%	2.5%
Natural gas transmission – Delmarva Peninsula	**2.7%**	2.7%	2.7%
Natural gas transmission – Florida	**2.4%**	2.4%	2.3%
Natural gas transmission – Ohio	**5.0%**	5.0%	N/A
Electric distribution	**2.4%**	2.8%	2.8%

(1) Excludes the acquisition of FCG which was completed on November 30, 2023

(2) Average for 2023 includes the impact of the depreciation study that was approved by the Florida PSC in connection with the natural gas base rate proceeding

For our unregulated operations, we compute depreciation expense on a straight-line basis over the following estimated useful lives of the assets:

Asset Description	Useful Life
Propane distribution mains	10-37 years
Propane bulk plants and tanks	10-40 years
Propane equipment, meters and meter installations	5-33 years
Measuring and regulating station equipment	5-37 years
Natural gas pipelines	45 years
Natural gas right of ways	Perpetual
CHP plant	30 years
Natural gas processing equipment	20-25 years
Office furniture and equipment	3-10 years
Transportation equipment	4-20 years
Structures and improvements	5-45 years
Other	Various

Regulated Operations

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

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

Revenue Recognition

Revenues for our natural gas and electric distribution operations are based on rates approved by the PSC in each state in which they operate. Customers' base rates may not be changed without formal approval by these commissions. The PSCs, however, have authorized our regulated operations to negotiate rates, based on approved methodologies, with customers that have competitive alternatives. Eastern Shore's revenues are based on rates approved by the FERC. The FERC has also authorized Eastern Shore to negotiate rates above or below the FERC-approved maximum rates, which customers can elect as an alternative to FERC-approved maximum rates.

For regulated deliveries of natural gas and electricity, we read meters and bill customers on monthly cycles that do not coincide with the accounting periods used for financial reporting purposes. We accrue unbilled revenues for natural gas and electricity delivered, but not yet billed, at the end of an accounting period to the extent that they do not coincide. We estimate the amount of the unbilled revenue by jurisdiction and customer class.

All of our regulated natural gas and electric distribution operations have fuel cost recovery mechanisms. These mechanisms allow us to adjust billing rates, without further regulatory approvals, to reflect changes in the cost of purchased fuel. Differences between the cost of fuel purchased and delivered are deferred and accounted for as either unrecovered fuel cost or amounts payable to customers. Generally, these deferred amounts are recovered or refunded within one year.

We charge flexible rates to our natural gas distribution industrial interruptible customers who can use alternative fuels. Interruptible service imposes no contractual obligation to deliver or receive natural gas on a firm service basis.

Our unregulated propane distribution businesses record revenue in the period the products are delivered and/or services are rendered for their bulk delivery customers. For propane customers with meters whose billing cycles do not coincide with our accounting periods, we accrue unbilled revenue for product delivered but not yet billed and bill customers at the end of an accounting period, as we do in our regulated energy businesses.

Our Ohio natural gas transmission/supply operation recognizes revenues based on actual volumes of natural gas shipped using contractual rates based upon index prices that are published monthly.

Eight Flags records revenues based on the amount of electricity and steam generated and sold to its customers.

Our mobile compressed natural gas operation recognizes revenue for CNG services at the end of each calendar month for services provided during the month based on agreed upon rates for labor, equipment utilized, costs incurred for natural gas compression, miles driven, mobilization and demobilization fees.

We report revenue taxes, such as gross receipts taxes, franchise taxes, and sales taxes, on a net basis.

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

Natural Gas, Electric and Propane Costs

Natural gas, electric and propane costs include the direct costs attributable to the products sold or services provided to our customers. These costs include primarily the variable commodity cost of natural gas, electricity and propane, costs of pipeline capacity needed to transport and store natural gas, transmission costs for electricity, costs to gather and process natural gas, costs to transport propane to/from our storage facilities or our mobile CNG equipment to customer locations, and steam and electricity generation costs. Depreciation expense is not included in natural gas, electric and propane costs.

Operations and Maintenance Expenses

Operations and maintenance expenses include operations and maintenance salaries and benefits, materials and supplies, usage of vehicles, tools and equipment, payments to contractors, utility plant maintenance, customer service, professional fees and other outside services, insurance expense, minor amounts of depreciation, accretion of removal costs for future retirements of utility assets and other administrative expenses.

Cash and Cash Equivalents

Our policy is to invest cash in excess of operating requirements in overnight income-producing accounts. Such amounts are stated at cost, which approximates fair value. Investments with an original maturity of three months or less when purchased are considered cash equivalents.

Accounts Receivable and Allowance for Credit Losses

Accounts receivable consist primarily of amounts due for sales of natural gas, electricity and propane and transportation and distribution services to customers. An allowance for doubtful accounts is recorded against amounts due based upon our collections experiences and an assessment of our customers' inability or reluctance to pay. If circumstances change, our estimates of recoverable accounts receivable may also change. Circumstances which could affect such estimates include, but are not limited to, customer credit issues, natural gas, electricity and propane prices and impacts from general economic conditions. Accounts receivable are written off when they are deemed to be uncollectible.

Our estimate for expected credit losses has been developed by analyzing our portfolio of financial assets that present potential credit exposure risk. These assets consist solely of our trade receivables from customers and contract assets. The estimate is based on five years of historical collections experience, a review of current economic and operating conditions in our service territories, and an examination of economic indicators which provide a reasonable and supportable basis of potential future activity. Those indicators include metrics which we believe provide insight into the future collectability of our trade receivables such as unemployment rates and economic growth statistics in our service territories.

When determining estimated credit losses, we analyze the balance of our trade receivables based on the underlying line of business. This includes an examination of trade receivables from our energy distribution, energy transmission, energy delivery services and propane operations businesses. Our energy distribution business consists of all our regulated distribution utility (natural gas and electric) operations on the Delmarva Peninsula and in Florida. These business units have the ability to recover their costs through the rate-making process, which can include consideration for amounts historically written off to be included in rate base. Therefore, they possess a mechanism to recover credit losses which we believe reduces their exposure to credit risk. Our energy transmission and energy delivery services business units consist of our natural gas pipelines and our mobile CNG delivery operations. The majority of customers served by these business units are regulated distribution utilities who also have the ability to recover their costs. We believe this cost recovery mechanism significantly reduces the amount of credit risk associated with these customers. Our propane operations are unregulated and do not have the same ability to recover their costs as our regulated operations. However, historically our propane operations have not had material write offs relative to the amount of revenues generated.

Our estimate of expected credit losses reflects our anticipated losses associated with our trade receivables as a result of nonpayment from our customers beginning the day the trade receivable is established. We believe the risk of loss associated with trade receivables classified as current presents the least amount of credit exposure risk and therefore, we assign a lower estimate to our current trade receivables. As our trade receivables age outside of their expected due date, our estimate increases. Our allowance for credit losses relative to the balance of our trade receivables has historically been immaterial as a result of on time payment activity from our customers. The table below illustrates the changes in the balance of our allowance for expected credit losses for the year ended December 31, 2023:

(in thousands)		
Balance at December 31, 2022	**$**	**2,877**
Additions:		
Provision for credit losses		**2,340**
Recoveries		**166**
Deductions:		
Write offs		**(2,684)**
Balance at December 31, 2023	**$**	**2,699**

Inventories

We use the average cost method to value propane, materials and supplies, and other merchandise inventory. If market prices drop below cost. inventory balances that are subject to price risk are adjusted to their net realizable value. There were no lower-of-cost-or-net realizable value adjustment for the years ended December 31, 2023, 2022 or 2021.

Goodwill and Other Intangible Assets

Goodwill is not amortized but is tested for impairment at least annually, or more frequently if an event occurs or circumstances change that would more likely than not reduce the fair value of a reporting unit below its carrying value. We generally use a present value technique based on discounted cash flows to estimate the fair value of our reporting units. An impairment charge is recognized if the carrying value of a reporting unit's goodwill exceeds its fair value. There were no goodwill impairments recognized during the years ended December 31, 2023, 2022 and 2021. Other intangible assets are amortized on a straight-line basis over their estimated economic useful lives.

Other Deferred Charges

Other deferred charges include issuance costs associated with short-term borrowings. These charges are amortized over the life of the related short-term debt borrowings.

Asset Removal Cost

As authorized by the appropriate regulatory body (state PSC or FERC), we accrue future asset removal costs associated with utility property, plant and equipment even if a legal obligation does not exist. Such accruals are provided for through depreciation expense and are recorded with corresponding credits to regulatory liabilities or assets. When we retire depreciable utility plant and equipment. we charge the associated original costs to accumulated depreciation and amortization, and any related removal costs incurred are charged to regulatory liabilities or assets. The difference between removal costs recognized in depreciation rates and the accretion and depreciation expense recognized for financial reporting purposes is a timing difference between recovery of these costs in rates and their recognition for financial reporting purposes. Accordingly, these differences are deferred as regulatory liabilities or assets. In the rate setting process, the regulatory liability or asset is excluded from the rate base upon which those utilities have the opportunity to earn their allowed rates of return. The costs associated with our asset retirement obligations are either currently being recovered in rates or are probable of recovery in future rates.

See Note 18, *Rates and Other Regulatory Activities*, for information related to FCG's reserve surplus amortization mechanism ("RSAM") that was approved as part of its rate case effective as of May 1, 2023.

Pension and Other Postretirement Plans

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

The discount rates are utilized principally in calculating the actuarial present value of our pension and postretirement obligations and net pension and postretirement costs. When estimating our discount rates, we consider high-quality corporate bond rates, such as the Empower curve index and the FTSE Index, changes in those rates from the prior year and other pertinent factors, including the expected life of each of our plans and their respective payment options.

The expected long-term rates of return on assets are utilized in calculating the expected returns on the plan assets component of our annual pension plan costs. We estimate the expected returns on plan assets by evaluating expected bond returns, asset allocations, the effects of active plan management, the impact of periodic plan asset rebalancing and historical performance. We also consider the guidance from our investment advisors in making a final determination of our expected rates of return on plan assets.

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

The mortality assumption used for our pension and postretirement plans is reviewed periodically and is based on the actuarial table that best reflects the expected mortality of the plan participants.

Income Taxes, Investment Tax Credit Adjustments and Tax-Related Contingency

Deferred tax assets and liabilities are recorded for the income tax effect of temporary differences between the financial statement basis and tax basis of assets and liabilities and are measured using the enacted income tax rates in effect in the years in which the differences are expected to reverse. Deferred tax assets are recorded net of any valuation allowance when it is more likely than not that such income tax benefits will be realized. Investment tax credits on utility property have been deferred and are allocated to income ratably over the lives of the subject property.

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

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

Financial Instruments

We utilize financial instruments to mitigate commodity price risk associated with fluctuations of natural gas, electricity and propane and to mitigate interest rate risk. Our propane operations enter into derivative transactions, such as swaps, put options and call options in order to mitigate the impact of wholesale price fluctuations on inventory valuation and future purchase commitments. These transactions may be designated as fair value hedges or cash flow hedges, if they meet all of the accounting requirements pursuant to ASC Topic 815, *Derivatives and Hedging,* and we elect to designate the instruments as hedges. If designated as a fair value hedge, the value of the hedging instrument, such as a swap, future, or put option, is recorded at fair value, with the effective portion of the gain or loss of the hedging instrument effectively reducing or increasing the value of the hedged item. If designated as a cash flow hedge, the value of the hedging instrument, such as a swap or call option, is recorded at fair value with the effective portion of the gain or loss of the hedging instrument being initially recorded in accumulated other comprehensive income (loss) and reclassified to earnings when the associated hedged transaction settles. The ineffective portion of the gain or loss of a hedge is immediately recorded in earnings. If the instrument is not designated as a fair value or cash flow hedge, or it does not meet the accounting requirements of a hedge under ASC Topic 815, *Derivatives and Hedging*, it is recorded at fair value with all gains or losses being recorded directly in earnings.

Our natural gas, electric and propane operations enter into agreements with suppliers to purchase natural gas, electricity, and propane for resale to our respective customers. Purchases under these contracts, as well as distribution and sales agreements

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with counterparties or customers either do not meet the definition of a derivative, or qualify for "normal purchases and normal sales" treatment under ASC Topic 815 and are accounted for on an accrual basis.

We manage interest rate risk by entering into derivative contracts to hedge the variability in cash flows attributable to changes in the short-term borrowing rates. We designate and account for the interest rate swaps as cash flows hedges. Accordingly, unrealized gains and losses associated with the interest rate swaps are recorded as a component of accumulated other comprehensive income (loss). When the interest rate swaps settle, the realized gain or loss will be recorded in the income statement and recognized as a component of interest charges.

Recent Accounting Standards Yet to be Adopted

Segment Reporting (ASC 280) - In November 2023, the FASB issued ASU 2023-07, *Improvements to Reportable Segments Disclosures*, which modifies required disclosures about a public entity's reportable segments and addresses requests from investors for more detailed information about a reportable segment's expenses and a more comprehensive reconciliation of each segment's reported profit or loss. ASU 2023-07 will be effective for our annual financial statements beginning January 1, 2024 and our interim financial statements beginning January 1, 2025. ASU 2023-07 only impacts disclosures, and as a result, will not have a material impact on our financial position or results of operations.

Income Taxes (ASC 740) - In December 2023, the FASB issued ASU 2023-09, *Improvements to Income Tax Disclosures,* which modifies required income tax disclosures primarily related to an entity's rate reconciliation and information pertaining to income taxes paid. These enhancements have been made to address requests from investors related to transparency and usefulness of income tax disclosures. ASU 2023-09 will be effective for our annual financial statements beginning January 1, 2024. ASU 2023-09 only impacts disclosures, and as a result, will not have a material impact on our financial position or results of operations.

3. Earnings Per Share

The following table presents the calculation of our basic and diluted earnings per share:

	For the Year Ended December 31,		
(in thousands, except shares and per share data)	**2023**	**2022**	**2021**
Calculation of Basic Earnings Per Share:			
Net Income	**$ 87,212**	$ 89,796	$ 83,466
Weighted average shares outstanding [1]	**18,370,758**	17,722,227	17,558,078
Basic Earnings Per Share	**$ 4.75**	$ 5.07	$ 4.75
Calculation of Diluted Earnings Per Share:			
Reconciliation of Denominator:			
Weighted average shares outstanding — Basic [1]	**18,370,758**	17,722,227	17,558,078
Effect of dilutive securities — Share-based compensation	**64,099**	82,067	74,951
Adjusted denominator — Diluted [1]	**18,434,857**	17,804,294	17,633,029
Diluted Earnings Per Share	**$ 4.73**	$ 5.04	$ 4.73

[1] 2023 weighted average shares reflect the impact of 4.4 million common shares issued in November 2023 in connection with the acquisition of FCG. See Notes 4 and 15 for additional details on the acquisition and related equity offering.

4. Acquisitions

Acquisition of Florida City Gas

On November 30, 2023, we completed the acquisition of FCG for $923.4 million in cash, including working capital adjustments as defined in the agreement. pursuant to the previously disclosed stock purchase agreement with Florida Power & Light Company. Upon completion of the acquisition, FCG became a wholly-owned subsidiary of the Company and is included within our Regulated Energy segment.

FCG, a regulated utility, serves approximately 120,000 residential and commercial natural gas customers across eight counties in Florida, including Miami-Dade, Broward, Brevard, Palm Beach, Hendry, Martin, St. Lucie and Indian River. Its natural gas system includes approximately 3,800 miles of distribution main and 80 miles of transmission pipe.

The purchase price of the acquisition was funded with $366.4 million of net proceeds from the issuance of 4.4 million shares of our common stock, the issuance of approximately $550.0 million principal amount of uncollateralized senior notes, and borrowings under the Company's Revolver. See Note 12, *Long-Term Debt*, and Note 15, *Stockholders' Equity,* for additional details on these financing activities.

We accounted for the acquisition of FCG using the acquisition method. At December 31, 2023, the allocation of the purchase price remains preliminary pending finalizing of certain working capital balances. As such. the fair value measurements presented below are subject to change within the measurement period not to exceed one year from the date of the acquisition. As FCG is a regulated utility, the measurement of the fair value of most of the assets acquired and liabilities assumed were determined using the predecessor's carrying value. In certain other instances where assets and liabilities are not subject to regulation. we determined the fair value in accordance with the principles of ASC Topic 820, *Fair Value Measurements.*

The excess of the purchase price for FCG over the fair value of the assets acquired and liabilities assumed has been reflected as goodwill within the Regulated Energy segment. Goodwill resulting from the acquisition is largely attributable to expansion opportunities provided within our existing regulated operations in Florida. including planned customer growth and growth in rate base through continued investment in our utility infrastructure, as well as natural gas transmission infrastructure supporting the distribution operations. The goodwill recognized in connection with the acquisition of FCG will be deductible for income tax purposes.

The components of the preliminary purchase price allocation are as follows:

(in thousands)

	Acquisition Date Fair Value
Assets acquired:	
Cash	$ 2,270
Accounts receivable, net	14,396
Regulatory assets - current	2,983
Other current assets	2,707
Property, plant and equipment	453,845
Goodwill	461,193
Regulatory assets - non-current	3,381
Other deferred charges and other assets,	18,309
Total assets acquired	**959,084**
Liabilities assumed:	
Current liabilities	(20,954)
Regulatory liabilities	(14,137)
Other deferred credits and other liabilities	(548)
Total liabilities assumed	**(35,639)**
Net purchase price	**$ 923,445**

Direct transaction costs of $10.4 million associated with the FCG acquisition are reflected in "FCG transaction-related expenses" on our consolidated statement of income for the year ended December 31, 2023. In addition, interest charges include $4.1 million related to fees and expenses associated with the Bridge Facility, which was terminated without any funds drawn, for the year ended December 31, 2023. Other transaction costs of $15.9 million related primarily to the debt and equity financings executed in connection with the acquisition have been deferred on the consolidated balance sheet or recorded in equity as an offset to proceeds received, as appropriate.

For the period from the acquisition date through December 31, 2023, the Company's consolidated results include $12.1 million of operating revenue and a $3.3 million net loss attributable to FCG which includes $7.5 million of the transaction-related expenses described above. For additional information on FCG's results, see discussion under Item 7, *Management's Discussion* *and Analysis of Financial Condition and Results of Operations*. The following unaudited financial information reflects pro forma operating revenues and net income assuming the FCG acquisition had occurred on January 1, 2022. The unaudited pro forma financial information has been presented for illustrative purposes only and is not necessarily indicative of the results of operations that would have been achieved or the future results of operations of FCG.

(in thousands) [redacted]	For the Year Ended December 31, 2023		For the Year Ended December 31, 2022	
Operating Revenue	**$**	**786,473**	$	798,355
Net Income	**$**	**85,398**	$	81,508

Acquisition of J.T. Lee and Son's

In December 2023, Sharp acquired the propane operating assets of J.T. Lee and Son's in Cape Fear, North Carolina for $3.9 million. In connection with this acquisition, we recorded a $0.3 million liability which is subject to the seller's adherence to various provisions contained in the purchase agreement through the first anniversary of the transaction closing. Through this acquisition. we expanded our operating footprint further in North Carolina, where customers are served by Sharp Energy's Diversified Energy division. Sharp added approximately 3,000 customers and distribution of approximately 800,000 gallons of propane annually. The transaction also includes a bulk plant with 60,000 gallons of propane storage, enabling the Company to realize efficiencies with additional storage capacity and overlapping delivery territories.

In connection with this acquisition. we recorded $2.7 million in property plant and equipment, $0.9 million in goodwill, $0.2 million in working capital, and less than $0.1 million in intangible assets associated primarily with non-compete agreements, all of which are deductible for income tax purposes. The amounts recorded in conjunction with the acquisition are preliminary, and subject to adjustment based on contractual provisions and finalization prior to the first anniversary of the transaction closing. The financial results associated with this acquisition are included within our propane distribution operations within our Unregulated Energy segment. The operating revenues and net income of this acquisition were not material to our consolidated results for the year ended December 31, 2023.

Acquisition of Planet Found Energy Development

In October 2022, we acquired Planet Found Energy Development, LLC ("Planet Found") for $9.5 million. In connection with this acquisition. we recorded a $0.9 million liability which was released after the first anniversary of the transaction closing. We accounted for this acquisition as a business combination within our Unregulated Energy segment beginning in the fourth quarter of 2022. Planet Found's farm scale anaerobic digestion pilot system and technology produces biogas from 1200 tons of poultry litter annually. The transaction accelerated our efforts in converting poultry waste to renewable, sustainable energy while simultaneously improving the local environments in our service territories.

In connection with this acquisition, we recorded $4.4 million in intangible assets associated primarily with intellectual property and non-compete agreements, $4.0 million in property plant and equipment, $1.1 million in goodwill, and less than $0.1 million in working capital, all of which are deductible for income tax purposes. The operating revenues and net income of Planet Found were not material to our consolidated results for the years ended December 31, 2023 and 2022.

Acquisition of Davenport Energy

In June 2022, Sharp acquired the propane operating assets of Davenport Energy's Siler City, North Carolina propane division for approximately $2.0 million. Through this acquisition. the Company expanded its operating footprint further into North Carolina, where customers are served by Sharp Energy's Diversified Energy division. Sharp added approximately 850 customers, and expected distribution of approximately 0.4 million gallons of propane annually. We recorded $1.5 million in property plant and equipment, $0.5 million in goodwill, and immaterial amounts associated with customer relationships and non-compete agreements, all of which are deductible for income tax purposes. The financial results associated with this acquisition are included within the Company's propane distribution operations within its Unregulated Energy segment. The operating revenues and net income of Davenport Energy were not material to our consolidated results for the years ended December 31, 2023 and 2022.

5. Revenue Recognition

We recognize revenue when our performance obligations under contracts with customers have been satisfied. which generally occurs when our businesses have delivered or transported natural gas, electricity or propane to customers. We exclude sales

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taxes and other similar taxes from the transaction price. Typically, our customers pay for the goods and/or services we provide to them following the satisfaction of our performance obligation. The following table displays revenue by major source based on product and service type for the years ended December 31, 2023, 2022 and 2021:

	For the year ended December 31, 2023			
(in thousands)	Regulated Energy	Unregulated Energy	Other and Eliminations	Total
Energy distribution				
Delaware natural gas division	$ 83,882	$ —	$ —	$ 83,882
Florida Natural Gas distribution [1]	168,360	—	—	168,360
Florida City Gas [2]	12,073	—	—	12,073
FPU electric distribution	99,474	—	—	99,474
Maryland natural gas division	28,092	—	—	28,092
Sandpiper natural gas/propane operations	20,185	—	—	20,185
Elkton Gas	8,814	—	—	8,814
Total energy distribution	420,880	—	—	420,880
Energy transmission				
Aspire Energy	—	37,139	—	37,139
Aspire Energy Express	1,478	—	—	1,478
Eastern Shore	79,923	—	—	79,923
Peninsula Pipeline	30,400	—	—	30,400
Total energy transmission	111,801	37,139	—	148,940
Energy generation				
Eight Flags	—	19.207	—	19.207
Propane operations				
Propane distribution operations	—	154,748	—	154,748
Compressed Natural Gas Services				
Marlin Gas Services	—	12,300	—	12,300
Other and eliminations				
Eliminations	(59,086)	(246)	(26,321)	(85,653)
Other	—	—	182	182
Total other and eliminations	(59,086)	(246)	(26,139)	(85,471)
Total operating revenues [3]	**$ 473,595**	**$ 223,148**	**$ (26,139)**	**$ 670,604**

[1] In accordance with the Florida PSC approval of our natural gas base rate proceeding, effective March 1, 2023, our natural gas distribution businesses in Florida (FPU, FPU-Indiantown division, FPU-Fort Meade division and Chesapeake Utilities' CFG division) have been consolidated and amounts above are now being presented on a consolidated basis consistent with the final rate order

[2] Operating revenues for FCG include amounts from the acquisition date through December 31, 2023 For additional information on FCG's results, see Note 4, *Acquisitions*, and discussion under Item 7, Management's Discussion and Analysis of Financial Condition and Results of Operations

[3] Total operating revenues for the year ended December 31, 2023, include other revenue (revenues from sources other than contracts with customers) of $1 2 million and $0 4 million for our Regulated and Unregulated Energy segments, respectively The sources of other revenues include revenue from alternative revenue programs related to revenue normalization for Maryland division and Sandpiper and late fees

(in thousands)	For the year ended December 31, 2022			
	Regulated Energy	Unregulated Energy	Other and Eliminations	Total
Energy distribution				
Delaware natural gas division [redacted]	$ 82,176	$ —	$ —	$ 82,176
Florida Natural Gas distribution [1]	155,870	—	—	155,870
FPU electric distribution	81,714	—	—	81,714
Maryland natural gas division	26,607	—	—	26,607
Sandpiper natural gas/propane operations	21,278	—	—	21,278
Elkton Gas	9,198	—	—	9,198
Total energy distribution	376,843	—	—	376,843
Energy transmission				
Aspire Energy	—	56,225	—	56.225
Aspire Energy Express	1,377	—	—	1,377
Eastern Shore	78,624	—	—	78,624
Peninsula Pipeline	27,263	—	—	27,263
Total energy transmission	107,264	56.225	—	163,489
Energy generation				
Eight Flags	—	25,318	—	25,318
Propane operations				
Propane distribution operations [redacted]	—	188,412	—	188,412
Compressed Natural Gas Services				
Marlin Gas Services	—	11,159	—	11,159
Other and eliminations				
Eliminations	(54,683)	(364)	(29,778)	(84,825)
Other	—	—	308	308
Total other and eliminations	(54,683)	(364)	(29,470)	(84,517)
Total operating revenues [2]	**$ 429,424**	**$ 280,750**	**$ (29,470)**	**$ 680,704**

[1] In accordance with the Florida PSC approval of our natural gas base rate proceeding, effective March 1, 2023, our natural gas distribution businesses in Florida (FPU, FPU-Indiantown division, FPU-Fort Meade division and Chesapeake Utilities' CFG division) have been consolidated and amounts above are now being presented on a consolidated basis consistent with the final rate order

[2] Total operating revenues for the year ended December 31, 2022, include other revenue (revenues from sources other than contracts with customers) of $0 5 million and $0 4 million for our Regulated and Unregulated Energy segments, respectively The sources of other revenues include revenue from alternative revenue programs related to revenue normalization for Maryland division and Sandpiper and late fees

(in thousands)	For the year ended December 31, 2021 Regulated Energy	Unregulated Energy	Other and Eliminations	Total
Energy distribution				
Delaware natural gas division	$ 71,195	$ —	$ —	$ 71,195
Florida Natural Gas distribution (1)	134,609	—	—	134,609
FPU electric distribution	78,300	—	—	78,300
Maryland natural gas division	22,449	—	—	22,449
Sandpiper natural gas/propane operations	20,746	—	—	20,746
Elkton Gas	7,105	—	—	7,105
Total energy distribution	334,404	—	—	334,404
Energy transmission				
Aspire Energy	—	38,163	—	38,163
Aspire Energy Express	187	—	—	187
Eastern Shore	76,911	—	—	76,911
Peninsula Pipeline	26,630	—	—	26,630
Total energy transmission	103,728	38,163	—	141,891
Energy generation				
Eight Flags	—	18,652	—	18,652
Propane operations				
Propane distribution operations	—	142,082	—	142,082
Compressed Natural Gas Services				
Marlin Gas Services	—	8,315	—	8,315
Other and eliminations				
Eliminations	(54.212)	(343)	(21,348)	(75,903)
Other	—	—	527	527
Total other and eliminations	(54.212)	(343)	(20,821)	(75,376)
Total operating revenues (2)	**$ 383,920**	**$ 206,869**	**$ (20,821)**	**$ 569,968**

(1) In accordance with the Florida PSC approval of our natural gas base rate proceeding, effective March 1, 2023, our natural gas distribution businesses in Florida (FPU, FPU-Indiantown division, FPU-Fort Meade division and Chesapeake Utilities' CFG division) have been consolidated and amounts above are now being presented on a consolidated basis consistent with the final rate order

(2) Total operating revenues for the year ended December 31, 2021, include other revenue (revenues from sources other than contracts with customers) of $0 2 million and $0 4 million for our Regulated and Unregulated Energy segments, respectively The sources of other revenues include revenue from alternative revenue programs related to revenue normalization for Maryland division and Sandpiper and late fees

Regulated Energy Segment

The businesses within our Regulated Energy segment are regulated utilities whose operations and customer contracts are subject to rates approved by the respective state PSC or the FERC.

Our energy distribution operations deliver natural gas or electricity to customers, and we bill the customers for both the delivery of natural gas or electricity and the related commodity, where applicable. In most jurisdictions, our customers are also required to purchase the commodity from us, although certain customers in some jurisdictions may purchase the commodity from a third-party retailer (in which case we provide delivery service only). We consider the delivery of natural gas or electricity and/or the related commodity sale as one performance obligation because the commodity and its delivery are highly interrelated with two-way dependency on one another. Our performance obligation is satisfied over time as natural gas or electricity is delivered and consumed by the customer. We recognize revenues based on monthly meter readings, which are based on the quantity of natural gas or electricity used and the approved rates. We accrue unbilled revenues for natural gas and electricity that have been delivered. but not yet billed, at the end of an accounting period. to the extent that billing and delivery do not coincide.

Revenues for Eastern Shore are based on rates approved by the FERC. The FERC has also authorized Eastern Shore to negotiate rates above or below the FERC-approved maximum rates, which customers can elect as an alternative to the FERC-approved maximum rates. Eastern Shore's services can be firm or interruptible. Firm services are offered on a guaranteed basis and are available at all times unless prevented by force majeure or other permitted curtailments. Interruptible customers receive service only when there is available capacity or supply. Our performance obligation is satisfied over time as we deliver natural gas to the customers' locations. We recognize revenues based on capacity used or reserved and the fixed monthly charge.

Peninsula Pipeline is engaged in natural gas intrastate transmission to third-party customers and certain affiliates in the State of Florida. Our performance obligation is satisfied over time as the natural gas is transported to customers. We recognize revenue based on rates approved by the Florida PSC and the capacity used or reserved. We accrue unbilled revenues for transportation services provided and not yet billed at the end of an accounting period.

Aspire Energy Express is engaged in natural gas intrastate transmission in the State of Ohio. We currently serve the Guernsey power plant and our performance obligation is satisfied over time as the natural gas is transported to the plant. We recognize revenue based on rates approved by the Ohio PSC and the capacity used or reserved. We accrue unbilled revenues for transportation services provided and not yet billed at the end of an accounting period.

Unregulated Energy Segment

Revenues generated from the Unregulated Energy segment are not subject to any federal, state, or local pricing regulations. Aspire Energy primarily sources gas from hundreds of conventional producers and performs gathering and processing functions to maintain the quality and reliability of its gas for its wholesale customers. Aspire Energy's performance obligation is satisfied over time as natural gas is delivered to its customers. Aspire Energy recognizes revenue based on the deliveries of natural gas at contractually agreed upon rates (which are based upon an established monthly index price and a monthly operating fee, as applicable). For natural gas customers, we accrue unbilled revenues for natural gas that has been delivered, but not yet billed, at the end of an accounting period, to the extent that billing and delivery do not coincide with the end of the accounting period.

Eight Flags' CHP plant, which is located on land leased from a customer, produces three sources of energy: electricity, steam and heated water. This customer purchases the steam (unfired and fired) and heated water, which are used in the customer’s production facility. Our electric distribution operation purchases the electricity generated by the CHP plant for distribution to its customers. Eight Flags' performance obligation is satisfied over time as deliveries of heated water, steam and electricity occur. Eight Flags recognizes revenues over time based on the amount of heated water, steam and electricity generated and delivered to its customers.

For our propane distribution operations, we recognize revenue based upon customer type and service offered. Generally, for propane bulk delivery customers (customers without meters) and wholesale sales, our performance obligation is satisfied when we deliver propane to the customers' locations (point-in-time basis). We recognize revenue from these customers based on the number of gallons delivered and the price per gallon at the point-in-time of delivery. For our propane distribution customers with meters, we satisfy our performance obligation over time. We recognize revenue over time based on the amount of propane consumed and the applicable price per unit. For propane distribution metered customers, we accrue unbilled revenues for propane that is estimated to have been consumed, but not yet billed, at the end of an accounting period, to the extent that billing and delivery do not coincide with the end of the accounting period.

Marlin Gas Services provides mobile CNG and pipeline solutions primarily to utilities and pipelines. Marlin Gas Services provides temporary hold services, pipeline integrity services, emergency services for damaged pipelines and specialized gas services for customers who have unique requirements. Marlin Gas Services' performance obligations are comprised of the compression of natural gas, mobilization of CNG equipment, utilization of equipment and on-site CNG support. Our performance obligations for the compression of natural gas, utilization of mobile CNG equipment and for the on-site CNG staff support are satisfied over time when the natural gas is compressed, equipment is utilized or as our staff provide support services to our customers. Our performance obligation for the mobilization of CNG equipment is satisfied at a point-in-time when the equipment is delivered to the customer project location. We recognize revenue for CNG services at the end of each calendar month for services provided during the month based on agreed upon rates for equipment utilized, costs incurred for natural gas compression, miles driven, mobilization and demobilization fees.

Contract balances

The timing of revenue recognition, customer billings and cash collections results in trade receivables, unbilled receivables (contract assets), and customer advances (contract liabilities) in our consolidated balance sheets. The balances of our trade receivables, contract assets, and contract liabilities as of December 31, 2023 and 2022 were as follows:

(in thousands)	Trade Receivables	Contract Assets (Current)	Contract Assets (Noncurrent)	Contract Liabilities (Current)
Balance at 12/31/2022	$ 61,687	$ 18	$ 4,321	$ 983
Balance at 12/31/2023	67,741	18	3,524	1,022
Increase (decrease)	$ 6,054	$ —	$ (797)	$ 39

Our trade receivables are included in trade and other receivables in the consolidated balance sheets. Our non-current contract assets are included in receivables and other deferred charges in the consolidated balance sheet and relate to operations and maintenance costs incurred by Eight Flags that have not yet been recovered through rates for the sale of electricity to our electric distribution operation pursuant to a long-term service agreement.

At times, we receive advances or deposits from our customers before we satisfy our performance obligation, resulting in contract liabilities. Contract liabilities are included in other accrued liabilities in the consolidated balance sheets and relate to non-refundable prepaid fixed fees for our propane distribution operation's retail offerings. Our performance obligation is satisfied over the term of the respective retail offering plan on a ratable basis. For the years ended December 31, 2023 and 2022, the amounts recognized in revenue were not material.

Remaining performance obligations

Our businesses have long-term fixed fee contracts with customers in which revenues are recognized when performance obligations are satisfied over the contract term. Revenue for these businesses for the remaining performance obligations at December 31, 2023 are expected to be recognized as follows:

(in thousands)	2024	2025	2026	2027	2028	2029 and thereafter
Eastern S[redacted]re and Peninsula Pipeline	$ 36,657	$ 30,330	$ 26,547	$ 23,433	$ 22,559	$ 149,124
Natural gas distribution operations	9,680	9.216	8,501	6,472	5.252	28,428
FPU electric distribution	652	275	275	275	275	[redacted] —
Total revenue contracts with remaining performance obligations	$ 46,989	$ 39,821	$ 35,323	$ 30,180	$ 28,086	$ 177,552

6. Segment Information

We use the management approach to identify operating segments. We organize our business around differences in regulatory environment and/or products or services, and the operating results of each segment are regularly reviewed by the chief decision maker (our Chief Executive Officer, or "CEO") in order to make decisions about resources and to assess performance.

Our operations are entirely domestic and are comprised of two reportable segments:

- *Regulated Energy*. Includes energy distribution and transmission services (natural gas distribution, natural gas transmission and electric distribution operations). All operations in this segment are regulated, as to their rates and services, by the PSC having jurisdiction in each operating territory or by the FERC in the case of Eastern Shore.
- *Unregulated Energy*. Includes energy transmission, energy generation (the operations of our Eight Flags' CHP plant), propane distribution operations, mobile compressed natural gas distribution and pipeline solutions operations, and sustainable energy investments including renewable natural gas. Also included in this segment are other unregulated energy services, such as energy-related merchandise sales and heating. ventilation and air conditioning. plumbing and electrical services. These operations are unregulated as to their rates and services.

The remainder of our operations are presented as "Other businesses and eliminations," which consists of unregulated subsidiaries that own real estate leased to Chesapeake Utilities, as well as certain corporate costs not allocated to other operations.

The following tables present information about our reportable segments:

(in thousands)	For the Year Ended December 31, 2023	2022	2021
Operating Revenues, Unaffiliated Customers			
Regulated Energy	$ 471,591	$ 422,894	$ 381,879
Unregulated Energy	199,013	257,810	188,089
Total operating revenues, unaffiliated customers	$ 670,604	$ 680,704	$ 569,968
Intersegment Revenues (1)			
Regulated Energy	$ 2,004	$ 6,530	$ 2,041
Unregulated Energy	24,135	22,940	18,780
Other businesses	182	308	527
Total intersegment revenues	$ 26,321	$ 29,778	$ 21,348
Operating Income			
Regulated Energy	$ 126,199	$ 115,317	$ 106,174
Unregulated Energy	24,426	27,350	24,427
Other businesses and eliminations	178	266	511
Operating Income	150,803	142,933	131,112
Other income, net	1,438	5,051	1,720
Interest charges	36,951	24,356	20,135
Income before Income Taxes	115,290	123,628	112,697
Income Taxes	28,078	33,832	29,231
Net Income	$ 87,212	$ 89,796	$ 83,466
Depreciation and Amortization			
Regulated Energy (2)	$ 48,162	$ 52,707	$ 48,748
Unregulated Energy	17,347	16,257	13,869
Other businesses and eliminations	(8)	9	44
Total depreciation and amortization	$ 65,501	$ 68,973	$ 62,661
Capital Expenditures			
Regulated Energy (3)	$ 1,095,871	$ 97,554	$ 139,733
Unregulated Energy	40,264	40,773	81,651
Other businesses	1,762	2,355	6,425
Total capital expenditures	$ 1,137,897	$ 140,682	$ 227,809

(1) All significant intersegment revenues are billed at market rates and have been eliminated from consolidated revenues
(2) Depreciation and amortization in 2023 includes a $5.1 million RSAM adjustment. See Note 18 for additional details.
(3) Capital expenditures in 2023 include our acquisition of FCG for $923.4 million. See Note 4 for additional details.

(in thousands)	As of December 31, 2023	2022
Identifiable Assets		
Regulated Energy segment	$ 2,781,581	$ 1,716,255
Unregulated Energy segment	477,402	463,239
Other businesses and eliminations	45,721	35,543
Total identifiable assets	$ 3,304,704	$ 2,215,037

7. Supplemental Cash Flow Disclosures

Cash paid for interest and income taxes during the years ended December 31, 2023, 2022 and 2021 were as follows:

	For the Year Ended December 31,		
(in thousands)	2023	2022	2021
Cash paid for interest	$ **30,525**	$ 24,267	$ 20,809
Cash (received) paid for income taxes, net of refunds	$ **21,920**	$ (4,963)	$ 8,395

Non-cash investing and financing activities during the years ended December 31, 2023, 2022, and 2021 were as follows:

	For the Year Ended December 31,		
(in thousands)	2023	2022	2021
Capital property and equipment acquired on account, but not paid for as of December 31,	$ **33,334**	$ 13,211	$ 16,164
Common stock issued for the Retirement Savings Plan	$ —	$ —	$ 1,712
Common stock issued under the SICP	$ **3,740**	$ 2,868	$ 2,834

8. Derivative Instruments

We use derivative and non-derivative contracts to manage risks related to obtaining adequate supplies and the price fluctuations of natural gas, electricity and propane and to mitigate interest rate risk. Our natural gas, electric and propane distribution operations have entered into agreements with suppliers to purchase natural gas, electricity and propane for resale to our customers. Our natural gas gathering and transmission company has entered into contracts with producers to secure natural gas to meet its obligations. Purchases under these contracts typically either do not meet the definition of derivatives or are considered “normal purchases and normal sales” and are accounted for on an accrual basis. Our propane distribution operations may also enter into fair value hedges of their inventory or cash flow hedges of their future purchase commitments in order to mitigate the impact of wholesale price fluctuations. Occasionally, we may enter into interest rate swap agreements to mitigate risk associated with changes in short-term borrowing rates. As of December 31, 2023 and 2022, our natural gas and electric distribution operations did not have any outstanding derivative contracts.

Volume of Derivative Activity

As of December 31, 2023, the volume of our open commodity derivative contracts were as follows:

Business unit	Commodity	Contract Type	Quantity hedged (in millions)	Designation	Longest expiration date of hedge
Sharp	Propane (gallons)	Purchases	18.1	Cash flow hedges	June 2026
Sharp	Propane (gallons)	Sales	3.2	Cash flow hedges	March 2024

Sharp entered into futures and swap agreements to mitigate the risk of fluctuations in wholesale propane index prices associated with the propane volumes expected to be purchased and/or sold during the heating season. Under the futures and swap agreements, Sharp will receive or pay the difference between (i) the index prices (Mont Belvieu prices in December 2023 through June 2026) and (ii) the per gallon propane contracted prices, to the extent the index prices deviate from the contracted prices. We designated and accounted for the propane swaps as cash flows hedges. The change in the fair value of the swap agreements is initially recorded as a component of accumulated other comprehensive income (loss) and later recognized in our consolidated statement of income in the same period and in the same line item as the hedged transaction. We expect to reclassify approximately $0.3 million of unrealized losses from accumulated other comprehensive income (loss) to earnings during the next 12-month period.

Interest Rate Swap Activities

We manage interest rate risk by entering into derivative contracts to hedge the variability in cash flows attributable to changes in the short-term borrowing rates. In September 2022, we entered into an interest rate swap with a notional amount of $50.0 million through September 2025, with pricing of 3.98 percent.

In February 2021, we entered into an interest rate swap with a notional amount of $40.0 million through December 202[illegible] with pricing [illegible] percent. In the fourth quarter of 2020, we entered into interest rate swaps with notional amounts totaling $60.0 million through December 2021 with pricing of approximately 0.20 percent for the period associated with our outstanding borrowing under the Revolver.

In August 2022, we amended and restated the Revolver and transitioned the benchmark interest rate to the 30-day SOFR as a result of the expiration of LIBOR. Accordingly, our current interest rate swap is cash settled monthly as the counter-party pays us the 30-day SOFR rate less the fixed rate. Prior to August 2022, our short-term borrowing interest rate was based on the 30-day LIBOR rate. Our pre-2022 interest rate swaps were cash settled monthly as the counter-party paid us the 30-day LIBOR rate less the fixed rate.

We designate and account for interest rate swaps as cash flows hedges. Accordingly, unrealized gains and losses associated with the interest rate swaps are initially recorded as a component of accumulated other comprehensive income (loss). As the interest rate swap settles each month, the realized gain or loss is recorded in the income statement and is recognized as a component of interest charges.

Broker Margin

Futures exchanges have contract specific margin requirements that require the posting of cash or cash equivalents relating to traded contracts. Margin requirements consist of initial margin that is posted upon the initiation of a position, maintenance margin that is usually expressed as a percent of initial margin, and variation margin that fluctuates based on the daily mark-to-market relative to maintenance margin requirements. We currently maintain a broker margin account for Sharp included within other current assets on the consolidated balance sheet with a balance of $2.1 million as of December 31, 2023 compared to a current liability of $0.1 million at December 31, 2022.

Financial Statements Presentation

The following tables present information about the fair value and related gains and losses of our derivative contracts. We did not have any derivative contracts with a credit-risk-related contingency. Fair values of the derivative contracts recorded in the consolidated balance sheets as of December 31, 2023 and 2022 are as follows:

	Derivative Assets		
		Fair Value as of	
(in thousands)	Balance Sheet Location	December 31, 2023	December 31, 2022
Derivatives designated as cash flow hedges			
Propane swap agreements	Derivative assets, at fair value (1)	$ 702	$ 3,317
Interest rate swap agreements	Derivative assets, at fair value (1)	365	452
Total Derivative Assets		$ 1,067	$ 3,769

(1) Derivative assets, at fair value include $1.0 million and $2.8 million in current assets in the consolidated balance sheet at December 31, 2023 and 2022, respectively, with the remainder of the balance classified as long-term.

	Derivative Liabilities		
		Fair Value as of	
(in thousands)	Balance Sheet Location	December 31, 2023	December 31, 2022
Derivatives designated as cash flow hedges			
Propane swap agreements	Derivative liabilities, at fair value (1)	$ 1,078	$ 1,810
Interest rate swap agreements	Derivative liabilities, at fair value (1)	203	405
Total Derivative Liabilities		$ 1,281	$ 2,215

(1) Derivative liabilities, at fair value include $0.4 million and $0.6 million in current liabilities in the consolidated balance sheet at December 31, 2023 and 2022, respectively, with the remainder of the balance classified as long-term.

The effects of gains and losses from derivative instruments and their location in the consolidated statements of income are as follows:

		Amount of Gain (Loss) on Derivatives:		
	Location of Gain (Loss) on Derivatives	For the Year Ended December 31,		
(in thousands)		2023	2022	2021
Derivatives not designated as hedging instruments				
Propane swap agreements	Propane and natural gas costs	$ —	$ 56	$ (1)
Derivatives designated as fair value hedges				
Put/Call option	Propane and natural gas costs	—	—	(24)
Derivatives designated as cash flow hedges				
Propane swap agreements	Revenues	1,221	(373)	(536)
Propane swap agreements	Propane and natural gas costs	(1,160)	3,881	7,187
Interest rate swap agreements	Interest expense	523	(47)	(40)
Total		$ 584	$ 3,517	$ 6,586

9. Fair Value of Financial Instruments

GAAP establishes a fair value hierarchy that prioritizes the inputs to valuation methods used to measure fair value. The three levels of the fair value hierarchy are as follows:

Fair Value Hierarchy	Description of Fair Value Level	Fair Value Technique Utilized
Level 1	Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities	*Investments - equity securities* - The fair values of these trading securities are recorded at fair value based on unadjusted quoted prices in active markets for identical securities. *Investments - mutual funds and other* - The fair values of these investments, comprised of money market and mutual funds, are recorded at fair value based on quoted net asset values of the shares.
Level 2	Quoted prices in markets that are not active, or inputs which are observable, either directly or indirectly, for substantially the full term of the asset or liability	*Derivative assets and liabilities* - The fair value of the propane put/call options, propane and interest rate swap agreements are measured using market transactions for similar assets and liabilities in either the listed or over-the-counter markets.
Level 3	Prices or valuation techniques requiring inputs that are both significant to the fair value measurement and unobservable (i.e., supported by little or no market activity)	*Investments - guaranteed income fund* - The fair values of these investments are recorded at the contract value, which approximates their fair value.

Financial Assets and Liabilities Measured at Fair Value

The following tables summarize our financial assets and liabilities that are measured at fair value on a recurring basis and the fair value measurements, by level, within the fair value hierarchy as of December 31, 2023 and 2022, respectively:

		Fair Value Measurements Using:		
As of December 31, 2023 *(in thousands)*	**Fair Value**	**Quoted Prices in Active Markets (Level 1)**	**Significant Other Observable Inputs (Level 2)**	**Significant Unobservable Inputs (Level 3)**
Assets:				
Investments—equity securities	$ 21	$ 21	$ —	$ —
Investments—guaranteed income fund	1,489	—	—	1,489
Investments—mutual funds and other	10,772	10,772	—	—
Total investments	12,282	10,793	—	1,489
Derivative assets	1,067	—	1,067	—
Total assets	$ 13,349	$ 10,793	$ 1,067	$ 1,489
Liabilities:				
Derivative liabilities	$ 1,281	$ —	$ 1,281	$ —

		Fair Value Measurements Using:		
As of December 31, 2022 *(in thousands)*	**Fair Value**	**Quoted Prices in Active Markets (Level 1)**	**Significant Other Observable Inputs (Level 2)**	**Significant Unobservable Inputs (Level 3)**
Assets:				
Investments—equity securities	$ 24	$ 24	$ —	$ —
Investments—guaranteed income fund	1,853	—	—	1,853
Investments—mutual funds and other	8,699	8,699	—	—
Total investments	10,576	8,723	—	1,853
Derivative assets	3,769	—	3,769	—
Total assets	$ 14,345	$ 8,723	$ 3,769	$ 1,853
Liabilities:				
Derivative liabilities	$ 2,215	$ —	$ 2,215	$ —

The changes in the fair value of our Level 3 investments for the years ended December 31, 2023 and 2022 were immaterial. Investment income from our Level 3 investments is reflected in other income (expense), net in the consolidated statements of income.

At December 31, 2023 and 2022, there were no non-financial assets or liabilities required to be reported at fair value. We review our non-financial assets for impairment at least on an annual basis, as required.

Other Financial Assets and Liabilities

Financial assets with carrying values approximating fair value include cash and cash equivalents and accounts receivable. Financial liabilities with carrying values approximating fair value include accounts payable, other accrued liabilities and short-term debt. The fair value of cash and cash equivalents is measured using the comparable value in the active market (Level 1 measurement). The fair value of short-term debt approximates the carrying value due to its near-term maturities and because interest rates approximate current market rates (Level 2 measurement).

At December 31, 2023, long-term debt, which includes the current maturities but excludes debt issuance cost, had a carrying value of $1.2 billion, compared to the estimated fair value of $1.2 billion. At December 31, 2022, long-term debt. which includes the current maturities and excludes debt issuance costs, had a carrying value of $600.8 million, compared to a fair value of $505.0 million. The fair value was calculated using a discounted cash flow methodology that incorporates a market interest rate based on published corporate borrowing rates for debt instruments with similar terms and average maturities, and with adjustments for duration, optionality, and risk profile. The valuation technique used to estimate the fair value of long-term debt would be considered a Level 2 measurement.

See Note 16, *Employee Benefit Plans,* for fair value measurement information related to our pension plan assets.

10. Goodwill and Other Intangible Assets

The carrying value of goodwill as of December 31, 2023 and 2022 was as follows:

(in thousands)	Regulated Energy	Unregulated Energy	Total Goodwill
Balance at December 31, 2022	$ 7,689	$ 38,524	$ 46,213
Additions [(1)]	461,025	936	461,961
Balance at December 31, 2023	**$ 468,714**	**$ 39,460**	**$ 508,174**

[(1)] 2023 additions primarily attributable to goodwill from the November 2023 acquisition of FCG See Note 4 for additional details

There were no goodwill impairments recognized during the three-year period ended December 31, 2023.

The carrying value and accumulated amortization of intangible assets subject to amortization as of December 31, 2023 and 2022 was as follows:

	As of December 31,			
	2023		2022	
(in thousands)	Gross Carrying Amount	Accumulated Amortization	Gross Carrying Amount	Accumulated Amortization
Customer relationships	$ 17,004	$ 7,146	$ 16,965	$ 6,131
Non-Compete agreements	3,125	1,855	3,105	1,411
Patents [(1)]	6,558	859	5,819	533
Other	270	232	270	225
Total	$ 26,957	$ 10,092	$ 26,159	$ 8,300

[(1)] Includes amounts related to patented technology developed by Marlin Gas Services and the acquisition of Planet Found

The customer relationships, non-compete agreements, patents and other intangible assets acquired in the purchases of the operating assets of several companies are being amortized over a weighted average of 14 years. Amortization expense of intangible assets for the year ended December 31, 2023, 2022 and 2021 was $1.8 million. $1.5 million and $1.3 million, respectively. Amortization expense of intangible assets is expected to be $1.8 million for the years 2024 through 2025, $1.6 million for 2026, $1.5 million for 2027 and $1.3 million for 2028.

11. Income Taxes

We file a consolidated federal income tax return. Income tax expense allocated to our subsidiaries is based upon their respective taxable incomes and tax credits. State income tax returns are filed on a separate company basis in most states where we have operations and/or are required to file. Our state returns for tax years after 2017 are subject to examination. At December 31, 2023, the 2015 through 2019 federal income tax returns are no longer under examination.

For state income tax purposes, we had NOL in various states of $72.9 million and $67.7 million as of December 31, 2023 and 2022, respectively, almost all of which will expire in 2040. Excluding NOLs from discontinued operations, we have recorded deferred tax assets of $1.8 million and $1.5 million related to state NOL carry-forwards at December 31, 2023 and 2022, respectively. We have not recorded a valuation allowance to reduce the future benefit of the tax NOL because we believe they will be fully utilized.

Tax Law Changes

In March 2020, the CARES Act was signed into law and included several significant changes to the Internal Revenue Code. The CARES Act includes certain tax relief provisions including the ability to carryback five years net operating losses arising in a tax year beginning in 2018, 2019, or 2020. This provision allows a taxpayer to recover taxes previously paid at a 35 percent federal income tax rate during tax years prior to 2018. In addition, the CARES Act removed the taxable income limitation to allow a tax NOL to fully offset taxable income for tax years beginning before January 1, 2021. As a result, our income tax expense for the year ended December 31, 2021 included a tax benefit $0.9 million. attributable to the tax NOL carryback provided under the CARES Act for losses generated in 2018 and 2019 and then applied back to our 2013 and 2015 tax years in which we paid federal income taxes at a 35 percent tax rate. Tax benefits associated with this legislation were not available for the year ended December 31, 2023.

On December 22, 2017, the TCJA was signed into law. Substantially all of the provisions of the TCJA were effective for taxable years beginning on or after January 1, 2018. The provisions that significantly impacted us include the reduction of the corporate federal income tax rate from 35 percent to 21 percent. Our federal income tax expense for periods beginning on January 1, 2018 are based on the new federal corporate income tax rate. The TCJA included changes to the Internal Revenue Code, which materially impacted our 2017 financial statements. ASC 740, *Income Taxes*, requires recognition of the effects of changes in tax laws in the period in which the law is enacted. ASC 740 requires deferred tax assets and liabilities to be measured at the enacted tax rate expected to apply when temporary differences are to be realized or settled. During 2018, we completed the assessment of the impact of accounting for certain effects of the TCJA. At the date of enactment in 2017, we re-measured deferred income taxes based upon the new corporate tax rate. See Note 18, *Rates and Other Regulatory Activities*, for further discussion of the TCJA's impact on our regulated businesses.

The following tables provide: (a) the components of income tax expense in 2023, 2022, and 2021; (b) the reconciliation between the statutory federal income tax rate and the effective income tax rate for 2023, 2022, and 2021; and (c) the components of accumulated deferred income tax assets and liabilities at December 31, 2023 and 2022.

	For the Year Ended December 31,		
	2023	**2022**	**2021**
(in thousands)			
Current Income Tax Expense			
Federal	$ **14,736**	$ 8,284	$ 2,775
State	**5,496**	1,948	(96)
Other	**(47)**	(47)	47)
Total current income tax expense (benefit)	**20,185**	10,185	2,632
Deferred Income Tax Expense [(1)]			
Property, plant and equipment	**17,797**	14,968	24,074
Deferred gas costs	**(7,739)**	8,923	1,857
Pensions and other employee benefits	**(974)**	1,109	(655)
FPU merger-related premium cost and deferred gain	**(351)**	(351)	(351)
Net operating loss carryforwards	**(370)**	2	97
Other	**(470)**	(1,004)	1,577
Total deferred income tax expense	**7,893**	23,647	26,599
Total Income Tax	$ **28,078**	$ 33,832	$ 29,231

[(1)] Includes less than $0 1 million, $7 8 million, and $8 2 million of deferred state income taxes for the years 2023, 2022 and 2021, respectively

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(in thousands)	For the Year Ended December 31, 2023	2022	2021
Reconciliation of Effective Income Tax Rates			
Federal income tax expense [1]	**$ 24,214**	$ 25,982	$ 23,666
State income taxes, net of federal benefit	**4,377**	7,714	6,371
ESOP dividend deduction	**(184)**	(177)	(180)
CARES Act Tax Benefit	—	—	(919)
Other	**(329)**	313	293
Total Income Tax Expense	**$ 28,078**	$ 33,832	$ 29,231
Effective Income Tax Rate	**24.35 %**	27.34 %	25.94 %

[1] Federal income taxes were calculated at 21 percent for 2023, 2022, and 2021

(in thousands)	As of December 31, 2023	2022
Deferred Income Taxes		
Deferred income tax liabilities:		
Property, plant and equipment	**$ 252,125**	$ 238,687
Acquisition adjustment	**5,564**	5,915
Loss on reacquired debt	**145**	164
Deferred gas costs	**3,550**	11,288
Natural gas conversion costs	**4,824**	5,026
Storm reserve liability	**5,797**	5,791
Other	**9,655**	8,236
Total deferred income tax liabilities	**$ 281,660**	$ 275,107
Deferred income tax assets:		
Pension and other employee benefits	**$ 4,993**	$ 3,985
Environmental costs	**951**	1,052
Net operating loss carryforwards	**1,847**	1,488
Storm reserve liability	**213**	453
Accrued expenses	**3,335**	9,007
Other	**11,239**	2,955
Total deferred income tax assets	**$ 22,578**	$ 18,940
Deferred Income Taxes Per Consolidated Balance Sheets	**$ 259,082**	$ 256,167

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12. LONG-TERM DEBT

Our outstanding long-term debt is shown below:

	As of December 31,	
(in thousands)	**2023**	**2022**
Uncollateralized Senior Notes:		
5.93% notes, due October 31, 2023	$ —	$ 3,000
5.68% notes, due June 30, 2026	**8,700**	11,600
6.43% notes, due May 2, 2028	**3,500**	4,200
3.73% notes, due December 16, 2028	**10,000**	12,000
3.88% notes, due May 15, 2029	**30,000**	35,000
3.25% notes, due April 30, 2032	**59,500**	66,500
3.48% notes, due May 31, 2038	**50,000**	50,000
3.58% notes, due November 30, 2038	**50,000**	50,000
3.98% notes, due August 20, 2039	**100,000**	100,000
2.98% notes, due December 20, 2034	**70,000**	70,000
3.00% notes, due July 15, 2035	**50,000**	50,000
2.96% notes, due August 15, 2035	**40,000**	40,000
2.49% notes, due January 25, 2037	**50,000**	50,000
2.95% notes, due March 15, 2042	**50,000**	50,000
5.43% notes, due March 14, 2038	**80,000**	—
6.39% notes, due December 2026	**100,000**	—
6.44% notes, due December 2027	**100,000**	—
6.45% notes, due December 2028	**100,000**	—
6.62% notes, due December 2030	**100,000**	—
6.71% notes, due December 2033	**100,000**	—
6.73% notes, due December 2038	**50,000**	—
Equipment security note		
2.46% note, due September 24, 2031	**7,633**	8,517
Less: debt issuance costs	**(3,753)**	(946)
Total long-term debt	**1,205,580**	599,871
Less: current maturities	**(18,505)**	(21,483)
Total long-term debt, net of current maturities	**$ 1,187,075**	$ 578,388

Terms of the Senior Notes

All of our outstanding Senior Notes set forth certain business covenants to which we are subject when any note is outstanding. including covenants that limit or restrict our ability, and the ability of our subsidiaries, to incur indebtedness, or place or permit liens and encumbrances on any of our property or the property of our subsidiaries.

Senior Notes

On November 20, 2023, we issued Senior Notes in the aggregate principal amount of $550.0 million at an average interest rate of 6.54 percent that were used to partially finance our acquisition of FCG which closed during the fourth quarter of 2023. These notes have varying maturity dates of between three and 15 years, and the outstanding principal balance of the notes will be due on their respective maturity dates with interest payments payable semiannually until the principal has been paid in full. These Senior Notes have similar covenants and default provisions as our other Senior Notes.

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On March 14, 2023 we issued 5.43 percent Senior Notes due March 14, 2038 in the aggregate principal amount of $80.0 million and used the proceeds received from the issuances of the Senior Notes to reduce short-term borrowings under our Revolver and to fund capital expenditures. These Senior Notes have similar covenants and default provisions as our other Senior Notes, and have an annual principal amortization payment beginning in the sixth year after the issuance.

Annual Maturities

Annual maturities and principal repayments of long-term debt are as follows:

Year	2024	2025	2026	2027	2028	Thereafter	Total
(in thousands)							
Payments	$ 18,505	$ 25,528	$ 134,551	$ 131,674	$ 136,699	$ 762,376	$ 1,209,333

Shelf Agreements

We have entered into Shelf Agreements with Prudential and MetLife, whom are under no obligation to purchase any unsecured debt. In February 2023, we amended these Shelf Agreements, which expanded the total borrowing capacity and extended the term of the agreements for an additional three years to 2026. The following table summarizes the current available capacity under our Shelf Agreements at December 31, 2023:

(in thousands)	Total Borrowing Capacity	Less Amount of Debt Issued	Less Unfunded Commitments	Remaining Borrowing Capacity
Shelf Agreements (1)				
Prudential Shelf Agreement	$ 405,000	$ (300,000)	$ —	$ 105,000
MetLife Shelf Agreement	200,000	(50,000)	—	150,000
Total	$ 605,000	$ (350,000)	$ —	$ 255,000

13. SHORT-TERM BORROWINGS

We are authorized by our Board of Directors to borrow up to $375.0 million of short-term debt, as required. At December 31, 2023 and 2022, we had $179.9 million and $202.2 million, respectively, of short-term borrowings outstanding at a weighted average interest rate of 5.83 percent and 5.04 percent, respectively. There were no borrowings outstanding under the sustainable investment sublimit of the 364-day tranche at December 31, 2023.

We have entered into several amendments to our Revolver which resulted in modifications to both tranches of the facility. The most recent amendment in October 2023 allowed for a change in our funded indebtedness ratio from 65 percent to 70 percent during the quarter in which the acquisition of FCG is consummated and the quarter subsequent to the closing of the acquisition. The amendment in August 2023 served to renew the 364-day tranche of the Revolver, providing for $175.0 million of short-term debt capacity. Additionally, the amendment for borrowings under the 364-day tranche shall now bear interest (i) based upon the SOFR, plus a 10-basis point credit spread adjustment, and an applicable margin of 1.05 percent or less, with such margin based on total indebtedness as a percentage of total capitalization or (ii) the base rate, solely at our discretion. Further, the amendment provided that borrowings under the 364-day green loan sublimit shall now bear interest at (i) the SOFR rate plus a 10-basis point credit spread adjustment and an applicable margin of 1.00 percent or less, with such margin based on total indebtedness as a percentage of total capitalization or (ii) the base rate plus 0.05 percent or less, solely at our discretion. The amendment entered into in 2022 served to reset the benchmark interest rate to SOFR and to eliminate a previous covenant which capped our investment limit to $150.0 million for investments where we maintain less than 50 percent ownership.

The 364-day tranche of the Revolver expires in August 2024 and the five-year tranche expires in August 2026. Borrowings under both tranches of the Revolver are subject to a pricing grid, including the commitment fee and the interest rate charged based upon our total indebtedness to total capitalization ratio for the prior quarter. As of December 31, 2023, the pricing under the 364-day tranche of the Revolver included a commitment fee of 9-basis points on undrawn amounts and an interest rate of 75-basis points over SOFR plus a 10-basis point SOFR adjustment on outstanding balances. As of December 31, 2023, the pricing under the five-year tranche of the Revolver included a commitment fee of 9-basis points on undrawn amounts and an interest rate of 95-basis points over SOFR plus a 10-basis point SOFR adjustment on outstanding balances.

The availability of funds under the Revolver is subject to conditions specified in the credit agreement, all of which we currently satisfy. These conditions include our compliance with financial covenants and the continued accuracy of representations and warranties contained in the Revolver's loan documents. We are required by the financial covenants in the Revolver to maintain, at the end of each fiscal year, a funded indebtedness ratio as described above. As of December 31, 2023, we are in compliance with this covenant.

Our total available credit under the Revolver at December 31, 2023 was $188.1 million. As of December 31, 2023, we had issued $7.0 million in letters of credit to various counterparties under the Revolver. These letters of credit are not included in the outstanding short-term borrowings and we do not anticipate that they will be drawn upon by the counterparties. The letters of credit reduce the available borrowings under the Revolver.

In connection with our acquisition of FCG, we entered into a 364-day Bridge Facility commitment with Barclays Bank PLC and other lending parties for up to $965.0 million. Upon closing of the FCG acquisition in November 2023, and with the completion of other financing activities as defined in the lending agreement, this facility was terminated with no funds drawn to finance the transaction. For additional information regarding the acquisition and related financing, see Note 4, *Acquisitions,* Note 12, *Long-Term Debt* and Note 15, *Stockholders Equity*.

For additional information on interest rate swaps related to our short-term borrowings, see Note 8, *Derivative Instruments*.

14. LEASES

We have entered into lease arrangements for office space, land, equipment, pipeline facilities and warehouses. These lease arrangements enable us to better conduct business operations in the regions in which we operate. Office space is leased to provide adequate workspace for our employees in several locations throughout our service territories. We lease land at various locations throughout our service territories to enable us to inject natural gas into underground storage and distribution systems, for bulk storage capacity, for our propane operations and for storage of equipment used in repairs and maintenance of our infrastructure. We lease natural gas compressors to ensure timely and reliable transportation of natural gas to our customers. We also lease warehouses to store equipment and materials used in repairs and maintenance for our businesses.

Some of our leases are subject to annual changes in the Consumer Price Index ("CPI"). While lease liabilities are not re-measured as a result of changes to the CPI. changes to the CPI are treated as variable lease payments and recognized in the period in which the obligation for those payments was incurred. A 100-basis-point increase in CPI would not have resulted in material additional annual lease costs. Most of our leases include options to renew, with renewal terms that can extend the lease term from one to 25 years or more. The exercise of lease renewal options is at our sole discretion. The amounts disclosed in our consolidated balance sheet at December 31, 2023, pertaining to the right-of-use assets and lease liabilities, are measured based on our current expectations of exercising our available renewal options. Our existing leases are not subject to any restrictions or covenants that would preclude our ability to pay dividends, obtain financing or enter into additional leases. As of December 31, 2023, we have not entered into any leases, which have not yet commenced. that would entitle us to significant rights or create additional obligations. The following table presents information related to our total lease cost included in our consolidated statements of income:

		Year Ended December 31,	
(in thousands)	**Classification**	**2023**	**2022**
Operating lease cost [1]	Operations expense	$ 3,040	$ 2,883

[1] Includes short-term leases and variable lease costs, which are immaterial

The following table presents the balance and classifications of our right of use assets and lease liabilities included in our consolidated balance sheets at December 31, 2023 and 2022:

(in thousands)	Balance sheet classification	December 31, 2023	December 31, 2022
Assets			
Operating lease assets	Operating lease right-of-use assets	$ 12,426	$ 14,421
Liabilities			
Current			
Operating lease liabilities	Other accrued liabilities	$ 2,454	$ 2,552
Noncurrent			
Operating lease liabilities	Operating lease - liabilities	10,550	12,392
Total lease liabilities		$ 13,004	$ 14,944

The following table presents our weighted-average remaining lease term and weighted-average discount rate for our operating leases at December 31, 2023 and 2022:

	December 31, 2023	December 31, 2022
Weighted-average remaining lease term (*in years*)		
Operating leases	8.1	8.5
Weighted-average discount rate		
Operating leases	3.5 %	3.4 %

The following table presents additional information related to cash paid for amounts included in the measurement of lease liabilities included in our consolidated statements of cash flows at December 31, 2023 and 2022:

	Year Ended December 31,	
(in thousands)	2023	2022
Operating cash flows from operating leases	$ 2,906	$ 2,931

The following table presents the future undiscounted maturities of our operating and financing leases at December 31, 2023 and for each of the next five years and thereafter:

(in thousands)	Operating Leases [1]
2024	$ 2,771
2025	2,288
2026	1,774
2027	1,583
2028	1,205
Thereafter	5,243
Total lease payments	14,864
Less: Interest	(1,860)
Present value of lease liabilities	$ 13,004

[1] Operating lease payments include $2.1 million related to options to extend lease terms that are reasonably certain of being exercised.

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15. STOCKHOLDERS' E

Common Stock Issuances

In November 2023, in connection with our acquisition of FCG, we completed an overnight offering resulting in the issuance of 4.4 million shares of our common stock at a price per share of $82.72 (net of underwriter discounts and commissions). We received net proceeds of $366.4 million which were used to partially finance the acquisition.

We maintain an effective shelf registration statement with the SEC for the issuance of shares under our DRIP and our previous ATM programs. Depending on our capital needs and subject to market conditions, in addition to other possible debt and equity offerings, we may issue additional shares under the direct stock purchase component of the DRIP. There were no issuances under the DRIP in 2023. In 2022, we issued less than 0.1 million shares at an average price per share of $136.26 and received net proceeds of $4.5 million under the DRIP. Our most recent ATM equity program, which allowed us to issue and sell shares of our common stock up to an aggregate offering price of $75 million, expired in June 2023.

Net proceeds from share issuances under our DRIP and ATM programs are used for general corporate purposes including, but not limited to, financing of capital expenditures, repayment of short-term debt. financing acquisitions, investing in subsidiaries, and general working capital purposes.

Accumulated Other Comprehensive Income (Loss)

Defined benefit pension and postretirement plan items, unrealized gains (losses) of our propane swap agreements designated as commodity contract cash flow hedges, and the unrealized gains (losses) of our interest rate swap agreements designated as cash flow hedges are the components of our accumulated other comprehensive income (loss). The following tables present the changes in the balances of accumulated other comprehensive income (loss) components for the years ended December 31, 2023 and 2022. All amounts in the following tables are presented net of tax.

(in thousands)	Defined Benefit Pension and Postretirement Plan Items	Commodity Contract Cash Flow Hedges	Interest Rate Swap Cash Flow Hedges	Total
As of December 31, 2021	$ (3,268)	$ 4,571	$ —	$ 1,303
Other comprehensive income (loss) before reclassifications	705	(934)	—	(229)
Amounts reclassified from accumulated other comprehensive income (loss)	57	(2,545)	35	(2,453)
Net current-period other comprehensive income (loss)	762	(3,479)	35	(2,682)
As of December 31, 2022	**(2,506)**	**1,092**	**35**	**(1,379)**
Other comprehensive income (loss) before reclassifications	(110)	(1,322)	473	(959)
Amounts reclassified from accumulated other comprehensive income (loss)	32	(44)	(388)	(400)
Net current-period other comprehensive income (loss)	(78)	(1,366)	85	(1,359)
As of December 31, 2023	**$ (2,584)**	**$ (274)**	**$ 120**	**$ (2,738)**

Deferred gains or losses for our commodity contract and interest rate swap cash flow hedges are recognized in earnings upon settlement and are included in the effects of gains and losses from derivative instruments. See Note 8, *Derivative Instruments*, for additional details. Amortization of the net loss related to the defined benefit pension plan and postretirement plans is included in the computation of net periodic costs (benefits). See Note 16, *Employee Benefit Plans*, for additional details.

16. EMPLOYEE BENEFIT PLANS

We measure the assets and obligations of the defined benefit pension plans and other postretirement benefits plans to determine the plans' funded status as of the end of the year. The changes in funded status that occurred during the year that are not recognized as part of net periodic benefit costs are recorded as a component of other comprehensive income (loss) or a regulatory asset.

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Defined Benefit Pension Plans

At December 31, 2023 we sponsored two defined benefit pension plans: the FPU Pension Plan and the Chesapeake Supplemental Executive Retirement Plan ("SERP").

The FPU Pension Plan, a qualified plan, covers eligible FPU non-union employees hired before January 1, 2005 and union employees hired before the respective union contract expiration dates in 2005 and 2006. Prior to the FPU merger, the FPU Pension Plan was frozen with respect to additional years of service and compensation. effective December 31, 2009.

The Chesapeake SERP, a nonqualified plan, is comprised of two sub-plans. The first sub-plan was frozen with respect to additional years of service and additional compensation as of December 31, 2004. The second sub-plan provides fixed payments for several executives who joined the Company as a result of an acquisition and whose agreements with the Company provided for this benefit.

The unfunded liability for all plans at both December 31, 2023 and 2022, is included in the other pension and benefit costs liability in our consolidated balance sheets.

The following schedules set forth the funded status at December 31, 2023 and 2022 and the net periodic cost (benefit) for the years ended December 31, 2023, 2022 and 2021 for the FPU Pension Plan and the Chesapeake SERP:

	FPU Pension Plan		Chesapeake SERP	
At December 31,	**2023**	**2022**	**2023**	**2022**
(in thousands)				
Change in benefit obligation:				
Benefit obligation — beginning of year	$ 49,941	$ 67,030	$ 1,659	$ 2,096
Interest cost	2,495	1,781	81	50
Actuarial (gain) loss	454	(15,713)	48	(335)
Benefits paid	(3,233)	(3,157)	(152)	(152)
Benefit obligation — end of year	49,657	49,941	1,636	1,659
Change in plan assets:				
Fair value of plan assets — beginning of year	46,203	58,712	—	—
Actual return on plan assets	6,462	(9,552)	—	—
Employer contributions	—	200	152	152
Benefits paid	(3,233)	(3,157)	(152)	(152)
Fair value of plan assets — end of year	49,432	46,203	—	—
Accrued pension cost / funded status	$ (225)	$ (3,738)	$ (1,636)	$ (1,659)
Assumptions:				
Discount rate	5.00 %	5.25 %	4.88 %	5.00 %
Expected return on plan assets	6.00 %	6.00 %	— %	— %

	FPU Pension Plan			Chesapeake SERP		
For the Years Ended December 31,	**2023**	**2022**	**2021**	**2023**	**2022**	**2021**
(in thousands)						
Components of net periodic pension cost:						
Interest cost	$ 2,495	$ 1,781	$ 1,714	$ 81	$ 50	$ 48
Expected return on assets	(2,670)	(3,430)	(3,306)	—	—	—
Amortization of actuarial loss	407	466	612	8	28	28
Total periodic cost	$ 232	$ (1,183)	$ (980)	$ 89	$ 78	$ 76
Assumptions:						
Discount rate	5.25 %	2.75 %	2.50 %	5.00 %	2.50 %	2.25 %
Expected return on plan assets	6.00 %	6.00 %	6.00 %	— %	— %	— %

During the fourth quarter of 2021, we formally terminated the Chesapeake Pension Plan. Total periodic cost for the plan during that year was $2.0 million attributable to a settlement charge.

Our funding policy provides that payments to the trust of each qualified plan shall be equal to at least the minimum funding requirements of the Employee Retirement Income Security Act of 1974. The following schedule summarizes the assets of the FPU Pension Plan, by investment type, at December 31, 2023, 2022 and 2021:

	FPU Pension Plan		
At December 31,	2023	2022	2021
Asset Category			
Equity securities	**50 %**	53 %	52 %
Debt securities	**49 %**	38 %	38 %
Other	**1 %**	9 %	10 %
Total	**100 %**	100 %	100 %

The investment policy of the FPU Pension Plan is designed to provide the capital assets necessary to meet the financial obligations of the plan. The investment goals and objectives are to achieve investment returns that, together with contributions, will provide funds adequate to pay promised benefits to present and future beneficiaries of the plan, earn a competitive return to increasingly fund a large portion of the plan's retirement liabilities, minimize pension expense and cumulative contributions resulting from liability measurement and asset performance, and maintain the appropriate mix of investments to reduce the risk of large losses over the expected remaining life of the plan.

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

Asset Allocation Strategy

Asset Class	Minimum Allocation Percentage	Maximum Allocation Percentage
Domestic Equities (Large Cap, Mid Cap and Small Cap)	33 %	57 %
Fixed Income (Inflation Bond and Taxable Fixed)	38 %	58 %
Foreign Equities (Developed and Emerging Markets)	3 %	7 %
Cash	0 %	5 %

Due to periodic contributions and different asset classes producing varying returns, the actual asset values may temporarily move outside of the intended ranges. The investments are monitored on a quarterly basis, at a minimum. for asset allocation and performance. At December 31, 2023 and 2022, the assets of the FPU Pension Plan were comprised of the following investments:

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Asset Category *(in thousands)*	Fair Value Measurement Hierarchy For Year Ended December 31, 2023	2022
Mutual Funds - Equity securities		
U.S. Large Cap [1]	$ 15,360	$ 3,413
U.S. Mid Cap [1]	4,271	1,425
U.S. Small Cap [1]	2,518	692
International [2]	2,499	9,352
Alternative Strategies [3]	—	4,824
	24,648	19,706
Mutual Funds - Debt securities		
Fixed income [4]	24,228	15,343
High Yield [4]	—	2,269
	24,228	17,612
Mutual Funds - Other		
Commodities [5]	—	1,832
Real Estate [6]	—	1,709
Guaranteed deposit [7]	556	398
	556	3,939
Total Pension Plan Assets in fair value hierarchy [8]	49,432	41,257
Investments measured at net asset value [9]	—	4,946
Total Pension Plan Assets	$ 49,432	$ 46,203

[1] Includes funds that invest primarily in United States common stocks
[2] Includes funds that invest primarily in foreign equities and emerging markets equities
[3] Includes funds that actively invest in both equity and debt securities, funds that sell short securities and funds that provide long-term capital appreciation. The funds may invest in debt securities below investment grade
[4] Includes funds that invest in investment grade and fixed income securities
[5] Includes funds that invest primarily in commodity-linked derivative instruments and fixed income securities
[6] Includes funds that invest primarily in real estate
[7] Includes investment in a group annuity product issued by an insurance company
[8] All investments in the FPU Pension Plan are classified as Level 1 within the Fair Value hierarchy exclusive of the Guaranteed Deposit Account which is classified as Level 3
[9] Certain investments that were measured at net asset value per share have not been classified in the fair value hierarchy These amounts are presented to reconcile to total pension plan assets

At December 31, 2023 and 2022, our pension plan investments were classified under the same fair value measurement hierarchy (Level 1 through Level 3) described under Note 9, *Fair Value of Financial Instruments*. The Level 3 investments were recorded at fair value based on the contract value of annuity products underlying guaranteed deposit accounts, which was calculated using discounted cash flow models. The contract value of these products represented deposits made to the contract. plus earnings at guaranteed crediting rates, less withdrawals and fees. Certain investments that were measured at net asset value per share have not been classified in the fair value hierarchy and are presented in the table above to reconcile to total pension plan assets.

The changes in the fair value within our pension assets for Level 3 investments for the years ended December 31, 2023 and 2022 were immaterial.

Other Postretirement Benefits Plans

We sponsor two defined benefit postretirement health plans: the Chesapeake Utilities Postretirement Plan ("Chesapeake Postretirement Plan") and the FPU Medical Plan. At December 31, 2023 and 2022, the funded status of the Chesapeake Postretirement Plan was $1.1 million and $0.6 million, respectively. The funded status of the FPU Medical Plan was $0.4 million and $0.7 million as of December 31, 2023 and 2022, respectively.

Net periodic postretirement benefit costs for the Chesapeake Postretirement Plan and the FPU Medical Plan were not material for the years ended December 31, 2023, 2022, and 2021.

As of December 31, 2023, there was $12.8 million not yet reflected in net periodic postretirement benefit costs and included in accumulated other comprehensive income (loss) or as a regulatory asset. Net losses of $10.8 million and $1.2 million attributable to the FPU Pension Plan and Chesapeake Postretirement Plan, respectively, comprised most of this amount with $3.2 million recorded in accumulated other comprehensive income (loss) and $8.7 million recorded as a regulatory asset at December 31, 2023.

Pursuant to a Florida PSC order, FPU continues to record as a regulatory asset the portion of the unrecognized pension and postretirement benefit costs after the merger with Chesapeake Utilities related to its regulated operations.

Assumptions

The assumptions used for the discount rate to calculate the benefit obligations were based on the interest rates of high-quality bonds in 2023, considering the expected lives of each of the plans. In determining the average expected return on plan assets for the FPU Pension Plan, various factors, such as historical long-term return experience, investment policy and current and expected allocation, were considered. Since the FPU Pension Plan is frozen with respect to additional years of service and compensation, the rate of assumed compensation increases is not applicable.

The health care inflation rate for 2023 used to calculate the benefit obligation is 5 percent for medical and 6 percent for prescription drugs for the Chesapeake Postretirement Plan; and 5 percent for both medical and prescription drugs for the FPU Medical Plan.

Estimated Future Benefit Payments

In 2024, we do not expect to contribute to the FPU Pension Plan, and total payments of $0.2 million are expected for the Chesapeake SERP, Chesapeake Postretirement Plan and FPU Medical Plan combined.

The schedule below shows the estimated future benefit payments for each of the plans previously described:

(in thousands)	FPU Pension Plan(1)	Chesapeake SERP(2)	Chesapeake Postretirement Plan(2)	FPU Medical Plan(2)
2024	$ 3,528	$ 151	$ 42	$ 35
2025	$ 3,603	$ 164	$ 46	$ 35
2026	$ 3,617	$ 161	$ 45	$ 34
2027	$ 3,616	$ 158	$ 48	$ 33
2028	$ 3,651	$ 154	$ 49	$ 32
Years 2029 through 2033	$ 17,951	$ 689	$ 299	$ 143

(1) The pension plan is funded, therefore, benefit payments are expected to be paid out of the plan assets
(2) Benefit payments are expected to be paid out of our general funds

Retirement Savings Plan

We sponsor a 401(k) Retirement Savings Plan which is offered to all eligible employees who have completed three months of service. We match 100 percent of eligible participants' pre-tax contributions to the Retirement Savings Plan up to a maximum of six percent of eligible compensation. The employer matching contribution is made in cash and is invested based on a participant's investment directions. In addition, we may make a discretionary supplemental contribution to participants in the plan, without regard to whether or not they make pre-tax contributions. Any supplemental employer contribution is generally made in our common stock. With respect to the employer match and supplemental employer contribution, employees are 100 percent vested after two years of service or upon reaching 55 years of age while still employed by us. New employees who do not make an election to contribute and do not opt out of the Retirement Savings Plan will be automatically enrolled at a deferral rate of three percent. and the automatic deferral rate will increase by one percent per year up to a maximum of ten percent. All contributions and matched funds can be invested among the mutual funds available for investment.

Employer contributions to our Retirement Savings Plan totaled $6.6 million, $6.2 million. and $5.9 million for the years ended December 31, 2023, 2022 and 2021, respectively. As of December 31, 2023, there were 798,586 shares of our common stock reserved to fund future contributions to the Retirement Savings Plan.

Non-Qualified Deferred Compensation Plan

Members of our Board of Directors and officers of the Company are eligible to participate in the Non-Qualified Deferred Compensation Plan. Directors can elect to defer any portion of their cash or stock compensation and officers can defer up to 80 percent of their base compensation, cash bonuses or any amount of their stock bonuses (net of required withholdings). Officers may receive a matching contribution on their cash compensation deferrals up to six percent of their compensation, provided it does not duplicate a match they receive in the Retirement Savings Plan. Stock bonuses are not eligible for matching contributions. Participants are able to elect the payment of deferred compensation to begin on a specified future date or upon separation from service. Additionally, participants can elect to receive payments upon the earlier or later of a fixed date or separation from service. The payments can be made in one lump sum or annual installments for up to 15 years.

All obligations arising under the Non-Qualified Deferred Compensation Plan are payable from our general assets, although we have established a Rabbi Trust to informally fund the plan. Deferrals of cash compensation may be invested by the participants in various mutual funds (the same options that are available in the Retirement Savings Plan). The participants are credited with gains or losses on those investments. Deferred stock compensation may not be diversified. The participants are credited with dividends on their deferred common stock units in the same amount that is received by all other stockholders. Such dividends are reinvested into additional deferred common stock units. Assets held in the Rabbi Trust, recorded as Investments on the consolidated balance sheet. had a fair value of $12.3 million and $10.6 million at December 31, 2023 and 2022, respectively. The assets of the Rabbi Trust are at all times subject to the claims of our general creditors.

Deferrals of officer base compensation and cash bonuses and directors' cash retainers are paid in cash. All deferrals of executive performance shares and directors' stock retainers are made in the form of deferred common stock units and are paid out in shares of our common stock, on a one-for-one basis, except that cash is paid in lieu of fractional shares. The value of our stock held in the Rabbi Trust is classified within the stockholders' equity section of the consolidated balance sheets and has been accounted for in a manner similar to treasury stock. The amounts recorded under the Non-Qualified Deferred Compensation Plan totaled $9.1 million and $7.1 million at December 31, 2023 and 2022, respectively, which are also shown as a deduction against stockholders' equity in the consolidated balance sheet.

17. Share-Based Compensation Plans

Our key employees and non-employee directors have been granted share-based awards through our SICP. We record these share-based awards as compensation costs over the respective service period for which services are received in exchange for an award of equity or equity-based compensation. The compensation cost is based primarily on the fair value of the shares awarded, using the estimated fair value of each share on the date it was granted, and the number of shares to be issued at the end of the service period. We have 561,115 shares of common stock reserved for issuance under the SICP.

The table below presents the amounts included in net income related to share-based compensation expense for the awards granted under the SICP for the years ended December 31, 2023, 2022 and 2021:

	For the Year Ended December 31,		
(in thousands)	**2023**	**2022**	**2021**
Awards to key employees	**$ 6,716**	$ 5,479	$ 5,163
Awards to non-employee directors	**906**	959	782
Total compensation expense	**7,622**	6,438	5,945
Less: tax benefit	**(1,947)**	(1,663)	(1,535)
Share-based compensation amounts included in net income	**$ 5,675**	$ 4,775	$ 4,410

Officers and Key Employees

Our Compensation Committee is authorized to grant our key employees the right to receive awards of shares of our common stock, contingent upon the achievement of established performance goals and subject to SEC transfer restrictions once awarded. Our President and CEO has the right to issue awards of shares of our common stock. to other officers and key employees of the Company, contingent upon various performance goals and subject to SEC transfer restrictions.

We currently have several outstanding multi-year performance plans, which are based upon the successful achievement of long-term goals, growth and financial results and comprise both market-based and performance-based conditions and targets. The fair value per share, tied to a performance-based condition or target, is equal to the market price per share on the grant date. For the market-based conditions, we used a Monte Carlo valuation to estimate the fair value of each share granted.

The table below presents the summary of the stock activity for awards to all officers:

	Number of Shares	Weighted Average Fair Value
Outstanding — December 31, 2021	**197,398**	**$ 94.15**
Granted	69,620	117.61
Vested	(60,191)	90.60
Expired	(2,678)	91.42
Outstanding — December 31, 2022	**204,149**	**103.17**
Granted	80,820	126.06
Vested	(68,302)	91.59
Expired	(2,053)	94.64
Forfeited	(1,490)	113.44
Outstanding — December 31, 2023	**213,124**	**$ 117.74**

During the year ended December 31, 2023, we granted awards of 80,820 shares of common stock to officers and key employees under the SICP, including awards granted in February 2023 and to key employees appointed to officer positions. The shares granted are multi-year awards that will vest no later than the three-year service period ending December 31, 2025.

The aggregate intrinsic value of the SICP awards granted was $22.5 million, $24.1 million. and $28.8 million at December 31, 2023, 2022 and 2021, respectively. At December 31, 2023, there was $6.6 million of unrecognized compensation cost related to these awards, which is expected to be recognized through 2025.

In March 2023, 2022 and 2021, upon the election by certain of our executive officers, we withheld shares with a value at least equivalent to each such executive officer's minimum statutory obligation for applicable income and other employment taxes related to shares that vested and were paid in March 2023, 2022 and 2021 for the performance periods ended December 31, 2022, 2021, and 2020. We paid the balance of such awarded shares to each such executive officer and remitted the cash equivalent of the withheld shares to the appropriate taxing authorities. The below table presents the number of shares withheld and amounts remitted:

	For the Year Ended December 31,		
(amounts in thousands, except shares)	2023	2022	2021
Shares withheld to satisfy tax obligations	**19,859**	21,832	14,020
Amounts remitted to tax authorities to satisfy obligations	**$ 2,455**	$ 2,838	$ 1,478

Non-employee Directors

Shares granted to non-employee directors are issued in advance of the directors' service periods and are fully vested as of the grant date. We record a deferred expense equal to the fair value of the shares issued and amortize the expense equally over a service period of one year or less.

Our directors receive an annual retainer of shares of common stock under the SICP for services rendered through the subsequent Annual Meeting of Shareholders. Accordingly, our directors that served on the Board as of May 2023 and 2022 each received 765 and 652 shares of common stock. respectively, with a weighted average fair value of $124.12 and $130.36 per share, respectively.

At December 31, 2023, there was $0.3 million of unrecognized compensation expense related to shares granted to non-employee directors. This expense will be recognized over the remaining service period ending in May 2024.

18. Rates and Other Regulatory Activities

Our natural gas and electric distribution operations in Delaware, Maryland and Florida are subject to regulation by their respective PSC; Eastern Shore, our natural gas transmission subsidiary, is subject to regulation by the FERC; and Peninsula Pipeline and Aspire Energy Express, our intrastate pipeline subsidiaries, are subject to regulation (excluding cost of service) by the Florida PSC and Public Utilities Commission of Ohio, respectively.

Refer to the additional details below pertaining to the Customer Information System Regulatory Asset Petition and COVID-19 impact.

Delaware

The October 2, 2023, application for the issuance of common stock and long-term debt was unanimously approved on October 25, 2023, by the Delaware PSC.

In September 2023, the Delaware Division submitted the Energy Efficiency Rider application for natural gas with the Delaware PSC after obtaining an affirmative recommendation from the Delaware Energy Efficiency Advisory Council ("EEAC"). The application is the first in the state and applies to a portfolio of four programs including, Home Energy Counseling, Home Performance with Energy Star, Assisted Home Performance with Energy Star, and standard Offer Program in which customers can participate and allow for recovery. The evidentiary hearing on this matter is set for April 2024. If approved as filed, rates will be effective May 1, 2024.

Maryland

On October 2, 2023, Chesapeake filed a notification of the financing plans associated with the FCG acquisition with the Maryland PSC. The filing was successfully noted during the November 1, 2023, Maryland PSC administrative meeting.

Maryland Natural Gas Rate Case: In January 2024, our natural gas distribution businesses in Maryland, CUC-Maryland Division, Sandpiper Energy, Inc., and Elkton Gas Company (collectively, "Maryland natural gas distribution businesses") filed a joint application for a natural gas rate case with the Maryland PSC. In connection with the application, we are seeking approval of the following: (i) permanent rate relief of approximately $6.9 million; (ii) authorization to make certain changes to tariffs to include a unified rate structure and to consolidate the Maryland natural gas distribution businesses under the new corporate entity which we anticipate will be called Chesapeake Utilities of Maryland, Inc.; and (iii) authorization to establish a rider for recovery of the costs associated with our new technology systems. The outcome of the application is subject to review and approval by the Maryland PSC.

Maryland Natural Gas Depreciation Study: In January 2024, our Maryland natural gas distribution businesses filed a joint petition for approval of their proposed unified depreciation rates with the Maryland PSC. If approved, new rates will become effective retroactively on January 1, 2023.

Ocean City Maryland Reinforcement: During the second quarter of 2022, we began construction of an extension of service into North Ocean City, Maryland. Our Delaware natural gas division and Sandpiper installed approximately 5.4 miles of pipeline across southern Sussex County, Delaware to Fenwick Island, Delaware and Worcester County, Maryland. The project reinforces our existing system in Ocean City, Maryland and enables incremental growth along the pipeline. Construction of this project was completed in the second quarter of 2023. The Company filed a natural gas rate case application with the PSC for the state of Maryland in January 2024 as discussed above.

Florida

Wildlight Expansion: In August 2022, Peninsula Pipeline and FPU filed a joint petition with the Florida PSC for approval of its Transportation Service Agreement associated with the Wildlight planned community located in Nassau County, Florida. The project enables us to meet the significant growing demand for service in Yulee, Florida. The agreement will enable us to construct the project during the build-out of the community, and charge the reservation rate as each phase of the project goes into service. Construction of the pipeline facilities will occur in two separate phases. Phase one consists of three extensions with associated facilities, and a gas injection interconnect with associated facilities. Phase two will consist of two additional pipeline extensions. The various phases of the project commenced in the first quarter of 2023, with construction on the overall project continuing through 2025. The petition was approved by the Florida PSC in November 2022.

Florida Natural Gas Rate Case: In May 2022, our legacy natural gas distribution businesses in Florida filed a consolidated natural gas rate case with the Florida PSC. The application included a request for the following: (i) permanent rate relief of approximately $24.1 million, effective January 1, 2023, (ii) a depreciation study also submitted with the filing; (iii) authorization to make certain changes to tariffs to include the consolidation of rates and rate structure across the businesses and to unify the Florida Natural Gas distribution businesses under FPU; (iv) authorization to retain the acquisition adjustment recorded at the time of the FPU merger in our revenue requirement; and (v) authorization to establish an environmental remediation surcharge for the purposes of addressing future expected remediation costs for FPU MGP sites. In August 2022, interim rates were approved by the Florida PSC in the amount of approximately $7.7 million on an annualized basis, effective for all meter readings in September 2022. The discovery process and subsequent hearings were concluded during the fourth quarter of 2022 and briefs were submitted during the same quarter of 2022. In January 2023, the Florida PSC approved the application for consolidation and permanent rate relief of approximately $17.2 million on an annual basis. Actual rates in connection with the rate relief were approved by the Florida PSC in February 2023 with an effective date of March 1, 2023.

FCG Natural Gas Rate Case: In May 2022, FCG filed a general base rate increase with the Florida PSC based on a projected 2023 test year. In June 2023, the Florida PSC issued an order approving a single total base revenue increase of $23.3 million (which included an incremental increase of $14.1 million, a previously approved increase of $3.8 million for a liquefied natural gas facility, and $5.3 million to transfer the SAFE investments from a rider clause to base rates), with new rates becoming effective as of May 1, 2023. The Commission also approved FCG's proposed RSAM with a $25.0 million reserve amount. continuation and expansion of the capital SAFE program, implementation of an automated metering infrastructure pilot, and continuation of the storm damage reserve with a target reserve of $0.8 million. On June 23, 2023, the Florida OPC filed a motion for reconsideration of the PSC's approval of RSAM, which was denied on September 12, 2023. On July 7, 2023, the Florida OPC filed a notice of appeal with the Florida Supreme Court, which is pending. The Florida OPC filed their initial brief on January 31, 2024.

The RSAM is recorded as either an increase or decrease to accrued removal costs which is reflected on the Company's balance sheets and a corresponding increase or decrease to depreciation and amortization expense. In order to earn the targeted regulatory ROE in each reporting period subject to the conditions of the effective rate agreement, RSAM is calculated using a trailing thirteen-month average of rate base and capital structure in conjunction with the trailing twelve months regulatory base net operating income, which primarily includes the base portion of rates and other revenues, net of operations and maintenance expenses, depreciation and amortization, interest and tax expenses. In general, the net impact of these income statement line items is adjusted. in part, by RSAM or its reversal to earn the targeted regulatory ROE. For the year ended December 31, 2023, the Company recorded decreases to asset removal costs and depreciation expense of $5.1 million as a result of the RSAM adjustment.

Beachside Pipeline Extension: In June 2021, Peninsula Pipeline and FCG entered into a Transportation Service Agreement for an incremental 10,176 Dts/d of firm service in Indian River County, Florida, to support FCG's growth along the Indian River's barrier island. As part of this agreement, Peninsula Pipeline constructed 11.3 miles of pipeline from its existing pipeline in the Sebastian, Florida area. traveling east under the Intercoastal Waterway and southward on the barrier island. The project was placed in-service during April 2023.

St. Cloud / Twin Lakes Expansion: In July 2022, Peninsula Pipeline filed a petition with the Florida PSC for approval of its Transportation Service Agreement with FPU for an additional 2,400 Dt/d of firm service in the St. Cloud, Florida area. As part of this agreement. Peninsula Pipeline constructed a pipeline extension and regulator station for FPU. The extension supports new incremental load due to growth in the area, including providing service, most immediately, to the residential development, Twin Lakes. The expansion also improves reliability and provides operational benefits to FPU's existing distribution system in the area, supporting future growth. The petition was approved by the Florida PSC in October 2022, and the expansion was placed into service during the third quarter of 2023.

Storm Protection Plan: In 2020, the Florida PSC implemented the Storm Protection Plan ("SPP") and Storm Protection Plan Cost Recovery Clause ("SPPCRC") rules, which require electric utilities to petition the Florida PSC for approval of a Transmission and Distribution Storm Protection Plan that covers the utility's immediate 10-year planning period with updates to the plan at least every 3 years. The SPPCRC rules allow the utility to file for recovery of associated costs for the SPP. Our Florida electric distribution operations' SPP was filed during the first quarter of 2022 and approved in the fourth quarter of 2022, with modifications, by the Florida PSC. Rates associated with this initiative were effective in January 2023. The Company filed 2024 SPPCRC projections on May 1, 2023. A hearing was held on September 12, 2023. The Commission voted to approve the projections on November 9, 2023. FPU projects to spend $13.6 million on the program in 2024.

Lake Wales Pipeline Acquisition: In February 2023, Peninsula Pipeline filed a petition with the Florida PSC for approval of its Transportation Service Agreement with FPU for an additional 9,000 Dt/d of firm service in the Lake Wales, Florida area. The Commission approved the petition in April 2023. Approval of the agreement allowed Peninsula Pipeline to complete the acquisition of the existing pipeline in May 2023 which is being utilized to serve both current and new natural gas customers.

GUARD: In February 2023, FPU filed a petition with the Florida PSC for approval of the GUARD program. GUARD is a ten-year program to enhance the safety, reliability, and accessibility of portions of our natural gas distribution system. We identified various categories of projects to be included in GUARD, which include the relocation of mains and service lines located in rear easements and other difficult to access areas to the front of the street, the replacement of problematic distribution mains, service lines, and maintenance and repair equipment and system reliability projects. In August 2023, the Florida PSC approved the GUARD program, which included $205.0 million of capital expenditures projected to be spent over a 10-year period.

Newberry Expansion: In April 2023, Peninsula Pipeline filed a petition with the Florida PSC for approval of its Transportation Service Agreement with FPU for an additional 8,000 Dt/d of firm service in the Newberry, Florida area. The petition was approved by the Florida PSC in the third quarter of 2023. Peninsula Pipeline will construct a pipeline extension. which will be used by FPU to support the development of a natural gas distribution system to provide gas service to the City of Newberry. A filing to address the acquisition and conversion of propane community gas systems in Newberry was made in November 2023, and the Florida PSC is scheduled to vote on this in March 2024. The Company anticipates beginning the conversions of the community gas systems in the second quarter of 2024.

Amendment to Escambia County Agreement: In April of 2023, Peninsula Pipeline filed a petition with the Florida PSC for approval of an amendment to an existing contract with FPU. This amendment will allow Peninsula Pipeline to construct an additional delivery point on a pipeline located in Escambia County. The additional delivery point comes at the request of an FPU customer and will be used to enhance natural gas service in the area. The amendment was approved by the Florida PSC in the third quarter of 2023.

Florida Electric Depreciation Study: The Florida PSC requires electric utilities to file a depreciation study every four years to reevaluate and set depreciation rates for the utility's plant assets. In June 2023, FPU filed a petition with the Florida PSC for approval of its proposed depreciation rates, which was approved in December 2023.

East Coast Reinforcement Projects: In December 2023, Peninsula Pipeline filed a petition with the Florida PSC for approval of its Transportation Service Agreements with FPU for projects that will support additional supply to communities on the East Coast of Florida. The projects are driven by the need for increased supply to coastal portions of the state that have experienced an increase in population growth. Peninsula Pipeline will construct several pipeline extensions which will support FPU's distribution system in the areas of Boynton Beach and New Smyrna Beach with an additional 15,000 Dts/day and 3,400 Dts/day, respectively.

Eastern Shore

Southern Expansion Project: In January 2022, Eastern Shore submitted a prior notice filing with the FERC pursuant to blanket certificate procedures, regarding its proposal to install an additional compressor unit and related facilities at Eastern Shore's compressor station in Bridgeville, Sussex County, Delaware. The project enables Eastern Shore to provide additional firm natural gas transportation service to an existing shipper on its pipeline system. The project obtained FERC approval in December 2022 and went into service in October 2023.

Capital Cost Surcharge: In December 2022, Eastern Shore submitted a filing with the FERC regarding a capital cost surcharge to recover capital costs associated with the replacement of existing Eastern Shore facilities as a result of mandated highway relocation projects as well as compliance with the PHMSA regulation. The capital cost surcharge mechanism was approved in Eastern Shore's last rate case. In conjunction with the filing of this surcharge, a cumulative adjustment to the existing surcharge to reflect additional depreciation was included. The FERC issued an order approving the surcharge as filed on December 19, 2022. The combined revised surcharge became effective January 1, 2023.

Worcester Resiliency Upgrade: In August 2023, Eastern Shore filed an application with the FERC requesting authorization to construct the Worcester Resiliency Upgrade, which consists of a mixture of storage and transmission facilities in Sussex County, DE and Wicomico, Worcester, and Somerset Counties in Maryland. The project will provide long-term incremental supply necessary to support the growing demand of the participating shippers. Eastern Shore has requested certificate authorization by December 2024, with a target in-service date by the third quarter of 2025.

Various Jurisdictional Activity Related to the Joint Customer Information System Project

In July 2022, we filed a joint petition for our natural gas divisions in Maryland (Maryland Division, Sandpiper, and Elkton Gas) for the approval to establish a regulatory asset for non-capitalizable expenses related to the initial development and implementation of our new Customer Information System ("CIS") system. The petition was approved by the Maryland PSC in August 2022. A similar petition for our Florida Regulated Energy businesses was filed during the same time frame, however, the Florida PSC approved capitalization of these expenses in lieu of establishment of regulatory assets. Additionally, our Delaware Division has the ability to defer these costs as a regulatory asset. We have completed the system selection process and the CIS implementation began during the first quarter of 2023.

COVID-19 Impact

In March 2020, the CDC declared a national emergency due to the rapidly growing outbreak of COVID-19. In response to the declaration and the rapid spread of COVID-19 within the United States, federal, state and local governments throughout the country imposed varying degrees of restrictions on social and commercial activity to promote social distancing in an effort to slow the spread of the illness. These restrictions significantly impacted economic conditions in the United States in 2020 and continued to impact economic conditions, to a lesser extent. through 2021 and 2022. Chesapeake Utilities is considered an "essential business," which allowed us to continue operational activities and construction projects with appropriate safety precautions and personal protective equipment. while being mindful of the social distancing restrictions that were in place.

In response to the COVID-19 pandemic and related restrictions, we experienced reduced consumption of energy largely in the commercial and industrial sectors, higher bad debt expenses and incremental expenses associated with COVID-19, including expenditures associated with personal protective equipment and premium pay for field personnel. The additional operating expenses we incurred support the ongoing delivery of our essential services during the height of the pandemic. In April and May 2020, we were authorized by the Maryland and Delaware PSCs, respectively, to record regulatory assets for COVID-19 related costs which offered us the ability to seek recovery of those costs. In July 2021, the Florida PSC issued an order that approved incremental expenses we incurred due to COVID-19. The order allowed us to establish a regulatory asset in a total amount of $2.1 million as of June 30, 2021 for natural gas and electric distribution operations. The regulatory asset is being amortized over two years and is recovered through the Purchased Gas Adjustment and Swing Service mechanisms for our natural gas distribution businesses and through the Fuel Purchased Power Cost Recovery clause for our electric division. As of December 31, 2023 and 2022, our total COVID-19 regulatory asset balance was $0.2 million and $1.2 million, respectively.

Summary TCJA Table

Customer rates for our regulated business were adjusted. as approved by the regulators, prior to 2020 except for Elkton Gas, which implemented a one-time bill credit in May 2020. The following table summarized the regulatory liabilities related to accumulated deferred taxes ("ADIT") associated with TCJA for our regulated businesses as of December 31, 2023 and 2022:

	Amount (in thousands)		
Operation and Regulatory Jurisdiction	**December 31, 2023**	**December 31, 2022**	**Status**
Eastern Shore (FERC)	$34,190	$34,190	Will be addressed in Eastern Shore's next rate case filing
Chesapeake Delaware natural gas division (Delaware PSC)	$12,038	$12,230	PSC approved amortization of ADIT in January 2019
Chesapeake Maryland natural gas division (Maryland PSC)	$3,585	$3,703	PSC approved amortization of ADIT in May 2018.
Sandpiper Energy (Maryland PSC)	$3,487	$3,597	PSC approved amortization of ADIT in May 2018.
Florida Natural Gas distribution (Florida PSC) (1)	$26,757	$27,179	PSC issued order authorizing amortization and retention of net ADIT liability by the Company in February 2019.
FPU electric division (Florida PSC)	$4,760	$4,993	In January 2019, PSC issued order approving amortization of ADIT through purchased power cost recovery, storm reserve and rates
Elkton Gas (Maryland PSC)	$1,027	$1,059	PSC approved amortization of ADIT in March 2018

(1) In accordance with the Florida PSC approval of our natural gas base rate proceeding, effective March 1, 2023, our natural gas distribution businesses in Florida have been consolidated and amounts above are now being presented on a consolidated basis consistent with the final rate order

Regulatory Assets and Liabilities

At December 31, 2023 and 2022, our regulated utility operations recorded the following regulatory assets and liabilities included in our consolidated balance sheets, including amounts attributable to FCG. These assets and liabilities will be recognized as revenues and expenses in future periods as they are reflected in customers' rates.

FPSC EXH NO. 8

ADMITTED

Florida Public Utilities
Docket 20240099-EI
Schedule F-2a
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(in thousands)	As of December 31, 2023	As of December 31, 2022
Regulatory Assets		
Under-recovered purchased fuel, gas and conservation cost recovery [(1)] [(2)]	$ **13,696**	$ 43,583
Under-recovered GRIP revenue [(3)]	**1,777**	1,705
Deferred postretirement benefits [(4)]	**10,802**	13,927
Deferred conversion and development costs [(1)]	**21,466**	23,653
Acquisition adjustment [(5)]	**31,857**	25,609
Deferred costs associated with COVID-19 [(6)]	**190**	1,233
Deferred storm costs [(7)]	**19,370**	27,687
Deferred rate case expenses - current	**1,171**	—
Other	**15,573**	12,256
Total Regulatory Assets	$ **115,902**	$ 149,653
Regulatory Liabilities		
Self-insurance [(8)]	$ **521**	$ 339
Over-recovered purchased fuel and conservation cost recovery [(1)]	**12,340**	3,827
Over-recovered GRIP revenue [(3)]	**501**	—
Storm reserve [(8)]	**1,900**	2,845
Accrued asset removal cost [(9)]	**86,534**	50,261
Deferred income taxes due to rate change [(10)]	**105,055**	87,690
Interest related to storm recovery [(7)]	**536**	1,207
Other	**1,611**	1,851
Total Regulatory Liabilities	$ **208,998**	$ 148,020

[(1)] We are allowed to recover the asset or are required to pay the liability in rates We do not earn an overall rate of return on these assets

[(2)] At December 31, 2022, includes $21 2 million being recovered over a three year period primarily concentrated in our electric division Per Florida PSC approval, our electric division was allowed to recover these amounts over an extended period of time in an effort to reduce the impact of increased commodity prices to our customers Recovery of these costs began in January 2023

[(3)] The Florida PSC allowed us to recover through a surcharge, capital and other program-related-costs, inclusive of an appropriate return on investment, associated with accelerating the replacement of qualifying distribution mains and services (defined as any material other than coated steel or plastic) in FPU's natural gas distribution, Fort Meade division and Chesapeake Utilities' CFG division. We are allowed to recover the asset or are required to pay the liability in rates related to GRIP

[(4)] The Florida PSC allowed FPU to treat as a regulatory asset the portion of the unrecognized costs pursuant to ASC Topic 715, *Compensation - Retirement Benefits*, related to its regulated operations. This balance also includes the portion of pension settlement expense associated with the termination of the Chesapeake Pension Plan pursuant to an order from the FERC and the respective PSCs that allowed us to defer Eastern Shore, Delaware and Maryland Divisions' portion. See Note 16, *Employee Benefit Plans*, for additional information

[(5)] We are allowed to include the premiums paid in various natural gas utility acquisitions in Florida in our rate bases and recover them over a specific time period pursuant to the Florida PSC approvals. We paid $34 2 million of the premium in 2009, including a gross up for income tax, because it is not tax deductible, and $0 7 million of the premium paid by FPU in 2010 For additional information, see *Florida Natural Gas Rate Case* discussion above

[(6)] We deferred as regulatory assets the net incremental expense impact associated with the net expense impact of COVID-19 as authorized by the stated PSCs

[(7)] The Florida PSC authorized us to recover regulatory assets (including interest) associated with the recovery of Hurricanes Michael and Dorian storm costs which will be amortized between 6 and 10 years Recovery of these costs includes a component of an overall return on capital additions and regulatory assets

[(8)] We have storm reserves in our Florida regulated energy operations and self-insurance for our regulated energy operations that allow us to collect through rates amounts to be used against general claims, storm restoration costs and other losses as they are incurred

[(9)] See Note 2, *Summary of Significant Accounting Policies*, for additional information on our asset removal cost policies

[(10)] We recorded a regulatory liability for our regulated businesses related to the revaluation of accumulated deferred tax assets/liabilities as a result of the TCJA The liability will be amortized over a period between 5 to 80 years based on the remaining life of the associated property Based upon the regulatory proceedings, we will pass back the respective portion of the excess accumulated deferred taxes to rate payers See Note 11, *Income Taxes*, for additional information

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19. Environmental Commitments and Contingencies

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

MGP Sites

We have participated in the investigation, assessment or remediation of, and have exposures at, seven former MGP sites. We have received approval for recovery of clean-up costs in rates for sites located in Salisbury, Maryland; Seaford, Delaware; and Winter Haven, Key West, Pensacola, Sanford and West Palm Beach, Florida.

As of December 31, 2023 and 2022, we had approximately $3.6 million and $4.3 million, respectively, in environmental liabilities, related to the former MGP sites. As of December 31, 2023 and 2022, we have cumulative regulatory assets of $0.5 million and $0.8 million, respectively, for future recovery of environmental costs from customers. Specific to FPU's four MGP sites in Key West, Pensacola, Sanford and West Palm Beach, FPU has approval for and has recovered, through a combination of insurance and customer rates, $14.0 million of its environmental costs related to its MGP sites as of December 31, 2023.

Environmental liabilities for our MGP sites are recorded on an undiscounted basis based on the estimate of future costs provided by independent consultants. We continue to expect that all costs related to environmental remediation and related activities, including any potential future remediation costs for which we do not currently have approval for regulatory recovery, will be recoverable from customers through rates.

Remediation is ongoing for the MGP's in Winter Haven and Key West in Florida and in Seaford, Delaware and the remaining clean-up costs are estimated to be between $0.3 million to $0.9 million for these three sites. The Environmental Protection Agency has approved a "site-wide ready for anticipated use" status for the Sanford, Florida MGP site, which is the final step before delisting a site. The remaining remediation expenses for the Sanford MGP site are immaterial.

The remedial actions approved by the Florida Department of Environmental Protection have been implemented on the east parcel of our West Palm Beach Florida site. Similar remedial actions have been initiated on the site's west parcel, and construction of active remedial systems are expected to be completed in 2024. Remaining remedial costs for West Palm Beach, including completion of the construction of the system on the West Parcel, five to ten years of operation, maintenance and monitoring, and final site work for closeout of the property, is estimated to be between $1.9 million and $3.2 million.

20. Other Commitments and Contingencies

Natural Gas, Electric and Propane Supply

In March 2023, our Delmarva Peninsula natural gas distribution operations entered into asset management agreements with a third party to manage their natural gas transportation and storage capacity. The agreements were effective as of April 1, 2023 and expire in March 2026.

FPU natural gas distribution operations and Eight Flags have separate asset management agreements with Emera Energy Services, Inc. to manage their natural gas transportation capacity. These agreements commenced in November 2020 and expire in October 2030.

Florida Natural Gas has firm transportation service contracts with FGT and Gulfstream. Pursuant to a capacity release program approved by the Florida PSC, all of the capacity under these agreements has been released to various third parties. Under the terms of these capacity release agreements, Chesapeake Utilities is contingently liable to FGT and Gulfstream should any party, that acquired the capacity through release, fail to pay the capacity charge. To date, Chesapeake Utilities has not been required to make a payment resulting from this contingency.

FPU’s electric supply contracts require FPU to maintain an acceptable standard of creditworthiness based on specific financial ratios. FPU’s agreement with Florida Power & Light Company requires FPU to meet or exceed a debt service coverage ratio of 1.25 times based on the results of the prior 12 months. If FPU fails to meet this ratio, it must provide an irrevocable letter of credit or pay all amounts outstanding under the agreement within five business days. FPU’s electric supply agreement with Gulf Power requires FPU to meet the following ratios based on the average of the prior six quarters: (a) funds from operations interest coverage ratio (minimum of 2 times), and (b) total debt to total capital (maximum of 65 percent). If FPU fails to meet the requirements, it has to provide the supplier a written explanation of actions taken, or proposed to be taken, to become compliant. Failure to comply with the ratios specified in the Gulf Power agreement could also result in FPU having to provide an irrevocable letter of credit. As of December 31, 2023, FPU was in compliance with all of the requirements of its supply contracts.

Eight Flags provides electricity and steam generation services through its CHP plant located on Amelia Island, Florida. In June 2016, Eight Flags began selling power generated from the CHP plant to FPU pursuant to a 20-year power purchase agreement for distribution to our electric customers. In July 2016, Eight Flags also started selling steam pursuant to a separate 20-year contract, to the landowner on which the CHP plant is located. The CHP plant is powered by natural gas transported by FPU through its distribution system and Peninsula Pipeline through its intrastate pipeline.

The total purchase obligations for natural gas, electric and propane supplies are as follows:

Year *(in tho[redacted])*	2024	2025-2026	2027-2028	Beyond 2028	Total
Purchase Obligations	$ 86,040	$ 105,082	$ 83,851	$ 41,287	$ 416,260

Corporate Guarantees

The Board of Directors has authorized us to issue corporate guarantees securing obligations of our subsidiaries and to obtain letters of credit securing our subsidiaries' obligations. The maximum authorized liability under such guarantees and letters of credit as of December 31, 2023 was $35.0 million. The aggregate amount guaranteed related to our subsidiaries at December 31, 2023 was approximately $24.3 million with the guarantees expiring on various dates through December 2024. In addition. the Board has authorized us to issue specific purpose corporate guarantees. The amount of specific purpose guarantees outstanding at December 31, 2023 was $4.0 million.

As of December 31, 2023, we have issued letters of credit totaling approximately $7.0 million related to the electric transmission services for FPU's electric division, the firm transportation service agreement between TETLP and our Delaware and Maryland divisions, the capacity agreement between NEXUS and Aspire, and our current and previous primary insurance carriers. These letters of credit have various expiration dates through October 2024 and to date, none have been used. We do not anticipate that the counterparties will draw upon these letters of credit. and we expect that they will be renewed to the extent necessary in the future.

Item 9. Changes In and Disagreements With Accountants on Accounting and Financial Disclosure.

None.

Item 9A. Controls and Procedures.

EVALUATION OF DISCLOSURE CONTROLS AND PROCEDURES

Our Chief Executive Officer and Chief Financial Officer, with the participation of other Company officials, have evaluated our "disclosure controls and procedures" (as such term is defined under Rule 13a-15(e) and Rule 15d-15(e) promulgated under the Securities Exchange Act of 1934, as amended) as of December 31, 2023. Based upon their evaluation, our Chief Executive Officer and Chief Financial Officer concluded that our disclosure controls and procedures were effective as of December 31, 2023.

CHANGE IN INTERNAL CONTROLS

During the quarter ended December 31, 2023, other than the ongoing changes resulting from the FCG acquisition discussed below, there have been no changes in internal control over financial reporting (as such term is defined in Exchange Act Rule 13a-15(f)) that have materially affected, or are reasonably likely to materially affect, internal controls over financial reporting.

On November 30, 2023, we completed the acquisition of FCG. We are currently integrating processes, procedures, and internal controls related to the acquisition. See Note 4, *Acquisitions,* to the consolidated financial statements and Management's Report on Internal Control Over Financial Reporting for additional information related to the acquisition of FCG. The scope of that assessment excluded FCG, which we acquired on November 30, 2023. FCG's total assets and loss before taxes represented approximately 31 percent and 4 percent, respectively, of the Company's consolidated total assets and earnings before taxes as of December 31, 2023 and for the year then ended. This exclusion is permitted based upon current guidance of the U.S. Securities & Exchange Commission.

CEO AND CFO CERTIFICATIONS

Our Chief Executive Officer and Chief Financial Officer have filed with the SEC the certifications required by Section 302 of the Sarbanes-Oxley Act of 2002 as Exhibits 31.1 and 31.2 to our Annual Report on Form 10-K for the fiscal year ended December 31, 2023. In addition, on May 31, 2023 our Chief Executive Officer certified to the NYSE that he was not aware of any violation by us of the NYSE corporate governance listing standards.

MANAGEMENT'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING

Management is responsible for establishing and maintaining adequate internal control over financial reporting, as such term is defined in Rule 13a-15(f) of the Exchange Act. A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with GAAP. A company's internal control over financial reporting includes those policies and procedures that: (i) pertain to the maintenance of records which in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with GAAP and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Under the supervision and with the participation of management, including the Chief Executive Officer and Chief Financial Officer, our management conducted an evaluation of the effectiveness of its internal control over financial reporting based on the criteria established in an updated report entitled "Internal Control - Integrated Framework," issued in May 2013 by the Committee of Sponsoring Organizations of the Treadway Commission. The scope of that assessment excluded FCG, which we acquired on November 30, 2023. FCG's total assets and loss before taxes represented approximately 31 percent and 4 percent, respectively, of the Company's consolidated total assets and earnings before taxes as of December 31, 2023 and for the year then ended. This exclusion is permitted based upon current guidance of the U.S. Securities & Exchange Commission.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Our management has evaluated and concluded that our internal control over financial reporting was effective as of December 31, 2023.

Our independent registered public accounting firm, Baker Tilly US, LLP, has audited the effectiveness of our internal control over financial reporting as of December 31, 2023, as stated in its attestation report which appears under Part II, *Item 8. Financial Statements and Supplementary Data*.

Item 9B. Other Information.

None.

ITEM 9C. Disclosure Regarding Foreign Jurisdictions That Prevent Inspections

None.

Part III

Item 10. Directors, Executive Officers of the Registrant and Corporate Governance.

We have adopted a Code of Ethics that applies to our Principal Executive Officer, President, Principal Financial Officer, Principal Accounting Officer, Treasurer, Assistant Treasurer, Corporate Controller and persons performing similar functions, which is a “code of ethics” as defined by applicable rules of the SEC. This Code of Ethics is publicly available on our website at https://www.chpk.com. If we make any amendments to this code other than technical, administrative or other non-substantive amendments, or grant any waivers, including implicit waivers, from a provision of this code to the individuals and roles noted above, or persons performing similar functions, we intend to disclose the nature of the amendment or waiver, its effective date and to whom it applies by posting such information on our website at the address and location specified above.

The remaining information required by this Item is incorporated herein by reference to the sections of our Proxy Statement (which we intend to file with the SEC within 120 days after the close of our fiscal year) captioned “Election of Directors (Proposal 1),” “Governance Trends and Director Education," "Corporate Governance Practices,” “Board of Directors and its Committees” and “Delinquent Section 16(a) Reports.”

Item 11. Executive Compensation.

The information required by this Item is incorporated herein by reference to the sections of our Proxy Statement (which we intend to file with the SEC within 120 days after the close of our fiscal year) captioned “Director Compensation,” “Executive Compensation” and “Compensation Discussion and Analysis".

Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters.

The information required by this Item is incorporated herein by reference to the sections of our Proxy Statement (which we intend to file with the SEC within 120 days after the close of our fiscal year) captioned “Security Ownership of Certain Beneficial Owners and Management” and "Equity Compensation Plan Information."

Item 13. Certain Relationships and Related Transactions, and Director Independence.

The information required by this Item is incorporated herein by reference to the section of our Proxy Statement (which we intend to file with the SEC within 120 days after the close of our fiscal year) captioned “Corporate Governance Practices” and "Director Independence."

Item 14. Principal Accounting Fees and Services.

The information required by this Item is incorporated herein by reference to the portion of the Proxy Statement (which we intend to file with the SEC within 120 days after the close of our fiscal year) captioned “Fees and Services of Independent Registered Public Accounting Firm." The Company's independent registered public accounting firm is Baker Tilly US, LLP, PCAOB ID: (23)

ITEM 15. EXHIBITS, FINANCIAL STATEMENT SCHEDULES.

The following documents are filed as part of this Annual Report:

(a)(1) All of the financial statements, reports and notes to the financial statements included in Item 8 of Part II of this Annual Report on Form 10-K.

(a)(2) Schedule II—Valuation and Qualifying Accounts.

(a)(3) The Exhibits below.

• Exhibit 2.1	Stock Purchase Agreement, dated September 26, 2023, by and among Florida Power & Light Company and Chesapeake Utilities Corporation (incorporated by reference to the Company's Current Report on Form 8-K filed with the SEC on September 27, 2023).
• Exhibit 3.1	Amended and Restated Certificate of Incorporation of Chesapeake Utilities Corporation is incorporated herein by reference to Exhibit 3.1 of our Quarterly Report on Form 10-Q for the period ended June 30, 2010, File No. 001-11590.
• Exhibit 3.2	Amended and Restated Bylaws of Chesapeake Utilities Corporation, effective May 3, 2023, are incorporated herein by reference to Exhibit 3.1 of our Current Report on Form 8-K, filed May 3, 2023, File No. 001-11590.
• Exhibit 3.3	Certificate of Amendment to the Amended and Restated Certificate of Incorporation of Chesapeake Utilities Corporation, is incorporated herein by reference to Exhibit 3.1 of our Current Report on Form 8-K, filed May 9, 2017, File No. 001-11590.
• Exhibit 3.4	Certificate of Elimination of Series A Participating Cumulative Preferred Stock of Chesapeake Utilities Corporation, is incorporated herein by reference to Exhibit 3.6 to our Annual Report on Form 10-K for the year ended December 31, 2017, File No. 001-11590.
• Exhibit 3.4	Note Purchase Agreement, dated November 20, 2023, by and among Chesapeake Utilities Corporation and the purchasers party thereto (incorporated by reference to the Company's Current Report on Form 8-K filed with the SEC on November 21, 2023).
• Exhibit 4.2	Note Agreement dated June 29, 2010, among Chesapeake Utilities Corporation, as issuer, Metropolitan Life Insurance Company and New England Life Insurance Company, relating to the private placement of Chesapeake Utilities Corporation's 5.68% Senior Notes due 2026 and Chesapeake Utilities Corporation's 6.43% Senior Notes due 2028.†
• Exhibit 4.3	Note Agreement dated September 5, 2013, among Chesapeake Utilities Corporation, as issuer, and certain note holders, relating to the private placement of Chesapeake Utilities Corporation's 3.73% Senior Notes due 2028 and Chesapeake Utilities Corporation's 3.88% Senior Notes due 2029.†
• Exhibit 4.4	Private Shelf Agreement dated October 8, 2015, between Chesapeake Utilities Corporation, as issuer, and Prudential Investment Management Inc., relating to the private placement of Chesapeake Utilities Corporation's 3.25% Senior Notes due 2032, 3.98% Senior Notes due 2039, 3.0% Senior Notes due 2035, and the sale of other Chesapeake Utilities Corporation unsecured Senior Notes from time to time, is incorporated herein by reference to Exhibit 4.1 of our Quarterly Report on Form 10-Q for the period ended September 30, 2015, File No. 001-11590.
• Exhibit 4.5	First Amendment to Private Shelf Agreement dated September 14, 2018, between Chesapeake Utilities Corporation, as issuer, and PGIM, Inc. (formerly known as Prudential Investment Management, Inc.), and other purchasers that may become party thereto. †
• Exhibit 4.6	Master Note Agreement dated March 2, 2017, among Chesapeake Utilities Corporation, as issuer, NYL Investors LLC, and other certain note holders that may become party thereto from time to time relating to the private placement of Chesapeake Utilities Corporation's 3.48% Senior Notes due 2038 and Chesapeake Utilities Corporation's 3.58% Senior Notes due 2038, and Chesapeake Utilities Corporation's 2.96% Senior Notes due 2035. †

• Exhibit 4.7	Note Purchase Agreement, dated August 25, 2021, by and among Chesapeake Utilities Corporation, MetLife Insurance K.K., Thrivent Financial For Lutherans, CMFG Life Insurance Company, and American Memorial Life Insurance Company relating to the placement of Chesapeake Utilities Corporation's 2.49% Senior Notes due 2037. †
• Exhibit 4.8	Private Shelf Agreement, dated March 2, 2017, by and among Chesapeake Utilities Corporation, Metropolitan Life Insurance Company, and MetLife Investment Management, LLC, relating to the private placement of Chesapeake Utilities Corporation's 2.95% Senior Notes due 2042.†
• Exhibit 4.9	First Amendment to Private Shelf Agreement, dated May 14, 2020, by and among Chesapeake Utilities Corporation, Metropolitan Life Insurance Company, and MetLife Investment Management, LLC. †
• Exhibit 4.10	Third Amendment to Private Shelf Agreement dated February 8, 2023, between Chesapeake Utilities Corporation, as issuer, and PGIM, Inc. (formerly known as Prudential Investment Management, Inc.), and other purchasers that may become party thereto is filed herewith.
• Exhibit 4.11	Second Amendment to Private Shelf Agreement, dated February 21, 2023, by and among Chesapeake Utilities Corporation, Metropolitan Life Insurance Company, and MetLife Investment Management, LLC is filed herewith.
• Exhibit 4.12	Description of Chesapeake Utilities Corporation's Securities Registered Pursuant to Section 12 of the Securities Exchange Act of 1934, as amended, is incorporated by reference to Exhibit 4.10 of our Annual Report on Form 10-K for the year ended December 31, 2021, File No. 001-11590.
• Exhibit 10.1*	Chesapeake Utilities Corporation Cash Bonus Incentive Plan, effective January 1, 2015, is incorporated herein by reference to our Proxy Statement dated March 31, 2015, in connection with our Annual Meeting held on May 6, 2015, File No. 001-11590.
• Exhibit 10.2*	Non-Qualified Deferred Compensation Plan, effective January 1, 2014, is incorporated herein by reference to Exhibit 10.8 of our Annual Report on Form 10-K for the year ended December 31, 2013, File No. 001-11590.
• Exhibit 10.3*	Chesapeake Utilities Corporation Supplemental Executive Retirement Plan, as amended and restated effective January 1, 2009, is incorporated herein by reference to Exhibit 10.27 of our Annual Report on Form 10-K for the year ended December 31, 2008, File No. 001-11590.
• Exhibit 10.4*	First Amendment to the Chesapeake Utilities Corporation Supplemental Executive Retirement Plan as amended and restated effective January 1, 2009, is incorporated herein by reference to Exhibit 10.30 of our Annual Report on Form 10-K for the year ended December 31, 2010, File No. 001-11590.
• Exhibit 10.5	Revolving Credit Agreement dated October 8, 2015, between Chesapeake Utilities Corporation and PNC Bank, National Association, Bank of America, N.A., Citizens Bank N.A., Royal Bank of Canada and Wells Fargo Bank, National Association as lenders, is incorporated herein by reference to Exhibit 10.1 of our Quarterly Report on Form 10-Q for the period ended September 30, 2015, File No. 001-11590.
• Exhibit 10.6	First Amendment dated February 25, 2016 to the Revolving Credit Agreement dated October 8, 2015, between Chesapeake Utilities Corporation and PNC Bank, National Association, Bank of America, N.A., Citizens Bank N.A., Royal Bank of Canada and Wells Fargo Bank, National Association as lenders, is incorporated herein by reference to Exhibit 10.24 of our Annual Report on Form 10-K for the year ended December 31, 2015, File No. 001-11590.
• Exhibit 10.7	Credit Agreement, dated November 28, 2017, by and between Chesapeake Utilities Corporation and Branch Banking and Trust Company is incorporated herein by reference to Exhibit 10.20 of our Annual Report on Form 10-K for the year ended December 31, 2018, File No. 001-11590.
• Exhibit 10.8*	Form of Performance Share Agreement, effective February 25, 2019 for the period January 1, 2019 to December 31, 2021, pursuant to Chesapeake Utilities Corporation 2013 Stock and Incentive Compensation Plan by and between Chesapeake Utilities Corporation and Jeffry M. Householder is incorporated herein by reference to Exhibit 10.24 of our Annual Report on Form 10-K for the year ended December 31, 2018, File No. 001-11590.

• Exhibit 10.9	Note Agreement dated September 28, 2022, among Chesapeake Utilities Corporation, as issuer, PGIM, Inc. (formerly known as Prudential Investment Management, Inc.) and each of its affiliates relating to the private placement of Chesapeake Utilities Corporation's 5.43% Senior Notes due 2038.†
• Exhibit 10.10*	Executive Retirement Agreement dated October 9, 2019, between Chesapeake Utilities Corporation and Stephen C. Thompson is incorporated herein by reference to Exhibit 10.1 of our Quarterly Report on Form 10-Q for the quarter ended September 30, 2019, File No. 001-11590.
• Exhibit 10.11	Note Purchase Agreement dated November 19, 2019, between Chesapeake Utilities Corporation, The Guardian Life Insurance Company of America, The Guardian Insurance & Annuity Company, Inc., Berkshire Life Insurance Company of America, Thrivent Financial for Lutherans, United of Omaha Life Insurance Company, and CMFG Life Insurance Company is incorporated herein by reference to our Current Report on Form 8-K filed on November 20, 2019, File No. 001-11590.
• Exhibit 10.12*	Form of Performance Share Agreement, effective December 3, 2019 for the period 2019 to 2021, pursuant to Chesapeake Utilities Corporation 2013 Stock and Incentive Compensation Plan by and between Chesapeake Utilities Corporation and each of Jeffry M. Householder, Beth W. Cooper, James F. Moriarty and Kevin Webber is incorporated herein by reference to Exhibit 10.26 to our Annual Report on Form 10-K for the year ended December 31, 2019, File No. 001-11590.
• Exhibit 10.13*	Form of Performance Share Agreement dated February 22, 2023 for the period 2023-2025, pursuant to Chesapeake Utilities Corporation 2013 Stock and Incentive Compensation Plan by and between Chesapeake Utilities Corporation and each of Jeffry M. Householder, Beth W. Cooper, James F. Moriarty, Kevin Webber and Jeffrey S. Sylvester is incorporated herein by reference to Exhibit 10.16 to our Annual Report on Form 10-K for the year ended December 31, 2022. File No. 001-11590
• Exhibit 10.14*	Form of Performance Share Agreement, effective February 25, 2020 for the period 2020 to 2022, pursuant to Chesapeake Utilities Corporation 2013 Stock and Incentive Compensation Plan by and between Chesapeake Utilities Corporation and each of Jeffry M. Householder, Beth W. Cooper, James F. Moriarty and Kevin Webber is incorporated herein by reference to Exhibit 10.28 to our Annual Report on Form 10-K for the year ended December 31, 2019, File No. 001-11590.
• Exhibit 10.15*	Form of Performance Share Agreement, effective February 24, 2021, for the period 2021 to 2023, pursuant to the Chesapeake Utilities Corporation 2013 Stock and Incentive Compensation Plan by and between Chesapeake Utilities Corporation and each of Jeffry M. Householder, Beth W. Cooper, James F. Moriarty, Kevin Webber, and Jeffrey S. Sylvester is incorporated herein by reference to Exhibit 10.18 to our Annual Report on Form 10-K for the year ended December31, 2021, File No. 001-11590.
• Exhibit 10.16	Loan Agreement dated April 24, 2020, between Chesapeake Utilities Corporation and PNC Bank, National Association is incorporated herein by reference to Exhibit 10.3 to our Quarterly Report on Form 10-Q for the quarter ended March 31, 2020, File No. 001-11590.
• Exhibit 10.17	Loan Agreement dated April 27, 2020, between Chesapeake Utilities Corporation and Bank of America, N.A. is incorporated herein by reference to Exhibit 10.4 to our Quarterly Report on Form 10-Q for the quarter ended March 31, 2020, File No. 001-11590.
• Exhibit 10.18	Revolving Line of Credit Note dated April 24, 2020 issued by Chesapeake Utilities Corporation in favor of PNC Bank, National Association is incorporated herein by reference to Exhibit 10.5 to our Quarterly Report on Form 10-Q for the quarter ended March 31, 2020, File No. 001-11590.
• Exhibit 10.19	Promissory Note dated April 22, 2020, issued by Chesapeake Utilities Corporation and in favor of Bank of America, N.A. is incorporated herein by reference to Exhibit 10.6 to our Quarterly Report on Form 10-Q for the quarter ended March 31, 2020, File No. 001-11590.
• Exhibit 10.20	Credit Agreement dated May 29, 2020, between Chesapeake Utilities Corporation and Citizens Bank National Association is incorporated herein by reference to Exhibit 10.1 to our Quarterly Report on Form 10-Q for the quarter ended June 30, 2020, File No. 001-11590.

• Exhibit 10.21	Loan Agreement dated May 6, 2020 between Chesapeake Utilities Corporation and Royal bank of Canada is incorporated herein by reference to Exhibit 10.2 to our Quarterly Report on Form 10-Q for the quarter ended June 30, 2020, File No. 001-11590.
• Exhibit 10.22	Form of Revolving Loan Note in favor of Citizens Bank National Association is incorporated herein by reference to Exhibit 10.3 to our Quarterly Report on Form 10-Q for the quarter ended June 30, 2020, File No. 001-11590.
• Exhibit 10.23	Form of Revolving Credit Note in favor of Royal Bank of Canada is incorporated herein by reference to Exhibit 10.4 to our Quarterly Report on Form 10-Q for the quarter ended June 30, 2020, File No. 001-11590.
• Exhibit 10.24	Credit Agreement, dated September 30, 2020, by and between Chesapeake Utilities Corporation, PNC Bank, National Association, and several other financial institutions named therein is incorporated herein by reference to Exhibit 10.1 to our Quarterly Report on Form 10-Q for the quarter ended September 30, 2020, File No. 001-11590.
• Exhibit 10.25	Amended and Restated Credit Agreement, dated August 12, 2021, by and between Chesapeake Utilities Corporation, PNC Bank, National Association, and several other financial institutions named therein is incorporated herein by reference to Exhibit 10.1 to our Quarterly Report on Form 10-Q for the quarter ended September 30, 2021, File No. 001-11590
• Exhibit 10.26*	Executive Employment Agreement, dated December 16, 2021, by and between Chesapeake Utilities Corporation and Jeffrey S. Sylvester is incorporated by reference to Exhibit 10.1 to our Current Report on Form 8-K filed on December 20, 2021, File No. 001-11590
• Exhibit 10.27*	Executive Employment Agreement, dated December 16, 2021, by and between Chesapeake Utilities Corporation and Jeffry M. Householder is incorporated by reference to Exhibit 10.2 to our Current Report on Form 8-K filed on December 20, 2021, File No. 001-11590
• Exhibit 10.28*	Executive Employment Agreement, dated December 16, 2021, by and between Chesapeake Utilities Corporation and Beth W. Cooper is incorporated by reference to Exhibit 10.3 to our Current Report on Form 8-K filed on December 20, 2021, File No. 001-11590
• Exhibit 10.29*	Executive Employment Agreement, dated December 16, 2021, by and between Chesapeake Utilities Corporation and James F. Moriarty is incorporated by reference to Exhibit 10.4 to our Current Report on Form 8-K filed on December 20, 2021, File No. 001-11590
• Exhibit 10.30*	Executive Employment Agreement, dated December 16, 2021, by and between Chesapeake Utilities Corporation and Kevin J. Webber is incorporated by reference to Exhibit 10.5 to our Current Report on Form 8-K filed on December 20, 2021, File No. 001-11590
• Exhibit 10.31*	Form of Performance Share Agreement, effective February 23, 2022, for the period 2022 to 2024, pursuant to the Chesapeake Utilities Corporation 2013 Stock and Incentive Compensation Plan by and between Chesapeake Utilities Corporation and each of Jeffry M. Householder, Beth W. Cooper, James F. Moriarty, Kevin J. Webber, and Jeffrey S. Sylvester is incorporated herein by reference to Exhibit 10.34 to our Annual Report on Form 10-K for the year ended December 31, 2021, File No. 001-11590.
• Exhibit 10.32*	Chesapeake Utilities Corporation 2023 Stock and Incentive Compensation Plan as approved by stockholders and effective on May 3, 2023 is incorporated herein by reference to Exhibit 10.1 to our Registration Statement on Form S-8 filed May 3, 2023, File No. 001-11590.
• Exhibit 10.33*	Second Amendment to the Non-Qualified Deferred Compensation Plan, effective October 2, 2023, is filed herewith.
• Exhibit 10.34*	Form of Amendment to the Executive Employment Agreement, effective October 2, 2023, for each of Jeffry M. Householder, Beth W. Cooper, James F. Moriarty, Kevin J. Webber and Jeffrey S. Sylvester is filed herewith.
• Exhibit 10.35	Second Amendment to Amended and Restated Credit Agreement, dated August 9, 2023, by and between Chesapeake Utilities Corporation and PNC Bank, National Association, and several other financial institutions is incorporated herein by reference to Exhibit 10.1 of our Quarterly Report on Form 10-Q for the period ended September 30, 2023, File No. 001-11590.

• Exhibit 10.36	Commitment Letter for Bridge Facility, dated September 26, 2023, by and between Chesapeake Utilities Corporation and Barclays Bank PLC is incorporated herein by reference to Exhibit 10.2 of our Quarterly Report on Form 10-Q for the period ended September 30, 2023, File No. 001-11590.
• Exhibit 10.37	Third Amendment to Amended and Restated Credit Agreement, dated October 13, 2023, by and between Chesapeake Utilities Corporation and PNC Bank, National Association is incorporated herein by reference to Exhibit 10.3 of our Quarterly Report on Form 10-Q for the period ended September 30, 2023, File No. 001-11590.
• Exhibit 21	Subsidiaries of the Registrant is filed herewith.
• Exhibit 23.1	Consent of Independent Registered Public Accounting Firm is filed herewith.
• Exhibit 31.1	Certificate of Chief Executive Officer of Chesapeake Utilities Corporation pursuant to Exchange Act Rule 13a-14(a) and 15d – 14(a), is filed herewith.
• Exhibit 31.2	Certificate of Chief Financial Officer of Chesapeake Utilities Corporation pursuant to Exchange Act Rule 13a-14(a) and 15d – 14(a), is filed herewith.
• Exhibit 32.1	Certificate of Chief Executive Officer of Chesapeake Utilities Corporation pursuant to 18 U.S.C. Section 1350, is filed herewith.
• Exhibit 32.2	Certificate of Chief Financial Officer of Chesapeake Utilities Corporation pursuant to 18 U.S.C. Section 1350, is filed herewith.
• Exhibit 97	Chesapeake Utilities Corporation Incentive-Based Compensation Clawback Policy effective October 2, 2023, is filed herewith.

- Exhibit 101.INS XBRL Instance Document is filed herewith.
- Exhibit 101.SCH XBRL Taxonomy Extension Schema Document is filed herewith.
- Exhibit 101.CAL XBRL Taxonomy Extension Calculation Linkbase Document is filed herewith.
- Exhibit 101.DEF XBRL Taxonomy Extension Definition Linkbase Document is filed herewith.
- Exhibit 101.LAB XBRL Taxonomy Extension Label Linkbase Document is filed herewith.
- Exhibit 101.PRE XBRL Taxonomy Extension Presentation Linkbase Document is filed herewith.

• Exhibit 104	Cover Page Interactive Data File - formatted in Inline XBRL and contained in Exhibit 101.

* Management contract or compensatory plan or agreement.

† These agreements have not been filed herewith pursuant to Item 601(b)(4)(v) of Regulation S-K under the Securities Act of 1933, as amended. We hereby agree to furnish copies to the SEC upon request.

ITEM 16. FORM 10-K SUMMARY.

None.

SIGNATURES

Pursuant to the requirements of Section 13 or 15 (d) of the Securities Exchange Act of 1934, Chesapeake Utilities Corporation has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

CHESAPEAKE UTILITIES CORPORATION

By: /s/ JEFFRY M. HOUSEHOLDER
Jeffry M. Householder
President, Chief Executive Officer and Director
February 21, 2024

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

/s/ JEFFRY M. HOUSEHOLDER
Jeffry M. Householder
President, Chief Executive Officer and Director
February 21, 2024

/s/ BETH W. COOPER
Beth W. Cooper, Executive Vice President,
Chief Financial Officer, Treasurer
and Assistant Corporate Secretary
(Principal Financial and Accounting Officer)
February 21, 2024

/S/ LISA G. BISACCIA
Lisa G. Bisaccia, Director
February 21, 2024

/S/ LILA A. JABER
Lila A. Jaber, Director
February 21, 2024

/S/ THOMAS J. BRESNAN
Thomas J. Bresnan, Lead Director
February 21, 2024

/S/ PAUL L. MADDOCK, JR.
Paul L. Maddock, Jr., Director
February 21, 2024

/S/ RONALD G. FORSYTHE, JR.
Dr. Ronald G. Forsythe, Jr., Director
February 21, 2024

/S/ SHEREE M. PETRONE
Sheree M. Petrone, Director
February 21, 2024

/S/ STEPHANIE N. GARY
Stephanie N. Gary, Director
February 21, 2024

/S/ THOMAS P. HILL, JR.
Thomas P. Hill, Jr., Director
February 21, 2024

/S/ DENNIS S. HUDSON, III
Dennis S. Hudson, III, Director
February 21, 2024

Chesapeake Utilities Corporation and Subsidiaries
Schedule II
Valuation and Qualifying Accounts

For the Year Ended December 31,	Balance at Beginning of Year	Additions: Charged to Income	Additions: Other Accounts [1]	Deductions [2]	Balance at End of Year
(in thousands)					
Reserve Deducted From Related Assets					
Reserve for Uncollectible Accounts					
2023	$ 2,877	$ 2,340	$ 166	$ (2,684)	$ 2,699
2022	$ 3,141	$ 1,550	$ 172	$ (1,986)	$ 2,877
2021	$ 4,785	$ 134	$ (125)	$ (1,653)	$ 3,141

[1] Recoveries and other allowance adjustments
[2] Uncollectible accounts charged off

SECOND AMENDMENT
TO THE
CHESAPEAKE UTILITIES CORPORATION
NON-QUALIFIED DEFERRED COMPENSATION PLAN
(As Amended and Restated Effective January 1, 2014)

Chesapeake Utilities Corporation (the "Company") hereby adopts this Second Amendment to the Chesapeake Utilities Corporation Non-Qualified Deferred Compensation Plan, as amended and restated effective January 1, 2014 (the "Plan"), as set forth herein.

BACKGROUND INFORMATION

A. The Company maintains the Plan for the benefit of its eligible officers, directors, and employees.

B. The Company desires to amend the Plan to implement the clawback rules found in Section 954 of the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010, Section 10D of the Securities Exchange Act of 1934, 17 C.F.R. §240.10D, and NYSE Listing Rule 303A.14, which will take effect on October 2, 2023.

C. Section 7.1 of the Plan permits the Company to amend the Plan at any time through action of the Board of Directors, the Compensation Committee of the Board of Directors, or the Employee Benefits Committee (to the extent the Board of Directors or Compensation Committee of the Board of Directors has delegated authority to amend the Plan to the Employee Benefits Committee).

AMENDMENT

The Plan is hereby amended as follows, effective October 2, 2023:

1. A new Section 8.12 is hereby added to the Plan to read as follows:

"8.12 Application of Clawback Policy. All benefits under the Plan shall be subject to reduction, cancellation, forfeiture, or recoupment to the extent necessary to comply with (a) any clawback, forfeiture, or other similar policy adopted by the Board or Committee and as in effect from time to time; and (b) applicable law. Further, to the extent that the Participant receives any amount in excess of the amount that the Participant should otherwise have received under the Plan for any reason (including, without limitation, by reason of a financial restatement, mistake in calculations, or other administrative error), the Participant shall be required to repay any such excess amount to the Company."

2. The Plan shall otherwise remain unchanged.

CHESAPEAKE UTILITIES CORPORATION

By: __________

Title: __________

Date: __________

AMENDMENT TO EXECUTIVE EMPLOYMENT AGREEMENT

This Amendment to the Executive Employment Agreement is made and entered into by and between Chesapeake Utilities Corporation, a Delaware corporation (the "Company") and _______________ (the "Executive").

BACKGROUND INFORMATION

A. The Company is currently obtaining the benefit of the Executive's services as a full-time executive employee in the capacity of ____________________Officer.

B. The Company and the Executive entered into an Executive Employment Agreement effective _______________ (the "Agreement").

C. Effective as of October 2, 2023, the Company is required to comply with the clawback rules found in 17 C.F.R. §240.10D and associated Section 303A.14 of the NYSE Listed Company Manual (collectively, the "Rule"), which requires issuers to develop and implement a policy providing for the recovery of erroneously awarded incentive based compensation received by current or former executive officers.

D. Under Section 5(d) of the Agreement, the Company may unilaterally amend such Section at any time to comply with applicable law or securities exchange listing rules, as the same may be in effect from time to time, during the current term or the extended term of the Agreement.

E. The Company desires to amend the Agreement to reflect those changes required by the Rule.

AMENDMENT

1. The Company hereby amends and restates Section 5(d) of the Agreement in its entirety to provide as follows:

(d) Recovery of Compensation. The Executive acknowledges and agrees that all or any portion of an incentive award under the above described bonus and incentive compensation plans or any future arrangement established by the Company to provide incentive or bonus compensation, whether payable in cash, Company common stock or other property, ("Award") is subject to the clawback rules found in 17 C.F.R. §240.10D, Section 303A.14 of the NYSE Listed Company Manual, and any clawback, forfeiture, or other similar policy adopted by the Compensation Committee of the Board of Directors and as in effect from time to time (collectively, the "Rule"). The Executive acknowledges and agrees that, under the Rule, the Executive is subject to an obligation of repayment to the Company if the amount of the Award was calculated based upon the achievement of certain financial results (as reflected in the financial statement of the Company or otherwise) or other performance metrics that, in either case, were subsequently found to be materially inaccurate for any reason (including, without limitation, by reason of a financial restatement, mistake in calculations, or other administrative error). The amount that shall be repaid by the Executive to the Company shall be based on the excess amount paid or awarded to the Executive under the Award as compared to the amount that would have been paid or awarded had the material inaccuracy not occurred. If the Compensation Committee determines that the Executive engaged in misconduct, malfeasance or gross negligence in the performance of his or her duties that either caused or significantly contributed to the material inaccuracy in financial statements or other performance metrics, there shall be no time limit on this right of recovery, which shall apply to all future Awards as well as to any and all pre-existing Awards that have not yet been determined and paid as of the date of this Agreement. In all other circumstances, this right of recovery shall apply to all future Awards as well as to any and all pre-existing Awards that have not yet been determined and paid as of the date of this agreement for a period not exceeding three years after the date of receipt of each such Award. In addition, the Executive hereby agrees that, if he or she does not promptly repay the amount recoverable hereunder within thirty (30) days of a demand therefore, such amount may be withheld from compensation of any type not yet due and payable to the Executive, including, but not limited to, the cancellation of future Awards, as determined by the Compensation Committee in its sole discretion. In addition, to the extent permitted under the Rule, the Compensation Committee is granted the discretionary authority to interpret and enforce this provision as it determines to be in the best interest of the Company and equitable to the parties. Notwithstanding anything herein, this provision shall not be the Company's exclusive remedy with respect to such matters. In addition, the parties agree that the Company may unilaterally amend this provision at any time to comply with applicable law or securities exchange listing rules, as the same may be in effect from time to time, during the Current Term or the Extended Term of this Agreement.

2. This Amendment shall be deemed effective October 2, 2023 (the "Effective Date") and this Amendment shall govern the terms and conditions of the Agreement and the relations between the Parties as of the Effective Date.

3. Except as provided in this Amendment, all terms and conditions of the Agreement shall remain in effect and shall not be altered by this Amendment.

IN WITNESS WHEREOF, the parties hereto have executed this Amendment as of the date(s) indicated below.

CHESAPEAKE UTILITIES CORPORATION

By: ______________________________

Title: _____________________________

Date: _____________________________

Chesapeake Utilities Corporation
Subsidiaries of the Registrant

Subsidiaries	State Incorporated
Eastern Shore Natural Gas Company	Delaware
Sharp Energy, Inc.	Delaware
Chesapeake Service Company	Delaware
Chesapeake OnSight Services LLC	Delaware
Peninsula Energy Services Company, Inc.	Delaware
Peninsula Pipeline Company, Inc.	Delaware
Florida Public Utilities Company	Florida
Sandpiper Energy, Inc.	Delaware
Aspire Energy of Ohio, LLC	Delaware
Aspire Energy Express, LLC	Delaware
Marlin Gas Services, LLC	Delaware
CPK Elkton, LLC	Delaware
Elkton Gas Company	Maryland
OnSight Renewables, LLC	Delaware
Chesapeake Emergency Energy Recipient Program, Inc	Delaware
CUC Shared Services, Inc.	Delaware
Pivotal Utility Holdings, Inc.	New Jersey

Subsidiary of Sharp Energy, Inc.	State Incorporated
Sharpgas, Inc.	Delaware

Subsidiary of Florida Public Utilities Company	State Incorporated
Flo-Gas Corporation	Florida
FPU Renewables, LLC	Delaware

Subsidiaries of Chesapeake Service Company	State Incorporated
Skipjack, Inc.	Delaware
Chesapeake Investment Company	Delaware
Eastern Shore Real Estate, Inc.	Delaware

Subsidiaries of Chesapeake OnSight Services LLC	State Incorporated
Eight Flags Energy, LLC	Delaware
Amelia Island Energy, LLC	Delaware

Subsidiaries of OnSight Renewables, LLC	State Incorporated
Amelia Renewables, LLC	Delaware
Blue Peake LNG, LLC	Delaware
Marlin Compression, LLC	Delaware

Subsidiary of Amelia Renewables, LLC	State Incorporated
Planet Found Energy Development, LLC	Maryland

Consent of Independent Registered Public Accounting Firm

We hereby consent to the incorporation by reference in the Registration Statements on Form S-3ASR (Nos. 333-274284 and 333-274203), Form S-8 (No. 333-271610) and Form S-4 (No. 333-201992) of Chesapeake Utilities Corporation of our report dated February 21, 2024, relating to the consolidated financial statements, financial statement schedule, and the effectiveness of internal control over financial reporting, which appears in this Form 10-K for the year ended December 31, 2023.

/s/ Baker Tilly US, LLP

Lancaster, Pennsylvania
February 21, 2024

**CERTIFICATE PURSUANT TO RULE 13A-14(A)
UNDER THE SECURITIES EXCHANGE ACT OF 1934**

I, Jeffry M. Householder, certify that:

1. I have reviewed this annual report on Form 10-K for the year ended December 31, 2023 of Chesapeake Utilities Corporation;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a–15(e) and 15d–15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a–15(f) and 15d–15(f)) for the registrant and have:

   a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 21, 2024

/s/ JEFFRY M. HOUSEHOLDER

Jeffry M. Householder
President and Chief Executive Officer

CERTIFICATE PURSUANT TO RULE 13A-14(A)
UNDER THE SECURITIES EXCHANGE ACT OF 1934

I, Beth W. Cooper, certify that:

1. I have reviewed this annual report on Form 10-K for the year ended December 31, 2023 of Chesapeake Utilities Corporation;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a–15(e) and 15d–15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a–15(f) and 15d–15(f)) for the registrant and have:

   a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 21, 2024

/s/ Beth W. Cooper

Beth W. Cooper
Executive Vice President, Chief Financial Officer,Treasurer, and Assistant Corporate Secretary

Certificate of Chief Executive Officer

of

Chesapeake Utilities Corporation

(pursuant to 18 U.S.C. Section 1350)

I, Jeffry M. Householder, President and Chief Executive Officer of Chesapeake Utilities Corporation, certify that, to the best of my knowledge, the Annual Report on Form 10-K of Chesapeake Utilities Corporation for the year ended December 31, 2023, filed with the Securities and Exchange Commission on the date hereof (i) fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended, and (ii) the information contained therein fairly presents, in all material respects, the financial condition and results of operations of Chesapeake Utilities Corporation.

/s/ JEFFRY M. HOUSEHOLDER
Jeffry M. Householder
February 21, 2024

A signed original of this written statement required by Section 906 of the Sarbanes-Oxley Act of 2002, or other document authenticating, acknowledging, or otherwise adopting the signature that appears in typed form within the electronic version of this written statement required by Section 906, has been provided to Chesapeake Utilities Corporation and will be retained by Chesapeake Utilities Corporation and furnished to the Securities and Exchange Commission or its staff upon request.

Certificate of Chief Financial Officer

of

Chesapeake Utilities Corporation

(pursuant to 18 U.S.C. Section 1350)

I, Beth W. Cooper, Executive Vice President, Chief Financial Officer, Treasurer and Assistant Corporate Secretary of Chesapeake Utilities Corporation, certify that, to the best of my knowledge, the Annual Report on Form 10-K of Chesapeake Utilities Corporation for the year ended December 31, 2023, filed with the Securities and Exchange Commission on the date hereof (i) fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended, and (ii) the information contained therein fairly presents, in all material respects, the financial condition and results of operations of Chesapeake Utilities Corporation.

/S/ BETH W. COOPER
Beth W. Cooper
February 21, 2024

A signed original of this written statement required by Section 906 of the Sarbanes-Oxley Act of 2002, or other document authenticating, acknowledging, or otherwise adopting the signature that appears in typed form within the electronic version of this written statement required by Section 906, has been provided to Chesapeake Utilities Corporation and will be retained by Chesapeake Utilities Corporation and furnished to the Securities and Exchange Commission or its staff upon request.

CHESAPEAKE UTILITIES CORPORATION
INCENTIVE-BASED COMPENSATION CLAWBACK POLICY

Chesapeake Utilities Corporation (the "Company") has adopted this Incentive-Based Compensation Clawback Policy (the "Policy") as a supplement to any other clawback policies in effect now or in the future at the Company. To the extent this Policy applies to compensation payable to a person covered by this Policy, it shall be the only clawback policy applicable to such compensation and no other clawback policy shall apply; provided that, if such other policy provides that a greater amount of such compensation shall be subject to clawback, such other policy shall apply to the amount in excess of the amount subject to clawback under this Policy.

This Policy shall be interpreted to comply with the clawback rules found in 17 C.F.R. §240.10D and NYSE Listing Rule 303A.14, which will take effect on October 2, 2023 (collectively, the "Rule"). To the extent this Policy is in any manner deemed inconsistent with the Rule, this Policy shall be treated as retroactively amended to be compliant with the Rule.

1. Definitions. As used in the Policy, the following capitalized terms shall have the meanings set forth in this Section 1. Terms used herein shall at all times be interpreted in accordance with 17 C.F.R. §240.10D-1(d) and any other guidance that may be issued under the Rule.

(a) "Executive Officer" shall mean the Company's president, principal financial officer, principal accounting officer, any vice president of the Company in charge of a principal business unit, division, or function (such as sales, administration, or finance), any other officer who performs a policy-making function, or any other person who performs similar policy-making functions for the Company. Executive Officers of the Company's subsidiaries are deemed Executive Officers of the Company if they perform such policy-making functions for the Company. Identification of an Executive Officer for purposes of this Policy includes, at a minimum, Executive Officers identified pursuant to 17 C.F.R. §229.401(b).

(b) "Financial Reporting Measure" means measures, including but not limited to stock price and total shareholder return, that are determined and presented in accordance with the accounting principles used in preparing the Company's financial statements, and any measures that are derived wholly or in part from such measures. A Financial Reporting Measure need not be presented within the financial statements or included in a filing with the Securities and Exchange Commission ("SEC").

(c) "Incentive-Based Compensation" means any compensation that is granted, earned, or vested based wholly or in part upon the attainment of a Financial Reporting Measure.

2. Application of the Policy. This Policy shall only apply in the event that the Company is required to prepare an accounting restatement due to the material noncompliance of the Company with any financial reporting requirement under the securities laws, including any required accounting restatement to correct an error in previously issued financial statements that is material to the previously issued financial statements, or that would result in a material misstatement if the error were corrected in the current period or left uncorrected in the current period.

3. Recovery Period. The Incentive-Based Compensation subject to clawback is the Incentive-Based Compensation Received during the three completed fiscal years immediately preceding the date that the Company is required to prepare an accounting restatement as described in Section 2, provided that the person served as an Executive Officer at any time during the performance period applicable to the Incentive-Based Compensation in question. The date that the Company is required to prepare an accounting restatement shall be determined pursuant to 17 C.F.R. §240.10D-1(b)(1)(ii).

(a) For purposes of this Policy, Incentive-Based Compensation is deemed "Received" in the Company's fiscal period during which the Financial Reporting Measure specified in the Incentive-Based Compensation award is attained, even if the payment or grant of the Incentive-Based Compensation occurs after the end of that period.

(b) Notwithstanding anything to the contrary, the Policy shall only apply if the Incentive-Based Compensation is Received (1) on or after October 2, 2023, and (2) while the Company has a class of securities listed on a national securities exchange or a national securities association.

(c) To the extent applicable, 17 C.F.R. §240.10D-1(b)(1)(i) shall govern certain circumstances under which the Policy will apply to Incentive-Based Compensation Received during a transition period arising due to a change in the Company's fiscal year.

4. Erroneously Awarded Compensation. The amount of Incentive-Based Compensation subject to the Policy ("Erroneously Awarded Compensation") is the amount of Incentive-Based Compensation Received that exceeds the amount of Incentive Based-Compensation that otherwise would have been Received had it been determined based on

the restated amounts and shall be computed without regard to any taxes paid. For Incentive-Based Compensation based on stock price or total shareholder return, where the amount of Erroneously Awarded Compensation is not subject to mathematical recalculation directly from the information in an accounting restatement:

(a) the amount shall be based on a reasonable estimate of the effect of the accounting restatement on the stock price or total shareholder return upon which the Incentive-Based Compensation was received; and

(b) the Company must maintain documentation of the determination of that reasonable estimate and provide such documentation to the New York Stock Exchange ("NYSE").

5. Recovery of Erroneously Awarded Compensation. The Company shall recover in a reasonably prompt manner any Erroneously Awarded Compensation except to the extent that the conditions of paragraphs (a), (b), or (c) below apply. The Compensation Committee of the Company's Board of Directors (the "Committee") shall determine the repayment schedule for each amount of Erroneously Awarded Compensation in a manner that complies with this "reasonably promptly" requirement. Such determination shall be consistent with any applicable legal guidance, by the SEC, judicial opinion, or otherwise. The determination of "reasonably promptly" may vary from case to case and the Committee is authorized to adopt additional requirements to further describe what repayment schedules satisfy this requirement.

(a) Erroneously Awarded Compensation need not be recovered if the direct expense paid to a third party to assist in enforcing the Policy (e.g., reasonable legal expenses and consulting fees) would exceed the amount to be recovered and the Committee makes a determination that recovery would be impracticable. Before concluding that it would be impracticable to recover any amount of Erroneously Awarded Compensation based on the expense of enforcement, the Company shall make a reasonable attempt to recover such Erroneously Awarded Compensation, establish that the direct costs of recovery exceed the recovery amounts, document such reasonable attempt(s) to recover the amounts, and provide that documentation to the NYSE.

(b) Erroneously Awarded Compensation need not be recovered if recovery would violate home country law where that law was adopted prior to November 28, 2022. Before concluding that it would be impracticable to recover any amount of Erroneously Awarded Compensation based on violation of home country law, the Company shall obtain an opinion of home country counsel, acceptable to the NYSE, that recovery would result in such a violation and shall provide the opinion to the NYSE.

(c) Erroneously Awarded Compensation need not be recovered if recovery would likely cause an otherwise tax-qualified retirement plan, under which benefits are broadly available to employees of the Company or its subsidiaries, to fail to meet the requirements of Sections 401(a)(13) or 411(a) of the Internal Revenue Code of 1986, as amended, and regulations thereunder.

6. Committee Decisions. Decisions of the Committee with respect to this Policy shall be final, conclusive, and binding on all Executive Officers subject to this Policy, unless determined to be an abuse of discretion.

7. No Indemnification. Notwithstanding anything to the contrary in any other policy of the Company or any agreement between the Company and an Executive Officer, no Executive Officer shall be indemnified by the Company against the loss of any Erroneously Awarded Compensation.

8. Agreement to Policy by Executive Officers. The Committee shall take reasonable steps to inform Executive Officers of this Policy and obtain their agreement to this Policy, which steps may constitute the inclusion of this Policy as an attachment to any award that is or has been accepted by the Executive Officer.

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-Q

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended: March 31, 2024

OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from __________ to __________

Commission File Number: 001-11590

CHESAPEAKE UTILITIES CORPORATION

(Exact name of registrant as specified in its charter)

Delaware	**51-0064146**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

500 Energy Lane, Dover, Delaware 19901
(Address of principal executive offices, including Zip Code)

(302) 734-6799
(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock - par value per share $0.4867	CPK	New York Stock Exchange, Inc.

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15 (d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☒	Accelerated filer	☐
Non-accelerated filer	☐	Smaller reporting company	☐
		Emerging growth company	☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

Common Stock, par value $0.4867 — 22,270,177 shares outstanding as of May 6, 2024.

Table of Contents

Glossary of Definitions

ASC: Accounting Standards Codification issued by the FASB

Adjusted Gross Margin: A non-GAAP measure calculated by deducting the purchased cost of natural gas, propane and electricity and the cost of labor spent on direct revenue-producing activities from operating revenues. The costs included in Adjusted Gross Margin exclude depreciation and amortization and certain costs presented in operations and maintenance expenses in accordance with regulatory requirements

Aspire Energy: Aspire Energy of Ohio, LLC, a wholly-owned subsidiary of Chesapeake Utilities

Aspire Energy Express: Aspire Energy Express, LLC, a wholly-owned subsidiary of Chesapeake Utilities

ASU: Accounting Standards Update issued by the FASB

ATM: At-the-market

CDD: Cooling Degree-Day

Chesapeake or Chesapeake Utilities: Chesapeake Utilities Corporation, its divisions and subsidiaries, as appropriate in the context of the disclosure

CHP: Combined Heat and Power Plant

Company: Chesapeake Utilities Corporation, and its divisions and subsidiaries, as appropriate in the context of the disclosure

CNG: Compressed natural gas

Degree-day: Measure of the variation in the weather based on the extent to which the average daily temperature (from 10:00 am to 10:00 am) falls above (CDD) or below (HDD) 65 degrees Fahrenheit

Delmarva Peninsula: A peninsula on the east coast of the U.S. comprised of Delaware and portions of Maryland and Virginia

Diversified Energy: An entity from whom we acquired certain propane operating assets in North Carolina, South Carolina, Virginia, and Pennsylvania

DRIP: Dividend Reinvestment and Direct Stock Purchase Plan

Dt(s): Dekatherm(s), which is a natural gas unit of measurement that includes a standard measure for heating value

Dts/d: Dekatherms per day

Eastern Shore: Eastern Shore Natural Gas Company, a wholly-owned subsidiary of Chesapeake Utilities

Eight Flags: Eight Flags Energy, LLC, a wholly-owned subsidiary of Chesapeake Utilities

Elkton Gas: Elkton Gas Company, a wholly-owned subsidiary of Chesapeake Utilities

FASB: Financial Accounting Standards Board

FCG or Florida City Gas: Pivotal Utility Holdings, Inc, doing business as Florida City Gas, a wholly-owned subsidiary of Chesapeake Utilities that was acquired from Florida Power & Light Company on November 30, 2023

FERC: Federal Energy Regulatory Commission

FGT: Florida Gas Transmission Company

Florida Natural Gas: Refers to the Company's legacy Florida natural gas distribution operations (excluding FCG) that were consolidated under FPU, for both rate-making and operations purposes

Florida OPC: The Office of Public Counsel, an agency established by the Florida legislature who advocates on behalf of Florida's utility consumers prior to actions or rule changes

FPU: Florida Public Utilities Company, a wholly-owned subsidiary of Chesapeake Utilities

GAAP: Generally Accepted Accounting Principles

Gross Margin: a term under U.S. GAAP which is the excess of sales over costs of goods sold

GUARD: Gas Utility Access and Replacement Directive a program to enhance the safety, reliability and accessibility of portions of the Company's natural gas distribution system in Florida

Gulfstream: Gulfstream Natural Gas System, LLC, an unaffiliated pipeline network that supplies natural gas to FPU

HDD: Heating Degree-Day

LNG: Liquefied Natural Gas

Marlin Gas Services: Marlin Gas Services, LLC, a wholly-owned subsidiary of Chesapeake Utilities

MetLife: MetLife Investment Advisors, an institutional debt investment management firm, with which we have previously issued Senior Notes and which is a party to the current MetLife Shelf Agreement, as amended

MGP: Manufactured gas plant, which is a site where coal was previously used to manufacture gaseous fuel for industrial, commercial and residential use

Peninsula Pipeline: Peninsula Pipeline Company, Inc., a wholly-owned subsidiary of Chesapeake Utilities

Prudential: Prudential Investment Management Inc., an institutional investment management firm, with which we have previously issued Senior Notes and which is a party to the current Prudential Shelf Agreement, as amended

PSC: Public Service Commission, which is the state agency that regulates utility rates and/or services in certain of our jurisdictions

Revolver: Our $375.0 million unsecured revolving credit facility with certain lenders

RNG: Renewable natural gas

RSAM: Reserve surplus amortization mechanism which has been approved by the Florida PSC and is applicable to FCG

Sandpiper Energy: Sandpiper Energy, Inc., a wholly-owned subsidiary of Chesapeake Utilities

SAFE: Safety, Access, and Facility Enhancement, a program to enhance the safety, reliability and accessibility of portions of the FCG's natural gas distribution system

SEC: Securities and Exchange Commission

Senior Notes: Our unsecured long-term debt issued primarily to insurance companies on various dates

Sharp: Sharp Energy, Inc., a wholly-owned subsidiary of Chesapeake Utilities

Shelf Agreement: An agreement entered into by Chesapeake Utilities and a counterparty pursuant to which Chesapeake Utilities may request that the counterparty purchase our unsecured senior debt with a fixed interest rate and a maturity date not to exceed 20 years from the date of issuance

Shelf Notes: Unsecured senior promissory notes issuable under the Shelf Agreement executed with various counterparties

SICP: Stock and Incentive Compensation Plan, which as used herein covers stock-based compensation awards issued under the current 2024 plan and the previous 2013 plan

SOFR: Secured Overnight Financing Rate, a secured interbank overnight interest rate established as an alternative to LIBOR

TCJA: Tax Cuts and Jobs Act enacted on December 22, 2017

TETLP: Texas Eastern Transmission, LP, an interstate pipeline interconnected with Eastern Shore's pipeline

Uncollateralized Senior Notes: Our unsecured long-term debt issued primarily to insurance companies on various dates

U.S.: The United States of America

PART I – FINANCIAL INFORMATION

Item 1. Financial Statements

Chesapeake Utilities Corporation and Subsidiaries

Condensed Consolidated Statements of Income (Unaudited)

	Three Months Ended March 31,	
(in thousands, except per share data)	2024	2023
Operating Revenues		
Regulated Energy	$ 168,426	$ 142,270
Unregulated Energy	83,103	83,166
Other businesses and eliminations	(5,785)	(7,307)
Total Operating Revenues	245,744	218,129
Operating Expenses		
Natural gas and electric costs	49,918	55.288
Propane and natural gas costs	31,299	33,301
Operations	51,560	44,767
FCG transaction and transition-related expenses	921	—
Maintenance	5,903	5,104
Depreciation and amortization	17,016	17,183
Other taxes	9,542	7,571
Total Operating Expenses	166,159	163,214
Operating Income	79,585	54,915
Other income, net	195	276
Interest charges	17,026	7.232
Income Before Income Taxes	62,754	47,959
Income taxes	16,586	11,615
Net Income	$ 46,168	$ 36,344
Weighted Average Common Shares Outstanding:		
Basic	22,250	17,760
Diluted	22,306	17,832
Earnings Per Share of Common Stock:		
Basic	$ 2.07	$ 2.05
Diluted	$ 2.07	$ 2.04

The accompanying notes are an integral part of these condensed consolidated financial statements.

Chesapeake Utilities Corporation and Subsidiaries

Condensed Consolidated Statements of Comprehensive Income (Unaudited)

(in thousands)	Three Months Ended March 31, 2024	2023
Net Income	**$ 46,168**	$ 36,344
Other Comprehensive Income (Loss), net of tax:		
Employee Benefits, net of tax:		
Reclassifications of amortization of prior service credit and actuarial loss, net of tax of $4 and $3, respectively	**13**	10
Cash Flow Hedges, net of tax:		
Net gain on commodity contract cash flow hedges, net of tax of $534 and $7, respectively	**1,441**	22
Reclassifications of net gain on commodity contract cash flow hedges, net of tax $(293) and $(166), respectively	**(791)**	(440)
Net gain (loss) on interest rate swap cash flow hedges, net of tax of $143 and $(52), respectively	**417**	(148)
Reclassifications of net (gain) on interest rate swap cash flow hedges, net of tax of $(44) and $(17), respectively	**(128)**	(48)
Total Other Comprehensive Income (Loss), net of tax	**952**	(604)
Comprehensive Income	**$ 47,120**	$ 35,740

The accompanying notes are an integral part of these condensed consolidated financial statements.

Chesapeake Utilities Corporation and Subsidiaries

Condensed Consolidated Balance Sheets (Unaudited)

Assets *(in thousands, except per share data)*		March 31, 2024		December 31, 2023
Property, Plant and Equipment				
Regulated Energy	$	2,470,135	$	2,418,494
Unregulated Energy		416,833		410,807
Other businesses and eliminations		31,606		30,310
Total property, plant and equipment		2,918,574		2,859,611
Less: Accumulated depreciation and amortization		(530,832)		(516,429)
Plus: Construction work in progress		123,338		113,192
Net property, plant and equipment		2,511,080		2,456,374
Current Assets				
Cash and cash equivalents		1,695		4,904
Trade and other receivables		70,750		74,485
Less: Allowance for credit losses		(2,450)		(2,699)
Trade and other receivables, net		68,300		71,786
Accrued revenue		28,308		32,597
Propane inventory, at average cost		8,367		9,313
Other inventory, at average cost		19,638		19,912
Regulatory assets		24,289		19,506
Storage gas prepayments		1,147		4,695
Income taxes receivable		—		3,829
Prepaid expenses		13,681		15,407
Derivative assets, at fair value		1,012		1,027
Other current assets		3,228		2,723
Total current assets		169,665		185,699
Deferred Charges and Other Assets				
Goodwill		507,573		508,174
Other intangible assets, net		16,414		16,865
Investments, at fair value		13,221		12,282
Derivative assets, at fair value		126		40
Operating lease right-of-use assets		11,719		12,426
Regulatory assets		86,039		96,396
Receivables and other deferred charges		16,047		16,448
Total deferred charges and other assets		651,139		662,631
Total Assets	$	3,331,884	$	3,304,704

The accompanying notes are an integral part of these condensed consolidated financial statements.

Chesapeake Utilities Corporation and Subsidiaries

Condensed Consolidated Balance Sheets (Unaudited)

Capitalization and Liabilities *(in thousands, except per share data)*	**March 31, 2024**	**December 31, 2023**
Capitalization		
Stockholders' equity		
Preferred stock, par value $0.01 per share (authorized 2,000 shares), no shares issued and outstanding	$ —	$ —
Common stock, par value $0.4867 per share (authorized 50,000 shares)	**10,838**	10,823
Additional paid-in capital	**750,162**	749,356
Retained earnings	**521,689**	488,663
Accumulated other comprehensive income (loss)	**(1,786)**	(2,738)
Deferred compensation obligation	**9,562**	9,050
Treasury stock	**(9,562)**	(9,050)
Total stockholders' equity	**1,280,903**	1,246,104
Long-term debt, net of current maturities	**1,185,166**	1,187,075
Total capitalization	**2,466,069**	2,433,179
Current Liabilities		
Current portion of long-term debt	**18,511**	18,505
Short-term borrowing	**170,355**	179,853
Accounts payable	**63,058**	77,481
Customer deposits and refunds	**43,682**	46,427
Accrued interest	**17,148**	7,020
Dividends payable	**13,138**	13,119
Accrued compensation	**7,066**	16,544
Regulatory liabilities	**21,328**	13,719
Income taxes payable	**818**	—
Derivative liabilities, at fair value	**31**	354
Other accrued liabilities	**16,520**	13,362
Total current liabilities	**371,655**	386,384
Deferred Credits and Other Liabilities		
Deferred income taxes	**271,335**	259,082
Regulatory liabilities	**193,030**	195,279
Environmental liabilities	**2,546**	2,607
Other pension and benefit costs	**16,010**	15,330
Derivative liabilities, at fair value	**43**	927
Operating lease - liabilities	**9,832**	10,550
Deferred investment tax credits and other liabilities	**1,364**	1,366
Total deferred credits and other liabilities	**494,160**	485,141
Environmental and other commitments and contingencies (Notes 6 and 7)		
Total Capitalization and Liabilities	**$ 3,331,884**	$ 3,304,704

The accompanying notes are an integral part of these condensed consolidated financial statements.

Chesapeake Utilities Corporation and Subsidiaries

Condensed Consolidated Statements of Cash Flows (Unaudited)

(in thousands)	Three Months Ended March 31, 2024	Three Months Ended March 31, 2023
Operating Activities		
Net income	$ 46,168	$ 36,344
Adjustments to reconcile net income to net cash provided by operating activities		
Depreciation and amortization	16,909	17,183
Depreciation and accretion included in other costs	4,016	2,834
Deferred income taxes	11,905	2,453
Realized (loss) on commodity contracts and sale of assets	(1,811)	(284)
Unrealized (gain) loss on investments/commodity contracts	(830)	(551)
Employee benefits and compensation	(24)	119
Share-based compensation	2,113	2,408
Changes in assets and liabilities		
Accounts receivable and accrued revenue	7,806	5,641
Propane inventory, storage gas and other inventory	4,769	5,373
Regulatory assets/liabilities, net	10,059	24,607
Prepaid expenses and other current assets	2,572	3,985
Accounts payable and other accrued liabilities	(10,114)	(21,166)
Income taxes receivable/payable	4,647	10,095
Customer deposits and refunds	(2,745)	(476)
Accrued compensation	(9,480)	(8,436)
Accrued interest	10,127	1,500
Other assets and liabilities, net	1,195	38
Net cash provided by operating activities	97,282	81,667
Investing Activities		
Property, plant and equipment expenditures	(75,512)	(42,418)
Proceeds from sale of assets	250	506
Acquisitions, net of cash acquired	612	—
Environmental expenditures	(61)	(742)
Net cash used in investing activities	(74,711)	(42,654)
Financing Activities		
Common stock dividends	(12,884)	(9,492)
Issuance of stock under the Dividend Reinvestment Plan, net of offering fees	41	—
Tax withholding payments related to net settled stock compensation	(1,466)	(2,455)
Change in cash overdrafts due to outstanding checks	715	(323)
Net repayments under line of credit agreements	(10,213)	(107,755)
Proceeds from long-term debt, net of offering fees	—	79,840
Repayment of long-term debt	(1,973)	(1,967)
Net cash used in financing activities	(25,780)	(42,152)
Net Decrease in Cash and Cash Equivalents	(3,209)	(3,139)
Cash and Cash Equivalents—Beginning of Period	4,904	6,204
Cash and Cash Equivalents—End of Period	$ 1,695	$ 3,065

The accompanying notes are an integral part of these condensed consolidated financial statements.

Chesapeake Utilities Corporation and Subsidiaries

Condensed Consolidated Statements of Stockholders' Equity (Unaudited)

(in thousands, except per share data)	Common Stock [1] Number of Shares[2]	Common Stock [1] Par Value	Additional Paid-In Capital	Retained Earnings	Accumulated Other Comprehensive Income (Loss)	Deferred Compensation	Treasury Stock	Total
Balance at December 31, 2022	17,741	$ 8,635	$ 380,036	$ 445,509	$ (1,379)	$ 7,060	$ (7,060)	$ 832,801
Net income	—	—	—	36,344	—	—	—	36,344
Other comprehensive loss	—	—		—	(604)	—	—	(604)
Dividends declared ($0.535 per share)	—	—	—	(9,644)	—	—	—	(9,644)
Issuance under various plans [3]	—	—	(11)	—	—	—	—	(11)
Share-based compensation and tax benefit [4] [5]	48	24	(322)	—	—	—	—	(298)
Treasury stock activities [2]	—	—	—	—	—	1,756	(1,756)	—
Balance at March 31, 2023	17,789	$ 8,659	$ 379,703	$ 472,209	$ (1,983)	$ 8,816	$ (8,816)	$ 858,588
Balance at December 31, 2023 [6]	22,235	$ 10,823	$ 749,356	$ 488,663	$ (2,738)	$ 9,050	$ (9,050)	$ 1,246,104
Net income	—	—	—	46,168	—	—	—	46,168
Other comprehensive income	—	—	—	—	952	—	—	952
Dividends declared ($0.590 per share)	—	—	—	(13,142)	—	—	—	(13,142)
Issuance under various plans [3]	3	1	272	—	—	—	—	273
Share-based compensation and tax benefit [4] [5]	29	14	534	—	—	—	—	548
Treasury stock activities [2]	—	—	—	—	—	512	(512)	—
Balance at March 31, 2024	22,267	$ 10,838	$ 750,162	$ 521,689	$ (1,786)	$ 9,562	$ (9,562)	$ 1,280,903

(1) 2.0 million shares of preferred stock at $0.01 par value have been authorized. No shares have been issued or are outstanding; accordingly, no information has been included in the Condensed Consolidated Statements of Stockholders' Equity.

(2) Includes 111 thousand, 108 thousand, 110 thousand, and 108 thousand shares at March 31, 2024, December 31, 2023, March 31, 2023 and December 31, 2022, respectively, held in a Rabbi Trust related to our Non-Qualified Deferred Compensation Plan.

(3) Includes shares issued under the Retirement Savings Plan and DRIP and/or ATM as applicable.

(4) Includes amounts for shares issued for directors' compensation.

(5) The shares issued under the SICP are net of shares withheld for employee taxes. For the three months ended March 31, 2024 and 2023, we withheld 14 thousand and 20 thousand shares, respectively, for employee taxes.

(6) Includes 4.4 million shares issued during 2023 related to the acquisition of FCG. See Notes 3 and 9 for details associated with the FCG acquisition and related financing.

The accompanying notes are an integral part of these condensed consolidated financial statements.

1. Summary of Accounting Policies

Basis of Presentation

References in this document to the "Company," "Chesapeake Utilities," "we," "us" and "our" are intended to mean Chesapeake Utilities Corporation, its divisions and/or its subsidiaries, as appropriate in the context of the disclosure.

The accompanying unaudited condensed consolidated financial statements have been prepared in compliance with the rules and regulations of the SEC and GAAP. In accordance with these rules and regulations, certain information and disclosures normally required for audited financial statements have been condensed or omitted. These financial statements should be read in conjunction with the consolidated financial statements and notes thereto, included in our latest Annual Report on Form 10-K for the year ended December 31, 2023. In the opinion of management, these financial statements reflect all adjustments that are necessary for a fair presentation of our results of operations, financial position and cash flows for the interim periods presented.

Where necessary to improve comparability, prior period amounts have been changed to conform to current period presentation.

Due to the seasonality of our business, results for interim periods are not necessarily indicative of results for the entire fiscal year. Revenue and earnings are typically greater during the first and fourth quarters, when consumption of energy is highest due to colder temperatures.

Recent Accounting Standards Yet to be Adopted

FASB

Segment Reporting (ASC 280) - In November 2023, the FASB issued ASU 2023-07, *Improvements to Reportable Segments Disclosures*, which modifies required disclosures about a public entity's reportable segments and addresses requests from investors for more detailed information about a reportable segment's expenses and a more comprehensive reconciliation of each segment's reported profit or loss. ASU 2023-07 will be effective for our annual financial statements beginning January 1, 2024 and our interim financial statements beginning January 1, 2025. ASU 2023-07 only impacts disclosures, and as a result, will not have a material impact on our financial position or results of operations.

Income Taxes (ASC 740) - In December 2023, the FASB issued ASU 2023-09, *Improvements to Income Tax Disclosures,* which modifies required income tax disclosures primarily related to an entity's rate reconciliation and information pertaining to income taxes paid. These enhancements have been made to address requests from investors related to transparency and usefulness of income tax disclosures. ASU 2023-09 will be effective for our annual financial statements beginning January 1, 2024. ASU 2023-09 only impacts disclosures, and as a result, will not have a material impact on our financial position or results of operations.

SEC

Climate-Related Disclosures - In March 2024, the SEC issued a final rule that requires a public entity to provide disclosures surrounding material Scope 1 and Scope 2 emissions, climate-related risks and the material impact of those risks and material climate targets and goals. In April 2024, the SEC issued a stay on the final rule as a result of various petitions being filed and that sought review of the final ruling in multiple courts of appeals. At this time, it is uncertain when the review will be completed, the final outcome of the review, and the ultimate disclosure requirements.

2. Calculation of Earnings Per Share

	Three Months Ended March 31, 2024	Three Months Ended March 31, 2023
(in thousands, except per share data)		
Calculation of Basic Earnings Per Share:		
Net Income	**$ 46,168**	$ 36,344
Weighted average shares outstanding [1]	**22,250**	17,760
Basic Earnings Per Share	**$ 2.07**	$ 2.05
Calculation of Diluted Earnings Per Share:		
Net Income	**$ 46,168**	$ 36,344
Reconciliation of Denominator:		
Weighted shares outstanding—Basic [1]	**22,250**	17,760
Effect of dilutive securities—Share-based compensation	**56**	72
Adjusted denominator—Diluted	**22,306**	17,832
Diluted Earnings Per Share	**$ 2.07**	$ 2.04

[1] Weighted average shares for the quarter ended March 31, 2024 reflect the impact of 4 4 million common shares issued in November 2023 in connection with the acquisition of FCG See Notes 3 and 9 for additional details on the acquisition and related equity offering.

3. Acquisitions

Acquisition of Florida City Gas

On November 30, 2023, we completed the acquisition of FCG for $922.8 million in cash, which included working capital adjustments as defined in the agreement that were settled during the first quarter of 2024, pursuant to the stock purchase agreement with Florida Power & Light Company. Upon completion of the acquisition, FCG became a wholly-owned subsidiary of the Company and is included within our Regulated Energy segment.

FCG serves approximately 120,000 residential and commercial natural gas customers across eight counties in Florida. including Miami-Dade, Broward. Brevard, Palm Beach, Hendry, Martin, St. Lucie and Indian River. Its natural gas system includes approximately 3,800 miles of distribution main and 80 miles of transmission pipe.

The purchase price of the acquisition was funded with $366.4 million of net proceeds from the issuance of 4.4 million shares of our common stock. the issuance of approximately $550.0 million principal amount of uncollateralized senior notes, and borrowings under the Company's Revolver. See Note 14, *Long-Term Debt*, and Note 9, *Stockholders' Equity,* for additional details on these financing activities.
We accounted for the acquisition of FCG using the acquisition method. As FCG is a regulated utility, the measurement of the fair value of most of the assets acquired and liabilities assumed were determined using the predecessor's carrying value. In certain other instances where assets and liabilities are not subject to regulation. we determined the fair value in accordance with the principles of ASC Topic 820, *Fair Value Measurements.*

The excess of the purchase price for FCG over the fair value of the assets acquired and liabilities assumed has been reflected as goodwill within the Regulated Energy segment. Goodwill resulting from the acquisition is largely attributable to expansion opportunities provided within our existing regulated operations in Florida. including planned customer growth and growth in rate base through continued investment in our utility infrastructure, as well as natural gas transmission infrastructure supporting the distribution operations. The goodwill recognized in connection with the acquisition of FCG will be deductible for income tax purposes.

The components of the preliminary purchase price allocation are as follows:

(in thousands)		Acquisition Date Fair Value
Assets acquired:		
Cash	$	2,270
Accounts receivable, net		14,456
Regulatory assets - current		2,983
Other current assets		2,082
Property, plant and equipment		454,410
Goodwill		460,592
Regulatory assets - non-current		3,381
Other deferred charges and other assets		18,309
Total assets acquired		958,483
Liabilities assumed:		
Current liabilities		(20,978)
Regulatory liabilities		(14,137)
Other deferred credits and other liabilities		(548)
Total liabilities assumed		(35,663)
Net purchase price	$	922,820

Direct transaction costs of $10.4 million associated with the FCG acquisition were reflected in "FCG transaction-related expenses" on our consolidated statement of income for the year ended December 31, 2023. In addition. interest charges included $4.1 million related to fees and expenses associated with the Bridge Facility, which was terminated without any funds drawn, for the year ended December 31, 2023. Other transaction costs of $15.9 million, related primarily to the debt and equity financings executed in connection with the acquisition, were deferred on the consolidated balance sheet or recorded in equity as an offset to proceeds received, as appropriate, as of December 31, 2023.
For the three months ended March 31, 2024, the Company's consolidated results include $35.9 million of operating revenue and net income of $4.2 million attributable to FCG which includes $0.9 million of transaction and transition-related expenses.

Acquisition of J.T. Lee and Son's

In December 2023, Sharp acquired the propane operating assets of J.T. Lee and Son's in Cape Fear, North Carolina for $3.9 million. In connection with this acquisition, we recorded a $0.3 million liability which is subject to the seller's adherence to various provisions contained in the purchase agreement through the first anniversary of the transaction closing. Through this acquisition. we expanded our operating footprint in North Carolina, where customers are served by Diversified Energy. Sharp added approximately 3,000 customers and distribution of approximately 800,000 gallons of propane annually. The transaction also includes a bulk plant with 60,000 gallons of propane storage, enabling the Company to realize efficiencies with additional storage capacity and overlapping delivery territories.

In connection with this acquisition, we recorded $2.7 million in property plant and equipment, $0.9 million in goodwill, $0.2 million in working capital, and less than $0.1 million in intangible assets associated primarily with non-compete agreements, all of which are deductible for income tax purposes. The amounts recorded in conjunction with the acquisition are preliminary, and subject to adjustment based on contractual provisions and finalization prior to the first anniversary of the transaction closing. The financial results associated with this acquisition are included within our propane distribution operations within our Unregulated Energy segment. The operating revenues and net income of this acquisition were not material to our consolidated results for the three months ended March 31, 2024.

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4. **Revenue Recognition**

We recognize revenue when our performance obligations under contracts with customers have been satisfied, which generally occurs when our businesses have delivered or transported natural gas, electricity or propane to customers. We exclude sales taxes and other similar taxes from the transaction price. Typically, our customers pay for the goods and/or services we provide in the month following the satisfaction of our performance obligation. The following tables display our revenue by major source based on product and service type for the three months ended March 31, 2024 and 2023:

	Three Months Ended March 31, 2024				Three Months Ended March 31, 2023			
(in thousands)	Regulated Energy	Unregulated Energy	Other and Eliminations	Total	Regulated Energy	Unregulated Energy	Other and Eliminations	Total
Energy distribution								
Delaware natural gas division	$ 31,917	$ —	$ —	$ 31,917	$ 36,907	$ —	$ —	$ 36,907
Florida natural gas distribution	47,956	—	—	47,956	46,358	—	—	46,358
Florida City Gas	35,877	—	—	35,877	—	—	—	—
FPU electric distribution	19,964	—	—	19,964	22,737	—	—	22,737
Maryland natural gas division	9,855	—	—	9,855	12,263	—	—	12,263
Sandpiper natural gas/propane operations	7,057	—	—	7,057	7,082	—	—	7,082
Elkton Gas	2,859	—	—	2,859	4,141	—	—	4,141
Total energy distribution	155,485	—	—	155,485	129,488	—	—	129,488
Energy transmission								
Aspire Energy	—	13,608	—	13,608	—	13,954	—	13,954
Aspire Energy Express	369	—	—	369	364	—	—	364
Eastern Shore	21,266	—	—	21,266	20,670	—	—	20,670
Peninsula Pipeline	7,992	—	—	7,992	6,911	—	—	6,911
Total energy transmission	29,627	13,608	—	43,235	27,945	13,954	—	41,899
Energy generation								
Eight Flags	—	4,555	—	4,555	—	5,300	—	5,300
Propane operations								
Propane delivery operations	—	61,572	—	61,572	—	59,980	—	59,980
Compressed Natural Gas Services								
Marlin Gas Services	—	3,428	—	3,428	—	4,001	—	4,001
Other and eliminations								
Eliminations	(16,686)	(60)	(5,830)	(22,576)	(15,163)	(69)	(7,352)	(22,584)
Other	—		45	45	—	—	45	45
Total other and eliminations	(16,686)	(60)	(5,785)	(22,531)	(15,163)	(69)	(7,307)	(22,539)
Total operating revenues [1]	$ 168,426	$ 83,103	$ (5,785)	$ 245,744	$ 142,270	$ 83,166	$ (7,307)	$ 218,129

[1] Total operating revenues for the three months ended March 31, 2024 and 2023 both include other revenue (revenues from sources other than contracts with customers) of $0.6 million and $0.1 million for our Regulated and Unregulated Energy segments, respectively. The sources of other revenues include revenue from alternative revenue programs related to revenue normalization for the Maryland division and Sandpiper Energy and late fees.

Contract Balances

The timing of revenue recognition. customer billings and cash collections results in trade receivables, unbilled receivables (contract assets) and customer advances (contract liabilities) in our condensed consolidated balance sheets. The balances of our trade receivables, contract assets, and contract liabilities as of March 31, 2024 and December 31, 2023 were as follows:

(in thousands)	Trade Receivables	Contract Assets (Current)	Contract Assets (Non-current)	Contract Liabilities (Current)
Balance at 12/31/2023	$ 67,741	$ 18	$ 3,524	$ 1,022
Balance at 3/31/2024	61,497	18	3,370	710
Increase (Decrease)	$ (6,244)	$ —	$ (154)	$ (312)

Our trade receivables are included in trade and other receivables in the condensed consolidated balance sheets. Our current contract assets are included in other current assets in the condensed consolidated balance sheet. Our non-current contract assets are included in other assets in the condensed consolidated balance sheet and primarily relate to operations and maintenance costs incurred by Eight Flags that have not yet been recovered through rates for the sale of electricity to our electric distribution operation pursuant to a long-term service agreement.

At times, we receive advances or deposits from our customers before we satisfy our performance obligation, resulting in contract liabilities. Contract liabilities are included in other accrued liabilities in the condensed consolidated balance sheets and relate to non-refundable prepaid fixed fees for our propane distribution operation's retail offerings. Our performance obligation is satisfied over the term of the respective customer retail program on a ratable basis. For the three months ended March 31, 2024 and 2023, the amounts recognized in revenue were not material.

Remaining Performance Obligations

Certain of our businesses have long-term fixed fee contracts with customers in which revenues are recognized when performance obligations are satisfied over the contract term. Revenue for these businesses for the remaining performance obligations, at March 31, 2024, are expected to be recognized as follows:

(in thousands)	2024	2025	2026	2027	2028	2029	2030 and thereafter
Eastern Shore and Peninsula Pipeline	$ 27,404	$ 30,520	$ 26,668	$ 23,535	$ 22,657	$ 20,733	$ 128,891
Natural gas distribution operations	7,284	9,310	8,596	6,567	5,346	4,802	23,744
FPU electric distribution	562	749	364	364	364	—	—
Total revenue contracts with remaining performance obligations	$ 35,250	$ 40,579	$ 35,628	$ 30,466	$ 28,367	$ 25,535	$ 152,635

5. Rates and Other Regulatory Activities

Our natural gas and electric distribution operations in Delaware, Maryland and Florida are subject to regulation by their respective PSC; Eastern Shore, our natural gas transmission subsidiary, is subject to regulation by the FERC; and Peninsula Pipeline and Aspire Energy Express, our intrastate pipeline subsidiaries, are subject to regulation (excluding cost of service) by the Florida PSC and Public Utilities Commission of Ohio, respectively.

Delaware

In September 2023, the Delaware Division submitted the Energy Efficiency Rider application for natural gas with the Delaware PSC after obtaining an affirmative recommendation from the Delaware Energy Efficiency Advisory Council ("EEAC"). The application was the first in the state and included four programs including, Home Energy Counseling, Home Performance with Energy Star, Assisted Home Performance with Energy Star, and a standard Offer Program in which customers can participate and allow for recovery. The evidentiary hearing on this matter was held in April 2024 with all programs, with the exception of the Offer Program. approved by the PSC and rates became effective May 1, 2024.

Maryland

Maryland Natural Gas Rate Case: In January 2024, our natural gas distribution businesses in Maryland, CUC-Maryland Division, Sandpiper Energy, Inc., and Elkton Gas Company (collectively, "Maryland natural gas distribution businesses"), filed a joint application for a natural gas rate case with the Maryland PSC. In connection with the application, we are seeking approval of the following: (i) permanent rate relief of approximately $6.9 million; (ii) authorization to make certain changes to tariffs to include a unified rate structure and to consolidate the Maryland natural gas distribution businesses which we anticipate will be called Chesapeake Utilities of Maryland. Inc.; and (iii) authorization to establish a rider for recovery of the costs associated with our new technology systems. The outcome of the application is subject to review and approval by the Maryland PSC. Rate changes are suspended until December 2024.

Maryland Natural Gas Depreciation Study: In January 2024, our Maryland natural gas distribution businesses filed a joint petition for approval of their proposed unified depreciation rates with the Maryland PSC. The outcome of the filing is subject to review by the Maryland PSC which is expected to be completed in the third quarter of 2024.

Florida

Wildlight Expansion: In August 2022, Peninsula Pipeline and FPU filed a joint petition with the Florida PSC for approval of its Transportation Service Agreement associated with the Wildlight planned community located in Nassau County, Florida. The project enables us to meet the significant growing demand for service in Yulee, Florida. The agreement will enable us to construct the project during the build-out of the community and charge the reservation rate as each phase of the project goes into service. Construction of the pipeline facilities will occur in two separate phases. Phase one consists of three extensions with associated facilities, and a gas injection interconnect with associated facilities. Phase two will consist of two additional pipeline extensions. The various phases of the project commenced in the first quarter of 2023, with construction on the overall project continuing through 2025. The petition was approved by the Florida PSC in November 2022.

FCG Natural Gas Rate Case: In May 2022, FCG filed a general base rate increase with the Florida PSC based on a projected 2023 test year. In June 2023, the Florida PSC issued an order approving a single total base revenue increase of $23.3 million (which included an incremental increase of $14.1 million. a previously approved increase of $3.8 million for a liquefied natural gas facility, and $5.3 million to transfer the SAFE investments from a rider clause to base rates), with new rates becoming effective as of May 1, 2023. The Commission also approved FCG's proposed RSAM with a $25.0 million reserve amount, continuation and expansion of the capital SAFE program, implementation of an automated metering infrastructure pilot, and continuation of the storm damage reserve with a target reserve of $0.8 million. On June 23, 2023, the Florida OPC filed a motion for reconsideration of the PSC's approval of RSAM. which was denied on September 12, 2023. On July 7, 2023, the Florida OPC filed a notice of appeal with the Florida Supreme Court, which is pending. The Florida OPC filed their initial brief on January 31, 2024.

The RSAM is recorded as either an increase or decrease to accrued removal costs which is reflected on the Company's balance sheets and a corresponding increase or decrease to depreciation and amortization expense. In order to earn the targeted regulatory return on equity ("ROE") in each reporting period subject to the conditions of the effective rate agreement, RSAM is calculated using a trailing thirteen-month average of rate base and capital structure in conjunction with the trailing twelve-month regulatory base net operating income, which primarily includes the base portion of rates and other revenues, net of operations and maintenance expenses, depreciation and amortization, interest and tax expenses. In general. the net impact of these income statement line items is adjusted, in part. by RSAM or its reversal to earn the targeted regulatory ROE. For the three months ended March 31, 2024, the Company recorded decreases to asset removal costs and depreciation expense of $3.4 million as a result of the RSAM adjustment.

Storm Protection Plan: In 2020, the Florida PSC implemented the Storm Protection Plan ("SPP") and Storm Protection Plan Cost Recovery Clause ("SPPCRC") rules, which require electric utilities to petition the Florida PSC for approval of a Transmission and Distribution Storm Protection Plan that covers the utility's immediate 10-year planning period with updates to the plan at least every 3 years. The SPPCRC rules allow the utility to file for recovery of associated costs for the SPP. Our Florida electric distribution operation's SPP plan was filed during the first quarter of 2022 and approved in the fourth quarter of 2022 with modifications, by the Florida PSC. Rates associated with this initiative were effective in January 2023. The Commission voted to approve the projections in November 2023. FPU projects to spend $13.6 million on the program in 2024.

GUARD Program: In February 2023, FPU filed a petition with the Florida PSC for approval of the GUARD program. GUARD is a ten-year program to enhance the safety, reliability, and accessibility of portions of our natural gas distribution system. We identified various categories of projects to be included in GUARD, which include the relocation of mains and service lines located in rear easements and other difficult to access areas to the front of the street, the replacement of problematic distribution mains, service lines, and maintenance and repair equipment and system reliability projects. In August 2023, the Florida PSC approved the GUARD program, which included $205.0 million of capital expenditures projected to be spent over a 10-year period.

SAFE Program: In June 2023, the Florida PSC issued the approval order for the continuation of the SAFE program beyond its 2025 expiration date and inclusion of 150 miles of additional mains and services located in rear property easements. The SAFE program is designed to relocate certain mains and facilities associated with rear lot easements to street front locations to improve FCG's ability to inspect and maintain the facilities and reduce opportunities for damage and theft. In the same order, the Commission approved a replacement of 160 miles of pipe that was used in the 1970s and 1980s and shown through industry research to exhibit premature failure in the form of cracking. The program includes projected capital expenditures of $205.0 million over a 10-year period.

In April 2024, FCG filed a petition with the Florida PSC to more closely align the SAFE Program with FPU's GUARD program. Specifically, the requested modifications will enable FCG to accelerate remediation related to problematic pipe and facilities consisting of obsolete and exposed pipe. If approved, these efforts will serve to improve the safety and reliability of service to FCG's customers. These modifications, if approved, result in an estimated additional $50.0 million in capital expenditures associated with the SAFE Program which would increase the total projected capital expenditures to $255.0 million over a 10-year period.

Newberry Expansion: In April 2023, Peninsula Pipeline filed a petition with the Florida PSC for approval of its Transportation Service Agreement with FPU for an additional 8,000 Dts/d of firm service in the Newberry, Florida area. The petition was approved by the Florida PSC in the third quarter of 2023. Peninsula Pipeline will construct a pipeline extension, which will be used by FPU to support the development of a natural gas distribution system to provide gas service to the City of Newberry. A filing to address the acquisition and conversion of existing Company owned propane community gas systems in Newberry was made in November 2023. The Florida PSC approved it in April 2024. The Company anticipates beginning the conversions of the community gas systems in the second quarter of 2024.

East Coast Reinforcement Projects: In December 2023, Peninsula Pipeline filed a petition with the Florida PSC for approval of its Transportation Service Agreements with FPU for projects that will support additional supply to communities on the East Coast of Florida. The projects are driven by the need for increased supply to coastal portions of the state that are experiencing significant population growth. Peninsula Pipeline will construct several pipeline extensions which will support FPU’s distribution system in the areas of Boynton Beach and New Smyrna Beach with an additional 15,000 Dts/d and 3,400 Dts/d, respectively. The Florida PSC approved the projects in March 2024.

Central Florida Reinforcement Projects: In February 2024, Peninsula Pipeline filed a petition with the Florida PSC for its Transportation Service Agreements with FPU for projects that will support additional supply to communities located in Central Florida. The projects are driven by the need for increased supply to communities in central Florida that are experiencing significant population growth. Peninsula Pipeline will construct several pipeline extensions which will support FPU's distribution system around Plant City and Lake Mattie with an additional 5,000 Dts/d and 8,700 Dts/d, respectively. The Florida PSC approved the projects in May 2024.

Alternative Natural Gas Projects: In February 2024, Peninsula Pipeline filed a petition with the Florida PSC for its approval of its Transportation Service Agreements with FCG for projects that will support the transportation of additional supply into FCG’s distribution system. The projects are driven by continued growth in the regions and will facilitate additional transportation capacity, including the transportation of pipeline quality gas produced from landfills through FCG's system. Peninsula Pipeline will construct several pipeline extensions which will support FCG's distribution system in Brevard County, Indian-River County, and Miami-Dade County.

St. Cloud Project Amendment: In February 2024, Peninsula Pipeline filed a petition with the Florida PSC for its approval of an amendment to its Transportation Service Agreement with FPU for a project that will support additional supply to communities in St. Cloud Florida. The project is driven by the need to expand gas service to future communities that are expected in that area. Peninsula Pipeline will construct pipeline expansions that will allow FPU to serve the expected new growth. The expansion will provide FPU with an additional 10,000 Dts/d. The Florida PSC approved the projects in May 2024.

Pioneer Supply Header Pipeline Project: In March 2024, Peninsula Pipeline filed a petition with the Florida PSC for its approval of Firm Transportation Service Agreements with both FCG and FPU for a project that will support greater supply growth of natural gas service in southeast Florida. The project consists of the transfer of a pipeline asset from FCG to Peninsula Pipeline. Peninsula Pipeline will proceed to provide transportation service to both FCG and FPU using the pipeline asset, which provides opportunities for additional project development.

Eastern Shore

Worcester Resiliency Upgrade: In August 2023, Eastern Shore filed an application with the FERC requesting authorization to construct the Worcester Resiliency Upgrade, which consists of a mixture of storage and transmission facilities in Sussex County, DE and Wicomico, Worcester, and Somerset Counties in Maryland. The project will provide long-term incremental supply necessary to support the growing demand of the participating shippers. Eastern Shore has requested certificate authorization by December 2024, with a target in-service date by the third quarter of 2025. In December 2023, FERC issued its schedule for preparation of the Environmental Assessment. In April 2024, the FERC issued their environmental assessment with no significant impacts noted.

TCJA

In connection with the TCJA, which was signed into law in December 2017, our customer rates for our regulated businesses were adjusted as applicable as approved by the regulators. Regulatory liabilities related to accumulated deferred income taxes (“ADIT”) associated with the TCJA amounted to $85.5 million and $85.8 million at March 31, 2024 and December 31, 2023, respectively. With the exception of the ADIT balance of $34.2 million attributable to Eastern Shore, such amounts are being amortized in accordance with approvals received from the Delaware, Maryland, and Florida PSCs in 2018 and 2019. The ADIT balance attributable to Eastern Shore will be addressed in its next rate case filing.

6. Environmental Commitments and Contingencies

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

MGP Sites

We have participated in the investigation, assessment or remediation of, and have exposures at, seven former MGP sites. We have received approval for recovery of clean-up costs in rates for sites located in Salisbury, Maryland; Seaford, Delaware; and Winter Haven, Key West, Pensacola, Sanford and West Palm Beach, Florida.

As of March 31, 2024 and December 31, 2023, we had approximately $3.5 million and $3.6 million, respectively, in environmental liabilities related to the former MGP sites, and related regulatory assets of approximately $0.5 million at the respective balance sheet dates for future recovery of environmental costs from customers.

Environmental liabilities for our MGP sites are recorded on an undiscounted basis based on the estimate of future costs provided by independent consultants. We continue to expect that all costs related to environmental remediation and related activities, including any potential future remediation costs for which we do not currently have approval for regulatory recovery, will be recoverable from customers through rates.

Remediation is ongoing for the MGPs in Winter Haven and Key West in Florida and in Seaford, Delaware. The remaining clean-up costs are estimated to range from $0.3 million to $0.8 million for these three sites. The Environmental Protection Agency has approved a "site-wide ready for anticipated use" status for the Sanford, Florida MGP site, which is the final step before delisting a site. The remaining remediation expenses for the Sanford MGP site are immaterial.

The remedial actions approved by the Florida Department of Environmental Protection have been implemented on the east parcel of our West Palm Beach Florida site. Similar remedial actions have been initiated on the site's west parcel, and construction of active remedial systems are expected to be completed in 2024. Remaining remedial costs for West Palm Beach, including completion of the construction of the system on the West Parcel, are estimated to take between five and fifteen years of operation, maintenance and monitoring, and final site work for closeout of the property is estimated to be between $3.3 million and $5.7 million.

7. Other Commitments and Contingencies

Natural Gas, Electric and Propane Supply

In March 2023, our Delmarva Peninsula natural gas distribution operations entered into asset management agreements with a third party to manage their natural gas transportation and storage capacity. The agreements were effective as of April 1, 2023 and expire in March 2026.

FPU natural gas distribution operations and Eight Flags have separate asset management agreements with Emera Energy Services, Inc. to manage their natural gas transportation capacity. These agreements commenced in November 2020 and expire in October 2030.

Florida Natural Gas has firm transportation service contracts with FGT and Gulfstream. Pursuant to a capacity release program approved by the Florida PSC, all of the capacity under these agreements has been released to various third parties. Under the terms of these capacity release agreements, Chesapeake Utilities is contingently liable to FGT and Gulfstream should any party, that acquired the capacity through release, fail to pay the capacity charge. To date, Chesapeake Utilities has not been required to make a payment resulting from this contingency.

FPU's electric supply contracts require FPU to maintain an acceptable standard of creditworthiness based on specific financial ratios. FPU's agreement with Florida Power & Light Company requires FPU to meet or exceed a debt service coverage ratio of 1.25 times based on the results of the prior 12 months. If FPU fails to meet this ratio, it must provide an irrevocable letter of credit or pay all amounts outstanding under the agreement within five business days. FPU's electric supply agreement with Gulf Power requires FPU to meet the following ratios based on the average of the prior six quarters: (a) funds from operations interest coverage ratio (minimum of two times), and (b) total debt to total capital (maximum of 65 percent). If FPU fails to meet the requirements, it has to provide the supplier a written explanation of actions taken, or proposed to be taken, to become compliant. Failure to comply with the ratios specified in the Gulf Power agreement could also result in FPU having to provide an irrevocable letter of credit. As of March 31, 2024, FPU was in compliance with all of the requirements of its fuel supply contracts.

Eight Flags provides electricity and steam generation services through its CHP plant located on Amelia Island, Florida. In June 2016, Eight Flags began selling power generated from the CHP plant to FPU pursuant to a 20-year power purchase agreement for distribution to our electric customers. In July 2016, Eight Flags also started selling steam, pursuant to a separate 20-year contract, to the landowner on which the CHP plant is located. The CHP plant is powered by natural gas transported by FPU through its distribution system and Peninsula Pipeline through its intrastate pipeline.

Corporate Guarantees

The Board of Directors has authorized us to issue corporate guarantees securing obligations of our subsidiaries and to obtain letters of credit securing our subsidiaries' obligations. The maximum authorized liability under such guarantees and letters of credit as of March 31, 2024 was $35.0 million. The aggregate amount guaranteed related to our subsidiaries at March 31, 2024 was approximately $24.4 million with the guarantees expiring on various dates through March 2025. In addition, the Board has authorized us to issue specific purpose corporate guarantees. The amount of specific purpose guarantees outstanding at March 31, 2024 was $4.0 million.

As of March 31, 2024, we have issued letters of credit totaling approximately $7.0 million related to the electric transmission services for FPU's electric division, the firm transportation service agreement between TETLP and our Delaware and Maryland divisions, the capacity agreement between NEXUS and Aspire, the storage agreement between Bay Gas Storage Company and FCG as well as our primary insurance carriers. These letters of credit have various expiration dates through February 2025 and to date, none have been used. We do not anticipate that the counterparties will draw upon these letters of credit, and we expect that they will be renewed to the extent necessary in the future.

8. Segment Information

We use the management approach to identify operating segments. We organize our business around differences in regulatory environment and/or products or services, and the operating results of each segment are regularly reviewed by the chief operating decision maker, our President and Chief Executive Officer, in order to make decisions about resources and to assess performance.

Our operations are entirely domestic and are comprised of two reportable segments:

- *Regulated Energy*. Includes energy distribution and transmission services (natural gas distribution, natural gas transmission and electric distribution operations). All operations in this segment are regulated, as to their rates and services, by the PSC having jurisdiction in each operating territory or by the FERC in the case of Eastern Shore.
- *Unregulated Energy*. Includes energy transmission, energy generation (the operations of our Eight Flags' CHP plant), propane distribution operations, mobile compressed natural gas distribution and pipeline solutions operations, and sustainable energy investments including renewable natural gas. Also included in this segment are other unregulated energy services, such as energy-related merchandise sales and heating, ventilation and air conditioning, plumbing and electrical services. These operations are unregulated as to their rates and services.

The remainder of our operations are presented as "Other businesses and eliminations," which consists of unregulated subsidiaries that own real estate leased to Chesapeake Utilities, as well as certain corporate costs not allocated to other operations.

The following table presents financial information about our reportable segments:

	Three Months Ended March 31,	
(in thousands)	**2024**	**2023**
Operating Revenues, Unaffiliated Customers		
Regulated Energy	**$ 167,927**	$ 141,621
Unregulated Energy	**77,817**	76,508
Total operating revenues, unaffiliated customers	**$ 245,744**	$ 218,129
Intersegment Revenues [1]		
Regulated Energy	**$ 499**	$ 649
Unregulated Energy	**5,286**	6,657
Other businesses	**45**	45
Total intersegment revenues	**$ 5,830**	$ 7,351
Operating Income		
Regulated Energy	**$ 58,109**	$ 37,625
Unregulated Energy	**21,429**	17,245
Other businesses and eliminations	**47**	45
Operating income	**79,585**	54,915
Other income, net	**195**	276
Interest charges	**17,026**	7,232
Income Before Income Taxes	**62,754**	47,959
Income taxes	**16,586**	11,615
Net Income	**$ 46,168**	$ 36,344

[1] All significant intersegment revenues are billed at market rates and have been eliminated from consolidated operating revenues

(in thousands)	**March 31, 2024**	**December 31, 2023**
Identifiable Assets		
Regulated Energy segment	**$ 2,830,632**	$ 2,781,581
Unregulated Energy segment	**459,825**	477,402
Other businesses and eliminations	**41,427**	45,721
Total Identifiable Assets	**$ 3,331,884**	$ 3,304,704

9. Stockholders' Equity

Common Stock Issuances

In November 2023, in connection with our acquisition of FCG, we completed an equity offering resulting in the issuance of approximately 4.4 million shares of our common stock at a price per share of $82.72 (net of underwriter discounts and commissions). We received net proceeds of $366.4 million which were used to partially finance the acquisition.

We maintain an effective shelf registration statement with the SEC for the issuance of shares under our DRIP and other plans. Depending on our capital needs and subject to market conditions, in addition to other possible debt and equity offerings, we may issue additional shares under the direct stock purchase component of the DRIP. For the three months ended March 31, 2024, we received net proceeds of $0.1 million under the DRIP. There were no issuances under DRIP during 2023. Our most recent ATM equity program. which allowed us to issue and sell shares of our common stock up to an aggregate offering price of $75.0 million. expired in June 2023.

Accumulated Other Comprehensive Loss

Defined benefit pension and postretirement plan items, unrealized gains (losses) of our propane swap agreements designated as commodity contract cash flow hedges, and the unrealized gains (losses) of our interest rate swap agreements designated as cash flow hedges are the components of our accumulated other comprehensive loss. The following tables present the changes in the balances of accumulated other comprehensive loss components as of March 31, 2024 and 2023. All amounts in the following tables are presented net of tax.

(in thousands)	Defined Benefit Pension and Postretirement Plan Items	Commodity Contract Cash Flow Hedges	Interest Rate Swap Cash Flow Hedges	Total
As of December 31, 2023	$ (2,584)	$ (274)	$ 120	$ (2,738)
Other comprehensive income before reclassifications	—	1,441	417	1,858
Amounts reclassified from accumulated other comprehensive income (loss)	13	(791)	(128)	(906)
Net current-period other comprehensive income (loss)	13	650	289	952
As of March 31, 2024	$ (2,571)	$ 376	$ 409	$ (1,786)
As of December 31, 2022	$ (2,506)	$ 1,092	$ 35	$ (1,379)
Other comprehensive income (loss) before reclassifications	—	22	(148)	(126)
Amounts reclassified from accumulated other comprehensive income (loss)	10	(440)	48)	(478)
Net prior-period other comprehensive income (loss)	10	(418)	(196)	(604)
As of March 31, 2023	$ (2,496)	$ 674	$ (161)	$ (1,983)

Deferred gains or losses for our commodity contract and interest rate swap cash flow hedges are recognized in earnings upon settlement and are included in the effects of gains and losses from derivative instruments. See Note 12, *Derivative Instruments*, for additional details. Amortization of the net loss related to the defined benefit pension plan and postretirement plans is included in the computation of net periodic cost (benefit). See Note 10, *Employee Benefit Plans*, for additional details.

10. Employee Benefit Plans

Net periodic (benefit) cost for the FPU Pension Plan for the three months ended March 31, 2024 and 2023 is set forth in the following table:

(in thousands)	Three Months Ended March 31, 2024	Three Months Ended March 31, 2023
Interest cost	$ 599	$ 633
Expected return on plan assets	(724)	(668)
Amortization of net loss	69	110
Total periodic (benefit) cost	$ (56)	$ 75

Amounts reclassified from accumulated other comprehensive income (loss) and regulatory assets were not material during the three months ended March 31, 2024 and 2023.

Net periodic benefit costs for our other pension and postretirement benefit plans were not material for the three months ended March 31, 2024 and 2023.

The components of our net periodic costs have been recorded or reclassified to other expense, net in the condensed consolidated statements of income. Pursuant to their respective regulatory orders, FPU and Chesapeake Utilities continue to record. as a regulatory asset, a portion of their unrecognized postretirement benefit costs related to their regulated operations. The portion of the unrecognized pension and postretirement benefit costs related to FPU's unregulated operations and Chesapeake Utilities' operations is recorded to accumulated other comprehensive income (loss).

During the three months ended March 31, 2024, there were no contributions to the FPU Pension Plan and we do not expect to contribute to the FPU Pension Plan during 2024. The Chesapeake SERP, the Chesapeake Postretirement Plan and the FPU Medical Plan are unfunded and are expected to be paid out of our general funds. Cash benefits paid under these other postretirement benefit plans for the three months ended March 31, 2024 were immaterial. We expect to pay total cash benefits of less than $1.0 million for these other postretirement benefit plans in 2024.

Non-Qualified Deferred Compensation Plan

Members of our Board of Directors and officers of the Company are eligible to participate in the Non-Qualified Deferred Compensation Plan. Directors can elect to defer any portion of their cash or stock compensation and officers can defer up to 80 percent of their base compensation, cash bonuses or any amount of their stock bonuses (net of required withholdings). Officers may receive a matching contribution on their cash compensation deferrals up to 6 percent of their compensation, provided it does not duplicate a match they receive in the Retirement Savings Plan.

All obligations arising under the Non-Qualified Deferred Compensation Plan are payable from our general assets, although we have established a Rabbi Trust to informally fund the plan. Deferrals of cash compensation may be invested by the participants in various mutual funds (the same options that are available in the Retirement Savings Plan). The participants are credited with gains or losses on those investments. Assets held in the Rabbi Trust. recorded as Investments on the condensed consolidated balance sheet, had a fair value of $13.2 million at March 31, 2024 and $12.3 million at December 31, 2023. The assets of the Rabbi Trust are at all times subject to the claims of our general creditors.

11. Share-Based Compensation

Our key employees and non-employee directors have been granted share-based awards through our SICP. We record these share-based awards as compensation costs over the respective service period for which services are received in exchange for an award of equity or equity-based compensation. The compensation cost is based primarily on the fair value of the shares awarded. using the estimated fair value of each share on the date it was granted. and the number of shares to be issued at the end of the service period.

The table below presents the amounts included in net income related to share-based compensation expense for the three months ended March 31, 2024 and 2023:

(in thousands)	Three Months Ended March 31, 2024	2023
Awards to key employees	$ 1,899	$ 2,156
Awards to non-employee directors	214	252
Total compensation expense	2,113	2,408
Less: tax benefit	(540)	(622)
Share-based compensation amounts included in net income	$ 1,573	$ 1,786

Officers and Key Employees

Our Compensation Committee is authorized to grant our key employees the right to receive awards of shares of our common stock, contingent upon the achievement of established performance goals and subject to SEC transfer restrictions once awarded. Our President and CEO has the right to issue awards of shares of our common stock. to other officers and key employees of the Company, contingent upon various performance goals and subject to SEC transfer restrictions.

We currently have several outstanding multi-year performance plans, which are based upon the successful achievement of long-term goals, growth and financial results and comprise both market-based and performance-based conditions and targets. The fair value per share, tied to a performance-based condition or target, is equal to the market price per share on the grant date. For the market-based conditions, we used the Monte Carlo valuation to estimate the fair value of each share granted.

The table below presents the summary of the stock activity for awards to key employees for the three months ended March 31, 2024:

(in thousands, except per share data)	Number of Shares	Weighted Average Fair Value
Outstanding—December 31, 2023	213	$ 117.74
Granted	110	$ 105.02
Vested	(43)	$ 103.95
Expired	(27)	$ 86.24
Forfeited	—	$ —
Outstanding—March 31, 2024	253	$ 117.89

During the three months ended March 31, 2024, we granted awards of 110 thousand shares of common stock to officers and key employees under the SICP, including awards granted in February 2024. The shares granted are multi-year awards that will vest no later than the three-year service period ending December 31, 2026.

In March 2024, upon the election by certain of our executive officers and key employees, we withheld shares with a value at least equivalent to each such executive officer's minimum statutory obligation for applicable income and other employment taxes related to shares that vested and were paid in March 2024 for the performance period ended December 31, 2023. We paid the balance of such awarded shares to each such executive officer and remitted cash equivalent to the withheld shares to the appropriate taxing authorities. We withheld 14 thousand shares, based on the value of the shares on their award date. Total combined payments for the employees' tax obligations to the taxing authorities were approximately $1.5 million.

At March 31, 2024, the aggregate intrinsic value of the SICP awards granted to key employees was approximately $27.2 million. At March 31, 2024, there was approximately $14.2 million of unrecognized compensation cost related to these awards, which will be recognized through 2026.

Non-employee Directors

Shares granted to non-employee directors are issued in advance of the directors' service periods and are fully vested as of the grant date. We record a deferred expense equal to the fair value of the shares issued and amortize the expense equally over a service period of one year or less.

Our directors receive an annual retainer of shares of common stock under the SICP for services rendered through the subsequent Annual Meeting of Shareholders. Accordingly, our directors that served on the Board as of May 2023 each received approximately 1 thousand shares of common stock. respectively, with a weighted average fair value of $124.12 per share.

At March 31, 2024, there was less than $0.1 million of unrecognized compensation expense related to shares granted to non-employee directors. This expense will be recognized over the remaining service period ending in May 2024.

12. Derivative Instruments

We use derivative and non-derivative contracts to manage risks related to obtaining adequate supplies and the price fluctuations of natural gas, electricity and propane and to mitigate interest rate risk. Our natural gas, electric and propane distribution operations have entered into agreements with suppliers to purchase natural gas, electricity and propane for resale to our customers. Our natural gas gathering and transmission company has entered into contracts with producers to secure natural gas to meet its obligations. Purchases under these contracts typically either do not meet the definition of derivatives or are considered "normal purchases and normal sales" and are accounted for on an accrual basis. Our propane distribution operations may also enter into fair value hedges of their inventory or cash flow hedges of their future purchase commitments in order to mitigate the impact of wholesale price fluctuations. Occasionally, we may enter into interest rate swap agreements to mitigate risk associated with changes in short-term borrowing rates. As of March 31, 2024, our natural gas and electric distribution operations did not have any outstanding derivative contracts.

Volume of Derivative Activity

As of March 31, 2024, the volume of our commodity derivative contracts were as follows:

Business unit	Commodity	Contract Type	Quantity hedged (in millions)	Designation	Longest Expiration date of hedge
Sharp	Propane (gallons)	Purchases	8.8	Cash flow hedges	June 2026

Sharp entered into futures and swap agreements to mitigate the risk of fluctuations in wholesale propane index prices associated with the propane volumes that are expected to be purchased and/or sold during the heating season. Under the futures and swap agreements, Sharp will receive the difference between (i) the index prices (Mont Belvieu prices in March 2024 through June 2026) and (ii) the per gallon propane swap prices, to the extent the index prices exceed the contracted prices. If the index prices are lower than the contract prices, Sharp will pay the difference. We designated and accounted for the propane swaps as cash flow hedges. The change in the fair value of the swap agreements is recorded as unrealized gain (loss) in other comprehensive income (loss) and later recognized in the statement of income in the same period and in the same line item as the hedged transaction. We expect to reclassify unrealized gains of approximately $0.5 million from accumulated other comprehensive income (loss) related to our commodity cash flow hedges to earnings during the 12-month period ended March 31, 2025.

Interest Rate Swap Activities

We manage interest rate risk by entering into derivative contracts to hedge the variability in cash flows attributable to changes in the short-term borrowing rates. In September 2022, we entered into an interest rate swap with a notional amount of $50.0 million through September 2025, with pricing of 3.98 percent. Our interest rate swap is cash settled monthly as the counter-party pays us the 30-day SOFR rate less the fixed rate.

We designate and account for interest rate swaps as cash flow hedges. Accordingly, unrealized gains and losses associated with the interest rate swap are recorded as a component of accumulated other comprehensive income (loss). When the interest rate swap settles, the realized gain or loss is recorded in the income statement and is recognized as a component of interest charges.

Broker Margin

Futures exchanges have contract specific margin requirements that require the posting of cash or cash equivalents relating to traded contracts. Margin requirements consist of initial margin that is posted upon the initiation of a position, maintenance margin that is usually expressed as a percent of initial margin, and variation margin that fluctuates based on the daily mark-to-market relative to maintenance margin requirements. We currently maintain a broker margin account for Sharp included within other current assets on the consolidated balance sheet with a balance of $2.8 million and $2.1 million as of March 31, 2024 and December 31, 2023, respectively.

Financial Statements Presentation

The following tables present information about the fair value and related gains and losses of our derivative contracts. We did not have any derivative contracts with a credit-risk related contingency. Fair values of the derivative contracts recorded in the condensed consolidated balance sheets as of March 31, 2024 and December 31, 2023, are as follows:

	Derivative Assets		
		Fair Value As Of	
(in thousands)	Balance Sheet Location	March 31, 2024	December 31, 2023
Derivatives designated as cash flow hedges			
Propane swap agreements	Derivative assets, at fair value	$ **589**	$ 702
Interest rate swap agreements	Derivative assets, at fair value	**549**	[redacted] 365
Total Derivative Assets [(1)]		$ **1,138**	$ 1,067

[(1)] Derivative assets, at fair value, include $1.0 million in current assets in the condensed consolidated balance sheet at both March 31, 2024 and December 31, 2023, with the remainder of the balance classified as long-term

	Derivative Liabilities		
		Fair Value As Of	
(in thousands)	Balance Sheet Location	March 31, 2024	December 31, 2023
Derivatives designated as cash flow hedges			
Propane swap agreements	Derivative liabilities, at fair value	$ 74	$ 1,078
Interest rate swap agreements	Derivative liabilities, at fair value	—	203
Total Derivative Liabilities [(1)]		$ 74	$ 1,281

[(1)] Derivative liabilities, at fair value, were not material at March 31, 2024, and included $0.4 million in current liabilities in the condensed consolidated balance sheet at December 31, 2023, with the remainder of the balance classified as long-term

The effects of gains and losses from derivative instruments on the condensed consolidated financial statements are as follows:

		Amount of Gain (Loss) on Derivatives	
	Location of Gain	For the Three Months Ended March 31,	
(in thousands)	(Loss) on Derivatives	2024	2023
Derivatives designated as cash flow hedges			
Propane swap agreements	Revenues	$ **(307)**	$ 733
Propane swap agreements	Unregulated propane and natural gas costs	**1,391**	(127)
Interest rate swap agreements	Interest expense	**172**	65
Total		$ **1,256**	$ 671

13. Fair Value of Financial Instruments

GAAP establishes a fair value hierarchy that prioritizes the inputs to valuation methods used to measure fair value. The three levels of the fair value hierarchy are the following:

Fair Value Hierarchy	Description of Fair Value Level	Fair Value Technique Utilized
Level 1	Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities.	*Investments - equity securities* - The fair values of these trading securities are recorded at fair value based on unadjusted quoted prices in active markets for identical securities. *Investments - mutual funds and other* - The fair values of these investments, comprised of money market and mutual funds, are recorded at fair value based on quoted net asset values of the shares.
Level 2	Quoted prices in markets that are not active, or inputs which are observable, either directly or indirectly, for substantially the full term of the asset or liability.	*Derivative assets and liabilities* - The fair value of the propane put/call options, propane and interest rate swap agreements are measured using market transactions for similar assets and liabilities in either the listed or over-the-counter markets.
Level 3	Prices or valuation techniques requiring inputs that are both significant to the fair value measurement and unobservable (i.e. supported by little or no market activity).	*Investments - guaranteed income fund* - The fair values of these investments are recorded at the contract value, which approximates their fair value.

Financial Assets and Liabilities Measured at Fair Value

The following tables summarize our financial assets and liabilities that are measured at fair value on a recurring basis and the fair value measurements, by level, within the fair value hierarchy as of March 31, 2024 and December 31, 2023:

		Fair Value Measurements Using:		
As of March 31, 2024 *(in thousands)*	**Fair Value**	**Quoted Prices in Active Markets (Level 1)**	**Significant Other Observable Inputs (Level 2)**	**Significant Unobservable Inputs (Level 3)**
Assets:				
Investments—equity securities	$ 20	$ 20	$ —	$ —
Investments—guaranteed income fund	1,415	—	—	1,415
Investments—mutual funds and other	11,786	11,786	—	—
Total investments	13,221	11,806	—	1,415
Derivative assets	1,138	—	1,138	—
Total assets	$ 14,359	$ 11,806	$ 1,138	$ 1,415
Liabilities:				
Derivative liabilities	$ 74	$ —	$ 74	$ —

As of December 31, 2023 (in thousands)	Fair Value	Fair Value Measurements Using: Quoted Prices in Active Markets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Assets:				
Investments—equity securities	$ 21	$ 21	$ —	$ —
Investments—guaranteed income fund	1,489	—	—	1,489
Investments—mutual funds and other	10,772	10,772	—	—
Total investments	12,282	10,793	—	1,489
Derivative assets	1,067	—	1,067	—
Total assets	$ 13,349	$ 10,793	$ 1,067	$ 1,489
Liabilities:				
Derivative liabilities	$ 1,281	$ —	$ 1,281	$ —

The changes in the fair value of Level 3 investments for the three months ended March 31, 2024 and 2023 were immaterial. Investment income from the Level 3 investments is reflected in other income, net in the condensed consolidated statements of income.

At March 31, 2024, there were no non-financial assets or liabilities required to be reported at fair value. We review our non-financial assets for impairment at least on an annual basis, as required.

Other Financial Assets and Liabilities

Financial assets with carrying values approximating fair value include cash and cash equivalents and accounts receivable. Financial liabilities with carrying values approximating fair value include accounts payable and other accrued liabilities and short-term debt. The fair value of cash and cash equivalents is measured using the comparable value in the active market and approximates its carrying value (Level 1 measurement). The fair value of short-term debt approximates the carrying value due to its near-term maturities and because interest rates approximate current market rates (Level 2 measurement).

At March 31, 2024, long-term debt, which includes current maturities but excludes debt issuance costs, had a carrying value of approximately $1.2 billion. compared to the estimated fair value of $1.1 billion. At December 31, 2023, long-term debt, which includes the current maturities but excludes debt issuance costs, had a carrying value of approximately $1.2 billion. compared to a fair value of approximately $1.2 billion. The fair value was calculated using a discounted cash flow methodology that incorporates a market interest rate based on published corporate borrowing rates for debt instruments with similar terms and average maturities, and with adjustments for duration. optionality, and risk profile. The valuation technique used to estimate the fair value of long-term debt would be considered a Level 2 measurement.

14. Long-Term Debt

Our outstanding long-term debt is shown below:

(in thousands)	March 31, 2024	December 31, 2023
Uncollateralized senior notes:		
5.68% notes, due June 30, 2026	$ 8,700	$ 8,700
6.43% notes, due May 2, 2028	3,500	3,500
3.73% notes, due December 16, 2028	10,000	10,000
3.88% notes, due May 15, 2029	30,000	30,000
3.25% notes, due April 30, 2032	57,750	59,500
3.48% notes, due May 31, 2038	50,000	50,000
3.58% notes, due November 30, 2038	50,000	50,000
3.98% notes, due August 20, 2039	100,000	100,000
2.98% notes, due December 20, 2034	70,000	70,000
3.00% notes, due July 15, 2035	50,000	50,000
2.96% notes, due August 15, 2035	40,000	40,000
2.49% notes, due January 25, 2037	50,000	50,000
2.95% notes, due March 15, 2042	50,000	50,000
5.43% notes, due March 14, 2038	80,000	80,000
6.39% notes, due December 2026	100,000	100,000
6.44% notes, due December 2027	100,000	100,000
6.45% notes, due December 2028	100,000	100,000
6.62% notes, due December 2030	100,000	100,000
6.71% notes, due December 2033	100,000	100,000
6.73% notes, due December 2038	50,000	50,000
Equipment security note		
2.46% note, due September 24, 2031	7,409	7,633
Less: debt issuance costs	(3,682)	(3,753)
Total long-term debt	1,203,677	1,205,580
Less: current maturities	(18,511)	(18,505)
Total long-term debt, net of current maturities	$ 1,185,166	$ 1,187,075

Terms of the Senior Notes

All of our outstanding Senior Notes set forth certain business covenants to which we are subject when any note is outstanding, including covenants that limit or restrict our ability, and the ability of our subsidiaries, to incur indebtedness, or place or permit liens and encumbrances on any of our property or the property of our subsidiaries.

Senior Notes

On November 20, 2023, we issued Senior Notes in the aggregate principal amount of $550.0 million at an average interest rate of 6.54 percent that were used to partially finance our acquisition of FCG which closed during the fourth quarter of 2023. These notes have varying maturity dates of between three and 15 years, and the outstanding principal balance of the notes will be due on their respective maturity dates with interest payments payable semiannually until the principal has been paid in full. These Senior Notes have similar covenants and default provisions as our other Senior Notes.

On March 14, 2023 we issued 5.43 percent Senior Notes due in March 2038 in the aggregate principal amount of $80.0 million and used the proceeds received from the issuances of the Senior Notes to reduce short-term borrowings under our Revolver credit facility and to fund capital expenditures. These Senior Notes have similar covenants and default provisions as our other Senior Notes, and have an annual principal payment beginning in the sixth year after the issuance.

Shelf Agreements

We have entered into Shelf Agreements with Prudential and MetLife, whom are under no obligation to purchase any unsecured debt with terms that extend through February 2026. At March 31, 2024, a total of $255.0 million of borrowing capacity was available under these agreements.

15. Short-Term Borrowings

We are authorized by our Board of Directors to borrow up to $375.0 million of short-term debt, as required. At March 31, 2024 and December 31, 2023, we had $170.4 million and $179.9 million, respectively, of short-term borrowings outstanding at a weighted average interest rate of 5.83 percent during each period. There were no borrowings outstanding under the sustainable investment sublimit of the 364-day tranche at March 31, 2024.

We have entered into several amendments to our Revolver which resulted in modifications to both tranches of the facility. The most recent amendment in October 2023 increased our funded indebtedness ratio from 65 percent to 70 percent during the quarter in which the acquisition of FCG was consummated and the quarter subsequent to the closing of the acquisition. The amendment in August 2023 renewed the 364-day tranche of the Revolver providing for $175.0 million of short-term debt capacity. Additionally, the amendment under the 364-day tranche prescribed that borrowings would bear interest (i) based upon the SOFR, plus a 10-basis point credit spread adjustment, and an applicable margin of 1.05 percent or less, with such margin based on total indebtedness as a percentage of total capitalization or (ii) the base rate, solely at our discretion. Further, the amendment provided that borrowings under the 364-day green loan sublimit would bear interest at (i) the SOFR rate plus a 10-basis point credit spread adjustment and an applicable margin of 1.00 percent or less, with such margin based on total indebtedness as a percentage of total capitalization or (ii) the base rate plus 0.05 percent or less, solely at our discretion. The amendment entered into in 2022 reset the benchmark interest rate to SOFR and eliminated a previous covenant which capped our investment limit to $150.0 million for investments where we maintain less than 50 percent ownership.

The 364-day tranche of the Revolver expires in August 2024 and the five-year tranche expires in August 2026. Borrowings under both tranches of the Revolver are subject to a pricing grid, including the commitment fee and the interest rate charged based upon our total indebtedness to total capitalization ratio for the prior quarter. As of March 31, 2024, the pricing under the 364-day tranche of the Revolver included a commitment fee of 10 basis points on undrawn amounts and an interest rate of 80 basis points over SOFR plus a 10-basis point SOFR adjustment on outstanding balances. As of March 31, 2024, the pricing under the five-year tranche of the Revolver included a commitment fee of 10-basis points on undrawn amounts and an interest rate of 100-basis points over SOFR plus a 10-basis point SOFR adjustment on outstanding balances.

The availability of funds under the Revolver is subject to conditions specified in the credit agreement, all of which we currently satisfy. These conditions include our compliance with financial covenants and the continued accuracy of representations and warranties contained in the Revolver's loan documents. We are required by the financial covenants in the Revolver to maintain, at the end of each fiscal year, a funded indebtedness ratio as described above. As of March 31, 2024, we were in compliance with this covenant.

Our total available credit under the Revolver at March 31, 2024 was $197.6 million. As of March 31, 2024, we had issued $7.0 million in letters of credit to various counterparties under the Revolver. These letters of credit are not included in the outstanding short-term borrowings and we do not anticipate that they will be drawn upon by the counterparties. The letters of credit reduce the available borrowings under the Revolver.

In connection with our acquisition of FCG, we entered into a 364-day Bridge Facility commitment with Barclays Bank PLC and other lending parties for up to $965.0 million. Upon closing of the FCG acquisition in November 2023, and with the completion of other financing activities as defined in the lending agreement, this facility was terminated with no funds drawn to finance the transaction. For additional information regarding the acquisition and related financing, see Note 3, *Acquisitions,* Note 9, *Stockholders Equity*, and Note 14, *Long-Term Debt*.

For additional information on interest rate swaps related to our short-term borrowings, see Note 12, *Derivative Instruments*.

16. Leases

We have entered into lease arrangements for office space, land, equipment, pipeline facilities and warehouses. These lease arrangements enable us to better conduct business operations in the regions in which we operate. Office space is leased to provide adequate workspace for our employees in several locations throughout our service territories. We lease land at various locations throughout our service territories to enable us to inject natural gas into underground storage and distribution systems, for bulk storage capacity, for our propane operations and for storage of equipment used in repairs and maintenance of our infrastructure. We lease natural gas compressors to ensure timely and reliable transportation of natural gas to our customers. We also lease warehouses to store equipment and materials used in repairs and maintenance for our businesses.

Some of our leases are subject to annual changes in the Consumer Price Index ("CPI"). While lease liabilities are not re-measured as a result of changes to the CPI, changes to the CPI are treated as variable lease payments and recognized in the period in which the obligation for those payments was incurred. A 100-basis-point increase in CPI would not have resulted in material additional annual lease costs. Most of our leases include options to renew, with renewal terms that can extend the lease term from one to 25 years or more. The exercise of lease renewal options is at our sole discretion. The amounts disclosed in our consolidated balance sheet at March 31, 2024, pertaining to the right-of-use assets and lease liabilities, are measured based on our current expectations of exercising our available renewal options. Our existing leases are not subject to any restrictions or covenants that would preclude our ability to pay dividends, obtain financing or enter into additional leases. As of March 31, 2024, we have not entered into any leases, which have not yet commenced, that would entitle us to significant rights or create additional obligations. The following table presents information related to our total lease cost included in our condensed consolidated statements of income:

		Three Months Ended March 31,	
(in thousands)	**Classification**	**2024**	**2023**
Operating lease cost [1]	Operations expense	$ 736	$ 788

[1] Includes short-term leases and variable lease costs, which are immaterial

The following table presents the balance and classifications of our right of use assets and lease liabilities included in our condensed consolidated balance sheet at March 31, 2024 and December 31, 2023:

(in thousands)	**Balance sheet classification**	**March 31, 2024**	**December 31, 2023**
Assets			
Operating lease assets	Operating lease right-of-use assets	$ 11,719	$ 12,426
Liabilities			
Current			
Operating lease liabilities	Other accrued liabilities	$ 2,479	$ 2,454
Noncurrent			
Operating lease liabilities	Operating lease - liabilities	9,832	10,550
Total lease liabilities		$ 12,311	$ 13,004

The following table presents our weighted-average remaining lease terms and weighted-average discount rates for our operating leases at March 31, 2024 and December 31, 2023:

	March 31, 2024	December 31, 2023
Weighted-average remaining lease term (*in years*)		
Operating leases	**8.0**	8.1
Weighted-average discount rate		
Operating leases	**3.5 %**	3.5 %

The following table presents additional information related to cash paid for amounts included in the measurement of lease liabilities included in our condensed consolidated statements of cash flows as of March 31, 2024 and 2023:

	Three Months Ended March 31,	
(in thousands)	2024	2023
Operating cash flows from operating leases	$ 724	$ 722

The following table presents the future undiscounted maturities of our operating and financing leases at March 31, 2024 and for each of the next five years and thereafter:

(in thousands)	Operating Leases (1)
Remainder of 2024	**$ 2,128**
2025	**2,302**
2026	**1,767**
2027	**1,531**
2028	**1,152**
2029	**1,092**
Thereafter	**4,066**
Total lease payments	**14,038**
Less: Interest	**(1,727)**
Present value of lease liabilities	**$ 12,311**

(1) Operating lease payments include $2 1 million related to options to extend lease terms that are reasonably certain of being exercised

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

Management's Discussion and Analysis of Financial Condition and Results of Operations is designed to provide a reader of the financial statements with a narrative report on our financial condition, results of operations and liquidity. This discussion and analysis should be read in conjunction with the attached unaudited condensed consolidated financial statements and notes thereto and our Annual Report on Form 10-K for the year ended December 31, 2023, including the audited consolidated financial statements and notes thereto.

Safe Harbor for Forward-Looking Statements

We make statements in this Quarterly Report on Form 10-Q (this "Quarterly Report") that do not directly or exclusively relate to historical facts. Such statements are "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, Section 21E of the Securities Exchange Act of 1934, as amended, and the Private Securities Litigation Reform Act of 1995. One can typically identify forward-looking statements by the use of forward-looking words, such as "project," "believe," "expect," "anticipate," "intend," "plan," "estimate," "continue," "potential," "forecast" or other similar words, or future or conditional verbs such as "may," "will," "should," "would" or "could." These statements represent our intentions, plans, expectations, assumptions and beliefs about future financial performance, business strategy, projected plans and objectives of the Company. Forward-looking statements speak only as of the date they are made or as of the date indicated and we do not undertake any obligation to update forward-looking statements as a result of new information, future events or otherwise. These statements are subject to many risks and uncertainties. In addition to the risk factors described under Item 1A., Risk Factors in our 2023 Annual Report on Form 10-K, the following important factors, among others, could cause actual future results to differ materially from those expressed in the forward-looking statements:

- state and federal legislative and regulatory initiatives that affect cost and investment recovery, have an impact on rate structures, and affect the speed and the degree to which competition enters the electric and natural gas industries;
- the outcomes of regulatory, environmental and legal matters, including whether pending matters are resolved within current estimates and whether the related costs are adequately covered by insurance or recoverable in rates;
- the impact of climate change, including the impact of greenhouse gas emissions or other legislation or regulations intended to address climate change;
- the impact of significant changes to current tax regulations and rates;
- the timing of certification authorizations associated with new capital projects and the ability to construct facilities at or below estimated costs;
- changes in environmental and other laws and regulations to which we are subject and environmental conditions of property that we now, or may in the future, own or operate;
- possible increased federal, state and local regulation of the safety of our operations;
- the availability and reliability of adequate technology, including our ability to adapt to technological advances, effectively implement new technologies and manage the related costs;
- the inherent hazards and risks involved in transporting and distributing natural gas, electricity and propane;
- the economy in our service territories or markets, the nation, and worldwide, including the impact of economic conditions (which we do not control) on demand for natural gas, electricity, propane or other fuels;
- risks related to cyber-attacks or cyber-terrorism that could disrupt our business operations or result in failure of information technology systems or result in the loss or exposure of confidential or sensitive customer, employee or Company information;
- adverse weather conditions, including the effects of hurricanes, ice storms and other damaging weather events;
- customers' preferred energy sources;
- industrial, commercial and residential growth or contraction in our markets or service territories;
- the effect of competition on our businesses from other energy suppliers and alternative forms of energy;
- the timing and extent of changes in commodity prices and interest rates;
- the effect of spot, forward and future market prices on our various energy businesses;
- the extent of our success in connecting natural gas and electric supplies to our transmission systems, establishing and maintaining key supply sources, and expanding natural gas and electric markets;
- the creditworthiness of counterparties with which we are engaged in transactions;
- the capital-intensive nature of our regulated energy businesses;
- our ability to access the credit and capital markets to execute our business strategy, including our ability to obtain financing on favorable terms, which can be affected by various factors, including credit ratings and general economic conditions;
- the ability to successfully execute, manage and integrate a merger, acquisition or divestiture of assets or businesses and the related regulatory or other conditions associated with the merger, acquisition or divestiture;
- the impact on our costs and funding obligations, under our pension and other postretirement benefit plans, of potential downturns in the financial markets, lower discount rates, and costs associated with health care legislation and regulation;
- the ability to continue to hire, train and retain appropriately qualified personnel;

- the availability of, and competition for, qualified personnel supporting our natural gas, electricity and propane businesses;
- the effect of accounting pronouncements issued periodically by accounting standard-setting bodies; and
- the impacts associated with a pandemic, including the duration and scope of the pandemic the corresponding impact on our supply chain, our personnel, our contract counterparties, general economic conditions and growth, the financial markets and any costs to comply with governmental mandates.

Introduction

Chesapeake Utilities is a Delaware corporation formed in 1947. We are a diversified energy company engaged, through our operating divisions and subsidiaries, in regulated energy, unregulated energy and other businesses. We operate primarily on the east coast of the United States and provide natural gas distribution and transmission; electric distribution and generation; propane gas distribution: mobile compressed natural gas services; steam generation: and other energy-related services.

Our strategy is focused on growing earnings from a stable regulated energy delivery foundation and investing in related businesses and services that provide opportunities for returns greater than traditional utility returns. We seek to identify and develop opportunities across the energy value chain. with emphasis on midstream and downstream investments that are accretive to earnings per share, consistent with our long-term growth strategy and create opportunities to continue our record of top tier returns on equity relative to our peer group. Our growth strategy includes the continued investment and expansion of our regulated operations that provide a stable base of earnings, as well as investments in other related non-regulated businesses and services including sustainable energy initiatives. By investing in these related business and services, we create opportunities to sustain our track record of higher returns, as compared to a traditional utility.

Currently, our growth strategy is focused on the following platforms, including:

- Optimizing the earnings growth in our existing businesses, which includes organic growth, territory expansions, and new products and services as well as increased opportunities to transform the Company with a focus on people, process, technology and organizational structure.
- Identification and pursuit of additional pipeline expansions, including new interstate and intrastate transmission projects.
- Growth of Marlin Gas Services' CNG transport business and expansion into LNG and RNG transport services as well as methane capture.
- Identifying and undertaking additional strategic propane acquisitions that provide a larger foundation in current markets and expand our brand and presence into new strategic growth markets.
- Pursuit of growth opportunities that enable us to utilize our integrated set of energy delivery businesses to participate in sustainable energy opportunities.

Due to the seasonality of our business, results for interim periods are not necessarily indicative of results for the entire fiscal year. Revenue and earnings are typically greater during the first and fourth quarters, when consumption of energy is normally highest due to colder temperatures.

Sustainability Initiatives

We continue to remain steadfast in regards to our sustainability commitments, including the following:

- Maintaining a leading role in the journey to a lower carbon future in our service areas.
- Continuing to promote a diverse and inclusive workplace and further the sustainability of the communities we serve.
- Operating our businesses with integrity and the highest ethical standards.

These commitments guide our mission to deliver energy that makes life better for the people and communities we serve. They impact every aspect of the relationships we have with our stakeholders. In April of 2024, we unveiled our first in a series of sustainability micro-reports, with the first report focused on Safety and Reliability. The Safety and Reliability Report will be followed by at least two additional micro-reports. The second report, expected to be published this summer, will focus on the Company's environmental stewardship, including progress on environmental sustainability initiatives and mitigation of greenhouse gas emissions. The third micro-report. planned for distribution in the fall, will focus on community impact, reporting on Diversity, Equity and Inclusion ("DEI") initiatives and investments in people, communities and customers.

Transitioning from a single large sustainability report to these micro-reports will provide a steadier release of information throughout the year, including progress updates and new or expanded initiatives and programs. In addition to the micro-reports, the Company will publish investor-focused tables later this year.

We encourage our investors to review the Safety and Reliability micro-report, as well as prior sustainability reports, which can be accessed on our website, and welcome feedback as we continue to enhance our sustainability disclosures.

Acquisition of Florida City Gas

On November 30, 2023, we completed the acquisition of FCG for $922.8 million in cash, which included working capital adjustments as defined in the agreement that were settled during the first quarter of 2024, pursuant to the previously disclosed stock purchase agreement with Florida Power & Light Company. Upon completion of the acquisition, FCG became a wholly-owned subsidiary of the Company and is included within our Regulated Energy segment. FCG serves approximately 120,000 residential and commercial natural gas customers across eight counties in Florida, including Miami-Dade, Broward, Brevard, Palm Beach, Hendry, Martin, St. Lucie and Indian River. Its natural gas system includes approximately 3,800 miles of distribution main and 80 miles of transmission pipe.

In June 2023, FCG received approval from the Florida PSC for a $23.3 million total increase in base revenue in connection with its May 2022 rate case filing. The new rates, which became effective as of May 1, 2023, included the transfer of its SAFE program provisions from a rider clause to base rates, an increase in rates associated with a liquefied natural gas facility, and approval of FCG's proposed RSAM with a $25.0 million reserve amount. The RSAM is recorded as either an increase or decrease to accrued removal costs on the balance sheet, with a corresponding increase or decrease to depreciation and amortization expense. The impact of FCG's results from the acquisition date and effects on our liquidity are discussed further below and throughout Item 7, Management's Discussion and Analysis of Financial Condition and Results of Operations.

Unless otherwise noted, EPS and Adjusted EPS information are presented on a diluted basis.

Non-GAAP Financial Measures

This document, including the tables herein, include references to both Generally Accepted Accounting Principles ("GAAP") and non-GAAP financial measures, including Adjusted Gross Margin, Adjusted Net Income and Adjusted EPS. A "non-GAAP financial measure" is generally defined as a numerical measure of a company's historical or future performance that includes or excludes amounts, or that is subject to adjustments, so as to be different from the most directly comparable measure calculated or presented in accordance with GAAP. Our management believes certain non-GAAP financial measures, when considered together with GAAP financial measures, provide information that is useful to investors in understanding period-over-period operating results separate and apart from items that may, or could, have a disproportionately positive or negative impact on results in any particular period.

We calculate Adjusted Gross Margin by deducting the purchased cost of natural gas, propane and electricity and the cost of labor spent on direct revenue-producing activities from operating revenues. The costs included in Adjusted Gross Margin exclude depreciation and amortization and certain costs presented in operations and maintenance expenses in accordance with regulatory requirements. We calculate Adjusted Net Income and Adjusted EPS by deducting non-recurring costs and expenses associated with significant acquisitions that may affect the comparison of period-over-period results. These non-GAAP financial measures are not in accordance with, or an alternative to, GAAP and should be considered in addition to, and not as a substitute for, the comparable GAAP measures. The Company believes that these non-GAAP financial measures are useful and meaningful to investors as a basis for making investment decisions, and provide investors with information that demonstrates the profitability achieved by the Company under allowed rates for regulated energy operations and under the Company's competitive pricing structures for unregulated energy operations. The Company's management uses these non-GAAP financial measures in assessing a business unit's and the overall Company performance. Other companies may calculate these non-GAAP financial measures in a different manner.

The following tables reconcile Gross Margin, Net Income, and EPS, all as defined under GAAP, to our non-GAAP financial measures of Adjusted Gross Margin, Adjusted Net Income and Adjusted EPS for the three months ended March 31, 2024 and 2023:

	For the Three Months Ended March 31, 2024			
(in thousands)	**Regulated Energy**	**Unregulated Energy**	**Other and Eliminations**	**Total**
Operating Revenues	$ 168,426	$ 83,103	$ (5,785)	$ 245,744
Cost of Sales:				
Natural gas, propane and electric costs	(49,918)	(37,054)	5,755	(81,217)
Depreciation & amortization	(12,537)	(4,481)	2	(17,016)
Operations & maintenance expenses (1)	(12,736)	(8,422)	(2)	(21,160)
Gross Margin (GAAP)	93,235	33,146	(30)	126,351
Operations & maintenance expenses (1)	12,736	8,422	2	21,160
Depreciation & amortization	12,537	4,481	(2)	17,016
Adjusted Gross Margin (Non-GAAP)	$ 118,508	$ 46,049	$ (30)	$ 164,527

	For the Three Months Ended March 31, 2023			
(in thousands)	**Regulated Energy**	**Unregulated Energy**	**Other and Eliminations**	**Total**
Operating Revenues	$ 142,270	$ 83,165	$ (7,306)	$ 218,129
Cost of Sales:				
Natural gas, propane and electric costs	(55,288)	(40,571)	7,270	(88,589)
Depreciation & amortization	(12,952)	(4,234)	3	(17,183)
Operations & maintenance expenses (1)	(9,287)	(8,476)	5	(17,758)
Gross Margin (GAAP)	64,743	29,884	(28)	94,599
Operations & maintenance expenses (1)	9,287	8,476	(5)	17,758
Depreciation & amortization	12,952	4,234	(3)	17,183
Adjusted Gross Margin (Non-GAAP)	$ 86,982	$ 42,594	$ (36)	$ 129,540

(1) Operations & maintenance expenses within the condensed consolidated statements of income are presented in accordance with regulatory requirements and to provide comparability within the industry. Operations & maintenance expenses which are deemed to be directly attributable to revenue producing activities have been separately presented above in order to calculate Gross Margin as defined under U.S. GAAP.

2024 to 2023 Gross Margin (GAAP) Variance – Regulated Energy

Gross Margin (GAAP) for the Regulated Energy segment for the quarter ended March 31, 2024 was $93.2 million, an increase of $28.5 million, or 44.0 percent, compared to the same period in 2023. Higher gross margin reflects incremental margin attributable to FCG, organic growth in our natural gas distribution businesses and continued pipeline expansion projects, and incremental contributions associated with regulated infrastructure programs. These contributors were partially offset by non-recurring FCG transaction and transition-related expenses.

2024 to 2023 Gross Margin (GAAP) Variance – Unregulated Energy

Gross Margin (GAAP) for the Unregulated Energy segment for the quarter ended March 31, 2024 was $33.1 million, an increase of $3.3 million, or 10.9 percent, compared to the same period in 2023. Higher gross margin related primarily to contributions from increased propane margins and fees as well as increased customer margins and improved customer consumption at Aspire.

(in thousands, except per share data)	Three Months Ended March 31, 2024	2023
Net Income (GAAP)	**$ 46,168**	$ 36,344
FCG transaction and transition-related expenses, net [1]	**677**	—
Adjusted Net Income (Non-GAAP)	**$ 46,845**	$ 36,344
Weighted average common shares outstanding - diluted [2]	**22,306**	17,832
Earnings Per Share - Diluted (GAAP)	**$ 2.07**	$ 2.04
FCG transaction and transition-related expenses, net [1]	**0.03**	—
Adjusted Earnings Per Share - Diluted (Non-GAAP)	**$ 2.10**	$ 2.04

[1] Transition-related expenses represent non-recurring costs incurred attributable to the acquisition and integration of FCG including, but not limited to, transition services, consulting, system integration, rebranding, and legal fees

[2] Weighted average shares for the quarter ended March 31, 2024 reflect the impact of 4 4 million common shares issued in November 2023 in connection with the acquisition of FCG See Notes 3 and 9 for additional details on the acquisition and related equity offering

2024 to 2023 Net Income (GAAP) Variance

Net income (GAAP) for the quarter ended March 31, 2024 was $46.2 million. or $2.07 per share, compared to $36.3 million, or $2.04 per share, for the same quarter of 2023. Net income for the three months ended March 31, 2024 included $0.7 million of transaction and transition-related expenses in connection with the acquisition and integration of FCG. Excluding these costs, net income increased by $10.5 million or 28.9 percent compared to the same period in the prior year.

Results of Operations for the Three Months Ended March 31, 2024

Operational Highlights

Our adjusted net income for the three months ended March 31, 2024 was $46.8 million, or $2.10 per share, compared to $36.3 million, or $2.04 per share, for the same quarter of 2023. Adjusted net income for the first quarter of 2023 included a non-recurring gain of $1.3 million related to a reduction in the Pennsylvania state tax rate. Operating income for the first quarter of 2024 was $79.6 million, an increase of $24.7 million or 44.9 percent compared to the same period in 2023. Excluding transaction and transition-related expenses associated with the acquisition and integration of FCG, operating income increased $25.6 million or 46.6 percent compared to the prior-year period. Adjusted gross margin in the first quarter of 2024 was positively impacted by incremental margin from FCG, natural gas organic growth and continued pipeline expansion projects, higher customer consumption, incremental contributions associated with regulatory initiatives, and increased propane margins and fees compared to the prior-year period. Higher operating expenses in the first quarter of 2024 largely associated with FCG were partially offset by lower employee benefits and incentive compensation costs compared to the same quarter of 2023. Increases in depreciation and amortization expense attributable to growth projects and FCG were partially offset by lower depreciation in our electric operations due to revised rates in the electric depreciation study filing approved in December 2023 and a $3.4 million RSAM adjustment from FCG.

(in thousands, except per share data)	Three Months Ended March 31, 2024	2023	Increase (Decrease)
Adjusted Gross Margin			
Regulated Energy segment	$ **118,508**	$ 86,982	$ 31,526
Unregulated Energy segment	**46,049**	42,594	3,455
Other businesses and eliminations	**(30)**	(36)	6
Total Adjusted Gross Margin	$ **164,527**	$ **129,540**	$ 34,987
Operating Income			
Regulated Energy segment	$ **58,109**	$ 37,625	$ 20,484
Unregulated Energy segment	**21,429**	17,245	4,184
Other businesses and eliminations	**47**	45	2
Total Operating Income	**79,585**	**54,915**	24,670
Other income, net	**195**	276	(81)
Interest charges	**17,026**	7,232	9,794
Income Before Income Taxes	**62,754**	47,959	14,795
Income taxes	**16,586**	11,615	4,971
Net Income	$ **46,168**	$ 36,344	$ 9,824
Weighted Average Common Shares Outstanding: [1]			
Basic	**22,250**	17,760	4,490
Diluted	**22,306**	17,832	4,474
Earnings Per Share of Common Stock			
Basic	$ **2.07**	$ 2.05	$ 0.02
Diluted	$ **2.07**	$ 2.04	$ 0.03
Adjusted Net Income and Adjusted Earnings Per Share			
Net Income (GAAP)	$ **46,168**	$ 36,344	$ 9,824
FCG transaction and transition-related expenses, net [2]	**677**	—	677
Adjusted Net Income (Non-GAAP)	$ **46,845**	$ 36,344	$ 10,501
Earnings Per Share - Diluted (GAAP)	$ **2.07**	$ 2.04	$ 0.03
FCG transaction and transition-related expenses, net [2]	**0.03**	—	0.03
Adjusted Earnings Per Share - Diluted (Non-GAAP)	$ **2.10**	$ 2.04	$ 0.06

[1] Weighted average shares for the quarter ended March 31, 2024 reflect the impact of 4.4 million common shares issued in November 2023 in connection with the acquisition of FCG

[2] Transaction and transition-related expenses represent costs incurred attributable to the acquisition and integration of FCG including, but not limited to, transition services, consulting, system integration, rebranding and legal fees

Key variances between the first quarter of 2023 and the first quarter of 2024 included:

(in thousands, except per share data)	Pre-tax Income	Net Income	Earnings Per Share
First Quarter of 2023 Adjusted Results	**$ 47,959**	**$ 36,344**	**$ 2.04**
Non-recurring Items:			
Absence of the one-time benefit associated with a reduction in the PA state tax rate	—	(1,284)	(0.06)
	—	(1,284)	(0.06)
Increased Adjusted Gross Margins:			
Contribution from recent acquisitions	25,397	18,685	0.84
Natural gas growth including conversions (excluding service expansions)	1,916	1,409	0.07
Changes in customer consumption	1,906	1,402	0.06
Natural gas transmission service expansions*	1,622	1,193	0.05
Contribution from rates associated with the Florida natural gas base rate proceeding*	1,498	1,102	0.05
Contributions from regulated infrastructure programs*	1,278	941	0.04
Higher performance from Aspire Energy	938	690	0.03
Increased propane margins and service fees	559	411	0.02
	35,114	25,833	1.16
(Increased) Decreased Operating Expenses (Excluding Natural Gas, Propane, and Electric Costs):			
FCG operating expenses	(10,413)	(7,661)	(0.34)
Depreciation. amortization and property tax costs	(1,498)	(1,102)	(0.05)
Insurance related costs	(525)	(386)	(0.02)
Payroll, benefits and other employee-related expenses	2,964	2,181	0.10
	(9,472)	(6,968)	(0.31)
Interest charges	(9,794)	(7,206)	(0.32)
Increase in shares outstanding due to 2023 and 2024 equity offerings	—	—	(0.41)
Net other changes	(132)	126	—
	(9,926)	(7,080)	(0.73)
First Quarter of 2024 Adjusted Results**	**$ 63,675**	**$ 46,845**	**$ 2.10**

* See the Major Projects and Initiatives table

** Transaction and transition-related expenses attributable to the acquisition and integration of FCG have been excluded from the Company's non-GAAP measures of adjusted net income and adjusted EPS See reconciliations above for a detailed comparison to the related GAAP measures

Summary of Key Factors

Recently Completed and Ongoing Major Projects and Initiatives

We continuously pursue and develop additional projects and initiatives to serve existing and new customers, further grow our businesses and earnings, and increase shareholder value. The following table includes all major projects and initiatives that are currently underway or recently completed. Our practice is to add new projects and initiatives to this table once negotiations or details are substantially final and/or the associated earnings can be estimated. Major projects and initiatives that have generated consistent year-over-year adjusted gross margin contributions are removed from the table at the beginning of the next calendar year.

	Adjusted Gross Margin				
	Three Months Ended March 31,		Year Ended December 31,	Estimate for Fiscal	
(in thousands)	2024	2023	2023	2024	2025
Pipeline Expansions:					
Southern Expansion	$ 586	$ —	$ 586	$ 2,344	$ 2,344
Beachside Pipeline Expansion	603	—	1,810	2,451	2,414
North Ocean City Connector	—	—	—	—	494
St. Cloud / Twin Lakes Expansion	146	—	264	584	584
Wildlight	199	26	471	2,000	2,038
Lake Wales	114	—	265	454	454
Newberry	—	—	—	862	2,585
Boynton Beach	—	—	—	—	3,342
New Smyrna Beach	—	—	—	—	1,710
Total Pipeline Expansions	1,648	26	3,396	8,695	15,965
CNG/RNG/LNG Transportation and Infrastructure	3,435	3,521	11,181	12,500	13,969
Regulatory Initiatives:					
Florida GUARD program	589	—	353	3,231	5,602
FCG SAFE Program	412	—	—	2,683	5,293
Capital Cost Surcharge Programs	831	720	2,829	3,979	4,374
Florida Rate Case Proceeding [(1)]	5,595	4,097	15,835	17,153	17,153
Maryland Rate Case [(2)]	—	—	—	TBD	TBD
Electric Storm Protection Plan	630	206	1,326	2,433	3,951
Total Regulatory Initiatives	8,057	5,023	20,343	29,479	36,373
Total	$ 13,140	$ 8,570	$ 34,920	$ 50,674	$ 66,307

[(1)] Includes adjusted gross margin during 2023 comprised of both interim rates and permanent base rates which became effective in March 2023

[(2)] Rate case application and depreciation study filed with the Maryland PSC in January 2024 See additional information provided below

Detailed Discussion of Major Projects and Initiatives

Pipeline Expansions

Southern Expansion

Eastern Shore installed a new natural gas driven compressor skid unit at its existing Bridgeville, Delaware compressor station that provides 7,300 Dts of incremental firm transportation pipeline capacity. The project was placed in service in the fourth quarter of 2023. The project generated additional adjusted gross margin of $0.6 million for the three months ended March 31, 2024, and is expected to produce adjusted gross margin of $2.3 million in 2024 and thereafter.

Beachside Pipeline Expansion

In June 2021, Peninsula Pipeline and FCG entered into a Transportation Service Agreement for an incremental 10,176 Dts/d of firm service in Indian River County, Florida, to support Florida City Gas' growth along the Indian River's barrier island. As part of this agreement, Peninsula Pipeline constructed approximately 11.3 miles of pipeline from its existing pipeline in Sebastian, Florida. The project went into service in April 2023. Subsequent to the acquisition of FCG, the agreement is now an affiliate agreement. The project generated additional adjusted gross margin of $0.6 million for the three months ended March 31, 2024, and is expected to produce adjusted gross margin of approximately $2.5 million in 2024 and $2.4 million in 2025 and thereafter.

North Ocean City Connector
Our Delaware natural gas division and Sandpiper installed approximately 5.4 miles of pipeline across southern Sussex County, Delaware to Fenwick Island, Delaware and Worcester County, Maryland. The project reinforces our existing system in Ocean City, Maryland and enables incremental growth along the pipeline. Construction of this project was completed in the second quarter of 2023. The Company filed a natural gas rate case application with the PSC for the state of Maryland in January 2024 as discussed below. Adjusted gross margin in connection with this project is contingent upon the completion of the rate case and inclusion of the project in rate base. As a result, we expect this expansion to generate annual adjusted gross margin of approximately $0.5 million beginning in 2025, with additional margin opportunities from incremental growth.

St. Cloud / Twin Lakes Expansion
In July 2022, Peninsula Pipeline filed a petition with the Florida PSC for approval of its Transportation Service Agreement with FPU for an additional 2,400 Dts/d of firm service in the St. Cloud, Florida area. As part of this agreement, Peninsula Pipeline constructed a pipeline extension and regulator station for FPU. The extension supports new incremental load due to growth in the area, including providing service, most immediately, to the residential development, Twin Lakes. The expansion also improves reliability and provides operational benefits to FPU’s existing distribution system in the area, supporting future growth. This project was placed into service during July 2023 and generated additional adjusted gross margin of $0.1 million for the three months ended March 31, 2024. We expect this extension to generate additional annual adjusted gross margin of $0.6 million in 2024 and thereafter.

In February 2024, Peninsula Pipeline filed a petition with the Florida PSC for approval of an amendment to its Transportation Service Agreement with FPU for an additional 10,000 Dts/d of firm service in the St. Cloud, Florida area. Peninsula Pipeline will construct pipeline expansions that will allow FPU to serve the future communities that are expected in that area. The Florida PSC approved the projects in May 2024.

Wildlight Expansion
In August 2022, Peninsula Pipeline and FPU filed a joint petition with the Florida PSC for approval of its Transportation Service Agreement associated with the Wildlight planned community located in Nassau County, Florida. The project enables us to meet the significant growing demand for service in Yulee, Florida. The agreement will enable us to build the project during the construction and build-out of the community, and charge the reservation rate as each phase of the project goes into service. Construction of the pipeline facilities will occur in two separate phases. Phase one consists of three extensions with associated facilities, and a gas injection interconnect with associated facilities. Phase two will consist of two additional pipeline extensions. Various phases of the project commenced in the first quarter of 2023, with construction on the overall project continuing through 2025. The project generated additional adjusted gross margin of $0.2 million for the three months ended March 31, 2024, and is expected to contribute adjusted gross margin of approximately $2.0 million in 2024 and beyond.

Lake Wales Expansion
In February 2023, Peninsula Pipeline filed a petition with the Florida PSC for approval of its Transportation Service Agreement with our Florida Natural Gas distribution business, FPU, for an additional 9,000 Dts/d of firm service in the Lake Wales, Florida area. The PSC approved the petition in April 2023 and Peninsula Pipeline completed the acquisition of an existing pipeline in May 2023 that is being utilized to serve both current and new natural gas customers. The project generated additional adjusted gross margin of $0.1 million for the three months ended March 31, 2024, and is expected to contribute adjusted gross margin of approximately $0.5 million in 2024 and beyond.

Newberry Expansion
In April 2023, Peninsula Pipeline filed a petition with the Florida PSC for approval of its Transportation Service Agreement with FPU for an additional 8,000 Dts/d of firm service in the Newberry, Florida area. The petition was approved by the Florida PSC in the third quarter of 2023. Peninsula Pipeline will construct a pipeline extension, which will be used by FPU to support the development of a natural gas distribution system to provide gas service to the City of Newberry. A filing to address the acquisition and conversion of existing Company owned propane community gas systems in Newberry was made in November 2023. The Florida PSC approved it in April 2024. Conversions are anticipated to begin during the second quarter of 2024. The project is expected to contribute adjusted gross margin of approximately $0.9 million in 2024 and $2.6 million in 2025 and beyond.

Worcester Resiliency Upgrade
In August 2023, Eastern Shore filed an application with the FERC requesting authorization to construct the Worcester Resiliency Upgrade, which consists of a mixture of storage and transmission facilities in Sussex County, DE and Wicomico, Worcester, and Somerset Counties in Maryland. The project will provide long-term incremental supply necessary to support the growing demand of the participating shippers. Eastern Shore has requested certificate authorization by December 2024, with a target in-service date by the third quarter of 2025. In December 2023, FERC issued its schedule for preparation of the Environmental Assessment. In April 2024, the FERC issued their environmental assessment with no significant impacts noted.

East Coast Reinforcement Projects
In December 2023, Peninsula Pipeline filed a petition with the Florida PSC for approval of its Transportation Service Agreements with FPU for projects that will support additional supply to communities on the East Coast of Florida. The projects are driven by the need for increased supply to coastal portions of the state that are experiencing significant population growth. Peninsula Pipeline will construct several pipeline extensions which will support FPU’s distribution system in the areas of Boynton Beach and New Smyrna Beach with an additional 15,000 Dts/d and 3,400 Dts/d, respectively. The Florida PSC approved the projects in March 2024. The projects are expected to contribute adjusted gross margin of approximately $5.1 million in 2025 and $6.3 million in 2026 and beyond.

Central Florida Reinforcement Projects
In February 2024, Peninsula Pipeline filed a petition with the Florida PSC for approval of its Transportation Service Agreements with FPU for projects that will support additional supply to communities located in Central Florida. The projects are driven by the need for increased supply to communities in central Florida that are experiencing significant population growth. Peninsula Pipeline will construct several pipeline extensions which will support FPU’s distribution system in the areas of Plant City and Lake Mattie with an additional 5,000 Dts/d and 8,700 Dts/d, respectively. The Florida PSC approved the projects in May 2024.

Pioneer Supply Header Pipeline Project
In March 2024, Peninsula Pipeline filed a petition with the Florida PSC for its approval of Firm Transportation Service Agreements with both FCG and FPU for a project that will support greater supply growth of natural gas service in southeast Florida. The project consists of the transfer of a pipeline asset from FCG to Peninsula Pipeline. Peninsula Pipeline will proceed to provide transportation service to both FCG and FPU using the pipeline asset, which provides opportunities for additional project development.

Alternative Natural Gas Projects
In February 2024, Peninsula Pipeline filed a petition with the Florida PSC for its approval of its Transportation Service Agreements with FCG for projects that will support the transportation of additional supply into FCG’s distribution system. The projects are driven by continued growth in the regions and will facilitate additional transportation capacity, including the transportation of pipeline quality gas produced from landfills through FCG's system. Peninsula Pipeline will construct several pipeline extensions which will support FCG's distribution system in Brevard County, Indian-River County, and Miami-Dade County.

CNG/RNG/LNG Transportation and Infrastructure

We have made a commitment to meet customer demand for CNG, RNG and LNG in the markets we serve. This has included making investments within Marlin Gas Services to be able to transport these products through its virtual pipeline fleet to customers. To date, we have also made an infrastructure investment in Ohio, enabling RNG to fuel a third party landfill fleet and to transport RNG to end use customers off our pipeline system.

We are also involved in various other projects, all at various stages and all with different opportunities to participate across the energy value chain. In many of these projects, Marlin will play a key role in ensuring the RNG is transported to one of our many pipeline systems where it will be injected. We include our RNG transportation services and infrastructure related adjusted gross margin from across the organization in combination with our CNG and LNG projects.

We estimate annual adjusted gross margin of approximately $12.5 million in 2024 and $14.0 million in 2025 for these transportation related services, with potential for additional growth in future years.

Full Circle Dairy
In February 2023, we announced plans to construct, own and operate a dairy manure RNG facility at Full Circle Dairy in Madison County, Florida. The project consists of a facility converting dairy manure to RNG and transportation assets to bring the gas to market. The first injection of RNG is projected to occur in the first half of 2024.

Noble Road Landfill RNG Project
In October 2021, Aspire Energy completed construction of its Noble Road Landfill RNG pipeline project, a 33.1-mile pipeline, which transports RNG generated from the Noble Road landfill to Aspire Energy’s pipeline system, displacing conventionally produced natural gas. In conjunction with this expansion, Aspire Energy also upgraded an existing compressor station and installed two new metering and regulation sites. The RNG volume is expected to represent nearly 10 percent of Aspire Energy’s gas gathering volumes.

Regulatory Initiatives

Florida GUARD Program
In February 2023, FPU filed a petition with the Florida PSC for approval of the GUARD program. GUARD is a ten-year program to enhance the safety, reliability, and accessibility of portions of our natural gas distribution system. We identified various categories of projects to be included in GUARD, which include the relocation of mains and service lines located in rear easements and other difficult to access areas to the front of the street, the replacement of problematic distribution mains, service lines, and maintenance and repair equipment and system reliability projects. In August 2023, the Florida PSC approved the GUARD program, which included $205.0 million of capital expenditures projected to be spent over a 10-year period. For the three months ended March 31, 2024, there was $0.6 million of incremental adjusted gross margin generated pursuant to the program. The program is expected to generate $3.2 million of adjusted gross margin in 2024 and $5.6 million in 2025.

FCG SAFE Program
In June 2023, the Florida PSC issued the approval order for the continuation of the SAFE program beyond its 2025 expiration date and inclusion of 150 miles of additional mains and services located in rear property easements. The SAFE program is designed to relocate certain mains and facilities associated with rear lot easements to street front locations to improve FCG's ability to inspect and maintain the facilities and reduce opportunities for damage and theft. In the same order, the Commission approved a replacement of 160 miles of pipe that was used in the 1970s and 1980s and shown through industry research to exhibit premature failure in the form of cracking. The program includes projected capital expenditures of $205 million over a 10-year period. For the three months ended March 31, 2024, there was $0.4 million of incremental adjusted gross margin generated pursuant to the program. The program is expected to generate $2.7 million of adjusted gross margin in 2024 and $5.3 million in 2025.

In April 2024, FCG filed a petition with the Florida PSC to more closely align the SAFE Program with FPU's GUARD program. Specifically, the requested modifications will enable FCG to accelerate remediation related to problematic pipe and facilities consisting of obsolete and exposed pipe. If approved, these efforts will serve to improve the safety and reliability of service to FCG's customers. These modifications, if approved, result in an estimated additional $50.0 million in capital expenditures associated with the SAFE Program which would increase the total projected capital expenditures to $255.0 million over a 10-year period.

Capital Cost Surcharge Programs
In December 2019, the FERC approved Eastern Shore’s capital cost surcharge to become effective January 1, 2020. The surcharge, an approved item in the settlement of Eastern Shore’s last general rate case, allows Eastern Shore to recover capital costs associated with mandated highway or railroad relocation projects that required the replacement of existing Eastern Shore facilities. For the three months ended March 31, 2024, there was $0.1 million of incremental adjusted gross margin generated pursuant to the program. Eastern Shore expects to produce adjusted gross margin of approximately $4.0 million in 2024 and $4.4 million in 2025 from relocation projects, which is ultimately dependent upon the timing of filings and the completion of construction.

Florida Natural Gas Base Rate Proceeding
In May 2022, our legacy natural gas distribution businesses in Florida filed a consolidated natural gas rate case with the Florida PSC. The application included a request for the following: (i) permanent rate relief of approximately $24.1 million, effective January 1, 2023, (ii) a depreciation study also submitted with the filing; (iii) authorization to make certain changes to tariffs to include the consolidation of rates and rate structure across the businesses and to unify the Florida Natural Gas distribution business under FPU; (iv) authorization to retain the acquisition adjustment recorded at the time of the FPU merger in our revenue requirement: and (v) authorization to establish an environmental remediation surcharge for the purposes of addressing future expected remediation costs for FPU MGP sites. In August 2022, interim rates were approved by the Florida PSC in the amount of approximately $7.7 million on an annualized basis, effective for all meter readings in September 2022. The discovery process and related hearings were concluded during the fourth quarter of 2022 and briefs were submitted in the same quarter of 2022. In January 2023, the Florida PSC approved the application for consolidation and permanent rate relief of approximately $17.2 million on an annual basis. Actual rates in connection with the rate relief were approved by the Florida PSC in February 2023 with an effective date of March 1, 2023. For the three months ended March 31, 2024, there was $1.5 million of incremental adjusted gross margin generated pursuant to this proceeding, and it is expected to generate $17.2 million of total adjusted gross margin in 2024 and 2025.

Maryland Natural Gas Rate Case
In January 2024, our natural gas distribution businesses in Maryland. CUC-Maryland Division, Sandpiper Energy, Inc., and Elkton Gas Company (collectively, "Maryland natural gas distribution businesses") filed a joint application for a natural gas rate case with the Maryland PSC. In connection with the application, we are seeking approval of the following: (i) permanent rate relief of approximately $6.9 million: (ii) authorization to make certain changes to tariffs to include a unified rate structure and to consolidate the Maryland natural gas distribution businesses which we anticipate will be called Chesapeake Utilities of Maryland, Inc.; and (iii) authorization to establish a rider for recovery of the costs associated with our new technology systems. The outcome of the application is subject to review and approval by the Maryland PSC. Rate changes are suspended until December 2024.

Maryland Natural Gas Depreciation Study
In January 2024, our Maryland natural gas distribution businesses filed a joint petition for approval of their proposed unified depreciation rates with the Maryland PSC. The outcome of the filing is subject to review by the Maryland PSC which is expected to be completed in the third quarter of 2024.

Storm Protection Plan
In 2020, the Florida PSC implemented the Storm Protection Plan ("SPP") and Storm Protection Plan Cost Recovery Clause ("SPPCRC"), which require electric utilities to petition the Florida PSC for approval of a Transmission and Distribution Storm Protection Plan that covers the utility's immediate 10-year planning period with updates to the plan at least every 3 years. The SPPCRC rules allow the utility to file for recovery of associated costs related to its SPP. Our Florida electric distribution operation's SPP and SPPCRC were filed during the first quarter of 2022 and approved in the fourth quarter of 2022, with modifications, by the Florida PSC. For the three months ended March 31, 2024, this initiative generated additional adjusted gross margin of $0.4 million, and is expected to generate $2.4 million of adjusted gross margin in 2024 and $4.0 million in 2025. We expect continued investment under the SPP going forward.

Other Major Factors Influencing Adjusted Gross Margin

Weather Impact
For the first quarter of 2024, higher consumption driven primarily by weather resulted in a $1.9 million increase in adjusted gross margin compared to the same period in 2023. While temperatures were colder than the prior-year period. they were approximately 11.7 percent and 10.3 percent warmer, respectively, compared to normal temperatures in our Delmarva and Ohio service territories. Assuming normal temperatures, as detailed below, we estimate that operating income would have been

higher by approximately $1.5 million, or $0.05 per share. The following table summarizes HDD and CDD variances from the 10-year average HDD/CDD ("Normal") for the three months ended March 31, 2024 and 2023.

	Three Months Ended March 31, 2024	Three Months Ended March 31, 2023	Variance
Delmarva Peninsula			
Actual HDD	**1,962**	1,774	188
10-Year Average HDD ("Normal")	**2,221**	2,285	(64)
Variance from Normal	**(259)**	(511)	
Florida			
Actual HDD	**470**	344	126
10-Year Average HDD ("Normal")	**470**	505	(35)
Variance from Normal	**—**	(161)	
Ohio			
Actual HDD	**2,659**	2,384	275
10-Year Average HDD ("Normal")	**2,965**	2,965	—
Variance from Normal	**(306)**	(581)	
Florida			
Actual CDD	**181**	323	(142)
10-Year Average CDD ("Normal")	**217**	192	25
Variance from Normal	**(36)**	131	

Natural Gas Distribution Growth

The average number of residential customers served on the Delmarva Peninsula and our legacy Florida Natural Gas distribution business increased by approximately 4.2 percent and 3.6 percent, respectively, for the three months ended March 31, 2024.

The details of the adjusted gross margin increase are provided in the following table:

(in thousands)	Adjusted Gross Margin For the Three Months Ended March 31, 2024 — Delmarva Peninsula	Florida
Customer Growth:		
Residential	$ 490	$ 880
Commercial and industrial	156	390
Total Customer Growth (1)	**$ 646**	**$ 1,270**

(1) Customer growth amounts for our legacy Florida operations include the effects of revised rates associated with the Company's natural gas base rate proceeding, but exclude the effects of FCG

Regulated Energy Segment

For the quarter ended March 31, 2024 compared to the quarter ended March 31, 2023:

(in thousands)	Three Months Ended March 31, 2024	2023	Increase (Decrease)
Revenue	**$ 168,426**	$ 142,270	$ 26,156
Regulated natural gas and electric costs	**49,918**	55,288	(5,370)
Adjusted gross margin [1]	**118,508**	86,982	31,526
Operations & maintenance	**38,959**	30,336	8,623
Depreciation & amortization	**12,537**	12,952	(415)
FCG transaction and transition-related expenses [2]	**921**	—	921
Other taxes	**7,982**	6,069	1,913
Total operating expenses	**60,399**	49,357	11,042
Operating income	**$ 58,109**	$ 37,625	$ 20,484

[1] Adjusted Gross Margin is a non-GAAP measure utilized by Management to review business unit performance. For a more detailed discussion on the differences between Gross Margin (GAAP) and Adjusted Gross Margin, see the Reconciliation of GAAP to Non-GAAP Measures presented above.
[2] Transaction and transition-related expenses represent costs incurred attributable to the acquisition and integration of FCG including, but not limited to, transition services, consulting, system integration, rebranding and legal fees.

Operating income for the Regulated Energy segment for the first quarter of 2024 was $58.1 million, an increase of $20.5 million, or 54.4 percent, over the same period in 2023. Excluding transaction and transition-related expenses associated with the acquisition and integration of FCG, operating income increased $21.4 million or 56.9 percent compared to the same period in 2023. Higher operating income reflects incremental contributions from FCG, organic growth in our natural gas distribution businesses and continued pipeline expansion projects, and incremental contributions associated with regulatory initiatives. Excluding the transaction and transition-related expenses described above, operating expenses increased by $10.1 million. Increases in depreciation and amortization expense attributable to growth projects and FCG were partially offset by reductions related to revised depreciation rates in the Company's electric depreciation study filing and a $3.4 million RSAM adjustment from FCG.

Items contributing to the quarter-over-quarter increase in adjusted gross margin are listed in the following table:

(in thousands)	
Contribution from FCG	$ 24,959
Natural gas growth including conversions (excluding service expansions)	1,916
Natural gas transmission service expansions	1,622
Rate changes associated with the Florida natural gas base rate proceeding [1]	1,498
Contributions from regulated infrastructure programs	1,278
Other variances	253
Quarter-over-quarter increase in adjusted gross margin	**$ 31,526**

[1] Includes adjusted gross margin contributions from permanent base rates that became effective in March 2023

The following narrative discussion provides further detail and analysis of the significant items in the foregoing table.

Contribution from Acquisition of FCG
FCG contributed adjusted gross margin of $25.0 million for the three months ended March 31, 2024.

Natural Gas Distribution Customer Growth
We generated additional adjusted gross margin of $1.9 million from natural gas customer growth. Adjusted gross margin increased by $1.3 million for our Florida Natural Gas distribution business and $0.6 million on the Delmarva Peninsula for the three months ended March 31, 2024, as compared to the same period in 2023, due primarily to residential customer growth of 3.6 percent and 4.2 percent in Florida and on the Delmarva Peninsula, respectively, as well as commercial and industrial growth in Florida.

Natural Gas Transmission Service Expansions
We generated increased adjusted gross margin of $1.6 million for the three months ended March 31, 2024 from natural gas transmission service expansions of Peninsula Pipeline and Eastern Shore.

Rate Changes Associated with the Florida Natural Gas Base Rate Proceeding
Permanent rates associated with the Florida Natural Gas base rate proceeding, effective on March 1, 2023, contributed additional adjusted gross margin of $1.5 million for the three months ended March 31, 2024. Refer to Note 5, *Rates and Other Regulatory Activities*, in the condensed consolidated financial statements for additional information.

Contributions from Regulated Infrastructure Programs
Contributions from regulated infrastructure programs generated incremental adjusted gross margin of $1.3 million in the first quarter of 2024. The increase in adjusted gross margin was primarily related to FPU Electric's storm protection plan, Florida's GUARD program and Eastern Shore's capital surcharge program. Refer to Note 5, *Rates and Other Regulatory Activities*, in the condensed consolidated financial statements for additional information.

Operating Expenses
Items contributing to the quarter-over-quarter increase in operating expenses are listed in the following table:

(in thousands)		
FCG operating expenses	$	10,413
FCG transaction and transition-related expenses [1]		921
Other variances		(292)
Quarter-over-quarter increase in operating expenses	**$**	**11,042**

[1] Transaction and transition-related expenses represent costs incurred attributable to the acquisition and integration of FCG including, but not limited to, transition services, consulting, system integration, rebranding and legal fees

Unregulated Energy Segment

For the quarter ended March 31, 2024 compared to the quarter ended March 31, 2023:

(in thousands)	Three Months Ended March 31, 2024	Three Months Ended March 31, 2023	Increase (Decrease)
Revenue	**$ 83,103**	$ 83,165	$ (62)
Unregulated propane and natural gas costs	**37,054**	40,571	(3,517)
Adjusted gross margin [1]	**46,049**	42,594	3,455
Operations & maintenance	**18,578**	19,614	(1,036)
Depreciation & amortization	**4,481**	4,234	247
Other taxes	**1,561**	1,501	60
Total operating expenses	**24,620**	25,349	(729)
Operating Income	**$ 21,429**	$ 17,245	$ 4,184

[1] Adjusted Gross Margin is a non-GAAP measure utilized by Management to review business unit performance. For a more detailed discussion on the differences between Gross Margin (GAAP) and Adjusted Gross Margin, see the Reconciliation of GAAP to Non-GAAP Measures presented above.

Operating results for the Unregulated Energy segment for the first quarter of 2024 reflect a $4.2 million improvement compared to the same period in 2023. Adjusted gross margin in the Unregulated Energy segment during the first quarter increased due to increased propane usage and higher propane margins and fees, as well as increased rate margins and customer consumption at Aspire. Additionally, we experienced decreased operating expenses associated with lower employee costs, which was partially offset by increased depreciation and property taxes.

Items contributing to the quarter-over-quarter increase in adjusted gross margin are listed in the following table:

(in thousands)	
Propane Operations	
Increased propane customer consumption	$ 1,388
Increased propane margins and service fees	559
Contributions from acquisition	438
Aspire Energy	
Increased margins - rate changes and gathering fees	938
Increased customer consumption	309
Other variances	(177)
Quarter-over-quarter increase in adjusted gross margin	**$ 3,455**

The following narrative discussion provides further detail and analysis of the significant items in the foregoing table.

Propane Operations

- *Propane customer consumption* - Adjusted gross margin increased by $1.4 million due to increased customer consumption due to colder weather during the first three months of the year compared to the first quarter 2023.
- *Increased propane margins and service fees* - Adjusted gross margin increased by $0.6 million for the three months ended March 31, 2024, mainly due to increased margins and customer service fees. These market conditions, which include market pricing and competition with other propane suppliers, as well as the availability and price of alternative energy sources, may fluctuate based on changes in demand, supply and other energy commodity prices.
- *Contributions from acquisition* - Adjusted gross margin increased by $0.4 million from the acquisition of J.T. Lee and Son's that was completed in December 2023.

Aspire Energy

- *Increased rate margins* - Adjusted gross margin increased by $0.9 million primarily due to favorable rate changes and increased gathering charges associated with a large commercial customer.
- *Increased Customer Consumption* - Adjusted gross margin increased by $0.3 million due to increased customer

consumption compared to the same period in the prior year primarily related to colder weather in the Ohio region during the first quarter of 2024.

Operating Expenses

Items contributing to the quarter-over-quarter decrease in operating expenses are listed in the following table:

(in thousands)		
Decreased payroll, benefits and other employee-related expenses	$	(1,177)
Increased depreciation, amortization and property tax costs		333
Other variances		115
Quarter-over-quarter decrease in operating expenses	**$**	**(729)**

OTHER INCOME, NET

For the quarter ended March 31, 2024 compared to the quarter ended March 31, 2023

Other income, net, which includes non-operating investment income, interest income, late fees charged to customers, gains or losses from the sale of assets and pension and other benefits expense, was $0.2 million in the first quarter of 2024 compared to $0.3 million during the prior-year period.

INTEREST CHARGES

For the quarter ended March 31, 2024 compared to the quarter ended March 31, 2023

Interest charges for the three months ended March 31, 2024 increased by $9.8 million compared to the same period in 2023, attributable primarily to the Senior Notes issued in November 2023 in connection with the FCG acquisition. These factors were partially offset by higher capitalized interest during the current period of $0.5 million associated with capital projects. The weighted-average interest rate on our Revolver borrowings was 5.8 percent during the quarter ended March 31, 2024 compared to 5.2 percent during the prior-year period as a result of the Federal Reserve raising interest rates throughout 2023.

INCOME TAXES

For the quarter ended March 31, 2024 compared to the quarter ended March 31, 2023

Income tax expense was $16.6 million and $11.6 million for the quarters ended March 31, 2024 and March 31, 2023, respectively, resulting in an effective income tax rate of 26.4 percent and 24.2 percent, respectively, during the periods then ended. Income tax expense for the quarter ended March 31, 2023 included a $1.3 million benefit in deferred tax expense resulting from a reduction in the Pennsylvania state income tax rate. Excluding this change, our effective income tax rate was 26.9 percent for the quarter ended March 31, 2023.

Financial Position, Liquidity and Capital Resources

Our capital requirements reflect the capital-intensive and seasonal nature of our business and are principally attributable to investment in new plant and equipment. retirement of outstanding debt and seasonal variability in working capital. We rely on cash generated from operations, short-term borrowings, and other sources to meet normal working capital requirements and to temporarily finance capital expenditures. We may also issue long-term debt and equity to fund capital expenditures and to maintain our capital structure within our target capital structure range. We maintain an effective shelf registration statements with the SEC for the issuance of shares of common stock in various types of equity offerings, including the DRIP and previously, shares of common stock under an ATM equity program. Depending on our capital needs and subject to market conditions, in addition to other possible debt and equity offerings, we may consider issuing additional shares under the direct share purchase component of the DRIP and/or under an ATM equity program.

Our energy businesses are weather-sensitive and seasonal. We normally generate a large portion of our annual net income and subsequent increases in our accounts receivable in the first and fourth quarters of each year due to significant volumes of natural gas, electricity, and propane delivered by our distribution operations, and our natural gas transmission operations to customers during the peak-heating season. In addition, our natural gas and propane inventories, which usually peak in the fall months, are largely drawn down in the heating season and provide a source of cash as the inventory is used to satisfy winter sales demand.

Capital expenditures for investments in new or acquired plant and equipment are our largest capital requirements. Our capital expenditures were $70.6 million for the three months ended March 31, 2024. In the table below, we have provided the range of our forecasted capital expenditures for 2024:

	2024	
(in thousands)	**Low**	**High**
Regulated Energy:		
Natural gas distribution	$ 150,000	$ 170,000
Natural gas transmission	90,000	120,000
Electric distribution	25,000	28,000
Total Regulated Energy	265,000	318,000
Unregulated Energy:		
Propane distribution	13,000	15,000
Energy transmission	5,000	6,000
Other unregulated energy	13,000	15,000
Total Unregulated Energy	31,000	36,000
Other		
Corporate and other businesses	4,000	6,000
Total 2024 Forecasted Capital Expenditures	$ 300,000	$ 360,000

The capital expenditure projection is subject to continuous review and modification. Actual capital requirements may vary from the above estimates due to a number of factors, including changing economic conditions, supply chain disruptions, capital delays that are greater than currently anticipated. customer growth in existing areas, regulation. new growth or acquisition opportunities and availability of capital and other factors discussed in Item 1A., Risk Factors, in our 2023 Annual Report on Form 10-K. Historically, actual capital expenditures have typically lagged behind the budgeted amounts. The timing of capital expenditures can vary based on delays in regulatory approvals, securing environmental approvals and other permits. The regulatory application and approval process has lengthened in the past few years, and we expect this trend to continue.

Capital Structure

We are committed to maintaining a sound capital structure and strong credit ratings. This commitment, along with adequate and timely rate relief for our regulated energy operations, is intended to ensure our ability to attract capital from outside sources at a reasonable cost, which will benefit our customers, creditors, employees and stockholders.

The following table presents our capitalization, excluding and including short-term borrowings, as of March 31, 2024 and December 31, 2023:

(in thousands)	March 31, 2024		December 31, 2023	
Long-term debt, net of current maturities	$ 1,185,166	48 %	$ 1,187,075	49 %
Stockholders' equity	1,280,903	52 %	1,246,104	51 %
Total capitalization, excluding short-term debt	$ 2,466,069	100 %	$ 2,433,179	100 %

(in thousands)	March 31, 2024		December 31, 2023	
Short-term debt	$ 170,355	6 %	$ 179,853	7 %
Long-term debt, including current maturities	1,203,677	46 %	1,205,580	46 %
Stockholders' equity	1,280,903	48 %	1,246,104	47 %
Total capitalization. including short-term debt	$ 2,654,935	100 %	$ 2,631,537	100 %

Our target ratio of equity to total capitalization. including short-term borrowings, is between 50 and 60 percent. Our equity to total capitalization ratio, including short-term borrowings, was 48 percent as of March 31, 2024. We seek to align permanent financing with the in-service dates of our capital projects. We may utilize more temporary short-term debt when the financing cost is attractive as a bridge to the permanent long-term financing or if the equity markets are volatile.

In November 2023, in connection with our acquisition of FCG, we completed an equity offering resulting in the issuance of approximately 4.4 million shares of our common stock at a price per share of $82.72 (net of underwriter discounts and commissions). We received net proceeds of $366.4 million which were used to partially finance the acquisition.

During the first three months of 2024, we received net proceeds of $0.1 million under the DRIP. In 2023, there were no issuances under the DRIP.

Shelf Agreements

We have entered into Shelf Agreements with Prudential and MetLife, whom are under no obligation to purchase any unsecured debt, with terms that extend through February 2026. At March 31, 2024, a total of $255.0 million of borrowing capacity was available under these agreements.

The Uncollateralized Senior Notes set forth certain business covenants to which we are subject when any note is outstanding. including covenants that limit or restrict our ability, and the ability of our subsidiaries, to incur indebtedness, or place or permit liens and encumbrances on any of our property or the property of our subsidiaries.

Short-term Borrowings

We are authorized by our Board of Directors to borrow up to $375.0 million of short-term debt, as required. At March 31, 2024 and December 31, 2023, we had $170.4 million and $179.9 million, respectively, of short-term borrowings outstanding at a weighted average interest rate of 5.83 percent during each period. There were no borrowings outstanding under the sustainable investment sublimit of the 364-day tranche at March 31, 2024.

We have entered into several amendments to our Revolver which resulted in modifications to both tranches of the facility. The amendment in October 2023, increased our funded indebtedness ratio from 65 percent to 70 percent during the quarter in which the acquisition of FCG was consummated and the quarter subsequent to the closing of the acquisition. The amendment in August 2023 renewed the 364-day tranche of the Revolver, providing for $175.0 million of short-term debt capacity. Additionally, the amendment under the 364-day tranche prescribed that borrowings would bear interest (i) based upon SOFR, plus a 10-basis point credit spread adjustment, and an applicable margin of 1.05 percent or less, with such margin based on total indebtedness as a percentage of total capitalization or (ii) the base rate, solely at our discretion. Further, this amendment provided that borrowings under the 364-day green loan sublimit would bear interest at (i) SOFR rate plus a 10-basis point credit spread adjustment and an applicable margin of 1.00 percent or less, with such margin based on total indebtedness as a percentage of total capitalization or (ii) the base rate plus 0.05 percent or less, solely at our discretion. The amendment entered into in 2022 reset the benchmark interest rate to SOFR and eliminated a previous covenant which capped our investment limit to $150.0 million for investments where we maintain less than 50 percent ownership.

The 364-day tranche of the Revolver expires in August 2024 and the five-year tranche expires in August 2026. Borrowings under both tranches of the Revolver are subject to a pricing grid, including the commitment fee and the interest rate charged based upon our total indebtedness to total capitalization ratio for the prior quarter. As of March 31, 2024, the pricing under the 364-day tranche of the Revolver included an unused commitment fee of 10 basis points and maintains an interest rate of 80 basis points over SOFR plus a 10-basis point SOFR adjustment. As of March 31, 2024, the pricing under the five-year tranche of the Revolver included a commitment fee of 10-basis points on undrawn amounts and an interest rate of 100 basis points over SOFR plus a 10-basis point SOFR adjustment.

The availability of funds under the Revolver is subject to conditions specified in the credit agreement, all of which we currently satisfy. These conditions include our compliance with financial covenants and the continued accuracy of representations and warranties contained in the Revolver's loan documents. We are required by the financial covenants in the Revolver to maintain, at the end of each fiscal year, a funded indebtedness ratio as described above. As of March 31, 2024, we were in compliance with this covenant.

Our total available credit under the Revolver at March 31, 2024 was $197.6 million. As of March 31, 2024, we had issued $7.0 million in letters of credit to various counterparties under the Revolver. These letters of credit are not included in the outstanding short-term borrowings and we do not anticipate that they will be drawn upon by the counterparties. The letters of credit reduce the available borrowings under the Revolver.

In connection with our acquisition of FCG, we entered into a 364-day Bridge Facility commitment with Barclays Bank PLC and other lending parties for up to $965.0 million. Upon closing of the FCG acquisition in November 2023, and with the completion of other financing activities as defined in the lending agreement, this facility was terminated with no funds drawn to finance the transaction. For additional information regarding the acquisition and related financing, see Note 3, *Acquisitions,* Note 9, *Stockholders Equity*, and Note 14, *Long-Term Debt.*

For additional information on interest rate swaps related to our short-term borrowings, see Note 12, *Derivative Instruments*.

Long-Term Debt

On November 20, 2023, we issued Senior Notes in the aggregate principal amount of $550.0 million at an average interest rate of 6.54 percent that were used to partially finance our acquisition of FCG which closed during the fourth quarter of 2023. These notes have varying maturity dates of between three and 15 years, and the outstanding principal balance of the notes will be due on their respective maturity dates with interest payments payable semiannually until the principal has been paid in full. These Senior Notes have similar covenants and default provisions as our other Senior Notes.

On March 14, 2023 we issued 5.43 percent Senior Notes due in March 2038 in the aggregate principal amount of $80.0 million and used the proceeds received from the issuances of the Senior Notes to reduce short-term borrowings under our Revolver credit facility and to fund capital expenditures. These Senior Notes have similar covenants and default provisions as our other Senior Notes, and have an annual principal payment beginning in the sixth year after the issuance.

Cash Flows

The following table provides a summary of our operating. investing and financing cash flows for the three months ended March 31, 2024 and 2023:

(in thousands)	Three Months Ended March 31, 2024	2023
Net cash provided by (used in):		
Operating activities	$ 97,282	$ 81,667
Investing activities	(74,711)	(42,654)
Financing activities	(25,780)	(42,152)
Net (decrease) increase in cash and cash equivalents	(3,209)	(3,139)
Cash and cash equivalents—beginning of period	4,904	6,204
Cash and cash equivalents—end of period	$ 1,695	$ 3,065

Cash Flows Provided by Operating Activities

Changes in our cash flows from operating activities are attributable primarily to changes in net income, adjusted for non-cash items such as depreciation and amortization. changes in deferred income taxes, share-based compensation expense and working capital. Working capital requirements are determined by a variety of factors, including weather, the prices of natural gas, electricity and propane, the timing of customer collections, payments for purchases of natural gas, electricity and propane, and deferred fuel cost recoveries.

During the three months ended March 31, 2024, net cash provided by operating activities was $97.3 million. Operating cash flows were primarily impacted by the following:

- Net income, adjusted for non-cash adjustments, provided a $66.5 million source of cash;
- Changes in net regulatory assets and liabilities due primarily to the change in fuel costs collected through the various cost recovery mechanisms resulted in a $10.1 million source of cash;
- An increased level of deferred taxes associated with incremental tax depreciation from growth investments resulted in a source of cash of $11.9 million; and
- Other working capital changes, impacted primarily by a reduction in net receivables and propane inventory levels, resulted in a $8.8 million source of cash.

Cash Flows Used in Investing Activities

Net cash used in investing activities totaled $74.7 million during the three months ended March 31, 2024, largely driven by $75.5 million for new capital expenditures.

Cash Flows Used in Financing Activities

Net cash used in financing activities totaled $25.8 million during the three months ended March 31, 2024 and included the following:

- A $12.9 million use of cash for dividend payments in 2024;
- Net repayments under lines of credit resulting in a use of cash of $10.2 million: and
- Long-term debt repayments of $2.0 million.

Off-Balance Sheet Arrangements

The Board of Directors has authorized us to issue corporate guarantees securing obligations of our subsidiaries and to obtain letters of credit securing our subsidiaries' obligations. The maximum authorized liability under such guarantees and letters of credit as of March 31, 2024 was $35.0 million. The aggregate amount guaranteed related to our subsidiaries at March 31, 2024 was $24.4 million, with the guarantees expiring on various dates through March 2025. In addition, the Board has authorized us to issue specific purpose corporate guarantees. The amount of specific purpose guarantees outstanding at March 31, 2024 was $4.0 million.

As of March 31, 2024, we have issued letters of credit totaling approximately $7.0 million related to the electric transmission services for FPU's electric division. the firm transportation service agreement between TETLP and our Delaware and Maryland divisions, the capacity agreement between NEXUS and Aspire, the storage agreement between Bay Gas Storage Company and

FCG as well as our primary insurance carriers. These letters of credit have various expiration dates through February 2025 and to date, none have been used. We do not anticipate that the counterparties will draw upon these letters of credit and we expect that they will be renewed to the extent necessary in the future. Additional information is presented in Note 7, *Other Commitments and Contingencies,* in the condensed consolidated financial statements.

Contractual Obligations

There has been no material change in the contractual obligations presented in our 2023 Annual Report on Form 10-K.

Rates and Regulatory Matters

Our natural gas distribution operations in Delaware, Maryland and Florida and electric distribution operation in Florida are subject to regulation by the respective state PSC; Eastern Shore is subject to regulation by the FERC; and Peninsula Pipeline and Aspire Energy Express, our intrastate pipeline subsidiaries, are subject to regulation (excluding cost of service) by the Florida PSC and Public Utilities Commission of Ohio, respectively. We regularly are involved in regulatory matters in each of the jurisdictions in which we operate. Our significant regulatory matters are fully described in Note 5, *Rates and Other Regulatory Activities*, to the condensed consolidated financial statements in this Quarterly Report on Form 10-Q.

Recent Authoritative Pronouncements on Financial Reporting and Accounting

Recent accounting developments, applicable to us, and their expected impact on our financial position, results of operations and cash flows, are described in Note 1, *Summary of Accounting Policies*, to the condensed consolidated financial statements in this Quarterly Report on Form 10-Q.

Item 3. Quantitative and Qualitative Disclosures about Market Risk

Interest Rate Risk

Long-term debt is subject to potential losses based on changes in interest rates. We evaluate whether to refinance existing debt or permanently refinance existing short-term borrowings based in part on the fluctuation in interest rates. Increases in interest rates expose us to potential increased costs we could incur when we (i) issue new debt instruments or (ii) provide financing and liquidity for our business activities. We utilize interest rate swap agreements to mitigate short-term borrowing rate risk. Additional information about our long-term debt and short-term borrowing is disclosed in Note 14, *Long-Term Debt,* and Note 15, *Short-Term Borrowings*, respectively, in the condensed consolidated financial statements.

Commodity Price Risk

Regulated Energy Segment

We have entered into agreements with various wholesale suppliers to purchase natural gas and electricity for resale to our customers. Our regulated energy distribution businesses that sell natural gas or electricity to end-use customers have fuel cost recovery mechanisms authorized by the respective PSCs that allow us to recover all of the costs prudently incurred in purchasing natural gas and electricity for our customers. Therefore, our regulated energy distribution operations have limited commodity price risk exposure.

Unregulated Energy Segment

Our propane operations are exposed to commodity price risk as a result of the competitive nature of retail pricing offered to our customers. In order to mitigate this risk. we utilize propane storage activities and forward contracts for supply.

We can store up to approximately 8.8 million gallons of propane (including leased storage and rail cars) during the winter season to meet our customers' peak requirements and to serve metered customers. Decreases in the wholesale price of propane may cause the value of stored propane to decline, particularly if we utilize fixed price forward contracts for supply. To mitigate the risk of propane commodity price fluctuations on the inventory valuation. we have adopted a Risk Management Policy that allows our propane distribution operation to enter into fair value hedges, cash flow hedges or other economic hedges of our inventory.

Aspire Energy is exposed to commodity price risk, primarily during the winter season, to the extent we are not successful in balancing our natural gas purchases and sales and have to secure natural gas from alternative sources at higher spot prices. In order to mitigate this risk, we procure firm capacity that meets our estimated volume requirements and we continue to seek out new producers in order to fulfill our natural gas purchase requirements.

The following table reflects the changes in the fair market value of financial derivatives contracts related to propane purchases and sales from December 31, 2023 to March 31, 2024:

(in thousands)	Balance at December 31, 2023	Increase in Fair Market Value	Less Amounts Settled	Balance at March 31, 2024
Sharp	$ (376)	$ 1,975	$ (1,084)	$ 515

There were no changes in methods of valuations during the three months ended March 31, 2024.

The following is a summary of fair market value of financial derivatives as of March 31, 2024, by method of valuation and by maturity for each fiscal year period.

(in thousands)	2024	2025	2026	Total Fair Value
Price based on Mont Belvieu - Sharp	$ 291	$ 194	$ 30	$ 515

Wholesale Credit Risk

The Risk Management Committee reviews credit risks associated with counterparties to commodity derivative contracts prior to such contracts being approved.

Additional information about our derivative instruments is disclosed in Note 12, *Derivative Instruments,* in the condensed consolidated financial statements.

Inflation

Inflation affects the cost of supply, labor, products and services required for operations, maintenance and capital improvements. To help cope with the effects of inflation on our capital investments and returns, we periodically seek rate increases from regulatory commissions for our regulated operations and closely monitor the returns of our unregulated energy business operations. To compensate for fluctuations in propane gas prices, we adjust propane sales prices to the extent allowed by the market.

Item 4. Controls and Procedures

Evaluation of Disclosure Controls and Procedures

The Chief Executive Officer and Chief Financial Officer of Chesapeake Utilities, with the participation of other Company officials, have evaluated our "disclosure controls and procedures" (as such term is defined under Rules 13a-15(e) and 15d-15(e), promulgated under the Securities Exchange Act of 1934, as amended) as of March 31, 2024. Based upon their evaluation, the Chief Executive Officer and Chief Financial Officer concluded that our disclosure controls and procedures were effective as of March 31, 2024.

Changes in Internal Control over Financial Reporting

During the quarter ended March 31, 2024, other than the ongoing changes resulting from the FCG acquisition discussed below, there have been no changes in our internal control over financial reporting that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

On November 30, 2023, we completed the acquisition of FCG. We are currently integrating processes, procedures, and internal controls related to the acquisition. FCG's total assets and income before taxes represented approximately 30.8 percent and 8.9 percent, respectively, of the Company's consolidated total assets and earnings before taxes as of March 31, 2024 and for the quarter then ended. See Note 4, *Acquisitions*, to the consolidated financial statements and Management's Report on Internal Control Over Financial Reporting in the Company's 2023 Annual Report on Form 10-K for additional information related to the acquisition of FCG. This exclusion is permitted based upon current guidance of the U.S. Securities & Exchange Commission.

PART II—OTHER INFORMATION

Item 1. Legal Proceedings

As disclosed in Note 7, *Other Commitments and Contingencies*, of the condensed consolidated financial statements in this Quarterly Report on Form 10-Q, we are involved in certain legal actions and claims arising in the normal course of business. We are also involved in certain legal and administrative proceedings before various governmental or regulatory agencies concerning rates and other regulatory actions. In the opinion of management. the ultimate disposition of these proceedings and claims will not have a material effect on our condensed consolidated financial position. results of operations or cash flows.

Item 1A. Risk Factors

Our business, operations, and financial condition are subject to various risks and uncertainties. The risk factors described in Part I, Item 1A., Risk Factors, in our Annual Report on Form 10-K, for the year ended December 31, 2023, should be carefully considered, together with the other information contained or incorporated by reference in this Quarterly Report on Form 10-Q and in our other filings with the SEC in connection with evaluating Chesapeake Utilities, our business and the forward-looking statements contained in this Quarterly Report on Form 10-Q.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

Company Purchases of Equity Securities

Share repurchases during the three months ended March 31, 2024 were as follows:

Period	Total Number of Shares Purchased	Average Price Paid per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs [2]	Maximum Number of Shares That May Yet Be Purchased Under the Plans or Programs [2]
January 1, 2024 through January 31, 2024 [1]	600	$ 105.84	—	—
February 1, 2024 through February 29, 2024	—	—	—	—
March 1, 2024 through March 31, 2024	—	—	—	—
Total	600	$ 105.84	—	—

[1] Chesapeake Utilities purchased shares of common stock on the open market for the purpose of reinvesting the dividend on shares held in the Rabbi Trust accounts for certain directors and senior executives under the Non-Qualified Deferred Compensation Plan The Non-Qualified Deferred Compensation Plan is discussed in detail in Item 8 under the heading "Notes to the Consolidated Financial Statements—Note 16, *Employee Benefit Plans,*" in our latest Annual Report on Form 10-K for the year ended December 31, 2023

[2] Except for the purposes described in Footnote (1), Chesapeake Utilities has no publicly announced plans or programs to repurchase its shares

Item 3. Defaults upon Senior Securities

None.

Item 5. Other Information

During the three months ended March 31, 2024, no director or officer of the Company adopted or terminated a "Rule 10b5-1 trading arrangement" or "non-Rule 10b5-1 trading arrangement," as each term is defined in Item 408(a) of Regulation S-K.

10.1*	Form of Performance Share Agreement dated February 20, 2024 for the period 2024-2026, pursuant to Chesapeake Utilities Corporation 2023 Stock and Incentive Compensation Plan by and between Chesapeake Utilities Corporation and each of Jeffry M. Householder, Beth W. Cooper, James F. Moriarty, Kevin Webber and Jeffrey S. Sylvester is filed herewith.
31.1*	Certificate of Chief Executive Officer of Chesapeake Utilities Corporation pursuant to Rule 13a-14(a) under the Securities Exchange Act of 1934.
31.2*	Certificate of Chief Financial Officer of Chesapeake Utilities Corporation pursuant to Rule 13a-14(a) under the Securities Exchange Act of 1934.
32.1*	Certificate of Chief Executive Officer of Chesapeake Utilities Corporation pursuant to 18 U.S.C. Section 1350.
32.2*	Certificate of Chief Financial Officer of Chesapeake Utilities Corporation pursuant to 18 U.S.C. Section 1350.
101.INS*	XBRL Instance Document.
101.SCH*	XBRL Taxonomy Extension Schema Document.
101.CAL*	XBRL Taxonomy Extension Calculation Linkbase Document.
101.DEF*	XBRL Taxonomy Extension Definition Linkbase Document.
101.LAB*	XBRL Taxonomy Extension Label Linkbase Document.
101.PRE*	XBRL Taxonomy Extension Presentation Linkbase Document.
104	Cover Page Interactive Data File - formatted in Inline XBRL and contained in Exhibit 101

*Filed herewith

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

CHESAPEAKE UTILITIES CORPORATION

/S/ BETH W. COOPER

Beth W. Cooper
Executive Vice President, Chief Financial Officer, Treasurer and Assistant Corporate Secretary

Date: May 8, 2024

PERFORMANCE STOCK AWARD AGREEMENT

pursuant to the

CHESAPEAKE UTILITIES CORPORATION
2023 STOCK AND INCENTIVE COMPENSATION PLAN

On February 20, 2024 (the "Grant Date"), Chesapeake Utilities Corporation, a Delaware corporation (the "Company"), has granted to __________ (the "Grantee"), who resides at ______________, a Performance Stock Award on the terms and subject to the conditions of this Performance Stock Award Agreement.

Recitals

WHEREAS, the Chesapeake Utilities Corporation 2023 Stock and Incentive Compensation Plan (the "Plan") has been duly adopted by action of the Company's Board of Directors (the "Board") on February 22, 2023, subject to the approval by the Company's stockholders at a meeting held on May 3, 2023; and

WHEREAS, the Committee of the Board of Directors of the Company referred to in the Plan (the "Committee") has determined that it is in the best interests of the Company to grant the Performance Stock Award described herein pursuant to the Plan; and

WHEREAS, the shares of the Common Stock of the Company ("Shares") that are subject to this Agreement, when added to the other shares of Common Stock that are subject to awards granted under the Plan, do not exceed the total number of shares of Common Stock with respect to which awards are authorized to be granted under the Plan or the total number of shares of Common Stock that may be granted to an individual in a single calendar year.

Agreement

It is hereby covenanted and agreed by and between the Company and the Grantee as follows:

Section 1. Performance Stock Award and Performance Period

The Company hereby grants to the Grantee a Performance Stock Award as of the Grant Date. As more fully described herein, the Grantee may earn up to ______ Shares upon the Company's achievement of the performance criteria set forth in Section 2 (the "Performance Shares") over the performance period from **January 1, 2024 to December 31, 2026** (the "Performance Period"). This Award has been granted pursuant to the Plan; capitalized terms used in this agreement which are not specifically defined herein shall have the meanings ascribed to such terms in the Plan.

Section 2. Performance Criteria and Terms of Stock Award

(1) The Committee selected and established in writing performance criteria for the Performance Period, which, if met, may entitle the Grantee to some or all of the Performance Shares under this Award. As soon as practicable after the Company's independent auditors have certified the Company's financial statements for each fiscal year of the Company in the Performance Period, the Committee shall determine for purposes of this Agreement the Company's (1) growth in long-term earnings, defined as the growth in total capital expenditures as a percentage

Exhibit 10.1

of total capitalization ("Growth") and (2) earnings performance, defined as average return on equity ("RoE") and calculated as net income as a percentage of stockholders' equity, in accordance with procedures established by the Committee. The Growth and RoE (each a "Performance Metric" and collectively, the "Performance Metrics") shall be determined by the Committee in accordance with the terms of the Plan and this Agreement based on financial results reported to stockholders in the Company's annual reports and may be subject to adjustment by the Committee for extraordinary events during the Performance Period, as applicable. Both the Growth and RoE Performance Metrics will be compared to the performance of the **2024-2026** Performance Peer Group, shown at Attachment A hereto, and to the **2024-2026** Long-Term Award Resolution (collectively referred to as the "Peer Group"), for the Performance Period. The Company's performance shall be compared to the Performance Peer Group to determine the percentile ranking and level of payout as shown at Attachment B. For the RoE Performance Metric, the Company is required to achieve a RoE of at least eight (8) percent. Additionally, once the Performance Metrics are calculated, such results are subject to the Total Stockholder Return Modifier, set forth at Attachment B hereto, to determine the final Performance Shares to be issued. In no event can the Modifier result in the final Performance Shares exceeding the Performance Shares set forth in Section 1 above. For the Total Stockholder Return Modifier, the calculation of total stockholder return will utilize the average closing stock price of the Common Stock of the Company from November 1 through December 31 immediately preceding the beginning and at the end of the Performance Period. At the end of the Performance Period, the Committee shall certify the extent to which the Performance Metrics were met during the Performance Period, considering the schedule in subsection (b) below.

(2) The Grantee may earn 50% percent or more of the target award of _________ Performance Shares (the "Target Award") up to a maximum number of Performance Shares set forth in Section 1 above (the "Maximum Award") based upon achievement of threshold and target levels of performance against the Performance Metrics established for the Performance Period and factoring in any impact of the Modifier. The Committee shall confirm the Performance Shares earned for the Performance Period after the Company's independent auditors have certified the Company's financial statements for each fiscal year of the Company in the Performance Period. If the Performance Metrics for the Performance Period are met, the Grantee shall be entitled to the associated Performance Shares, subject, however, to the Committee's exercise of discretion to adjust this Award (either up or down) based on business outcomes and objectives established for the Grantee or any other factors, all as determined by the Committee in its sole discretion. The Committee shall promptly notify the Grantee of its determination.

(c) Once established, the Performance Metrics identified above normally shall not be changed during the Performance Period. However, if any of the companies in the Peer Group cease to be publicly traded, they will automatically be deleted from the Peer Group. In addition, the Committee reserves the right, in its discretion, to approve any such other adjustments to this Award and the Performance Shares, including, but not limited to, the establishment and evaluation of the Performance Criteria, the Target Award, or the Maximum Award as provided in the Plan..

(d) Performance Shares that are awarded to the Grantee pursuant to this Section 2 shall be issued promptly, without payment of consideration by the Grantee, within 2½ months of the end of the Performance Period. The Grantee shall have the right to vote the Performance Shares and to receive the dividends distributable with respect to such Shares on and after, but not before, the date on which the Grantee is recorded on the Company's ledger as holder of record of the Performance Shares (the "Issue Date"). If, however, the Grantee receives Shares as part of any dividend or other distribution with respect to the Performance Shares, such Shares shall be treated as if they are Performance Shares, and such Shares shall be subject to all of the terms and conditions imposed by this Section 2. Notwithstanding the foregoing, the Grantee shall be entitled to receive an amount in cash, equivalent to the dividends that would have been paid on the awarded

Performance Shares from the Grant Date to the Issue Date for those Performance Shares actually earned by the Grantee during the applicable Performance Period. Such dividend equivalents shall be payable at the time such Performance Shares are issued.

(e) The Performance Shares will not be registered for resale under the Securities Act of 1933 or the laws of any state except when and to the extent determined by the Board pursuant to a resolution. Until a registration statement is filed and becomes effective, however, transfer of the Performance Shares shall require the availability of an exemption from such registration, and prior to the issuance of new certificates, the Company shall be entitled to take such measures as it deems appropriate (including but not limited to obtaining from the Grantee an investment representation letter and/or further legending the new certificates) to ensure that the Performance Shares are not transferred in the absence of such exemption.

(f) In the event of a Change in Control[1], as defined in the Plan, during the Performance Period, the Grantee shall earn the Target Award of Performance Shares set forth in this Section 2, as if all performance criteria were satisfied, without any pro ration based on the portion of the Performance Period that has expired as of the date of such Change in Control.

(g) If, during the Performance Period, the Grantee has a Termination of Employment, Performance Shares shall be deemed earned or forfeited as follows:

(1) Except as provided in Section (2), below, upon voluntary Termination of Employment by the Grantee or termination by the Company for any reason, all unearned Performance Shares shall be forfeited immediately; and

(2) If the Grantee has a Termination of Employment by reason of death or Disability or Retirement (as such terms are defined in the Plan), the number of Performance Shares that would otherwise have been earned at the end of the Performance Period shall be reduced by pro rating such Performance Shares based on the proportion of the Performance Period during which the Grantee was employed by the Company (based upon the full months of the Performance Period elapsed as of the end of the month in which the Termination of Employment occurred over the total number of months in the Performance Period), unless the Committee determines that the Performance Shares shall not be so reduced.

(8) The Grantee shall be solely responsible for any federal, state and local taxes of any kind imposed in connection with the vesting or delivery of the Performance Shares. Prior to the transfer of any Performance Shares to the Grantee, the Grantee shall remit to the Company an amount sufficient to satisfy any federal, state, local and other withholding tax requirements. The Grantee may elect to have all or part of any withholding tax obligation satisfied by having the Company withhold Shares otherwise deliverable to the Grantee as Performance Shares, unless the Committee determines otherwise by resolution. If the Grantee fails to make such payments or election, the Company and its subsidiaries shall, to the extent permitted by law, have the right to deduct from any payments of any kind otherwise due to the Grantee any taxes required by law to be withheld with respect to the Performance Shares. In the case of any amounts withheld for taxes pursuant to this provision in the form of Shares, the amount withheld shall not exceed the maximum required by applicable law and regulations.

(i) Notwithstanding any other provision of this Agreement, if any payment or distribution (a "Payment") by the Company or any other person or entity to or for the benefit of the Grantee is

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determined to be an "excess parachute payment" (within the meaning of Code Section 280G(b)(1) or any successor provision of similar effect), whether paid or payable or distributed or distributable pursuant to this Agreement or otherwise, then the Grantee's benefits under this Agreement may, unless the Grantee elects otherwise pursuant to Grantee's employment agreement, be reduced by the amount necessary so that the Grantee's total "parachute payment" as defined in Code Section 280G(b)(2)(A) under this and all other agreements will be $1.00 less than the amount that would be a "parachute payment". The payment of any "excess parachute payment" pursuant to this paragraph shall also comply with the terms of the Grantee's employment agreement, if any.

Section 3. Additional Conditions to Issuance of Shares

Each transfer of Performance Shares shall be subject to the condition that if at any time the Committee shall determine, in its sole discretion, that it is necessary or desirable as a condition of, or in connection with, the transfer of Performance Shares (i) to satisfy withholding tax or other withholding liabilities, (ii) to effect the listing, registration or qualification on any securities exchange or under any state or federal law of any Shares deliverable in connection with such exercise, or (iii) to obtain the consent or approval of any regulatory body, then in any such event such transfer shall not be effective unless such withholding, listing, registration, qualification, consent or approval shall have been effected or obtained free of any conditions not acceptable to the Company.

Section 4. Adjustment of Shares

(a) If the Company shall become involved in a merger, consolidation or other reorganization, whether or not the Company is the surviving corporation, any right to earn Performance Shares shall be deemed a right to earn or to elect to receive the consideration into which the Shares represented by the Performance Shares would have been converted under the terms of the merger, consolidation or other reorganization. If the Company is not the surviving corporation, the surviving corporation (the "Successor") shall succeed to the rights and obligations of the Company under this Agreement.

(b) If any subdivision or combination of Shares or any stock dividend, capital reorganization or recapitalization occurs after the adoption of the Plan, the Committee shall make such proportionate adjustments as are appropriate to the number of Performance Shares to be earned in order to prevent the dilution or enlargement of the rights of the Grantee.

Section 5. No Right to Employment

Nothing contained in this Agreement shall be deemed by implication or otherwise to confer upon the Grantee any right to continued employment by the Company or any affiliate of the Company or to limit the right of the Company to terminate the Grantee's employment for any reason or for no reason.

Section 6. Notice

Any notice to be given hereunder by the Grantee shall be sent by mail addressed to Chesapeake Utilities Corporation, 500 Energy Lane, Dover, Delaware 19901, for the attention of the Committee, c/o the Corporate Secretary, and any notice by the Company to the Grantee shall be sent by mail addressed to the Grantee at the address of the Grantee shown on the first page hereof. Either party may, by notice given to the other in accordance with the provisions of this Section, change the address to which subsequent notices shall be sent.

Section 7. Beneficiary Designation

Grantee may designate a beneficiary to receive any Performance Shares to which Grantee is entitled which vest as a result of Grantee's death. Grantee acknowledges that the Company may exercise all rights under this Agreement and the Plan against Grantee and Grantee's estate, heirs, lineal descendants and personal representatives and shall not be limited to exercising its rights against Grantee's beneficiary.

Section 8. Assumption of Risk

It is expressly understood and agreed that the Grantee assumes all risks incident to any change hereafter in the applicable laws or regulations or incident to any change in the market value of the Performance Shares.

Section 9. Terms of Plan and Employment Agreement

This Agreement is entered into pursuant to the Plan (a summary of which has been delivered to the Grantee). This Agreement is subject to all of the terms and provisions of the Plan, which are incorporated into this Agreement by reference, and the actions taken by the Committee pursuant to the Plan. In the event of a conflict between this Agreement and the Plan, the provisions of the Plan shall govern. In addition, this Award is subject to applicable provisions of the Grantee's employment agreement, including provisions requiring the Company to recover some or all of the Performance Shares awarded hereunder in the circumstances described in such agreement or as otherwise required by applicable law. All determinations by the Committee shall be in its sole discretion and shall be binding on the Company and the Grantee.

Section 10. Governing Law; Amendment

This Agreement shall be governed by, and shall be construed and administered in accordance with, the laws of the State of Delaware (without regard to its choice of law rules) and the requirements of any applicable federal law. This Agreement may be modified or amended only by a writing signed by the parties hereto.

Section 11. Action by the Committee

The parties agree that the interpretation of this Agreement shall rest exclusively and completely within the sole discretion of the Committee. The parties agree to be bound by the decisions of the Committee with regard to the interpretation of this Agreement and with regard to any and all matters set forth in this Agreement. The Committee may delegate its functions under this Agreement to an officer of the Company designated by the Committee (hereinafter the "Designee"). In fulfilling its responsibilities hereunder, the Committee or its Designee may rely upon documents, written statements of the parties or such other material as the Committee or its Designee deems appropriate. The parties agree that there is no right to be heard or to appear before the Committee or its Designee and that any decision of the Committee or its Designee relating to this Agreement shall be final and binding unless such decision is arbitrary and capricious.

Section 12. Terms of Agreement

This Agreement shall remain in full force and effect and shall be binding on the parties hereto for so long as any Performance Shares issued to the Grantee under this Agreement continue to be held by the Grantee.

IN WITNESS WHEREOF, the Company has caused this Agreement to be executed in its corporate name, and the Grantee has executed the same in evidence of the Grantee's acceptance hereof, upon the terms and conditions herein set forth, as of the day and year first above written.

CHESAPEAKE UTILITIES CORPORATION

By: ____________

Printed Name:__________

Its: ____________

Grantee:

____
Printed Name:

Exhibit 10.1

2024-2026 Performance Peer Group

The 2024-2026 Performance Peer Group consists of the following gas utility companies:

1. Atmos Energy Corporation
2. Black Hills Corporation
3. New Jersey Resources Corporation
4. NiSource Inc.
5. NW Natural (a subsidiary of Northwest Natural Holding Co.)
6. Northwestern Corporation
7. ONE Gas, Inc.
8. RGC Resources, Inc.
9. Spire Inc.
10. Unitil Corporation

Exhibit 10.1

Performance Criteria

Growth – Capital Expenditures as a percentage of Total Capitalization relative to peer companies

%ile Ranking to Peer Group Payout %
.... 40-49% 50% of Award
.... 50-54% 75% of Award
.... 55-59% 100% of Award
.... 60-64% 125% of Award
.... 65-69% 150% of Award
.... 70-80% 175% of Award
> 80% 200% of Award

Earnings – Average Return on Equity relative to peer companies

%ile Ranking to Peer Group Payout %
.... 40-49% 50% of Award
.... 50-54% 75% of Award
.... 55-59% 100% of Award
.... 60-64% 125% of Award
.... 65-69% 150% of Award
.... 70-80% 175% of Award
> 80% 200% of Award

To earn above Target (100%), a threshold ROE of 8 percent must be achieved.

Relative Total Stockholder Return – Modifier
Total stockholder return is a modifier to the results of the applicable Growth and RoE Performance Metrics. It is based upon the 36 months ended December 31, 2026, with the 60-dav average price used at the beginning and end of the period (11/1/2023-12/31/2023 and 11/1/2026-12/31/2026). The Modifier is applied as follows:

TSR Modifier (+/-20%)	
CPK TSR Percentile Ranking	TSR Modifier
>75%	20.00%
51%-74%	0.80%-19.20%
50%	0%
26%-49%	Interpolated between: -19.20% to -0.80%
<25%	-20.00%

In no event can the Modifier result in the final Performance Shares exceeding the Performance Shares set forth in Section 1 above

Exhibit 10.1

Exhibit 10.1

CERTIFICATE PURSUANT TO RULE 13A-14(A)
UNDER THE SECURITIES EXCHANGE ACT OF 1934

I, Jeffry M. Householder, certify that:

1. I have reviewed this quarterly report on Form 10-Q for the quarter ended March 31, 2024 of Chesapeake Utilities Corporation;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a–15(e) and 15d–15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a–15(f) and 15d–15(f)) for the registrant and have:

   a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 8, 2024

/s/ JEFFRY M. HOUSEHOLDER

Jeffry M. Householder
President and Chief Executive Officer

CERTIFICATE PURSUANT TO RULE 13A-14(A)
UNDER THE SECURITIES EXCHANGE ACT OF 1934

I, Beth W. Cooper, certify that:

1. I have reviewed this quarterly report on Form 10-Q for the quarter ended March 31, 2024 of Chesapeake Utilities Corporation;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a–15(e) and 15d–15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a–15(f) and 15d–15(f)) for the registrant and have:

   a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 8, 2024

/s/ Beth W. Cooper

Beth W. Cooper
Executive Vice President, Chief Financial Officer, Treasurer
and Assistant Corporate Secretary

Certificate of Chief Executive Officer

of

Chesapeake Utilities Corporation

(pursuant to 18 U.S.C. Section 1350)

I, Jeffry M. Householder, President and Chief Executive Officer of Chesapeake Utilities Corporation, certify that, to the best of my knowledge, the Quarterly Report on Form 10-Q of Chesapeake Utilities Corporation ("Chesapeake") for the period ended March 31, 2024, filed with the Securities and Exchange Commission on the date hereof (i) fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended, and (ii) the information contained therein fairly presents, in all material respects, the financial condition and results of operations of Chesapeake.

/s/ JEFFRY M. HOUSEHOLDER
Jeffry M. Householder
May 8, 2024

A signed original of this written statement required by Section 906 of the Sarbanes-Oxley Act of 2002, or other document authenticating, acknowledging, or otherwise adopting the signature that appears in typed form within the electronic version of this written statement required by Section 906, has been provided to Chesapeake Utilities Corporation and will be retained by Chesapeake Utilities Corporation and furnished to the Securities and Exchange Commission or its staff upon request.

Certificate of Chief Financial Officer

of

Chesapeake Utilities Corporation

(pursuant to 18 U.S.C. Section 1350)

I, Beth W. Cooper, Executive Vice President, Chief Financial Officer, Treasurer and Assistant Corporate Secretary of Chesapeake Utilities Corporation, certify that, to the best of my knowledge, the Quarterly Report on Form 10-Q of Chesapeake Utilities Corporation ("Chesapeake") for the period ended March 31, 2024, filed with the Securities and Exchange Commission on the date hereof (i) fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended, and (ii) the information contained therein fairly presents, in all material respects, the financial condition and results of operations of Chesapeake.

/S/ BETH W. COOPER
Beth W. Cooper
May 8, 2024

A signed original of this written statement required by Section 906 of the Sarbanes-Oxley Act of 2002, or other document authenticating, acknowledging, or otherwise adopting the signature that appears in typed form within the electronic version of this written statement required by Section 906, has been provided to Chesapeake Utilities Corporation and will be retained by Chesapeake Utilities Corporation and furnished to the Securities and Exchange Commission or its staff upon request.

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 20240099-EI

EXPLANATION: Provide a copy of the "Business Contracts with Officers, Directors and Affiliates" schedule included in the company's most recently filed Annual Report as required by Rule 25-6.135, Florida Administrative Code. Provide any subsequent changes affecting the test year.

Type of Data Shown:
Projected Test Year Ended 12/31/2025
Prior Year Ended 12/31/2024
Historical Test Year Ended 12/31/2023
Witness: Galtman

Line No.	Name of Officer or Director	Name and Address of Affiliated Entity	Relationship With Affiliated Entity	Amount of Contract or Transaction	Description of Product or Service
5	The Company does not have any contracts with officers or directors but does have a contract with an affiliate, Eight Flags Energy LLC for the purchase of energy.				
6	See Attachment F-3a - Officers and Directors & Attachment F-3b Affiliate Eight Flags.				
7	There are no subsequent changes affecting the test year.				

Supporting Schedules: Recap Schedules:

Business Contracts with Officers, Directors, and Affiliates

Company: Florida Public Utilities Company - Electric Division

For The Year Ended December 31, 2023

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

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

Name of Officer or Director	Name and Address of Affiliated Entity	Amount	Identification of Product or Service
None			

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

J832

Analysis of Diversification Activity

Individual Affiliated Transactions in Excess of $500,000

COMPANY: Florida Public Utilities Company - Electric Division

For The Year Ended December 31, 2023

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

Name of Affiliate (a)	Description of Transaction (b)	Dollar Amount (c)
Eight Flags Energy LLC	Purchased Power	$ 17,901,184

FLORIDA PUBLIC SERVICE COMMISSION COMPANY: FLORIDA PUBLIC UTILITIES Consolidated Electric Division DOCKET NO.: 20240099-EI	EXPLANATION: Supply a copy of all NRC safety citations issued against the company within the last two years, a listing of corrective actions and a listing of any outstanding deficiencies. For each citation provide the dollar amount of any fines or penalties assessed against the company and account(s) each are recorded.	Type of Data Shown: Projected Test Year Ended 12/31/2025 Prior Year Ended 12/31/2024 Historical Test Year Ended 12/31/2023 Witness: Haffecke

Not Applicable

Supporting Schedules: Recap Schedules:

J834

FLORIDA PUBLIC SERVICE COMMISSION COMPANY: FLORIDA PUBLIC UTILITIE Consolidated Electric Division DOCKET NO.:	EXPLANATION: If a projected test year is used, provide a brief description of each method or model used in the forecasting process. Provide a flow chart which shows the position of each model in the forecasting process.	Type of Data Shown: Projected Test Year Ended 12/31/2025 Prior Year Ended 12/31/2024 Historical Test Year Ended 12/31/2023 Witness: Taylor

FORECASTING METHODOLOGY - CUSTOMERS, ENERGY USAGE, PEAK DEMAND

In preparing the forecast for the 2025 test year, we first developed nine years, four months of historical data (Jan 2015 to Apr 2024). The data included the number of customers, sales, and billed peak demands for each rate classification and service territory. The rate classifications are Residential (RS), General Service (GS), General Service Demand (GSD), General Services Large Demand (GSLD), General Service Large Demand 1 (GSLD1), Outdoor Lighting (OL) and Street Lighting (SL).

Forecasts of sales by service classification were developed by building up from separate forecasts for sales per customer and number of customers. We first examined the historical relationship between sales per customer and cooling degree days (CDD), heating degree days (HDD), and a time trend. Sales per customer for 2024 and 2025 were forecast using 10-year average CDD and HDD, and the time trend. Forecasts of the number of customers in each service classification were developed using a time trend based on 2020 to 2023 data and adjusted with a forecast of number of customers by class. Sales by service classification were forecast as the product of the sales per customer forecast and the number of customer forecast for each service classification. We also adjusted projected consumption for the decrease in usage due to fuel increases dating back to 2008.

Forecasts of billing demands by service classification were based on the historical relationship with CDD, HDD, and a time trend, combined with the forecast of the number of customers by class. This method was only used for the GSD and GSLD classes.

Because the class contains only two customers, the Fernandina Beach GSLD 1 class was forecast using direct forecast of KWH purchases, billed KW demand, and kVar. Changes in the operations of these customers in 2022 made data prior to 2022 inappropriate for use in forecasting future billing determinants.

Determinants for outdoor lighting and street lighting classes were forecast using the customer growth from their respective service territories. Recent growth in lighting revenues is not expected to be matched in the future, so the growth rate of the number of customers was used as a proxy for the expected growth of lighting determinants. The determinants for SL were frozen at 2023 levels because the rates are closed to new enrollment.

Supporting Schedules: Recap Schedules:

FLORIDA PUBLIC SERVICE COMMISSION COMPANY: FLORIDA PUBLIC UTILITIES Consolidated Electric Division DOCKET NO.: 20240099-EI	EXPLANATION: If a projected test year is used, provide a brief description of each method or model used in the forecasting process. Provide a flow chart which shows the position of each model in the forecasting process.	Type of Data Shown: Projected Test Year Ended 12/31/2025 Prior Year Ended 12/31/2024 Historical Test Year Ended 12/31/2023 Witness: Haffecke

CONSTRUCTION BUDGET

Florida Public Utilities' construction budget is based on several different variables. Only a few of which were driven by customer growth and usage. The main goal of the Construction Budget is to ensure prompt service to all new customers while ensuring that the integrity and reliability of the entire distribution system is maintained. Several different factors influencing the Construction Budget are as follows:

1. Customer Growth and Usage

The addition of new customers requires construction based on the customer and the type of usage required. Due to the small growth opportunities, vey little of the construction budget is a result of serving the needs of new customers.

2. Five Year Distribution Plan

This plan is updated on a yearly basis in order to ensure that the long range integrity and reliability of the system is maintained. Total substation and feeder loads are analyzed to determine the best way to serve current and future loads. This analysis also takes into consideration voltage levels, power factors, and construction standards. Substation upgrades and improvements will be implemented based on the analytics of feeder loading and reliability performance. New technology will be incorporated into the distribution system which will provide advanced monitoring and automated operation of equipment. Security upgrades to further enhance and reduce the potential threats of our substation assets will also be included.

3. Reliability Improvement

Based upon increasing concerns over system reliability, reliability indices and related outages were examined which helped to identify key issues with reliability. These areas were indentified and targeted with necessary capital improvements. In certain areas work has been on going but the rate at which completion had occurred was not sufficient. An escalation in the rate of work occurred, combined with continued focus on new projects has allowed significant improvements in all reliability indices. Leveraging "self healing" equipment on the distribution system minimizes customer outages and increases the effectiveness of full restoration. Remote monitoring and automated operation will reduce outage durations and enhance analytical reporting. Based on reliability performance, existing infrastructure will continue to be upgraded to meet new construction standards. Annual pole inspections are completed and replacements are scheduled based on pole integrity.

4. Depreciation

The depreciation, deterioration, and replacement of plant is also considered in determining the total construction budget. This is used to allow replacement of facilities while not adversely affecting total plant.

5. Energy Supply

Work with our power suppliers is essential. Communication concerning future load additions and reliability is ongoing. This allows both parties to look into the future and make appropriate plans. In addition, possible additions that would lower the energy cost to our customers are evaluated.

Each of these factors is considered when developing the yearly construction budgets. Reviews at the Divisional and Corporate levels also provide adequate oversight into the expenditures in this budget.

Supporting Schedules: Recap Schedules:

FPSC EXH NO. 8

ADMITTED

J837

FLORIDA PUBLIC SERVICE COMMISSION COMPANY: FLORIDA PUBLIC UTILITII Consolidated Electric Division DOCKET NO.: 20240099-EI	EXPLANATION: If a projected test year is used, provide a brief description of each method or model used in the forecasting process. Provide a flow chart which shows the position of each model in the forecasting process.	Type of Data Shown: Projected Test Year Ended 12/31/2025 Prior Year Ended 12/31/2024 Historical Test Year Ended 12/31/2023 Witness: Napier

OPERATION AND MAINTENANCE EXPENSES WITHOUT PURCHASED POWER

FPU's Operation and Maintenance expenses are calculated using projections based on customer growth, inflation, payroll growth, Inflation & customer growth and payroll and customer growth (see page 2 for details on forecasting this) and special project costs.

Direct projections are noted on the C-7 over/under schedule. These accounts were projected based on specific estimates. Corporate projected expenses as a direct specific calculation. Actual personnel times expected rates of pay were used to project payroll. Remaining costs were directly projected and reflected in budget numbers.

Prior to preparing the O & M Budget, all O & M related special projects are identified. These may include special maintenance projects, small equipment purchases, training, employment, compensation, etc. After these projects are identified and the associated costs are determined, they are compiled with historical values for each account. This combination is then forecast into the test year using projection factors based on customer and payroll growth, and expected inflation. See O & M schedules for summary of factors used, adjustments required, and any specific projections required.

After preparation, the O & M Budget, along with all identified special and new projects, is submitted for Divisional and Corporate review and approval.

Supporting Schedules: Recap Schedules:

J837

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 20240099-EI

EXPLANATION: If a projected test year is used, for each sales forecasting model, give a quantified explanation of the impact of changes in the inputs to changes in outputs.

Type of Data Shown:
Projected Test Year Ended 12/31/2025
Prior Year Ended 12/31/2024
Historical Test Year Ended 12/31/2023
Witness: Taylor

Line No.		Input Variable	Percent Change (Input)		Output Variable Affected	Percent Change (Output)
1		**Northeast**				
2	Residential			Residential		
3	HDD	Heating Degree Day	1%	UPC	Use-Per-Customer	0.268%
4	CDD	Cooling Degree Day	1%	UPC	Use-Per-Customer	0.644%
5						
6	Commercial Small			Commercial Small		
7	HDD	Heating Degree Day	1%	UPC	Use-Per-Customer	0.114%
8	CDD	Cooling Degree Day	1%	UPC	Use-Per-Customer	0.402%
9						
10	Commercial			Commercial		
11	HDD	Heating Degree Day	1%	UPC	Use-Per-Customer	0.075%
12	CDD	Cooling Degree Day	1%	UPC	Use-Per-Customer	0.203%
13						
14						
15	**Northwest**					
16						
17						
18	Residential			Residential		
19	HDD	Heating Degree Day	1%	UPC	Use-Per-Customer	0.334%
20	CDD	Cooling Degree Day	1%	UPC	Use-Per-Customer	0.656%
21						
22	Commercial Small			Commercial Small		
23	HDD	Heating Degree Day	1%	UPC	Use-Per-Customer	0.186%
24	CDD	Cooling Degree Day	1%	UPC	Use-Per-Customer	0.338%
25						
26	Commercial			Commercial		
27	HDD	Heating Degree Day	1%	UPC	Use-Per-Customer	0.108%
28	CDD	Cooling Degree Day	1%	UPC	Use-Per-Customer	0.223%

Supporting Schedules: Recap Schedules:

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 20240099-EI

EXPLANATION: For each forecasting model used to estimate test year projections for customers, demand, and energy, provide the historical and projected values for the input variables and the output variables used in estimating and/or validating the model. Also, provide a description of each variable, specifying the unit of measurement and the time span or cross sectional range of the data.

Type of Data Shown:
Projected Test Year Ended 12/31/202
Prior Year Ended 12/31/2024
Historical Test Year Ended 12/31/202
Witness: Taylor

Northeast - Residential
Use-per-Customer Model

UPC_t = Constant + β_1 x Trend + β_2 x HDD_t + β_3 x HDD_{t-1} + β_4 x CDD_t + β_5 x CDD_{t-1}

Data Range: Jan-15 to Apr-24

SUMMARY OUTPUT

Regression Statistics	
Multiple R	0.9541
R Square	0.9102
Adjusted R Square	0.9060
Standard Error	71.2437
Observations	112

ANOVA

	df	*SS*	*MS*	*F*	*Significance F*
Regression	5	5,456,515	1,091,303	215	0
Residual	106	538,021	5,076		
Total	111	5,994,536			

	Coefficients	*Standard Error*	*t Stat*	*P-value*	*Lower 95%*	*Upper 95%*	*Lower 95.0%*	*Upper 95.0%*
Intercept (Constant)	201.19	36.36	5.53	2.2841E-07	129.11	273.27	129.11	273.27
Trend	-0.89	0.21	-4.29	4.0294E-05	-1.31	-0.48	-1.31	-0.48
HDD	1.22	0.10	12.63	7.2874E-23	1.03	1.41	1.03	1.41
HDD(t-1)	1.09	0.10	11.27	7.8257E-20	0.90	1.29	0.90	1.29
CDD	1.39	0.09	14.79	1.5779E-27	1.20	1.57	1.20	1.57
CDD(t-1)	1.15	0.09	12.44	1.8944E-22	0.97	1.34	0.97	1.34

Supporting Schedules: Recap Schedules:

FLORIDA PUBLIC SERVICE COMMISSION
5
COMPANY: FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 20240099-EI

EXPLANATION: For each forecasting model used to estimate test year projections for customers, demand, and energy, provide the historical and projected values for the input variables and the output variables used in estimating and/or validating the model. Also, provide a description of each variable, specifying the unit of measurement and the time span or cross sectional range of the data.

Type of Data Shown:
Projected Test Year Ended 12/31/202
Prior Year Ended 12/31/2024
Historical Test Year Ended 12/31/202
Witness: Taylor

Northeast - Commercial Small
Use-per-Customer Model

UPC_t = Constant + β_1 x HDD_t + β_2 x HDD_{t-1} + β_3 x CDD_t + β_4 x CDD_{t-1}

Data Range: Jan-20 to Apr-24

SUMMARY OUTPUT

Regression Statistics	
Multiple R	0.9359
R Square	0.8759
Adjusted R Square	0.8653
Standard Error	92.8794
Observations	52

ANOVA

	df	*SS*	*MS*	*F*	*Significance F*
Regression	4	2,861,495	715,374	83	0
Residual	47	405,450	8,627		
Total	51	3,266,945			

	Coefficients	*Standard Error*	*t Stat*	*P-value*	*Lower 95%*	*Upper 95%*	*Lower 95.0%*	*Upper 95.0%*
Intercept (Constant)	670.14	66.11	10.14	2.0649E-13	537.14	803.14	537.14	803.14
HDD	0.64	0.20	3.30	1.8439E-03	0.25	1.04	0.25	1.04
HDD(t-1)	0.80	0.20	4.04	1.9801E-04	0.40	1.19	0.40	1.19
CDD	0.71	0.18	3.86	3.4182E-04	0.34	1.08	0.34	1.08
CDD(t-1)	1.59	0.18	8.69	2.4434E-11	1.23	1.96	1.23	1.96

Supporting Schedules: Recap Schedules:

FLORIDA PUBLIC SERVICE COMMISSION	EXPLANATIOI	For each forecasting model used to estimate test year projections	Type of Data Shown:
25		for customers, demand, and energy, provide the historical and projected values f	Projected Test Year Ended 12/31/2025
COMPANY: FLORIDA PUBLIC UTILITIES		the input variables and the output variables used in estimating and/or validating	Prior Year Ended 12/31/2024
Consolidated Electric Division		the model. Also, provide a description of each variable, specifying the unit of	Historical Test Year Ended 12/31/2023
DOCKET NO.: 20240099-EI		measurement and the time span or cross sectional range of the data.	Witness: Taylor

Northeast - Commercial
Use-per-Customer Model

UPC_t = Constant + $\boldsymbol{\beta_1}$ x HDD_t + $\boldsymbol{\beta_2}$ x HDD_{t-1} + $\boldsymbol{\beta_3}$ x CDD_t + $\boldsymbol{\beta_4}$ x CDD_{t-1}

Data Range: Jan-18 to Apr-24

SUMMARY OUTPUT

Regression Statistics	
Multiple R	0.9154
R Square	0.8379
Adjusted R Square	0.8288
Standard Error	#########
Observations	76

ANOVA

	df	*SS*	*MS*	*F*	*Significance F*
Regression	4	1,049,228,015	262,307,004	92	0
Residual	71	202,993,138	2,859,058		
Total	75	1,252,221,153			

	Coefficients	*Standard Error*	*t Stat*	*P-value*	*Lower 95%*	*Upper 95%*	*Lower 95.0%*	*Upper 95.0%*
Intercept (Constan	16387.18	1009.70	16.23	1.3586E-25	14373.89	18400.47	14373.89	18400.47
HDD	7.54	2.79	2.70	8.6173E-03	1.98	13.11	1.98	13.11
HDD(t-1)	7.60	2.80	2.72	8.3010E-03	2.02	13.18	2.02	13.18
CDD	9.73	2.71	3.60	5.9378E-04	4.34	15.13	4.34	15.13
CDD(t-1)	21.54	2.65	8.12	1.0143E-11	16.25	26.83	16.25	26.83

Supporting Schedules: Recap Schedules:

FLORIDA PUBLIC SERVICE COMMISSION
5
COMPANY: FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 20240099-EI

EXPLANATIOI For each forecasting model used to estimate test year projections for customers, demand, and energy, provide the historical and projected values for the input variables and the output variables used in estimating and/or validating the model. Also, provide a description of each variable, specifying the unit of measurement and the time span or cross sectional range of the data.

Type of Data Shown:
Projected Test Year Ended 12/31/202
Prior Year Ended 12/31/2024
Historical Test Year Ended 12/31/202
Witness: Taylor

Northwest - Residential
Use-per-Customer Model

UPC_t = Constant + β_1 x Trend + β_2 x HDD_t + β_3 x HDD_{t-1} + β_4 x CDD_t + β_5 x CDD_{t-1}

Data Range: Jan-19 to Apr-24

SUMMARY OUTPUT

Regression Statistics	
Multiple R	0.9529
R Square	0.9080
Adjusted R Square	0.9001
Standard Error	68.2960
Observations	64

ANOVA

	df	*SS*	*MS*	*F*	*Significance F*
Regression	5	2,669,505	533,901	114	0
Residual	58	270,532	4,664		
Total	63	2,940,037			

	Coefficients	*tandard Erro*	*t Stat*	*P-value*	*Lower 95%*	*Upper 95%*	*Lower 95.0%*	*Upper 95.0%*
Intercept (Constant)	114.07	61.43	1.86	6.8395E-02	-8.89	237.04	-8.89	237.04
Trend	-0.80	0.46	-1.72	9.1334E-02	-1.73	0.13	-1.73	0.13
HDD	1.22	0.12	9.88	4.8876E-14	0.97	1.47	0.97	1.47
HDD(t-1)	1.52	0.12	12.20	1.1727E-17	1.27	1.77	1.27	1.77
CDD	1.14	0.12	9.54	1.7001E-13	0.90	1.38	0.90	1.38
CDD(t-1)	1.40	0.11	12.42	5.5411E-18	1.18	1.63	1.18	1.63

Supporting Schedules: Recap Schedules:

FLORIDA PUBLIC SERVICE COMMISSION
:5
COMPANY: FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 20240099-EI

EXPLANATION: For each forecasting model used to estimate test year projections for customers, demand, and energy, provide the historical and projected values for the input variables and the output variables used in estimating and/or validating the model. Also, provide a description of each variable, specifying the unit of measurement and the time span or cross sectional range of the data.

Type of Data Shown:
Projected Test Year Ended 12/31/20:
Prior Year Ended 12/31/2024
Historical Test Year Ended 12/31/20:
Witness: Taylor

Northwest - Commercial Small
Use-per-Customer Model

UPC_t = Constant + $\boldsymbol{\beta_1}$ x Trend + $\boldsymbol{\beta_2}$ x HDD_t + $\boldsymbol{\beta_3}$ x HDD_{t-1} + $\boldsymbol{\beta_4}$ x CDD_t + $\boldsymbol{\beta_5}$ x CDD_{t-1}

Data Range: Jan-19 to Apr-24

SUMMARY OUTPUT

Regression Statistics	
Multiple R	0.9633
R Square	0.9279
Adjusted R Square	0.9216
Standard Error	60.8734
Observations	64

ANOVA

	df	*SS*	*MS*	*F*	*Significance F*
Regression	5	2,764,346	552,869	149	0
Residual	58	214,923	3,706		
Total	63	2,979,269			

	Coefficients	*Standard Error*	*t Stat*	*P-value*	*Lower 95%*	*Upper 95%*	*Lower 95.0%*	*Upper 95.0%*
Intercept (Constant)	361.14	54.75	6.60	1.3954E-08	251.54	470.74	251.54	470.74
Trend	1.38	0.41	3.33	1.5088E-03	0.55	2.21	0.55	2.21
HDD	0.55	0.11	5.03	5.1006E-06	0.33	0.77	0.33	0.77
HDD(t-1)	0.97	0.11	8.75	3.4486E-12	0.75	1.19	0.75	1.19
CDD	0.69	0.11	6.44	2.5374E-08	0.47	0.90	0.47	0.90
CDD(t-1)	1.37	0.10	13.64	9.5087E-20	1.17	1.57	1.17	1.57

Supporting Schedules: Recap Schedules:

FLORIDA PUBLIC SERVICE COMMISSION
25
COMPANY: FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.:

EXPLANATION: For each forecasting model used to estimate test year projections for customers, demand, and energy, provide the historical and projected values the input variables and the output variables used in estimating and/or validating the model. Also, provide a description of each variable, specifying the unit of measurement and the time span or cross sectional range of the data.

Type of Data Shown:
Projected Test Year Ended 12/31/2025
Prior Year Ended 12/31/2024
Historical Test Year Ended 12/31/2023
Witness: Taylor

Northwest - Commercial
Use-per-Customer Model

UPC_t = Constant + β_1 x HDD_t + β_2 x HDD_{t-1} + β_3 x CDD_t + β_4 x CDD_{t-1}

Data Range: Jan-19 to Apr-24

SUMMARY OUTPUT

Regression Statistics	
Multiple R	0.9570
R Square	0.9159
Adjusted R Squar	0.9102
Standard Error	843.7662
Observations	64

ANOVA

	df	*SS*	*MS*	*F*	*Significance F*
Regression	4	457,542,466	114,385,617	161	0
Residual	59	42,004,540	711,941		
Total	63	499,547,006			

	Coefficients	*Standard Error*	*t Stat*	*P-value*	*Lower 95%*	*Upper 95%*	*Lower 95.0%*	*Upper 95.0%*
Intercept (Consta	9649.10	570.14	16.92	2.5869E-24	8508.24	10789.96	8508.24	10789.96
HDD	5.03	1.52	3.30	1.6297E-03	1.98	8.08	1.98	8.08
HDD(t-1)	7.27	1.54	4.73	1.4429E-05	4.19	10.34	4.19	10.34
CDD	7.84	1.47	5.33	1.6014E-06	4.90	10.78	4.90	10.78
CDD(t-1)	14.75	1.40	10.57	3.0970E-15	11.96	17.54	11.96	17.54

J844

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 20240099-EI

EXPLANATION: For each forecasting model used to estimate test year projections for customers, demand, and energy, provide the historical and projected values for the input variables and the output variables used in estimating and/or validating the model. Also, provide a description of each variable, specifying the unit of measurement and the time span or cross sectional range of the data.

Type of Data Shown:
Projected Test Year Ended 12/31/2025
Prior Year Ended 12/31/2024
Historical Test Year Ended 12/31/2023
Witness: Taylor

Northeast

	Billed (kWh)			Customers			Use-per-Customer (kWh)		
Billed Month	Residental	Commercial Small	Commercial	Residential	Commercial Small	Commercial	Residential	Commercial Small	Commercial
Jan-15	15,298,449	2,483,455	5,840,067	13,806	1,612	238	1,108	1,541	24,538
Feb-15	16,089,510	2,560,110	5,577,260	13,833	1,615	239	1,163	1,585	23,336
Mar-15	14,572,380	2,392,896	5,649,415	13,835	1,619	234	1,053	1,478	24,143
Apr-15	11,643,930	2,304,681	5,828,223	13,894	1,627	235	838	1,417	24,801
May-15	12,196,003	2,401,445	6,029,352	13,906	1,637	231	877	1,467	26,101
Jun-15	16,568,359	2,939,267	6,766,840	13,902	1,642	232	1,192	1,790	29,167
Jul-15	20,842,915	3,557,752	7,793,911	13,948	1,658	218	1,494	2,146	35,752
Aug-15	19,573,050	3,503,162	7,444,466	13,947	1,656	220	1,403	2,115	33,838
Sep-15	17,528,485	3,344,330	6,998,254	13,933	1,672	207	1,258	2,000	33,808
Oct-15	12,479,630	2,838,669	6,024,091	13,933	1,667	204	896	1,703	29,530
Nov-15	11,531,127	2,519,453	5,590,377	13,993	1,667	208	824	1,511	26,877
Dec-15	11,007,528	2,404,624	5,582,290	13,984	1,651	215	787	1,456	25,964
Jan-16	14,635,040	2,530,998	5,817,275	13,998	1,652	216	1,046	1,532	26,932
Feb-16	15,290,941	2,346,936	5,002,671	14,023	1,647	217	1,090	1,425	23,054
Mar-16	12,363,747	2,298,913	5,278,088	14,021	1,641	218	882	1,401	24,211
Apr-16	11,062,286	2,294,381	5,630,090	14,042	1,642	218	788	1,397	25,826
May-16	12,143,878	2,441,204	5,793,005	14,096	1,653	219	862	1,477	26,452
Jun-16	18,246,969	3,113,796	7,107,016	14,107	1,650	219	1,293	1,887	32,452
Jul-16	21,080,456	3,346,409	7,340,733	14,139	1,623	220	1,491	2,062	33,367
Aug-16	20,595,418	3,530,533	7,434,768	14,114	1,625	219	1,459	2,173	33,949
Sep-16	19,692,195	3,432,571	7,742,181	14,131	1,642	219	1,394	2,090	35,352
Oct-16	14,273,113	2,853,766	6,406,321	14,121	1,645	220	1,011	1,735	29,120
Nov-16	10,502,058	2,177,919	5,428,189	14,149	1,647	221	742	1,322	24,562
Dec-16	10,852,359	2,208,575	5,265,419	14,155	1,651	220	767	1,338	23,934

Supporting Schedules: Recap Schedules:

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 20240099-EI

EXPLANATION: For each forecasting model used to estimate test year projections for customers, demand, and energy, provide the historical and projected values for the input variables and the output variables used in estimating and/or validating the model. Also, provide a description of each variable, specifying the unit of measurement and the time span or cross sectional range of the data.

Type of Data Shown:
Projected Test Year Ended 12/31/2025
Prior Year Ended 12/31/2024
Historical Test Year Ended 12/31/2023
Witness: Taylor

Northeast

	Billed (kWh)			Customers			Use-per-Customer (kWh)		
Billed Month	Residental	Commercial Small	Commercial	Residential	Commercial Small	Commercial	Residential	Commercial Small	Commercial
Jan-17	13,072,111	2,299,204	5,331,811	14,182	1,641	222	922	1,401	24,017
Feb-17	11,098,994	2,061,366	4,930,336	14,221	1,644	221	780	1,254	22,309
Mar-17	10,699,684	2,091,213	5,274,589	14,277	1,641	222	749	1,274	23,759
Apr-17	12,283,322	2,358,308	5,748,582	14,292	1,631	225	859	1,446	25,549
May-17	12,972,582	2,406,989	5,815,599	14,297	1,632	226	907	1,475	25,733
Jun-17	17,008,606	3,010,985	7,095,117	14,344	1,637	230	1,186	1,839	30,848
Jul-17	20,522,276	3,133,678	7,488,727	14,298	1,621	234	1,435	1,933	32,003
Aug-17	18,741,939	3,148,489	7,368,365	14,365	1,623	241	1,305	1,940	30,574
Sep-17	17,883,397	2,990,943	7,523,337	14,403	1,619	255	1,242	1,847	29,503
Oct-17	15,944,425	2,546,442	6,617,630	14,395	1,610	254	1,108	1,582	26,054
Nov-17	11,477,322	2,311,004	6,009,821	14,386	1,618	255	798	1,428	23,568
Dec-17	11,711,655	2,163,360	5,454,755	14,402	1,618	255	813	1,337	21,391
Jan-18	20,828,687	2,605,279	6,395,041	14,364	1,624	258	1,450	1,604	24,787
Feb-18	14,172,027	2,169,475	5,804,372	14,393	1,614	261	985	1,344	22,239
Mar-18	10,530,732	1,853,471	5,358,841	14,480	1,609	262	727	1,152	20,454
Apr-18	11,478,196	1,986,698	5,796,868	14,441	1,617	264	795	1,229	21,958
May-18	11,597,674	2,029,290	5,945,131	14,448	1,609	265	803	1,261	22,434
Jun-18	17,090,680	2,709,468	7,593,660	14,554	1,613	267	1,174	1,680	28,441
Jul-18	20,015,135	2,930,385	7,919,061	14,564	1,610	268	1,374	1,820	29,549
Aug-18	18,892,639	2,958,937	8,151,041	14,560	1,624	266	1,298	1,822	30,643
Sep-18	20,112,238	3,053,978	8,608,441	14,570	1,608	270	1,380	1,899	31,883
Oct-18	16,834,509	2,640,469	7,489,848	14,600	1,606	274	1,153	1,644	27,335
Nov-18	12,429,763	2,229,640	7,008,822	14,626	1,612	274	850	1,383	25,580
Dec-18	13,093,239	2,018,689	6,144,541	14,610	1,623	270	896	1,244	22,758

Supporting Schedules: Recap Schedules:

J846

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 20240099-EI

EXPLANATION: For each forecasting model used to estimate test year projections for customers, demand, and energy, provide the historical and projected values for the input variables and the output variables used in estimating and/or validating the model. Also, provide a description of each variable, specifying the unit of measurement and the time span or cross sectional range of the data.

Type of Data Shown:
Projected Test Year Ended 12/31/2025
Prior Year Ended 12/31/2024
Historical Test Year Ended 12/31/2023
Witness: Taylor

Northeast

	Billed (kWh)			Customers			Use-per-Customer (kWh)		
Billed Month	Residental	Commercial Small	Commercial	Residential	Commercial Small	Commercial	Residential	Commercial Small	Commercial
Jan-19	14,236,279	2,012,174	6,201,948	14,676	1,623	272	970	1,240	22,801
Feb-19	13,752,721	1,941,176	5,909,960	14,642	1,615	277	939	1,202	21,336
Mar-19	10,571,204	1,724,471	5,414,383	14,662	1,616	274	721	1,067	19,761
Apr-19	10,947,972	1,888,182	5,669,555	14,737	1,630	270	743	1,158	20,998
May-19	13,901,265	2,254,386	6,893,162	14,751	1,627	273	942	1,386	25,250
Jun-19	18,937,275	2,933,542	8,071,610	14,796	1,632	272	1,280	1,798	29,675
Jul-19	19,547,707	2,853,941	7,929,614	14,814	1,642	269	1,320	1,738	29,478
Aug-19	19,507,546	3,079,731	8,489,971	14,843	1,645	270	1,314	1,872	31,444
Sep-19	19,343,529	2,840,664	8,617,214	14,893	1,647	269	1,299	1,725	32,034
Oct-19	16,177,003	2,703,833	7,011,447	14,902	1,648	265	1,086	1,641	26,458
Nov-19	12,596,355	2,133,309	6,834,473	14,985	1,661	268	841	1,284	25,502
Dec-19	12,365,259	1,955,800	5,893,294	14,972	1,656	266	826	1,181	22,155
Jan-20	13,036,389	1,987,025	6,084,711	15,065	1,669	266	865	1,191	22,875
Feb-20	12,830,484	2,028,102	5,675,492	15,093	1,678	261	850	1,209	21,745
Mar-20	11,808,729	1,830,839	5,506,322	15,157	1,676	262	779	1,092	21,016
Apr-20	12,422,792	1,887,455	5,529,775	15,141	1,680	262	820	1,123	21,106
May-20	13,020,576	1,805,146	5,538,053	15,134	1,683	261	860	1,073	21,219
Jun-20	16,000,669	2,250,919	6,397,070	15,172	1,684	263	1,055	1,337	24,323
Jul-20	21,516,874	2,820,576	8,026,273	15,247	1,688	264	1,411	1,671	30,403
Aug-20	21,609,066	3,007,484	7,683,943	15,196	1,680	262	1,422	1,790	29,328
Sep-20	19,037,353	2,738,372	7,535,097	15,208	1,693	262	1,252	1,617	28,760
Oct-20	14,947,756	2,490,909	6,971,739	15,271	1,696	262	979	1,469	26,610
Nov-20	13,601,406	2,272,155	6,505,131	15,298	1,689	262	889	1,345	24,829
Dec-20	13,797,306	2,027,535	5,783,724	15,279	1,684	262	903	1,204	22,075

Supporting Schedules: Recap Schedules:

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 20240099-EI

EXPLANATION: For each forecasting model used to estimate test year projections for customers, demand, and energy, provide the historical and projected values for the input variables and the output variables used in estimating and/or validating the model. Also, provide a description of each variable, specifying the unit of measurement and the time span or cross sectional range of the data.

Type of Data Shown:
Projected Test Year Ended 12/31/2025
Prior Year Ended 12/31/2024
Historical Test Year Ended 12/31/2023
Witness: Taylor

Northeast

	Billed (kWh)			Customers			Use-per-Customer (kWh)		
Billed Month	Residental	Commercial Small	Commercial	Residential	Commercial Small	Commercial	Residential	Commercial Small	Commercial
Jan-21	16,106,357	2,168,007	5,762,732	15,257	1,680	263	1,056	1,290	21,912
Feb-21	15,857,217	2,148,395	5,442,010	15,226	1,689	255	1,041	1,272	21,341
Mar-21	12,140,841	1,884,946	5,044,641	15,320	1,685	255	792	1,119	19,783
Apr-21	11,981,395	2,026,011	5,693,691	15,372	1,696	257	779	1,195	22,154
May-21	13,035,761	2,201,597	6,004,370	15,319	1,697	256	851	1,297	23,455
Jun-21	16,206,910	2,480,001	6,701,436	15,381	1,696	257	1,054	1,462	26,076
Jul-21	19,534,305	2,981,657	7,670,608	15,395	1,708	252	1,269	1,746	30,439
Aug-21	19,466,380	2,982,248	7,840,736	15,381	1,715	252	1,266	1,739	31,114
Sep-21	18,727,582	2,950,703	8,500,705	15,359	1,715	250	1,219	1,721	34,003
Oct-21	15,803,980	2,639,976	6,591,268	15,384	1,704	250	1,027	1,549	26,365
Nov-21	11,765,744	2,114,207	5,970,830	15,366	1,714	249	766	1,233	23,979
Dec-21	12,268,751	1,896,533	5,700,823	15,358	1,705	245	799	1,112	23,269
Jan-22	14,148,408	2,107,650	5,807,653	15,415	1,711	247	918	1,232	23,513
Feb-22	15,840,730	2,065,100	5,679,984	15,384	1,701	253	1,030	1,214	22,451
Mar-22	11,797,451	1,853,757	5,595,187	15,375	1,700	251	767	1,090	22,292
Apr-22	12,148,514	2,018,452	6,328,667	15,400	1,704	251	789	1,185	25,214
May-22	13,479,551	2,168,675	6,469,184	15,465	1,711	249	872	1,267	25,981
Jun-22	18,503,090	2,720,166	7,531,918	15,473	1,710	252	1,196	1,591	29,889
Jul-22	22,065,082	3,157,206	8,677,656	15,467	1,709	252	1,427	1,847	34,435
Aug-22	19,481,090	2,907,746	7,718,948	15,461	1,715	253	1,260	1,695	30,510
Sep-22	19,260,577	3,082,682	8,915,189	15,460	1,714	251	1,246	1,799	35,519
Oct-22	13,169,407	2,243,868	6,468,474	15,466	1,717	249	852	1,307	25,978
Nov-22	11,169,108	1,972,025	6,206,098	15,437	1,710	248	724	1,153	25,025
Dec-22	12,454,506	1,932,850	5,907,678	15,475	1,721	249	805	1,123	23,726

Supporting Schedules: Recap Schedules:

J848

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 20240099-EI

EXPLANATION: For each forecasting model used to estimate test year projections for customers, demand, and energy, provide the historical and projected values for the input variables and the output variables used in estimating and/or validating the model. Also, provide a description of each variable, specifying the unit of measurement and the time span or cross sectional range of the data.

Type of Data Shown:
Projected Test Year Ended 12/31/2025
Prior Year Ended 12/31/2024
Historical Test Year Ended 12/31/2023
Witness: Taylor

Northeast

	Billed (kWh)			Customers			Use-per-Customer (kWh)		
Billed Month	Residental	Commercial Small	Commercial	Residential	Commercial Small	Commercial	Residential	Commercial Small	Commercial
Jan-23	16,679,082	2,282,328	6,134,312	15,453	1,712	250	1,079	1,333	24,537
Feb-23	12,137,490	1,875,370	6,416,615	15,504	1,719	251	783	1,091	25,564
Mar-23	11,263,835	1,880,116	5,368,423	15,528	1,721	254	725	1,092	21,136
Apr-23	12,751,849	2,140,651	6,149,728	15,594	1,723	250	818	1,242	24,599
May-23	12,127,119	2,066,850	6,437,554	15,575	1,722	253	779	1,200	25,445
Jun-23	16,004,438	2,526,235	6,289,648	15,668	1,729	253	1,021	1,461	24,860
Jul-23	21,287,456	3,065,417	8,059,744	15,633	1,727	253	1,362	1,775	31,857
Aug-23	20,090,576	2,952,674	8,224,070	15,609	1,722	252	1,287	1,715	32,635
Sep-23	20,556,740	3,458,990	8,496,969	15,658	1,724	255	1,313	2,006	33,321
Oct-23	13,283,383	2,205,903	6,576,214	15,656	1,725	254	848	1,279	25,891
Nov-23	11,392,111	2,201,532	5,957,152	15,634	1,727	256	729	1,275	23,270
Dec-23	12,244,634	1,962,219	5,665,370	15,670	1,727	258	781	1,136	21,959
Jan-24	16,517,782	2,239,311	5,780,658	15,629	1,726	257	1,057	1,297	22,493
Feb-24	13,879,498	2,055,143	5,333,831	15,645	1,724	258	887	1,192	20,674
Mar-24	11,732,255	1,921,088	5,095,385	15,641	1,723	257	750	1,115	19,826
Apr-24	10,931,192	1,927,331	5,343,137	15,687	1,725	259	697	1,117	20,630

Supporting Schedules: Recap Schedules:

J849

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 20240099-EI

EXPLANATION: For each forecasting model used to estimate test year projections for customers, demand, and energy, provide the historical and projected values for the input variables and the output variables used in estimating and/or validating the model. Also, provide a description of each variable, specifying the unit of measurement and the time span or cross sectional range of the data.

Type of Data Shown:
Projected Test Year Ended 12/31/2025
Prior Year Ended 12/31/2024
Historical Test Year Ended 12/31/2023
Witness: Taylor

Northwest

	Billed (kWh)			Customers			Use-per-Customer (kWh)		
Billed Month	Residential	Commercial Small	Commercial	Residential	Commercial Small	Commercial	Residential	Commercial Small	Commercial
Jan-15	12,108,705	2,445,595	6,472,084	10,072	2,137	367	1,202	1,144	17,635
Feb-15	12,318,725	2,504,482	6,261,356	10,098	2,129	367	1,220	1,176	17,061
Mar-15	10,464,487	2,380,000	6,053,362	10,109	2,128	360	1,035	1,118	16,815
Apr-15	7,738,557	2,222,796	6,278,058	10,149	2,138	363	762	1,040	17,295
May-15	8,047,074	2,366,965	6,251,831	10,137	2,140	355	794	1,106	17,611
Jun-15	10,442,185	2,889,141	6,639,072	10,146	2,156	340	1,029	1,340	19,527
Jul-15	13,229,109	3,702,473	8,120,551	10,144	2,183	319	1,304	1,696	25,456
Aug-15	13,828,095	3,825,238	8,582,786	10,186	2,190	322	1,358	1,747	26,655
Sep-15	11,855,074	3,301,478	7,925,803	10,152	2,177	339	1,168	1,517	23,380
Oct-15	8,193,082	2,788,156	6,429,590	10,090	2,201	309	812	1,267	20,808
Nov-15	7,469,967	2,541,597	5,875,122	10,150	2,207	313	736	1,152	18,770
Dec-15	8,617,076	2,461,245	5,528,173	10,125	2,210	315	851	1,114	17,550
Jan-16	11,689,917	2,758,358	6,101,726	10,142	2,207	316	1,153	1,250	19,309
Feb-16	11,149,613	2,635,363	5,583,577	10,149	2,197	316	1,099	1,200	17,670
Mar-16	8,793,637	2,458,248	5,418,899	10,169	2,192	318	865	1,121	17,041
Apr-16	7,220,840	2,404,982	5,661,674	10,161	2,190	319	711	1,098	17,748
May-16	7,864,824	2,596,814	5,961,865	10,191	2,208	320	772	1,176	18,631
Jun-16	11,332,812	3,204,916	7,490,682	10,207	2,193	320	1,110	1,461	23,408
Jul-16	12,889,394	3,545,332	7,682,910	10,239	2,196	318	1,259	1,614	24,160
Aug-16	12,705,330	3,405,441	7,646,593	10,242	2,203	321	1,241	1,546	23,821
Sep-16	12,933,464	3,647,609	8,200,309	10,237	2,194	320	1,263	1,663	25,626
Oct-16	10,081,084	3,247,169	6,980,590	10,217	2,197	321	987	1,478	21,746
Nov-16	7,400,630	2,587,514	5,624,989	10,222	2,198	320	724	1,177	17,578
Dec-16	8,853,589	2,473,470	5,592,782	10,190	2,198	327	869	1,125	17,103

Supporting Schedules: Recap Schedules:

J850

FPSC EXH NO. 8
ADMITTED

J851

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 20240099-EI

EXPLANATION: For each forecasting model used to estimate test year projections for customers, demand, and energy, provide the historical and projected values for the input variables and the output variables used in estimating and/or validating the model. Also, provide a description of each variable, specifying the unit of measurement and the time span or cross sectional range of the data.

Type of Data Shown:
Projected Test Year Ended 12/31/2025
Prior Year Ended 12/31/2024
Historical Test Year Ended 12/31/2023
Witness: Taylor

Northwest

	Billed (kWh)			Customers			Use-per-Customer (kWh)		
Billed Month	Residental	Commercial Small	Commercial	Residential	Commercial Small	Commercial	Residential	Commercial Small	Commercial
Jan-17	10,308,808	2,560,846	5,817,121	10,190	2,201	337	1,012	1,163	17,261
Feb-17	8,392,596	2,159,399	5,546,331	10,200	2,195	344	823	984	16,123
Mar-17	7,754,107	2,011,606	5,715,956	10,242	2,168	357	757	928	16,011
Apr-17	8,062,887	2,206,521	6,112,419	10,268	2,159	347	785	1,022	17,615
May-17	8,150,121	2,274,885	6,315,746	10,300	2,157	354	791	1,055	17,841
Jun-17	10,820,526	2,740,766	7,708,622	10,244	2,148	365	1,056	1,276	21,120
Jul-17	12,480,669	2,915,476	8,157,985	10,258	2,146	376	1,217	1,359	21,697
Aug-17	12,133,065	2,840,909	8,133,139	10,278	2,144	385	1,180	1,325	21,125
Sep-17	12,127,227	2,836,155	8,391,681	10,282	2,124	400	1,179	1,335	20,979
Oct-17	10,055,297	2,542,044	7,547,000	10,283	2,117	402	978	1,201	18,774
Nov-17	8,197,127	2,134,731	6,626,563	10,247	2,122	403	800	1,006	16,443
Dec-17	9,611,756	1,997,288	6,030,239	10,232	2,114	404	939	945	14,926
Jan-18	14,923,857	2,614,599	7,048,674	10,200	2,114	398	1,463	1,237	17,710
Feb-18	10,747,032	2,181,807	6,206,393	10,226	2,105	405	1,051	1,036	15,324
Mar-18	7,325,694	1,797,499	5,678,697	10,269	2,115	406	713	850	13,987
Apr-18	7,705,821	1,907,783	6,031,253	10,228	2,101	408	753	908	14,782
May-18	7,756,656	1,981,988	6,294,440	10,202	2,097	409	760	945	15,390
Jun-18	11,053,809	2,636,892	7,944,511	10,269	2,109	412	1,076	1,250	19,283
Jul-18	12,719,771	2,912,826	8,282,094	10,269	2,111	411	1,239	1,380	20,151
Aug-18	12,150,704	2,689,753	8,548,695	10,239	2,101	422	1,187	1,280	20,258
Sep-18	12,324,343	2,766,165	8,837,338	10,231	2,100	423	1,205	1,317	20,892
Oct-18	9,615,497	2,497,271	7,348,342	9,961	2,095	422	965	1,192	17,413
Nov-18	(9,593,612)	(2,491,151)	(7,348,342)	9,961	2,095	422	(963)	(1,189)	(17,413)
Dec-18	23,464,792	5,521,852	#########	9,961	2,095	422	2,356	2,636	40,285

Supporting Schedules: Recap Schedules:

J851

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 20240099-EI

EXPLANATION: For each forecasting model used to estimate test year projections for customers, demand, and energy, provide the historical and projected values for the input variables and the output variables used in estimating and/or validating the model. Also, provide a description of each variable, specifying the unit of measurement and the time span or cross sectional range of the data.

Type of Data Shown:
Projected Test Year Ended 12/31/2025
Prior Year Ended 12/31/2024
Historical Test Year Ended 12/31/2023
Witness: Taylor

Northwest

	Billed (kWh)			Customers			Use-per-Customer (kWh)		
Billed Month	Residental	Commercial Small	Commercial	Residential	Commercial Small	Commercial	Residential	Commercial Small	Commercial
Jan-19	9,842,502	1,849,461	5,850,412	9,854	2,020	424	999	916	13,798
Feb-19	9,935,275	1,981,130	5,620,744	9,649	1,915	403	1,030	1,035	13,947
Mar-19	7,172,592	1,662,193	4,873,151	9,654	1,916	403	743	868	12,092
Apr-19	7,132,439	1,769,365	6,102,497	9,767	1,928	408	730	918	14,957
May-19	8,683,668	2,113,644	6,705,671	9,764	1,933	411	889	1,093	16,316
Jun-19	12,755,787	2,786,897	8,243,417	9,775	1,941	410	1,305	1,436	20,106
Jul-19	12,505,657	2,718,598	7,742,723	9,761	1,957	392	1,281	1,389	19,752
Aug-19	12,915,035	2,963,675	8,322,260	9,747	1,954	389	1,325	1,517	21,394
Sep-19	13,717,409	3,073,715	8,705,664	9,813	1,959	396	1,398	1,569	21,984
Oct-19	11,674,071	2,749,532	7,926,750	9,824	1,963	388	1,188	1,401	20,430
Nov-19	8,773,643	2,148,661	6,539,551	9,816	1,973	389	894	1,089	16,811
Dec-19	9,453,898	1,995,957	5,645,765	9,779	1,980	392	967	1,008	14,402
Jan-20	9,830,656	2,026,522	5,801,220	9,798	1,980	393	1,003	1,023	14,761
Feb-20	9,440,619	1,988,243	5,621,554	9,755	1,965	386	968	1,012	14,564
Mar-20	8,000,138	1,805,875	5,436,512	9,812	1,971	384	815	916	14,158
Apr-20	8,371,871	1,906,540	5,622,975	9,754	1,978	389	858	964	14,455
May-20	8,431,571	1,875,842	5,503,508	9,778	1,974	384	862	950	14,332
Jun-20	10,533,219	2,267,028	6,777,578	9,876	1,980	385	1,067	1,145	17,604
Jul-20	13,567,591	2,855,725	8,215,147	9,870	1,979	391	1,375	1,443	21,011
Aug-20	13,717,965	2,890,967	8,167,916	9,897	1,981	393	1,386	1,459	20,784
Sep-20	12,106,846	2,702,790	7,607,707	9,893	1,990	392	1,224	1,358	19,407
Oct-20	9,124,531	2,230,097	6,584,494	9,935	1,992	395	918	1,120	16,670
Nov-20	8,663,797	2,123,050	6,322,706	9,952	1,988	398	871	1,068	15,886
Dec-20	9,602,269	1,961,313	5,773,644	9,951	2,002	399	965	980	14,470

Supporting Schedules: Recap Schedules:

J852

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 20240099-EI

EXPLANATION: For each forecasting model used to estimate test year projections for customers, demand, and energy, provide the historical and projected values for the input variables and the output variables used in estimating and/or validating the model. Also, provide a description of each variable, specifying the unit of measurement and the time span or cross sectional range of the data.

Type of Data Shown:
Projected Test Year Ended 12/31/2025
Prior Year Ended 12/31/2024
Historical Test Year Ended 12/31/2023
Witness: Taylor

Northwest

	Billed (kWh)			Customers			Use-per-Customer (kWh)		
Billed Month	Residental	Commercial Small	Commercial	Residential	Commercial Small	Commercial	Residential	Commercial Small	Commercial
Jan-21	13,004,599	2,208,084	6,159,494	9,975	2,000	395	1,304	1,104	15,594
Feb-21	10,881,877	2,103,887	5,818,979	9,994	2,010	395	1,089	1,047	14,732
Mar-21	8,256,002	1,912,110	5,229,210	9,981	2,002	398	827	955	13,139
Apr-21	7,741,993	1,815,655	6,146,860	10,053	2,015	398	770	901	15,444
May-21	8,000,352	2,001,915	6,139,915	10,023	2,004	400	798	999	15,350
Jun-21	10,241,203	2,393,414	7,151,421	10,037	2,020	403	1,020	1,185	17,745
Jul-21	12,139,428	2,821,243	7,992,153	10,024	2,026	392	1,211	1,393	20,388
Aug-21	12,564,125	2,816,930	7,788,063	10,048	2,053	389	1,250	1,372	20,021
Sep-21	12,571,487	2,963,253	8,264,392	10,016	2,032	392	1,255	1,458	21,083
Oct-21	9,136,525	2,387,584	7,178,823	9,979	2,022	393	916	1,181	18,267
Nov-21	8,080,852	2,090,191	5,856,679	9,975	2,034	394	810	1,028	14,865
Dec-21	8,721,569	1,952,092	5,821,451	9,941	2,027	392	877	963	14,851
Jan-22	10,991,641	2,208,257	6,309,449	9,985	2,029	391	1,101	1,088	16,137
Feb-22	11,820,530	2,335,319	5,861,124	10,027	2,044	393	1,179	1,143	14,914
Mar-22	7,963,248	1,947,099	5,537,688	10,009	2,047	394	796	951	14,055
Apr-22	7,615,219	2,104,167	6,146,303	10,057	2,054	394	757	1,024	15,600
May-22	8,248,805	2,178,536	6,345,430	10,074	2,061	398	819	1,057	15,943
Jun-22	11,267,310	2,826,179	7,826,190	10,083	2,056	400	1,117	1,375	19,565
Jul-22	14,122,684	3,368,944	9,023,980	10,099	2,061	402	1,398	1,635	22,448
Aug-22	11,960,271	2,928,117	7,783,047	10,121	2,062	402	1,182	1,420	19,361
Sep-22	12,627,161	3,146,672	8,587,009	10,147	2,059	403	1,244	1,528	21,308
Oct-22	8,992,316	2,561,962	6,902,278	10,121	2,066	407	888	1,240	16,959
Nov-22	7,500,106	2,109,125	5,985,623	10,100	2,069	406	743	1,019	14,743
Dec-22	8,966,590	2,160,382	5,908,093	10,090	2,062	409	889	1,048	14,445

Supporting Schedules: Recap Schedules:

FPSC EXH NO. 8
ADMITTED

J854

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 20240099-EI

EXPLANATION: For each forecasting model used to estimate test year projections for customers, demand, and energy, provide the historical and projected values for the input variables and the output variables used in estimating and/or validating the model. Also, provide a description of each variable, specifying the unit of measurement and the time span or cross sectional range of the data.

Type of Data Shown:
Projected Test Year Ended 12/31/2025
Prior Year Ended 12/31/2024
Historical Test Year Ended 12/31/2023
Witness: Taylor

Northwest

	Billed (kWh)			Customers			Use-per-Customer (kWh)		
Billed Month	Residental	Commercial Small	Commercial	Residential	Commercial Small	Commercial	Residential	Commercial Small	Commercial
Jan-23	12,104,616	2,527,695	6,404,442	10,093	2,059	412	1,199	1,228	15,545
Feb-23	8,680,988	2,086,238	5,686,446	10,155	2,069	406	855	1,008	14,006
Mar-23	7,650,452	1,993,000	5,742,152	10,114	2,064	403	756	966	14,249
Apr-23	8,234,155	2,252,801	6,222,887	10,132	2,059	403	813	1,094	15,441
May-23	7,568,263	2,077,630	6,065,885	10,134	2,055	406	747	1,011	14,941
Jun-23	10,149,534	2,618,688	7,453,938	10,161	2,057	407	999	1,273	18,314
Jul-23	13,304,579	3,145,651	8,419,059	10,191	2,054	410	1,306	1,531	20,534
Aug-23	13,397,808	3,197,367	8,365,315	10,123	2,067	410	1,324	1,547	20,403
Sep-23	14,062,182	3,447,935	9,052,315	10,133	2,050	410	1,388	1,682	22,079
Oct-23	8,452,149	2,353,971	6,560,531	10,079	2,042	409	839	1,153	16,040
Nov-23	7,488,715	2,090,771	6,037,642	10,060	2,055	409	744	1,017	14,762
Dec-23	9,205,658	2,051,332	5,836,862	10,068	2,060	410	914	996	14,236
Jan-24	12,429,277	2,458,689	6,111,180	10,083	2,061	410	1,233	1,193	14,905
Feb-24	9,932,697	2,218,747	5,528,465	10,056	2,049	409	988	1,083	13,517
Mar-24	7,529,386	1,936,327	5,389,618	10,059	2,050	411	749	945	13,113
Apr-24	6,841,334	1,878,337	5,354,018	10,047	2,048	408	681	917	13,123

Supporting Schedules: Recap Schedules:

J854

FLORIDA PUBLIC SERVICE COMMISSION
COMPANY: FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 20240099-EI

EXPLANATION: For each forecasting model used to estimate test year projections for customers, demand, and energy, provide the historical and projected values for the input variables and the output variables used in estimating and/or validating the model. Also, provide a description of each variable, specifying the unit of measurement and the time span or cross sectional range of the data.

Type of Data Shown:
Projected Test Year Ended 12/31/2025
Prior Year Ended 12/31/2024
Historical Test Year Ended 12/31/2023
Witness: Taylor

Customer Forecast

	Northeast Customers			Northwest Customers			Total		
	Residental	Commercial Small	Commercial	Residential	Commercial Small	Commercial	Residential	Commercial Small	Commercial
May-24	15,611	1,723	254	10,211	2,060	409	25,822	3,783	663
Jun-24	15,666	1,724	255	10,228	2,065	411	25,894	3,789	666
Jul-24	15,657	1,727	254	10,239	2,067	409	25,896	3,794	663
Aug-24	15,642	1,730	254	10,232	2,081	408	25,874	3,811	662
Sep-24	15,650	1,730	253	10,233	2,068	409	25,883	3,798	662
Oct-24	15,660	1,728	252	10,194	2,064	411	25,854	3,792	663
Nov-24	15,637	1,730	252	10,179	2,073	411	25,816	3,803	663
Dec-24	15,614	1,728	252	10,177	2,073	411	25,791	3,801	663
Jan-25	15,626	1,724	254	10,144	2,060	411	25,770	3,784	665
Feb-25	15,638	1,722	256	10,170	2,065	409	25,808	3,787	665
Mar-25	15,641	1,722	256	10,151	2,064	409	25,792	3,786	665
Apr-25	15,673	1,724	254	10,212	2,069	408	25,885	3,793	662
May-25	15,688	1,727	255	10,217	2,069	411	25,905	3,796	666
Jun-25	15,740	1,729	256	10,235	2,069	413	25,975	3,798	669
Jul-25	15,723	1,729	256	10,254	2,071	414	25,977	3,800	670
Aug-25	15,708	1,730	256	10,236	2,080	414	25,944	3,810	670
Sep-25	15,727	1,731	256	10,249	2,069	414	25,976	3,800	670
Oct-25	15,732	1,731	255	10,209	2,067	416	25,941	3,798	671
Nov-25	15,707	1,730	255	10,190	2,076	416	25,897	3,806	671
Dec-25	15,678	1,732	256	10,199	2,078	416	25,877	3,810	672

Supporting Schedules: Recap Schedules:

FPSC EXH NO. 8
ADMITTED

J856

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 20240099-EI

EXPLANATION: For each forecasting model used to estimate test year projections for customers, demand, and energy, provide the historical and projected values for the input variables and the output variables used in estimating and/or validating the model. Also, provide a description of each variable, specifying the unit of measurement and the time span or cross sectional range of the data.

Type of Data Shown:
Projected Test Year Ended 12/31/2025
Prior Year Ended 12/31/2024
Historical Test Year Ended 12/31/2023
Witness: Taylor

HDD & CDD Data - Jacksonville (KJAX) and Tallahassee (KTLH)

	Monthly by Calandar			
	KJAX (NE)		KTLH (NW)	
Month	HDD	CDD	HDD	CDD
Jan-14	505	13	543	6
Feb-14	270	39	275	40
Mar-14	260	59	243	63
Apr-14	69	165	91	166
May-14	25	286	27	341
Jun-14	0	399	-	475
Jul-14	-	467	-	505
Aug-14	-	485	-	555
Sep-14	1	340	1	398
Oct-14	77	197	102	209
Nov-14	314	47	366	42
Dec-14	294	37	313	42
Jan-15	403	18	407	18
Feb-15	404	12	406	10
Mar-15	137	112	123	151
Apr-15	17	198	9	250
May-15	20	308	15	409
Jun-15	-	428	-	471
Jul-15	-	481	-	578
Aug-15	-	446	-	543
Sep-15	1	352	3	413
Oct-15	33	181	32	246
Nov-15	81	160	83	176
Dec-15	120	143	148	130

	Monthly by Calandar			
	KJAX (NE)		KTLH (NW)	
Month	HDD	CDD	HDD	CDD
Jan-16	452	6	443	9
Feb-16	323	46	331	38
Mar-16	111	137	116	130
Apr-16	66	155	64	192
May-16	27	307	20	362
Jun-16	1	458	-	510
Jul-16	-	563	-	566
Aug-16	-	513	-	557
Sep-16	1	388	1	459
Oct-16	40	217	51	294
Nov-16	183	89	175	127
Dec-16	230	63	227	64
Jan-17	258	64	294	61
Feb-17	171	81	171	84
Mar-17	199	108	178	120
Apr-17	69	219	71	222
May-17	25	337	31	339
Jun-17	1	384	1	391
Jul-17	-	505	-	493
Aug-17	-	483	-	502
Sep-17	0	388	2	381
Oct-17	51	304	79	288
Nov-17	125	95	188	79
Dec-17	292	57	352	45

Supporting Schedules: Recap Schedules:

J856

FLORIDA PUBLIC SERVICE COMMISSI(
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COMPANY: FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 20240099-EI

EXPLANATION: For each forecasting model used to estimate test year projections for customers, demand, and energy, provide the historical and projected values for the input variables and the output variables used in estimating and/or validating the model. Also, provide a description of each variable, specifying the unit of measurement and the time span or cross sectional range of the data.

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Prior Year Ended 12/31/2024
Historical Test Year Ended 12/31/2023
Witness: Taylor

HDD & CDD Data - Jacksonville (KJAX) and Tallahassee (KTLH)

	Monthly by Calandar			
	KJAX (NE)		KTLH (NW)	
Month	HDD	CDD	HDD	CDD
Jan-18	497	22	538	13
Feb-18	103	100	102	82
Mar-18	238	65	246	68
Apr-18	85	138	104	144
May-18	14	315	9	357
Jun-18	-	435	0	466
Jul-18	-	464	-	489
Aug-18	-	481	-	458
Sep-18	-	478	-	473
Oct-18	38	296	39	295
Nov-18	178	100	247	61
Dec-18	276	43	314	30
Jan-19	370	34	409	26
Feb-19	121	79	135	67
Mar-19	183	86	211	81
Apr-19	76	191	101	172
May-19	3	401	5	419
Jun-19	-	483	-	479
Jul-19	-	490	-	508
Aug-19	-	510	-	516
Sep-19	-	460	-	526
Oct-19	13	318	20	322
Nov-19	234	64	272	56
Dec-19	211	57	276	44

	Monthly by Calandar			
	KJAX (NE)		KTLH (NW)	
Month	HDD	CDD	HDD	CDD
Jan-20	261	76	311	50
Feb-20	229	69	266	46
Mar-20	70	213	78	192
Apr-20	50	213	66	198
May-20	29	325	30	326
Jun-20	1	399	-	435
Jul-20	-	481	-	513
Aug-20	-	467	-	496
Sep-20	5	385	5	390
Oct-20	14	272	25	294
Nov-20	85	135	105	142
Dec-20	426	23	466	14
Jan-21	367	34	411	22
Feb-21	266	48	281	34
Mar-21	172	112	167	119
Apr-21	105	129	110	134
May-21	40	269	25	310
Jun-21	2	382	2	430
Jul-21	-	450	-	473
Aug-21	-	540	-	481
Sep-21	4	346	3	368
Oct-21	45	223	51	232
Nov-21	274	34	299	44
Dec-21	177	79	189	82

Supporting Schedules: Recap Schedules:

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 20240099-EI

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Historical Test Year Ended 12/31/2023
Witness: Taylor

HDD & CDD Data - Jacksonville (KJAX) and Tallahassee (KTLH)

	Monthly by Calandar			
	KJAX (NE)		KTLH (NW)	
Month	HDD	CDD	HDD	CDD
Jan-22	420	23	471	22
Feb-22	254	65	284	53
Mar-22	142	113	163	113
Apr-22	68	161	78	176
May-22	15	326	7	341
Jun-22	0	454	-	518
Jul-22	-	474	-	470
Aug-22	-	453	-	457
Sep-22	2	354	2	397
Oct-22	92	171	128	189
Nov-22	111	110	143	118
Dec-22	330	45	349	47
Jan-23	293	64	302	50
Feb-23	135	124	157	103
Mar-23	136	150	136	157
Apr-23	47	207	48	196
May-23	18	281	15	327
Jun-23	0	410	-	451
Jul-23	-	544	-	557
Aug-23	-	565	-	617
Sep-23	1	367	3	415
Oct-23	56	195	65	221
Nov-23	186	67	207	74
Dec-23	282	35	308	24

	Monthly by Calandar			
	KJAX (NE)		KTLH (NW)	
Month	HDD	CDD	HDD	CDD
Jan-24	364	37	402	22
Feb-24	273	38	284	40
Mar-24	110	110	120	116
Apr-24	70	185	84	190

Supporting Schedules: Recap Schedules:

FPSC EXH NO. 8
ADMITTED

J859

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 20240099-EI

EXPLANATION: For each forecasting model used to estimate test year projections for customers, demand, and energy, provide the historical and projected values for the input variables and the output variables used in estimating and/or validating the model. Also, provide a description of each variable, specifying the unit of measurement and the time span or cross sectional range of the data.

Type of Data Shown:
Projected Test Year Ended 12/31/2025
Prior Year Ended 12/31/2024
Historical Test Year Ended 12/31/2023
Witness: Taylor

HDD & CDD Data - Jacksonville (KJAX) and Tallahassee (KTLH)

	Monthly by Calandar			
	KJAX (NE)		KTLH (NW)	
Month	HDD	CDD	HDD	CDD
Jan-22	420	23	471	22
Feb-22	254	65	284	53
Mar-22	142	113	163	113
Apr-22	68	161	78	176
May-22	15	326	7	341
Jun-22	0	454	-	518
Jul-22	-	474	-	470
Aug-22	-	453	-	457
Sep-22	2	354	2	397
Oct-22	92	171	128	189
Nov-22	111	110	143	118
Dec-22	330	45	349	47
Jan-23	293	64	302	50
Feb-23	135	124	157	103
Mar-23	136	150	136	157
Apr-23	47	207	48	196
May-23	18	281	15	327
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Sep-23	1	367	3	415
Oct-23	56	195	65	221
Nov-23	186	67	207	74
Dec-23	282	35	308	24

	Monthly by Calandar			
	KJAX (NE)		KTLH (NW)	
Month	HDD	CDD	HDD	CDD
Jan-24	364	37	402	22
Feb-24	273	38	284	40
Mar-24	110	110	120	116
Apr-24	70	185	84	190

Supporting Schedules: Recap Schedules:

J859

FLORIDA PUBLIC SERVICE COMMISSION COMPANY: FLORIDA PUBLIC UTILITIES Consolidated Electric Division DOCKET NO.: 20240099-EI	EXPLANATION: For a projected test year, provide a schedule of assumptions used in developing projected or estimated data. As a minimum, state assumptions used for balance sheet, income statement and sales forecast.	Type of Data Shown: Projected Test Year Ended 12/31/2025 Prior Year Ended 12/31/2024 Historical Test Year Ended 12/31/2023 Witness: Napier, Galtman, Haffecke

I. BALANCE SHEET (13-Month Average)

The Consolidated Electric Operations is an operating division of Florida Public Utilities Company (FPU) and therefore, the balance sheet of the electric division does not contain debt or equity. Many of the other than retained earnings. The division is funded through intercompany receivables and payables in addition to the retained earnings changes.
In addition, there are some assets and liabilities related to FPUC prior to acquisition which are kept in a "Florida Common" balance sheet. These amounts are allocated to the electric division.
There are also some assets, mainly related to information technology and vehicles that are in a shared corporate account. These assets were also allocated along with accumulated depreciation and depreciation expense.

Schedule B-3 reflects the 13 month average electric balance sheet along with Schedule B-3A which shows the Florida Common balance sheet. B-3A has additional columns showing the allocation percent applicable to electric and the allocated amount of working capital and deferred taxes. Schedules B-7, B-8, B-9, and B-10 contain both the total amounts of plant and accumulated depreciation for the Florida Common and the Corporate Common amounts and then the allocated amounts to the electric division. These totals were included in the B-3 Schedule on lines 8-10 with the offset being recorded to intercompany payables. Because the allocation percentage changes yearly, the December balance from the prior year has been adjusted to the new allocation rate for consistency.
The detail of plant data is contained on the various B-8, B-9, and B-13 Schedules. The detail of all Accumulated Depreciation is in Schedules B-9 and B-10.
Detail of working capital components, including adjustments and eliminations is contained on Schedule B-17. Projected balance sheet accounts use various direct projection methods, as well as various projection factors including customer growth, inflation and plant.

Since the division doesn't obtain its own debt or stock, Common Equity, Long-Term Debt, and Notes Payable were allocated to the Consolidated Electric Division as a pro-rata share of total Chesapeake capitalization as compared to total Electric Division rate base. The amount prorated is equivalent to the intercompany payable/receivable and the retained earnings after rate base adjustments.

II. INCOME STATEMENT

OPERATING REVENUES

Operating revenues are directly charged to the the Consolidated Electric Division. Projected revenues are based on the billing determinant forecast described on Schedules F-5 and F-6. Please refer to John Taylor's testimony. Revenues are calculated by multiplying the KWH sales by the rates approved by the Florida Public Service Commission for base rates, fuel, conservation, Hurricane Michael Recovery, and Storm Protection Plan Recovery. Since the 2025 conservation and fuel rates were not approved at the time the filing was prepared, the 2024 approved conservation rate was used for 2025 revenue amounts. An estimated rate was determined for fuel revenues based on projected fuel costs. All revenue and expense amounts estimated for 2024 and 2025 for fuel, conservation, hurricane Michael, and the Storm Protection Plan clause were removed with no net effect to the base rate filing.

OPERATION AND MAINTENANCE EXPENSES

Most of these expenses are directly charged to the Consolidated Electric Division except for allocations from Chesapeake Utilities for corporate clearing and allocations of FPU common costs. These costs were allocated to the Consolidated Electric Division based upon various percentages. These percentages are based on payroll, functions, customers, Modified Massachusetts Method, etc. Please refer to Mike Galtman's testimony. Projected expenses are based on either direct forecasts, or projection factors applied to the historic year 12/31/2023. See MFR Schedule C-7 for the historic year's related factors and methodologies.

DEPRECIATION AND AMORTIZATION EXPENSES

Depreciation was calculated by using the existing Florida Public Service Commission approved depreciation rates. Amortization expenses were based on direct projections as shown on MFR Schedule C-19.

TAXES

Income taxes, current and deferred, were computed using an effective tax rate of 25.345%. Schedules C-22 was adjusted for both interest synchronization and income tax synchronization consistent with prior cases.
Taxes other than income taxes were projected based on various trends using the historical year ended December 31, 2023 as a basis. Payroll related expenses were trended based on payroll and customer growth.
Taxes other than income taxes were projected based on various factors and franchise fees were projected based on trended revenues, property taxes were trended using inflation and plant growth. See MFR Schedule C-20.

Supporting Schedules: Recap Schedules:

FLORIDA PUBLIC SERVICE COMMISSION	EXPLANATION: Supply a proposed public notice of the company's request for a rate increase suitable for publication.	Type of Data Shown:
COMPANY: FLORIDA PUBLIC UTILITIES Consolidated Electric Division		Projected Test Year Ended 12/31/2025 Prior Year Ended 12/31/2024 Historical Test Year Ended 12/31/2023
DOCKET NO.: 20240099-EI		Witness: Napier

NOTICE TO CUSTOMERS

It is our honor to provide energy that makes life better for the people and communities we serve. You are a valued customer and we appreciate your business.

On August 19, 2024, the Company filed a petition for a rate increase with the Florida Public Service Commission ("PSC") seeking a permanent increase in rates and charges to produce an additional $12,593,450 million in revenues. While rates vary from rate class to rate class, the proposed increase, if approved, would increase a typical residential customer using 1,000 kWH by $17.91/month, or 10.66%. The Company is also requesting interim rate relief to temporarily increase its revenues by $1,812,869 million pending the Commission's decision on the Company's request for a permanent increase. The Commission will consider the Company's request for interim rate relief at its November 5, 2024, Agenda Conference. If the request is granted, any interim increase will be placed into effect subject to refund, with interest, 30 days after approval.

The Docket Number assigned by the PSC for this proceeding is Docket No. 20240099-EI.

While the Company has been able to delay its filing through cost saving measures, certain key factors have now made it necessary to seek rate relief. These key factors include: (1) significant investments in its electric distribution and transmission in order to enhance the reliability of service to customers; (2) significant technology investments to upgrade the reliability of the Company's internal network, its billing and communications systems, and to address cyber security measures, as well as protect customer information; (3) significant investments tied to enhancing safety for the Company and its customers, as well as investment necessary to respond to changes in facility compliance requirements; and (4) the impact of historically high inflation, particularly for insurance premiums, cost of materials, and labor.

The PSC will conduct customer service hearings virtually and in-person to receive comments from customers regarding the Company's quality of service and request for a base rate increase. The dates and locations of those service hearings will be published in a separate notice.

Information regarding the Company's requested rate increase is available by visiting the Company's website at www.fpuc.com or calling the Company at 1-800-524-1495. You may also obtain information about this request by calling the Florida Public Service Commission at 1-800-342-3552 or visiting the Commission's website at: www.floridapsc.com/clerks-office-dockets-level2?DocketNo=20240099.

Any written customer comments regarding the Company's proposed rate increase should include the docket number assigned to this case, Docket No. 20240099-EI, and should be addressed to:

Office of Commission Clerk
Florida Public Service PSC
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850

Supporting Schedules: Recap Schedules:

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Supply a proposed public notice of the company's request for a rate increase suitable for publication.

COMPANY: FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 20240099-EI

Type of Data Shown:
Projected Test Year Ended 12/31/2025
Prior Year Ended 12/31/2024
Historical Test Year Ended 12/31/2023
Witness: Napier

Proposed Final Customer Facilities Charge		Current Charges		Proposed Interim Charges		Proposed Final Charges	
		Customer Charge		Customer Charge		Customer Charge	
Residential (RS)		$16.95		$18.20		$24.20	
General Service (GS)		$27.85		$29.91		$40.00	
General Service Demand (GSD)		$82.35		$88.44		$138.99	
General Service Large Demand (GSLD)		$157.42		$169.06		$265.69	
General Service Large Demand (GSLD1)		$974.80		$1,046.86		$1,242.99	
Standby (SB)		$974.80		$1,046.86		NA	
		Energy Charge		Energy Charge		Energy Charge	
Residential (RS)	$/KWH <= 1000 kwh	$0.02373	$/KWH	$0.02548	$/KWH	$0.03419	$/KWH <= 1000 kwh
	$/KWH > 1000 kwh	$0.03887	$/KWH	$0.04174	$/KWH	$0.05600	$/KWH > 1000 kwh
General Service (GS)		$0.02903	$/KWH	$0.03118	$/KWH	$0.05433	$/KWH
General Service Demand (GSD)		$0.00547	$/KWH	$0.00587	$/KWH	$0.00923	$/KWH
General Service Large Demand (GSLD)		$0.00254	$/KWH	$0.00273	$/KWH	$0.00429	$/KWH
General Service Large Demand (GSLD1)		$0.00000	$/KWH	$0.00000	$/KWH	$0.00000	$/KWH
Standby (SB)		$0.00000	$/KWH	$0.00000	$/KWH	NA	$/KWH
		Demand Charge		Demand Charge		Demand Charge	
Residential (RS)		$0.00	$/KW	$0.00	$/KW	$0.00	$/KW
General Service (GS)		$0.00	$/KW	$0.00	$/KW	$0.00	$/KW
General Service Demand (GSD)		$4.49	$/KW	$4.82	$/KW	$7.58	$/KW
General Service Large Demand (GSLD)		$6.42	$/KW	$6.89	$/KW	$10.84	$/KW
General Service Large Demand (GSLD1)		$1.82	$/KW	$1.95	$/KW	$2.88	$/KW
General Service Large Demand (GSLD1)		$0.44	$/kVAR	$0.47	$/kVAR	$0.56	$/kVAR
Standby (SB)		$0.79	$/KW	$0.85	$/KW	NA	$/KW
Lighting Service		Various -See Page 3		Various -See Page 3		Various -See Page 3	
		Service Charges		Service Charges		Service Charges	
Initial Establishment of Service		$61.00		$61.00		$125.00	
Re-establish Service or Make Changes to Existing Account		$26.00		$26.00		$45.00	
Temporary Disconnect then Reconnect Service Due to Customer Request		$65.00		$65.00		$81.00	
Reconnect After Disconnect for Rule Violation (normal hours)		$52.00		$52.00		$70.00	
Reconnect After Disconnect for Rule Violation (after hours)		$178.00		$178.00		$325.00	
Temporary Service		$85.00		$85.00		$135.00	
Collection Charge		$16.00		$16.00		$50.00	
Returned Check Charge		Per Statute		Per Statute		Per Statute	
Late Fees		Per Statute		Per Statute		Per Statute	

Supporting Schedules: C-7 Recap Schedules:

FPSC EXH NO. 8

ADMITTED

J863

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATIO Supply a proposed public notice of the company's request for a rate increase suitable for publication.

Type of Data Shown:
Projected Test Year Ended 12/31/2025
Prior Year Ended 12/31/2024
Historical Test Year Ended 12/31/2023
Witness: Napier

COMPANY: FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 20240099-EI

	Present Rates - Lighting Service				INTERIM Proposed Rates -Lighting Service				Proposed Rates - Lighting Service			
Type of Facility	Facility Charge	Energy Charge	Maint. Charge	Total Monthly Charge	Facility Charge	Energy Charge	Maint. Charge	Total Monthly Charge	Facility Charge	Energy Charge	Maint. Charge	Total Monthly Charge
High Pressure Sodium Lights (Closed to New Customers):												
150w HPS Acorn	19.69	3.19	2.49	25.37	21.15	3.43	2.67	27.25	25.18	4.08	3.18	32.44
150w HPS ALN 440	28.07	3.19	3.32	34.58	30.14	3.43	3.57	37.14	35.9	4.08	4.25	44.23
100w HPS Amer Rev	9.66	2.15	3.29	15.10	10.37	2.31	3.53	16.22	12.36	2.75	4.21	19.32
150w HPS Am Rev	9.05	3.19	3.33	15.57	9.72	3.43	3.58	16.72	11.57	4.08	4.26	19.91
100w HPS Cobra Head	7.25	2.15	2.11	11.51	7.79	2.31	2.27	12.36	9.27	2.75	2.70	14.72
200w HPS Cobra Head	9.78	4.26	2.53	16.57	10.50	4.57	2.72	17.79	12.51	5.45	3.24	21.20
250w HPS Cobra Head	11.63	5.30	3.33	20.26	12.49	5.69	3.58	21.76	14.87	6.78	4.26	25.91
400w HPS Cobra Head	10.86	8.54	2.77	22.17	11.66	9.17	2.97	23.81	13.89	10.92	3.54	28.35
250w HPS Flood	11.37	5.30	2.42	19.09	12.21	5.69	2.60	20.50	14.54	6.78	3.10	24.42
400w HPS Flood	17.85	8.54	2.27	28.66	19.17	9.17	2.44	30.78	22.83	10.92	2.90	36.65
1000w HPS Flood	22.36	21.30	3.00	46.66	24.01	22.87	3.22	50.11	28.6	27.24	3.84	59.68
100w HPS SP2 Spectra	24.81	2.15	3.10	30.06	26.64	2.31	3.33	32.28	31.73	2.75	3.96	38.44
Metal Halide Lights (Closed to New Customers):												
175w MH ALN 440	26.86	3.77	2.61	33.24	28.85	4.05	2.80	35.70	34.35	4.82	3.34	42.51
400w MH Flood	12.12	8.54	2.21	22.87	13.02	9.17	2.37	24.56	15.5	10.92	2.83	29.25
1000w MH Flood	20.61	21.30	2.92	44.83	22.13	22.87	3.14	48.14	26.36	27.24	3.73	57.33
175w MH Shoebox	22.68	3.77	2.93	29.38	24.36	4.05	3.15	31.55	29.01	4.82	3.75	37.58
250w MH Shoebox	24.14	5.30	3.28	32.72	25.92	5.69	3.52	35.14	30.88	6.78	4.20	41.86
100w MH SP2 Spectra -OL2	24.62	2.15	3.00	29.77	26.44	2.31	3.22	31.97	31.49	2.75	3.84	38.08
1000w MH Vert Shoebox - OL2	25.45	21.30	3.32	50.07	27.33	22.87	3.57	53.77	32.55	27.24	4.25	64.04
Light Emitting Diode Lights												
50W Outdoor Light (100W Equivalent)	6.58	0.89	2.08	9.55	7.07	0.96	2.23	10.26	8.42	1.14	2.66	12.22
50W Cobra Head (100W Equivalent)	8.31	0.89	2.59	11.79	8.92	0.96	2.78	12.66	10.63	1.14	3.31	15.08
82W Cobra Head (200W Equivalent)	7.78	1.47	2.43	11.68	8.36	1.58	2.61	12.54	9.95	1.88	3.11	14.94
130W Cobra Head (250W Equivalent)	7.75	2.36	2.42	12.53	8.32	2.53	2.60	13.46	9.91	3.02	3.10	16.03
210W Cobra Head (400W Equivalent)	13.55	3.78	3.95	21.28	14.55	4.06	4.24	22.85	17.33	4.83	5.05	27.21
26W American Revolution Decorative (100W Equivalent)	7.78	0.47	2.72	10.97	8.36	0.50	2.92	11.78	9.95	0.6	3.48	14.03
44W American Revolution Decorative (150W Equivalent)	7.71	0.79	2.69	11.19	8.28	0.85	2.89	12.02	9.86	1.01	3.44	14.31
90W Acorn Decorative (150W Equivalent)	11.14	1.63	3.71	16.48	11.96	1.75	3.98	17.70	14.25	2.08	4.75	21.08
60W Post Top Decorative (150W	19.74	1.10	6.25	27.09	21.20	1.18	6.71	29.09	25.25	1.41	7.99	34.65
80W Flood (250W Equivalent)	10.80	1.42	3.40	15.62	11.60	1.52	3.65	16.77	13.81	1.82	4.35	19.98
170W Flood (400W Equivalent)	10.80	3.05	3.40	17.25	11.60	3.28	3.65	18.53	13.81	3.9	4.35	22.06
150w Flood (350W Equivalent)	10.80	2.73	3.40	16.93	11.60	2.93	3.65	18.18	13.81	3.49	4.35	21.65
290W Flood (1,000W Equivalent)	10.80	5.25	3.40	19.45	11.60	5.64	3.65	20.89	13.81	6.71	4.35	24.87
150w Shoe Box	9.52	2.73	3.23	15.48	10.22	2.93	3.47	16.62	N/A	N/A	N/A	N/A
131W Shoe Box (250W Equivalent)	10.72	2.36	3.59	16.67	11.51	2.53	3.86	17.90	13.71	3.02	4.59	21.32
82W Shoe Box(175W Equivalent)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	12.14	1.87	4.34	18.35
Mercury Vapor Lights (Closed to New Customers):												
175w MV Cobra Head -OL	1.39	3.70	1.24	6.33	1.49	3.97	1.33	6.80	1.78	4.73	1.59	8.10
400w MV Cobra Head-OL	1.53	7.95	1.32	10.80	1.64	8.54	1.42	11.60	1.96	10.17	1.69	13.82
10' Alum Deco Base	18.56			18.56	19.93	-	-	19.93	23.74			23.74
13' Decorative Concrete	14.14			14.14	15.19	-	-	15.19	18.09			18.09
18' Fiberglass Round	9.98			9.98	10.72	-	-	10.72	12.76			12.76
20' Decorative Concrete	16.41			16.41	17.62	-	-	17.62	20.99			20.99
30' Wood Pole Std	5.36			5.36	5.76	-	-	5.76	6.86			6.86
35' Concrete Square	15.83			15.83	17.00	-	-	17.00	20.25			20.25
40' Wood Pole Std	10.72			10.72	11.51	-	-	11.51	13.71			13.71
30' Wood pole	4.82			4.82	5.18	-	-	5.18	6.16			6.16

J863

FLORIDA PUBLIC UTILITIES
DOCKET NO. 20240099-EI
MINIMUM FILING REQUIREMENTS
TABLE OF CONTENTS

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 20240099-EI

EXPLANATION: Provide a copy of the most recent Annual Report to Shareholders and all subsequent Quarterly Reports. The company shall file all Quarterly and Annual Reports as they become available during the proceeding.

Type of Data Shown:
Projected Test Year Ended 12/31/2025
Prior Year Ended 12/31/2024
Historical Test Year Ended 12/31/2023
Witness: Galtman

See Attachment F-1 2023 Annual Report. At this time there have been no subsequent quarterly reports filed.

Supporting Schedules: Recap Schedules:

CHESAPEAKE UTILITIES CORPORATION

2023 ANNUAL REPORT

UNLOCKING OPPORTUNITIES
WITH STRATEGIC INTENTION

CHESAPEAKE UTILITIES CORPORATION

SAFETY FIRST:
Introducing Innovative Lone Worker Personal Monitors

Safety is our priority. In 2023, we introduced a comprehensive safety initiative incorporating lone worker personal monitors. These devices serve as a crucial lifeline, utilizing wearable technology to connect workers to immediate assistance, if necessary. The monitors continuously track gas concentrations in the surrounding environment and trigger notifications, including direct communication with the employee through a dedicated call center.

Key features of these devices include:

- GPS functionality enabled with satellite technology
- No-motion and fall detection capabilities
- Missed check-in notifications
- SOS latch with visible/audible alarm

"This device can be a true lifeline for our employees, ensuring constant communication, and is just one of the many ways in which we are committed to protecting our team."

KYLE MOORE, GENERAL MANAGER, OHIO, AND DIRECTOR OF OPERATIONS SAFETY AND DAMAGE PREVENTION

LETTER FROM THE PRESIDENT

Dear Fellow Shareholders,

2023 was an extraordinary year of challenges and opportunities for Chesapeake Utilities. The year began with one of the mildest winters on record, resulting in several million dollars of reduced energy delivery margins. The unfavorable weather, in combination with rising interest rates, could have resulted in a negative impact of over $0.75 per share for the year. But, by the end of summer, we had effectively managed through a significant portion of the potential EPS impact and were working toward a 17th consecutive year of record earnings.*

17th consecutive year of record earnings*

Our regulated natural gas distribution businesses continued to gain customers at more than twice the national average, and we executed on several opportunities to expand our natural gas transmission systems. Even with unusually warm weather, our propane business was on target to, as usual, make its meaningful contribution to the Company's earnings, with returns well above authorized regulated levels. Capital investment for growth across the Company was tracking to exceed $200 million for the year. Looking to the future, we launched the largest technology improvement project in our history, with the first phase aimed at the conversion of two legacy customer information systems to a consolidated SAP platform. We also continued to make solid progress in our other business transformation initiatives focused on safety, employee engagement and the customer experience.

By any measure, 2023 was shaping up to be another successful and profitable year. However, as has been typical of Chesapeake Utilities over many years, we pushed ourselves to take advantage of additional opportunities as they arose. Late in the summer, we evaluated the opportunity to acquire Florida City Gas (FCG) from NextEra Energy. We announced a definitive Stock Purchase Agreement toward the end of September. In what had to be near record time, we were able to complete the financing, including a significant equity offering, and close a transformational $923 million transaction on Nov. 30, 2023. The acquisition more than doubled our regulated operations in Florida, a growing state with a constructive business climate where we have operated successfully for nearly 40 years.

JEFF HOUSEHOLDER, CHAIR OF THE BOARD, PRESIDENT AND CEO

"The acquisition of Florida City Gas, along with continued customer demand in our legacy businesses, puts us in position to achieve transformational growth over the next several years. Unlocking opportunities that make us a top performer has been a hallmark of the Chesapeake Utilities story."

In adjusted diluted EPS

LETTER FROM THE PRESIDENT

Strategically, the FCG acquisition meshes well with our legacy businesses. It also provides an opportunity to drive incremental earnings growth by enlarging our total investment platform. In combination with growth opportunities in our traditional regulated and non-regulated businesses, the addition of FCG gives us confidence that we can sustain our history of top-quartile financial performance. We expect strong organic growth to meet growing customer demand for service at FCG, similar to that of our other regulated gas distribution utilities. Additionally, we see numerous opportunities to leverage our Peninsula Pipeline Company (PPC) intrastate transmission and Marlin compressed natural gas (CNG) transport businesses to support FCG customer growth and meet the increasing demand for gas in South Florida. We are projecting $500 million of capital investment associated with the FCG transaction over the next five years. The incremental FCG-related investment opportunity propels our total capital deployment forecast to $1.5 billion to $1.8 billion over the next five years.

Strategic Intent

At Chesapeake Utilities, we speak frequently about strategic intent, disciplined investment and an unwavering focus on the operational fundamentals that support long-term growth. We have a clear vision of who we are, what we are good at and where we are headed. Our ability to consistently deliver both internal expansion projects and select targeted acquisitions speaks to our robust strategic planning process and ability to successfully execute on opportunities aligned with our strategic objectives, financial discipline and operational capabilities.

When I became president five years ago, there were two things that were top of mind. First, I wanted to expand and refine our long-standing strategic planning process. If Chesapeake Utilities was going to continue to produce top-quartile financial performance, we needed to understand the growth trajectory inherent in our existing businesses and plan accordingly. That led to many interesting conversations. After all, our existing businesses were booming (and they still are). Over the past five years, we have invested approximately $1 billion in those businesses. The Company has produced a five-year EPS growth compound annual growth rate (CAGR) of 8.9% (based upon 2023 Adjusted Diluted EPS of $5.31).*

> *Our Total Shareholder Return over the same period was at the 100th percentile among our peer group.*

Of course, the fundamental growth question was straightforward. In a business designed to deploy capital to serve customers and generate earnings, could our existing businesses indefinitely sustain a level of capital investment that supported top-quartile earnings growth?

Our strategic planning projections indicated excellent growth prospects in our existing businesses. As mentioned above, those projections proved to be accurate over the past five years. In fact, given continued increases in customer demand, in 2023 we increased the investment projections for our legacy Chesapeake Utilities business units through 2028. However, when we looked out over a longer-term planning horizon, it became clear that to sustain our historic earnings performance we would eventually need to add another significant platform for growth.

The second thing on my mind back in 2019 was the need to evolve our business practices to keep pace with a rapidly growing company. Chesapeake Utilities had doubled in size twice in the 10 years since the 2009 acquisition of Florida Public Utilities (FPU). Our projections in 2019 indicated that we could double again by the end of 2023; and we did exactly that. Today, with the acquisition of FCG and the significant growth we continue to achieve in our legacy businesses, there is a distinct possibility of once again repeating that level of growth over the next several years.

*Amount excludes transaction-related expenses associated with the FCG acquisition

Major Growth Initiatives

Many opportunities for expansion exist within our established core distribution and transmission businesses. Below are several projects aimed at fostering growth in the years ahead:

120K+ customers added with FCG acquisition

- **Organic Natural Gas Growth:** Organic growth in our territories outpaced the national average. In 2023, we experienced residential customer growth of 5.4% in our Delmarva service territories and a 3.9% increase in our Florida service territories. Through the FCG acquisition, we added more than 120,000 customers.
- **Largest-Ever Technology-Based Capital Improvement Project:** 1CX, with an expected total investment of more than $50 million, launched in 2023 to improve billing service platforms for our regulated utility customers and employees. Go-live is expected by the end of 2024.
- **Florida Rate Cases:** FCG and FPU both completed rate cases in 2023. The anticipated collective impact is a $31.3 million increase in adjusted gross margin. 2024 is the first full year rates are in effect.
- **Infrastructure Safety and Reliability Programs:** FPU's GUARD program, coupled with FCG's SAFE program, are projected to reach $410 million in capital investment over the next decade. Eastern Shore Natural Gas' (ESNG) capital surcharge program provides a rate recovery mechanism for certain pipeline replacement expenditures and does not include a specific limit on capital investment or time frame. Additionally, our electric storm protection plan and associated cost recovery mechanisms, approved by the Florida Public Service Commission (FPSC) in Q4 2022, resulted in approximately $8 million in capital investment in 2023.

TRANSMISSION PROJECTS

- **Liquefied Natural Gas (LNG) Storage and Peaking Facility:** ESNG filed an application with the Federal Energy Regulatory Commission (FERC) for its $80 million Worcester Resiliency Upgrade in Bishopville, Maryland, to enhance capacity for delivering essential energy services during peak winter heating seasons.
- **PPC Wildlight Community Expansion, Yulee, Florida:** Various phases of this projected $13.4 million capital investment commenced in Q1 2023 and will continue through 2025, with a projected adjusted gross margin of $2.6 million in 2025.
- **ESNG Southern Expansion, Bridgeville, Delaware:** This $14 million capital investment will generate adjusted gross margin of $2.3 million in 2024 and thereafter.
- **PPC Newberry Pipeline Expansion, Newberry, Florida:** This $18.1 million expansion project will bring gas service to the city of Newberry with a projected adjusted gross margin of $0.9 million in 2024 and $2.6 million in 2025.
- **PPC St. Cloud/Twin Lakes Expansion:** This $3.5 million project will expand service in Osceola County, Florida, and support the existing distribution system. Projected adjusted gross margin is $0.6 million in 2024 and beyond.
- **PPC Winter Haven Expansion:** This $3.5 million expansion project is anticipated to generate $0.6 million adjusted gross margin in 2024 and beyond.

OUR REGULATED NATURAL GAS DISTRIBUTION BUSINESSES CONTINUED TO GAIN CUSTOMERS AT MORE THAN TWICE THE NATIONAL AVERAGE, CONTINUALLY EXPANDING OUR SERVICE TERRITORIES.

LETTER FROM THE PRESIDENT

Transformational growth requires transformational capabilities. Successfully managing and operating a company with the dramatic growth we have experienced at Chesapeake Utilities requires an investment in people, processes and technology, along with realignments in organizational structure. At the end of the day, in any organization, it's all about people. If you have a great team, you can do great things. Our growth over the years, and certainly our accomplishments in 2023, reflect a commitment to excellence and the demonstrated capability of Chesapeake Utilities team members throughout our Company. 2023 wasn't an easy year. Coming off two-plus years of COVID pandemic impacts, we were focused on overcoming a warm winter, solving lingering supply chain issues, working through regulatory and commodity pricing uncertainty that impacted the timing of growth projects, navigating a tumultuous economic environment and implementing substantive technology initiatives. When we asked the team to add on the FCG acquisition, it was an opportunity met with enthusiasm and purpose.

We've been intentional about building a strong team. Our focus has been on developing an increasingly engaged group of employees committed to Chesapeake Utilities' strategic objectives and willing to take the actions necessary to drive success. We have worked to eliminate operational silos by simplifying our organizational structure, moving toward greater standardization of our processes, improving technology and increasing collaboration across our businesses. We've brought additional talent and skill sets into the Company, enhanced operational controls and rallied around issues such as safety, inclusion and a customer-centric view of our energy delivery mission.

We also significantly strengthened our balance sheet over the past five years, anticipating that future growth would likely involve financing a substantial acquisition or other major investment. Our equity ratio (equity/total capitalization including short-term debt) moved from 45% at the end of 2018 to 53% at the time we committed to the FCG acquisition. Our performance track record and balance sheet positioned us to take advantage of the FCG opportunity when it became available. The timing wasn't perfect. Interest rates went up and valuations in the utility market were resetting.

Sustainability in Action

Our renewable natural gas (RNG) projects have led to pioneering advancements. Here are some of our RNG projects that demonstrate ingenuity and financial viability:

- **Full Circle Dairy RNG Facility, Lee, Florida,** is a $29.6 million capital investment, which includes a 1MW solar array and a 1.5-mile pipeline for gas distribution. Construction of the facility involved pioneering the creation and deployment of a CNG/RNG-fueled, self-contained irrigation and waste pump directly on the farm. Powered by RNG derived from dairy waste generated on-site, the groundbreaking system not only marks a significant advancement in sustainable agriculture, but also lays the groundwork for future conversions of irrigation and waste pump machinery to RNG/CNG fuel sources. The first injection of RNG from this facility is projected to occur in the first half of 2024.
- **Peninsula Pipeline Company (PPC) Injection Point, Yulee, Florida,** accepts RNG, CNG and liquefied natural gas (LNG) and is our first enhancement of a gate system in Florida that allows for alternative fuels to be injected into the pipeline delivery system. This helps FPU expand service to meet the growing demand in the Wildlight community and surrounding areas.
- **Planet Found Energy Development, LLC (PFED),** purchased in 2022, is undergoing improvements to manufacture RNG that aligns with market standards.
- **ESNG Injection Points** - In December 2023, ESNG received FERC approval for a tariff service enabling the expansion of facilities to inject RNG and/or CNG into specific injection points and create a market for RNG produced at the PFED facility.

THE NEW FACILITY AT FULL CIRCLE DAIRY IN LEE, FLORIDA, IS A $29.6 MILLION CAPITAL INVESTMENT AND A SIGNIFICANT ADVANCEMENT IN SUSTAINABLE AGRICULTURE.

But we have evolved into an organization strong enough to overcome the margin deficits from an abnormally warm 2023 winter, rising interest rates, a significant downturn in utility industry stock prices and the initiation of a large technology project to successfully conclude a transformational acquisition. Excluding the one-time costs related to the FCG acquisition, our 2023 adjusted diluted EPS was $5.31, another record year of earnings.

Through all the growth, the changes in the work environment and our internal business transformation efforts, we have been able to retain the special culture that has marked Chesapeake Utilities' success over the years. Our employee engagement metrics have continued to reach higher levels. We've focused on the things our team has identified as most important: recognition for great work, communication about strategy and the connection of individual jobs to Company objectives and developing employees to succeed in a changing work environment. I'll say it again:

"We have a great team. We all embrace and foster the unique Chesapeake Utilities culture. Our culture is grounded in a solid foundation of regulated businesses, but enhanced by an entrepreneurial, innovative and competitive market mindset applied to everything we do. It's been a successful combination – an intentional strategy."

FLORIDA CITY GAS

Unlocking Opportunities

Going into the FCG acquisition, we clearly understood the economics of the deal. We knew that overcoming the premium paid to acquire this business was going to require a combination of prudent capital investment, operational synergies, cost management across our entire enterprise and proactive regulatory initiatives. We were prepared to manage the Company to achieve 2024 EPS above our 2023 adjusted earnings. We were also targeting to achieve our previously issued EPS guidance level of $6.15 to $6.35 per share for 2025.

The market shift for utilities that occurred at the end of September 2023 posed additional challenges to reaching our guidance range in 2025. Utility stock prices declined at exactly the wrong time for us, although it was great timing for investors who acquired Chesapeake Utilities shares at what turned out to be a significant discount. However, that event did not shake our belief that the FCG transaction continued to be the right set of assets in the right place to help us sustain our top-quartile performance record into the future. The acquisition was consistent with our long-term capital deployment growth strategy. We were confident that the incremental investment opportunities associated with FCG would make a significant contribution to achieving our long-term earnings objectives.

So, we did what we always do at Chesapeake Utilities when things don't go quite according to plan: figure out what it takes to make it work and get on with it.

DORAL OFFICE, FLORIDA CITY GAS; WITH THE ACQUISITION OF FCG, CHESAPEAKE UTILITIES MORE THAN DOUBLED ITS CUSTOMER BASE AND NATURAL GAS INFRASTRUCTURE IN THE STATE OF FLORIDA.

We recalculated our operating income targets and reset the measures needed to meet our guidance commitments. It won't be easy, but there is a clear path to achieving 2024 earnings above our adjusted 2023 earnings and achieving our guidance in 2025. Our entire organization is focused on making this happen. The other thing we are focused on is ensuring our actions over the next two years, especially our capital investments, continue to drive earnings growth in 2026, and the years to follow. Our legacy businesses are strong and growing. The FCG assets are poised to contribute to the incremental growth that will provide top-quartile earnings potential for years to come.

The interesting thing for me is that we've done all this before, more than once. We've doubled the size of our Company three times over the past 15 years, including integrating and subsequently growing another transformational acquisition, the Florida Public Utilities Company in 2009. The work we have ahead of us is nothing new. None of it has been easy, but we always found a way to succeed. As we grew, we never sacrificed performance. We maintained our place among the leading companies in the industry.

Now, we have the opportunity in front of us to transform the Company again. We'll use the same time-tested playbook. Focus on the fundamentals. Provide safe and reliable service to customers. Continue a disciplined approach to investing capital for growth. Proactively work with regulators. Pay attention to our people, processes and technology. Drive value for our shareholders.

It has been an exciting year. The team did a wonderful job overcoming the potential earnings impacts of unfavorable weather and tough economic conditions. The acquisition of Florida City Gas, along with continued customer demand in our legacy businesses, puts us in a position to achieve transformational growth over the next several years. Unlocking opportunities that make us a top performer has been a hallmark of the Chesapeake Utilities story. We've had a great run thus far, with almost unprecedented growth. I think we are just getting started.

Thank you for your interest and trust in Chesapeake Utilities Corporation.

Sincerely,

Jeff Householder
Chair of the Board, President and CEO

STRENGTHENING SHAREHOLDER RETURNS

$5.31
adjusted diluted EPS for 2023, reflecting 5% growth over 2022, and marking the 17th consecutive year of record earnings for the Company.*

$33.9M
adjusted gross margin increase in 2023, representing an 8.1% growth compared to 2022 and marking one of the highest annual increases in our history.

50.2%
operating expenses as a percentage of adjusted gross margin in 2023, a lower percentage than the five-year average (2018-2022), despite the FCG acquisition.

65%
increase in capital expenditure guidance, from $900 million to $1.1 billion (2021-2025) to $1.5 billion to $1.8 billion for the five years ended 2028.

$211M
invested in capital expenditures in 2023, with the Company investing $1.9 billion in new capital investments over the last five years.

$3.3B
in total assets at December 31, 2023, an increase of approximately 50% over 2022.

**In adjusted diluted EPS.*

FINANCIAL HIGHLIGHTS

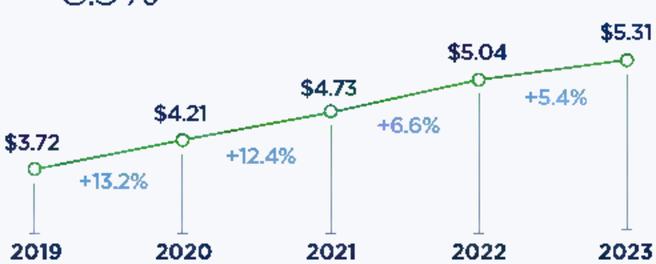
Dollars in thousands, except per share data.	2023	2022	2023/2022 % CHANGE	2021	2022/2021 % CHANGE
ADJUSTED GROSS MARGIN[1]	$ 454,123	$ 420,198	8%	$ 383,017	10%
OPERATING INCOME	$ 150,803	$ 142,933	6%	$ 131,112	9%
NET INCOME	$ 87,212	$ 89,796	-3%	$ 83,466	8%
ADJUSTED NET INCOME[2]	$ 97,837	$ 89,796	9%	$ 83,466	8%
DILUTED EARNINGS PER SHARE					
GAAP	$ 4.73	$ 5.04	-6%	$ 4.73	7%
Adjusted[2]	$ 5.31	$ 5.04	5%	$ 4.73	7%
ANNUALIZED DIVIDENDS PER SHARE	$ 2.36	$ 2.14	10%	$ 1.92	11%
TOTAL ASSETS	$ 3,304,704	$ 2,215,037	49%	$ 2,114,869	5%
STOCKHOLDERS' EQUITY[3]	$ 1,246,104	$ 832,801	50%	$ 774,130	8%
OTHER					
EMPLOYEES AT YEAR-END[4]	1,281	1,034	24%	1,007	3%
SHARES OUTSTANDING AT YEAR-END	22,235,337	17,741,418	25%	17,655,410	0%
AVERAGE DISTRIBUTION CUSTOMERS[5]	441,895	309,915	43%	287,314	8%

[1] *Adjusted Gross Margin is a non-GAAP measure A reconciliation from GAAP Gross Margin to Adjusted Gross Margin is included in the Annual Report on Form 10-K*
[2] *Amounts exclude transaction-related expenses associated with the FCG acquisition*
[3] *Includes amounts associated with the acquisition of FCG*
[4] *Reflects employees gained through the FCG acquisition in November 2023*
[5] *Reflects customers gained through the FCG acquisition in November 2023*

ADJUSTED DILUTED EARNINGS PER SHARE[6]

17 Years of Consecutive Earnings Growth

8.9% 5-Year CAGR



ANNUALIZED DIVIDENDS PER SHARE

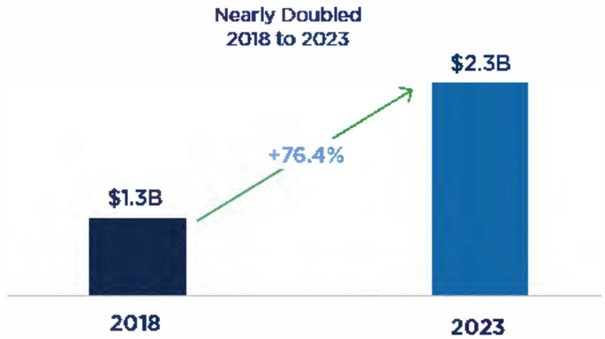
Strong Earnings Growth Drives Strong Dividend Growth

9.8% 5-Year CAGR

[6] *Amounts exclude transaction-related expenses associated with the FCG acquisition in 2023*

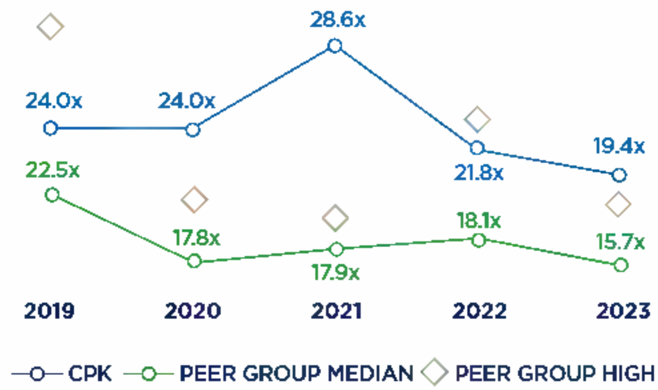
MARKET CAPITALIZATION[7]

Continued Growth of the Company

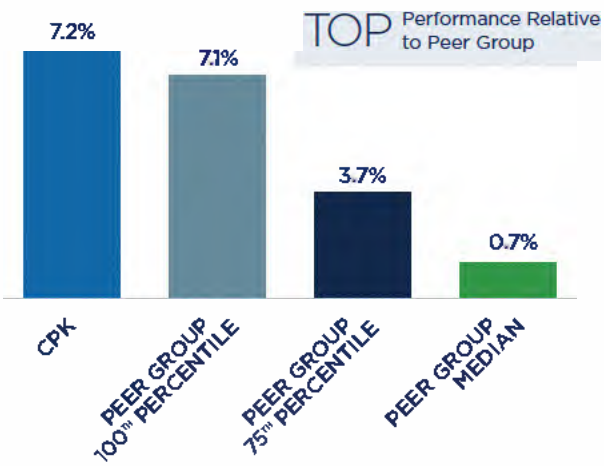


PRICE-TO-EARNINGS RATIO[8]

CPK Performance Driving Premium Valuation

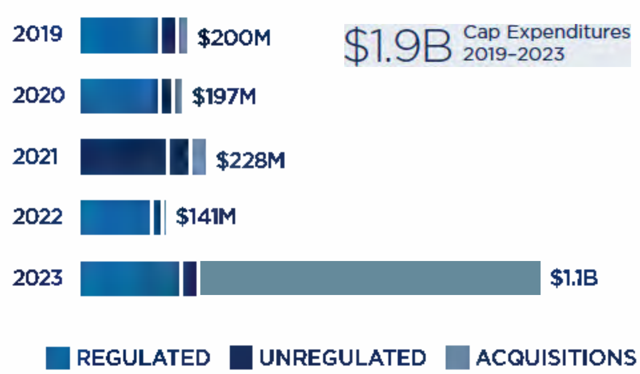


FIVE-YEAR COMPOUND ANNUAL SHAREHOLDER RETURN



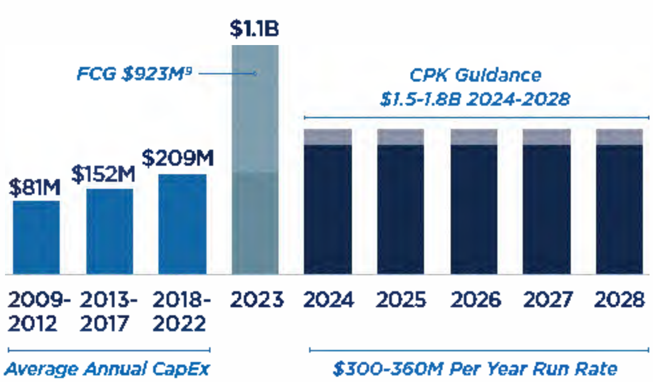
CAPITAL EXPENDITURES

46% Organic CapEx | 54% Acquisitions

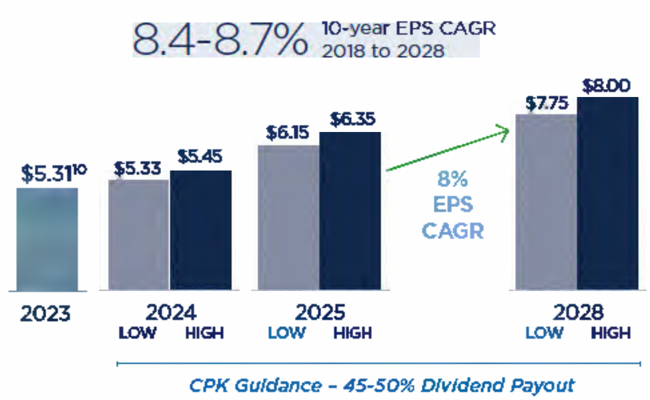


Guidance

CAPITAL EXPENDITURES



EPS AND DIVIDEND PAYOUT



[7] Values as of Dec 31 for the corresponding year
[8] Price-to-Earnings Ratio sourced from FactSet and is based on analyst consensus estimates for the next twelve months earnings
[9] Acquisition of Florida City Gas on 11/30/23
[10] Amount excludes transaction-related expenses associated with the FCG acquisition

EMBRACING TRANSFORMATION – PEOPLE, PROCESSES AND TECHNOLOGY

In 2019, our Company launched a multiyear business transformation initiative aimed at boosting growth and operational efficiency through simplification, standardization, collaboration and automation. As we pursue our growth goals, we prioritize fostering a cohesive one-Company culture based on these principles.

We have undertaken a comprehensive approach to eliminate operational barriers by streamlining our organizational structure, advancing process standardization, enhancing technological capabilities and fostering increased collaboration across our business segments. We have enhanced our talent pool, bringing in additional expertise to strengthen our operational controls while rallying around pivotal issues such as safety, diversity and service excellence.

Our Business Transformation Journey Begins with Safety

Safety has always been a top priority for our Company. We are proud of our long record of safe operations and have consistently earned national safety awards. They represent our commitment to protecting our employees, customers and communities.

With standardization in mind, our senior leadership team reorganized our safety teams and formed an Enterprise Health and Safety (EHS) Team in 2022, under the leadership of risk management. Additionally, our operations safety and damage prevention teams were consolidated under one director.

"Our concern for the safety of employees extends beyond the workplace. We encourage our employees to demonstrate their leadership and excellence in health and safety practices for the benefit of their families, friends and community. An engaged workforce is a key building block for a strong safety culture."

JEFF HOUSEHOLDER, CHAIR OF THE BOARD, PRESIDENT AND CEO

Together, EHS and the operations safety teams have worked to implement an Enterprise Safety Program aligned with ANSI/API Recommended Practice 1173, Pipeline Safety Management Systems.

While Recommended Practice 1173 is geared toward organizations that operate hazardous liquids and gas pipelines, we found this risk-based approach to be applicable across our entire enterprise.

The Enterprise Safety Program is a dynamic strategy driven by data, aligned with the plan-do-check-act cycle and the 10 essential elements of Recommended Practice 1173.

Safety Strategy Key Elements:

- **Leadership and Management Commitment:** A Safety Handbook, including a letter from the CEO, has been introduced to convey the organization's dedication to safety.
- **Stakeholder Engagement:** Initiatives have been launched to improve internal and external communication about safety concerns, welcoming feedback and suggestions.
- **Incident Investigation, Evaluation and Lessons Learned:** A safety data management system (SDMS) has been implemented to streamline incident tracking, provide essential data for safety action plans and facilitate continuous improvement.
- **Safety Assurance:** The SDMS offers robust reporting metrics, including key performance indicators, used to demonstrate risk reduction efforts and guide corrective actions. Monthly safety metric dashboards are shared with employees.
- **Competence Awareness and Training:** Monthly virtual and in-person safety meetings are assigned to all employees, covering various safety topics to enhance safety competence and awareness across the organization. In 2023, 89% of team members attended monthly safety meetings in The Grove Learning Management System.

As part of our transformation strategy, Company culture plays a crucial role, ensuring that our commitment to safety is embraced across the organization.

"We have built an Enterprise Safety Program that focuses on prevention and anticipates hazards before they arise. We approach safety proactively rather than reactively. Our commitment to ensure safety and compliance in our operations and everyday processes has consistently led to industry recognition for our efforts to improve service, reliability and safety."

JEFFREY SYLVESTER, SENIOR VICE PRESIDENT AND CHIEF OPERATING OFFICER

"As part of our commitment, we invest in our workplace health and safety programs. The return on our investment is much more than avoiding workers' compensation costs and regulatory fines. It's about keeping our employees and stakeholders safe."

BETH COOPER, EXECUTIVE VICE PRESIDENT, CHIEF FINANCIAL OFFICER, TREASURER AND ASSISTANT CORPORATE SECRETARY

"At Chesapeake Utilities Corporation, our mission goes beyond simply delivering energy; it's about enhancing the lives of the people and communities we serve. Our mission is achieved by putting people first, doing the right thing even when no one is watching and by holding each other accountable to do the work that makes us better every day."

JAMES MORIARTY, EXECUTIVE VICE PRESIDENT, GENERAL COUNSEL, CORPORATE SECRETARY AND CHIEF POLICY AND RISK OFFICER

SAFETY TOWN IN DOVER, DELAWARE, PROVIDES A STATE-OF-THE-ART TRAINING OPPORTUNITY FOR EMPLOYEES AND FIRST RESPONDERS. A SECOND SAFETY TOWN WILL OPEN IN DEBARY, FLORIDA, IN 2024.

Enriching Our Company Culture

Fostering a culture that attracts, nurtures and retains highly engaged employees is the driving force behind our continued success. It is critical to our mission that every individual understands how their role contributes to Chesapeake Utilities' strategic objectives. We have taken several steps to assess engagement levels and enhance the employee experience.

CREATING A SENSE OF BELONGING AT WORK

Our ongoing commitment to equity, diversity and inclusion (EDI) contributes to enhanced engagement. In 2023, two new employee resource groups (ERGs) were established to expand our diversity and inclusion efforts. One of these groups, Pride, is focused on supporting LGBTQIA+ individuals and allies, while the other group, Green, is dedicated to environmental initiatives. Our 10 ERGs serve as platforms for employees to connect with team members, collaborate on meaningful projects and give back as a collective force to the communities we serve.

Our employees participate in training and education aimed at enhancing awareness and knowledge, nurturing empathy and encouraging understanding among individuals with diverse backgrounds and experiences.

These programs play a vital role in creating and strengthening a diverse and inclusive workforce while ensuring that EDI principles are an integral part of our Company culture.

TURNING EMPLOYEE FEEDBACK INTO AN ACTION PLAN

Assessing employee engagement levels helps us retain a highly engaged team. In October 2023, we conducted our third Chesapeake Speaks Gallup engagement survey and continue to see improvement in participation (93%) and survey results.

CHESAPEAKE CONNECTIONS
CONNECTING US FORWARD

Launched in 2023, the Chesapeake Connections Program pairs every new employee with a "connector," someone from a different department who fosters a welcoming environment from their first day of employment with the Company. Connectors help new employees understand our one-Company culture and build relationships outside of their immediate work groups.

Chesapeake Speaks Engagement Survey

93%	650	4.02
employee participation rate	individual written comments	average score out of 5 overall

A PIPELINE GAS CONTROLLER IN OUR 24/7 CONTROL ROOM MONITORS TRANSMISSION PIPELINES, RESPONDS TO EMERGENCIES AND DISPATCHES TECHNICIANS.

THE 1CX TEAM BRINGS TOGETHER PEOPLE FROM CHESAPEAKE UTILITIES, IBM AND SAP TO LAUNCH OUR MOST COMPREHENSIVE TECHNOLOGY-DRIVEN BUSINESS TRANSFORMATION PROJECT TO DATE.

In previous years, our employees indicated they wanted to see enhancements in three key areas: employee recognition, training and development and clear and consistent communications at all levels of the organization. In response to these findings, we implemented several successful initiatives that led to increased engagement scores:

- **Management Pods:** To enhance strategic thinking and improve collaboration between our operations and support teams, we established a series of management pods dedicated to our primary business segments: regulated north, regulated south, propane, Aspire Energy and Marlin Gas Services. By establishing these cross-functional teams, we encourage strategic thinking, facilitate robust communication and foster collaboration that drives innovation and efficiency across the organization.
- **Gratitude:** This virtual employee recognition platform enables team members to give kudos and show appreciation for one another in a digital forum. Since its launch in early 2023, employees have shared over 19,000 notes of appreciation, encouragement and recognition for outstanding job performance.
- **The Grove Learning Management System:** As part of our efforts to provide more opportunities for training and career path development, we launched this one-stop online course management tool. The Grove offers a wide range of courses that cover all aspects of Chesapeake Utilities' operations. In 2023, team members completed nearly 24,000 hours of training on various topics of interest.
- **Connect Every Employee Initiative:** As part of our commitment to improving communication across the organization, we launched an initiative to assess every frontline and office employee's ability to access critical information. We conducted surveys, held individual and group meetings with leaders and organized interdepartmental focus groups to gather feedback on the accessibility of Company messaging and technology.

Enhancing the Customer Experience Through Technology

We have improved customer service levels through process improvements and technology upgrades.

Some examples include:

- Fewer steps are needed to start new energy service for a customer
- Customer communications were improved using Americans with Disabilities Act (ADA) recommendations to ensure accessibility for all individuals
- Consolidation of multiple legacy phone systems into a new simplified system

These process enhancements and upgrades have resulted in measurable improvements, as evidenced by customer feedback and satisfaction scores.

1CX SIMPLIFY • ENGAGE • TRANSFORM

As the energy industry continues its rapid evolution, we firmly believe that companies dedicated to delivering exceptional customer service will be best poised for success. In 2023, we initiated our most ambitious technology-driven business transformation project to date – 1CX.

This project is geared toward enhancing Chesapeake Utilities' service platforms for both our regulated utility customers and employees. By implementing an SAP customer information system (CIS) in collaboration with IBM, a leading integrator, we aim to streamline processes, enhance data accuracy and elevate the overall customer experience. We are scheduled to go live with this system by the end of 2024 and be ready to deliver exceptional customer service while transforming our business to meet our growing customer base.

THE 11.5-ACRE FCG LNG STORAGE FACILITY IN HOMESTEAD, FLORIDA, DELIVERS RELIABLE NATURAL GAS TO CUSTOMERS DURING WEATHER EMERGENCIES AND PEAK DEMAND PERIODS.

$1.9B invested in capital expenditures

Over the last five years, we've invested $1.9 billion in capital expenditures, encompassing both organic growth and acquisitions. We do not expect to slow down any time soon. We anticipate substantial capital investment associated with our latest acquisition, FCG, over the next five years — approximately $500 million. Our capital expenditure guidance for 2024-2028 stands at $1.5 billion to $1.8 billion, marking a 65% increase from our previous guidance updated in February 2023.

KEY DRIVERS OF OUR INVESTMENT PLAN INCLUDE:

- Enhance distribution systems to accommodate our growing customer base and ensure safety and reliability, spanning both legacy distribution systems and opportunities stemming from the FCG acquisition.
- Expand gas transmission pipelines to support utility systems, cater to large users and uphold safety and reliability, with a focus on pipeline opportunities arising from the FCG acquisition.
- Invest in technology beyond our 1CX project to streamline processes, support enterprise resource planning and drive other software enhancements necessary to foster growth and build capacity.
- Nurture our unregulated operating businesses to facilitate sustained growth and generate continued higher than regulated, allowed returns.
- Make sustainable energy investments, such as pipelines and interconnects, to create a pathway to market for sustainable fuels.

We are well underway. We've launched a significant technology improvement project, commenced business transformation initiatives (focused on safety, employee engagement and customer experience), and strategically incorporated the FCG acquisition into our portfolio. This acquisition aligns seamlessly with our legacy businesses, all of which offer opportunities for incremental earnings growth, expanding our investment platform.

We consistently emphasize our strategic intent and disciplined investment while focusing on operational fundamentals. Our clear vision and execution capabilities underpin our skill in delivering major growth projects and targeted acquisitions in alignment with our objectives, financial discipline and operational proficiency. Our new FCG unit, combined with growth prospects in our regulated and non-regulated businesses, position us well to continue to maintain top-quartile financial performance and generate increased shareholder value.

A NEW 1,875-HP NATURAL GAS-FIRED ENGINE AND COMPRESSOR SKID ALLOWS ESNG TO PROVIDE AN ADDITIONAL 7,200 DT/DAY OF CAPACITY TO ITS CUSTOMERS.

BOARD OF DIRECTORS

Chesapeake Utilities Corporation's Board of Directors provides guidance and insight for the entire Company, leveraging their diverse experiences and leadership expertise to strengthen our business and long-term strategic focus.

LISA G. BISACCIA
Compensation Committee Chair

THOMAS J. BRESNAN
Independent Lead Director,
Audit Committee Chair and
Investment Committee Member

RONALD G. FORSYTHE, JR.
Audit Committee Member
and Compensation
Committee Member

STEPHANIE N. GARY
Audit Committee Member

THOMAS P. HILL, JR.*
Investment Committee Chair and
Audit Committee Member

JEFF HOUSEHOLDER
Chair of the Board,
President and CEO
Chesapeake Utilities Corporation

DENNIS S. HUDSON, III
Corporate Governance Committee Chair and Audit Committee Member

LILA A. JABER
Corporate Governance Committee Member and Investment Committee Member

PAUL L. MADDOCK, JR.
Compensation Committee Member and Corporate Governance Committee Member

SHEREE M. PETRONE
Compensation Committee Member and Investment Committee Member

*Thomas Hill has significantly contributed to the Company's growth and success. His service on the Board will conclude in May 2024, following the Annual Meeting of Stockholders.

Thomas P. Hill, Jr.,
18 years of service
Member, Audit Committee, 2006-2024; member, Investment Committee, 2016-2024, including serving as its first non-executive Chair.

CPK
LISTED
NYSE

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-K

(Mark One)

☒ **ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the Fiscal Year Ended: December 31, 2023

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

Commission File Number: 001-11590

CHESAPEAKE UTILITIES CORPORATION

(Exact name of registrant as specified in its charter)

State of Delaware	**51-0064146**
(State or other jurisdiction of incorporation or organization)	**(I.R.S. Employer Identification No.)**

500 Energy Lane, Dover, Delaware 19901
(Address of principal executive offices, including zip code)

302-734-6799
(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol	Name of each exchange on which registered
Common Stock—par value per share $0.4867	CPK	New York Stock Exchange, Inc.

Securities registered pursuant to Section 12(g) of the Act:

None

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes ☒ No ☐

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes ☐ No ☒

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15 (d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☒	Accelerated filer	☐
Non-accelerated filer	☐	Smaller reporting company	☐
		Emerging growth company	☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report. ☒

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements. ☐

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive based compensation received by any of the registrant's executive officers during the relevant recovery period pursuant to §240.10D-1(b). ☐

Indicate by a check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act). Yes ☐ No ☒

The aggregate market value of the common shares held by non-affiliates of Chesapeake Utilities Corporation as of June 30, 2023, the last business day of its most recently completed second fiscal quarter, based on the last sale price on that date, as reported by the New York Stock Exchange, was approximately $2.1 billion.

The number of shares of Chesapeake Utilities Corporation's common stock outstanding as of February 16, 2024 was 22,238,384.

DOCUMENTS INCORPORATED BY REFERENCE

Portions of the Chesapeake Utilities Corporation Proxy Statement for the 2024 Annual Meeting of Shareholders are incorporated by reference in Part II and Part III hereof.

CHESAPEAKE UTILITIES CORPORATION

FORM 10-K

YEAR ENDED DECEMBER 31, 2023

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GLOSSARY OF DEFINITIONS

ASC: Accounting Standards Codification issued by the FASB

Adjusted Gross Margin: a non-GAAP measure calculated by deducting the purchased cost of natural gas, propane and electricity and the cost of labor spent on direct revenue-producing activities from operating revenues. The costs included in Adjusted Gross Margin exclude depreciation and amortization and certain costs presented in operations and maintenance expenses in accordance with regulatory requirements

Aspire Energy: Aspire Energy of Ohio, LLC, a wholly-owned subsidiary of Chesapeake Utilities

Aspire Energy Express: Aspire Energy Express, LLC, a wholly-owned subsidiary of Chesapeake Utilities

ASU: Accounting Standards Update issued by the FASB

ATM: At-the-market

CDC: U.S. Centers for Disease Control and Prevention

CDD: Cooling Degree-Day

CFG: Central Florida Gas Company, a division of Chesapeake Utilities

Chesapeake or Chesapeake Utilities: Chesapeake Utilities Corporation, its divisions and subsidiaries, as appropriate in the context of the disclosure

CHP: Combined Heat and Power Plant

Company: Chesapeake Utilities Corporation, its divisions and subsidiaries, as appropriate in the context of the disclosure

CNG: Compressed natural gas

Degree-day: Measure of the variation in the weather based on the extent to which the average daily temperature (from 10:00 am to 10:00 am) falls above (CDD) or below (HDD) 65 degrees Fahrenheit

Delmarva Peninsula: A peninsula on the east coast of the U.S. occupied by Delaware and portions of Maryland and Virginia

Diversified Energy: an entity from whom we acquired certain propane operating assets in North Carolina, South Carolina, Virginia, and Pennsylvania

DRIP: Dividend Reinvestment and Direct Stock Purchase Plan

Dt(s): Dekatherm(s), which is a natural gas unit of measurement that includes a standard measure for heating value

Dts/d: Dekatherms per day

Eastern Shore: Eastern Shore Natural Gas Company, a wholly-owned subsidiary of Chesapeake Utilities

Eight Flags: Eight Flags Energy, LLC, a wholly-owned subsidiary of Chesapeake Utilities

Elkton Gas: Elkton Gas Company, a wholly-owned subsidiary of Chesapeake Utilities

ESG: Environmental, Social and Governance

FASB: Financial Accounting Standards Board

FCG or Florida City Gas: Pivotal Utility Holdings, Inc., doing business as Florida City Gas, a wholly-owned subsidiary of Chesapeake Utilities that was acquired from Florida Power & Light Company on November 30, 2023

FERC: Federal Energy Regulatory Commission

FGT: Florida Gas Transmission Company

Florida Natural Gas: Refers to the Company's legacy Florida natural gas distribution operations (excluding FCG) that were consolidated under FPU, for both rate-making and operations purposes

Florida OPC: The Office of Public Counsel, an agency established by the Florida legislature who advocates on behalf of Florida's utility consumers prior to actions or rule changes

FPU: Florida Public Utilities Company, a wholly-owned subsidiary of Chesapeake Utilities

GAAP: Generally Accepted Accounting Principles

GRIP: Gas Reliability Infrastructure Program

Gross Margin: a term under U.S. GAAP which is the excess of sales over costs of goods sold

GUARD: Gas Utility Access and Replacement Directive, a program to enhance the safety, reliability and accessibility of portions of the Company's natural gas distribution system in Florida

Guernsey Power Station: Guernsey Power Station, LLC, a power generation facility in Guernsey County Ohio

Gulfstream: Gulfstream Natural Gas System, LLC, an unaffiliated pipeline network that supplies natural gas to FPU

HDD: Heating Degree-Day

LNG: Liquefied Natural Gas

Marlin Gas Services: Marlin Gas Services, LLC, a wholly-owned subsidiary of Chesapeake Utilities

MetLife: MetLife Investment Advisors, an institutional debt investment management firm, with which we have previously issued Senior Notes and which is a party to the current MetLife Shelf Agreement, as amended

MGP: Manufactured gas plant, which is a site where coal was previously used to manufacture gaseous fuel for industrial, commercial and residential use

MW: Megawatt, which is a unit of measurement for electric power or capacity

NOL: Net operating loss(es)

Peninsula Pipeline: Peninsula Pipeline Company, Inc., a wholly-owned subsidiary of Chesapeake Utilities

Peoples Gas: Peoples Gas System, an Emera Incorporated subsidiary

PHMSA: United States Department of Transportation Pipeline and Hazardous Materials Safety Administration

Prudential: Prudential Investment Management Inc., an institutional investment management firm, with which we have previously issued Senior Notes and which is a party to the current Prudential Shelf Agreement, as amended

PSC: Public Service Commission, which is the state agency that regulates utility rates and/or services in certain of our jurisdictions

Revolver: Our $375.0 million unsecured revolving credit facility with certain lenders

RNG: Renewable natural gas

Sandpiper Energy: Sandpiper Energy, Inc., a wholly-owned subsidiary of Chesapeake Utilities

SAFE: Safety, Access, and Facility Enhancement, a program to enhance the safety, reliability and accessibility of portions of the FCG's natural gas distribution system

SEC: Securities and Exchange Commission

Senior Notes: Our unsecured long-term debt issued primarily to insurance companies on various dates

Sharp: Sharp Energy, Inc., a wholly-owned subsidiary of Chesapeake Utilities

Shelf Agreement: An agreement entered into by Chesapeake Utilities and a counterparty pursuant to which Chesapeake Utilities may request that the counterparty purchase our unsecured senior debt with a fixed interest rate and a maturity date not to exceed 20 years from the date of issuance

Shelf Notes: Unsecured senior promissory notes issuable under the Shelf Agreement executed with various counterparties

SICP: Stock and Incentive Compensation Plan, which as used herein covers stock-based compensation awards issued under the current 2023 plan and the previous 2013 plan

SOFR: Secured Overnight Financing Rate, a secured interbank overnight interest rate established as an alternative to LIBOR

TCJA: Tax Cuts and Jobs Act enacted on December 22, 2017

TETLP: Texas Eastern Transmission, LP, an interstate pipeline interconnected with Eastern Shore's pipeline

Transco: Transcontinental Gas Pipe Line Company, LLC

U.S.: The United States of America

PART I

References in this document to “Chesapeake,” “Chesapeake Utilities,” the “Company,” “we,” “us” and “our” mean Chesapeake Utilities Corporation, its divisions and/or its subsidiaries, as appropriate in the context of the disclosure.

Safe Harbor for Forward-Looking Statements

We make statements in this Annual Report on Form 10-K (this "Annual Report") that do not directly or exclusively relate to historical facts. Such statements are “forward-looking statements” within the meaning of Section 27A of the Securities Act of 1933, as amended, Section 21E of the Securities Exchange Act of 1934, as amended, and the Private Securities Litigation Reform Act of 1995. One can typically identify forward-looking statements by the use of forward-looking words, such as “project,” “believe,” “expect,” “anticipate,” “intend,” “plan,” “estimate,” “continue,” “potential,” “forecast” or other similar words, or future or conditional verbs such as “may,” “will,” “should,” “would” or “could.” These statements represent our intentions, plans, expectations, assumptions and beliefs about future financial performance, business strategy, projected plans and objectives of the Company. Forward-looking statements speak only as of the date they are made or as of the date indicated and we do not undertake any obligation to update forward-looking statements as a result of new information, future events or otherwise. These statements are subject to many risks and uncertainties. In addition to the risk factors described under *Item 1A, Risk Factors*, the following important factors, among others, could cause actual future results to differ materially from those expressed in the forward-looking statements:

- state and federal legislative and regulatory initiatives that affect cost and investment recovery, have an impact on rate structures, and affect the speed and the degree to which competition enters the electric and natural gas industries;
- the outcomes of regulatory, environmental and legal matters, including whether pending matters are resolved within current estimates and whether the related costs are adequately covered by insurance or recoverable in rates;
- the impact of climate change, including the impact of greenhouse gas emissions or other legislation or regulations intended to address climate change;
- the impact of significant changes to current tax regulations and rates;
- the timing of certification authorizations associated with new capital projects and the ability to construct facilities at or below estimated costs, and within estimated timeframes;
- changes in environmental and other laws and regulations to which we are subject and environmental conditions of property that we now, or may in the future, own or operate;
- possible increased federal, state and local regulation of the safety of our operations;
- the availability and reliability of adequate technology, including our ability to adapt to technological advances, effectively implement new technologies and manage the related costs;
- the inherent hazards and risks involved in transporting and distributing natural gas, electricity and propane;
- the economy in our service territories or markets, the nation, and worldwide, including the impact of economic conditions (which we do not control) on demand for natural gas, electricity, propane or other fuels;
- risks related to cyber-attacks or cyber-terrorism that could disrupt our business operations or result in failure of information technology systems or result in the loss or exposure of confidential or sensitive customer, employee or Company information;
- issues relating to the responsible use of our technologies, including artificial intelligence;
- adverse weather conditions, including the effects of hurricanes, ice storms and other damaging weather events;
- customers' preferred energy sources;
- industrial, commercial and residential growth or contraction in our markets or service territories;
- the effect of competition on our businesses from other energy suppliers and alternative forms of energy;
- the timing and extent of changes in commodity prices and interest rates;
- the effect of spot, forward and future market prices on our various energy businesses;
- the extent of our success in connecting natural gas and electric supplies to our transmission systems, establishing and maintaining key supply sources, and expanding natural gas and electric markets;
- the creditworthiness of counterparties with which we are engaged in transactions;
- the capital-intensive nature of our regulated energy businesses;
- our ability to access the credit and capital markets to execute our business strategy, including our ability to obtain financing on favorable terms, which can be affected by various factors, including credit ratings and general economic conditions;
- the ability to successfully execute, manage and integrate a merger, acquisition or divestiture of assets or businesses and the related regulatory or other conditions associated with the merger, acquisition or divestiture;
- the impact on our costs and funding obligations, under our pension and other post-retirement benefit plans, of potential downturns in the financial markets, lower discount rates, and costs associated with health care legislation and regulation;
- the ability to continue to hire, train and retain appropriately qualified personnel;

- the availability of, and competition for, qualified personnel supporting our natural gas, electricity and propane businesses;
- the effect of accounting pronouncements issued periodically by accounting standard-setting bodies; and
- the impacts associated with a pandemic, including the duration and scope of the pandemic, the corresponding impact on our supply chains, our personnel, our contract counterparties, general economic conditions and growth, the financial markets and any costs to comply with governmental mandates.

Item 1. Business.

Corporate Overview and Strategy

Chesapeake Utilities Corporation is a Delaware corporation formed in 1947 with operations primarily in the Mid-Atlantic region, North Carolina, South Carolina, Florida and Ohio. We are an energy delivery company engaged in the distribution of natural gas, electricity and propane, the transmission of natural gas, the generation of electricity and steam, and in providing related services to our customers. Our strategy is focused on growing earnings from a stable regulated energy delivery foundation and investing in related businesses and services that provide opportunities for returns greater than traditional utility returns. We seek to identify and develop opportunities across the energy value chain, with emphasis on midstream and downstream investments that are accretive to earnings per share, consistent with our long-term growth strategy and create opportunities to continue our record of higher-than-authorized regulated returns. The Company's growth strategy includes the continued investment and expansion of the Company's regulated operations that provide a stable base of earnings, as well as investments in other related non-regulated businesses and services including sustainable investments, such as renewable natural gas. By investing in these related businesses and services, the Company creates opportunities to sustain its track record of higher returns, as compared to a traditional utility.

Currently, the Company's growth strategy is focused on the following platforms, including:

- Optimizing the earnings growth in our existing businesses, which includes organic growth, strategic and complimentary acquisitions, territory expansions, and new products and services as well as increased opportunities to transform the Company with a focus on people, process, technology and organizational structure.
- Identification and pursuit of additional pipeline expansions, including new interstate and intrastate transmission projects.
- Growth of Marlin Gas Services' CNG transport business and expansion into LNG and RNG transport services as well as methane capture.
- Identifying and undertaking additional strategic propane acquisitions that provide a larger foundation in current markets and expand our brand and presence into new strategic growth markets.
- Pursuit of growth opportunities that enable us to utilize our integrated set of energy delivery businesses to participate in sustainable energy investments.

Operating Segments

We conduct operations within two reportable segments: Regulated Energy and Unregulated Energy. The remainder of our operations is presented as "Other businesses and eliminations." These segments are described below in detail.

Regulated Energy

Overview

Our regulated energy businesses are comprised of natural gas and electric distribution, as well as natural gas transmission services.

On November 30, 2023, we completed the acquisition of FCG for $923.4 million in cash, including working capital adjustments as defined in the agreement, pursuant to the previously disclosed stock purchase agreement with Florida Power & Light Company. Upon completion of the acquisition, FCG became a wholly-owned subsidiary of the Company and is included within our Regulated Energy segment. FCG serves approximately 120,000 residential and commercial natural gas customers across eight counties in Florida, including Miami-Dade, Broward, Brevard, Palm Beach, Hendry, Martin, St. Lucie and Indian River. Its natural gas system includes approximately 3,800 miles of distribution main and 80 miles of transmission pipe. Results for FCG are included within our consolidated results from the acquisition date.

The following table presents net income for the year ended December 31, 2023 and total assets as of December 31, 2023, by operation and area served:

Operations	Areas Served	Net Income (Loss)	Total Assets
(in thousands)			
Natural Gas Distribution			
Delmarva Natural Gas [(1)]	Delaware/Maryland	$ 9,256	$ 407,089
Florida Natural Gas [(2)]	Florida	23,840	545,952
Florida City Gas [(3)]	Florida	(3,256)	1,010,998
Natural Gas Transmission			
Eastern Shore	Delaware/Maryland/ Pennsylvania	23,284	480,147
Peninsula Pipeline	Florida	12,195	154,301
Aspire Energy Express	Ohio	417	6,746
Electric Distribution			
FPU	Florida	3,727	176,348
Total Regulated Energy		$ 69,463	$ 2,781,581

[(1)] Delmarva Natural Gas consists of Delaware division, Maryland division, Sandpiper Energy and Elkton Gas

[(2)] In accordance with the Florida PSC approval of our natural gas base rate proceeding, effective March 1, 2023, our natural gas distribution business in Florida (FPU, FPU-Indiantown division, FPU-Fort Meade division and Chesapeake Utilities' CFG division) have been consolidated and amounts are now being presented on a consolidated basis consistent with the final rate order

[(3)] FCG net income (loss) includes results from the acquisition date, including transaction-related expenses attributable to the acquisition For additional information on FCG's results, see discussion under *Item 7, Management's Discussion and Analysis of Financial Condition and Results of Operations.*

Revenues in the Regulated Energy segment are based on rates regulated by the PSC in the states in which we operate or, in the case of Eastern Shore, which is an interstate business, by the FERC. The rates are designed to generate revenues to recover all prudent operating and financing costs and provide a reasonable return for our stockholders. Each of our distribution and transmission operations has a rate base, which generally consists of the original cost of the operation's plant (less accumulated depreciation), working capital and other assets. For Delmarva Natural Gas and Eastern Shore, rate base also includes deferred income tax liabilities and other additions or deductions. The Florida Natural Gas regulated energy operations do not include deferred income tax liabilities in their rate base.

Our natural gas and electric distribution operations bill customers at standard rates approved by their respective state PSC. Each state PSC allows us to negotiate rates, based on approved methodologies, for large customers that can switch to other fuels. Some of our customers in Maryland receive propane through underground distribution systems in Worcester County. We bill these customers under PSC-approved rates and include them in the natural gas distribution results and customer statistics.

Our natural gas and electric distribution operations earn profits on the delivery of natural gas or electricity to customers. The cost of natural gas or electricity that we deliver is passed through to customers under PSC-approved fuel cost recovery mechanisms. The mechanisms allow us to adjust our rates on an ongoing basis without filing a rate case to recover changes in the cost of the natural gas and electricity that we purchase for customers. Therefore, while our distribution operating revenues fluctuate with the cost of natural gas or electricity we purchase, our distribution adjusted gross margin is generally not impacted by fluctuations in the cost of natural gas or electricity.

Our natural gas transmission operations bill customers under rate schedules approved by the FERC or at rates negotiated with customers.

Operational Highlights

The following table presents operating revenues, volumes and the average number of customers by customer class for our natural gas and electric distribution operations for the year ended December 31, 2023:

	Delmarva Natural Gas Distribution		Florida Natural Gas Distribution [1]		Florida City Gas Distribution [2]		FPU Electric Distribution	
Operating Revenues *(in thousands)*								
Residential	$ 87,709	62 %	$ 50,792	30 %	$ 5,042	42 %	$ 49,542	50 %
Commercial and Industrial	54,261	38 %	108,913	65 %	5,872	49 %	52,047	52 %
Other [3]	(997)	<(1)%	8,655	5 %	1,159	9 %	(2,115)	(2)%
Total Operating Revenues	$ 140,973	100 %	$ 168,360	100 %	$ 12,073	100 %	$ 99,474	100 %
Volumes *(in Dts for natural gas/MW Hours for electric)*								
Residential	4,389,934	29 %	2,081,045	5 %	157,884	10 %	300,118	44 %
Commercial and Industrial	10,230,662	69 %	41,498,921	94 %	940,028	57 %	384,306	56 %
Other	293,186	2 %	627,934	1 %	549,132	33 %	—	— %
Total Volumes	14,913,782	100 %	44,207,900	100 %	1,647,044	100 %	684,424	100 %
Average Number of Customers [4]								
Residential	97,666	92 %	88,384	91 %	112,585	93%	25,719	78 %
Commercial and Industrial	8,246	8 %	8,415	9 %	8,587	7%	7,372	22 %
Other	23	<1%	6	<1%	6	<1%	—	— %
Total Average Number of Customers	105,935	100 %	96,805	100 %	121,178	100 %	33,091	100 %

(1) In accordance with the Florida PSC approval of our natural gas base rate proceeding, effective March 1, 2023, our natural gas distribution business in Florida (FPU, FPU-Indiantown division, FPU-Fort Meade division and Chesapeake Utilities' CFG division) have been consolidated and amounts are now being presented on a consolidated basis consistent with the final rate order.
(2) Operating revenues and volumes for FCG include amounts from the acquisition date. Customer totals for FCG reflect actual amounts at December 31, 2023 since the period from the acquisition covered only one month. For additional information on FCG's results, see discussion under *Item 7, Management's Discussion and Analysis of Financial Condition and Results of Operations.*
(3) Operating Revenues from "Other" sources include revenue, unbilled revenue, under (over) recoveries of fuel cost, conservation revenue, other miscellaneous charges, fees for billing services provided to third parties, and adjustments for pass-through taxes.
(4) Average number of customers is based on the twelve-month average for the year ended December 31, 2023.

The following table presents operating revenues, by customer type, for Eastern Shore and Peninsula Pipeline for the year ended December 31, 2023, as well as contracted firm transportation capacity by customer type, and design day capacity at December 31, 2023. Aspire Energy Express has been excluded from the table below and had operating revenue of $1.5 million and firm transportation capacity of 300,000 Dts/d for the year ended December 31, 2023:

	Eastern Shore		Peninsula Pipeline	
Operating Revenues *(in thousands)*				
Local distribution companies - affiliated [1]	$ 34,050	43 %	$ 24,324	80 %
Local distribution companies - non-affiliated	22,163	28 %	2,449	8 %
Commercial and industrial - affiliated	—	— %	1,651	5 %
Commercial and industrial - non-affiliated	23,439	29 %	534	2 %
Other [2]	271	<1%	1,442	5 %
Total Operating Revenues	$ 79,923	100 %	$ 30,400	100 %
Contracted firm transportation capacity *(in Dts/d)*				
Local distribution companies - affiliated	160,595	51 %	351,976	39 %
Local distribution companies - non-affiliated	56,576	18 %	534,825	59 %
Commercial and industrial - affiliated	—	— %	8,300	1 %
Commercial and industrial - non-affiliated	98,540	31 %	5,100	1 %
Total Contracted firm transportation capacity	315,711	100 %	900,201	100 %
Design day capacity *(in Dts/d)*	315,711	100 %	900,201	100 %

(1) Eastern Shore's and Peninsula Pipeline's service to our local distribution affiliates is based on the respective regulator's approved rates and is an integral component of the cost associated with providing natural gas supplies to the end users of those affiliates. We eliminate operating revenues of these entities against the natural gas costs of those affiliates in our consolidated financial information; however, our local distribution affiliates include this amount in their purchased fuel cost and recover it through fuel cost recovery mechanisms.
(2) Operating revenues from "Other" sources are from the rental of gas properties.

Regulatory Overview

The following table highlights key regulatory information for each of our principal Regulated Energy operations. Peninsula Pipeline and Aspire Energy Express are not regulated with regard to cost of service by either the Florida PSC or Ohio PUC respectively, or the FERC and are therefore excluded from the table. See Item 8, *Financial Statements and Supplementary Data* (Note 18, *Rates and Other Regulatory Activities,* in the consolidated financial statements) for further discussion on the impact of this legislation on our regulated businesses.

	Natural Gas Distribution							
	Delmarva				Florida		Electric Distribution	Natural Gas Transmission
Operation/ Division	**Delaware**	**Maryland (1)**	**Sandpiper (1)**	**Elkton Gas (1)(2)**	**Florida Natural Gas**	**Florida City Gas**	**FPU**	**Eastern Shore**
Regulatory Agency	Delaware PSC	Maryland PSC			Florida PSC			FERC
Effective date - Last Rate Order	01/01/2017	12/1/2007	12/01/2019	02/07/2019	3/1/23	6/9/23	10/8/2020	08/01/2017
Rate Base (in Rates) (in Millions)	Not stated	Not stated	Not stated	Not stated	$453.7	$487.3	$24.9	Not stated
Annual Rate Increase Approved (in Millions)	$2 3	$0.6	N/A(3)	$0.1	$17.2	$14.1	$3.4 base rate and $7.7 from storm surcharge	$9.8
Capital Structure (in rates) (4)*	Not stated	LTD: 42% STD: 5% Equity: 53%	Not stated	LTD: 50% Equity: 50%	LTD: 33% STD: 5% Equity: 45% Other: 17%	LTD: 31% STD: 4% Equity: 53% Other: 12%	LTD: 22% STD: 23% Equity: 55%	Not stated
Allowed Return on Equity (5)	9.75%	10.75%	Not stated (6)	9.80%	10 25%	9.50%	10.25% (7)	Not stated
TJCA Refund Status associated with customer rates	Refunded	Refunded	Refunded	N/A	Retained	Refunded	Refunded	Refunded

(1) In January 2024, our natural gas distribution businesses in Maryland, CUC-Maryland Division, Sandpiper Energy, Inc , and Elkton Gas Company (collectively, "Maryland natural gas distribution businesses") filed a joint application for a natural gas rate case with the Maryland PSC The outcome of the application is subject to review and approval by the Maryland PSC
(2) The rate increase and allowed return on equity for Elkton Gas were approved by the Maryland PSC before we acquired the company
(3) The Maryland PSC approved a declining return on equity
(4) Other components of capital structure include customer deposits, deferred income taxes and tax credits
(5) Allowed after-tax return on equity
(6) The terms of the agreement include revenue neutral rates for the first year (December 1, 2016 through November 30, 2017), followed by a schedule of rate reductions in subsequent years based upon the projected rate of propane to natural gas conversions
(7) The terms of the settlement agreement for the FPU electric division limited proceeding with the Florida PSC prescribed an authorized return on equity range of 9 25 to 11 25 percent, with a mid-point of 10 25 percent.
* LTD-Long-term debt, STD-Short-term debt.

In May 2022, our legacy natural gas distribution businesses filed a consolidated natural gas rate case with the Florida PSC. The application included a request for the following: (i) permanent rate relief of approximately $24.1 million, effective January 1, 2023; (ii) a depreciation study also submitted with the filing; (iii) authorization to make certain changes to tariffs to include the consolidation of rates and rate structure across the businesses and to unify the Florida natural gas distribution businesses under FPU; (iv) authorization to retain the acquisition adjustment recorded at the time of the FPU merger in our revenue requirement; and (v) authorization to establish an environmental remediation surcharge for the purposes of addressing future expected remediation costs for FPU MGP sites. In August 2022, interim rates were approved by the Florida PSC in the amount of approximately $7.7 million on an annualized basis, effective for all meter readings in September 2022. The discovery process and subsequent hearings were concluded during the fourth quarter of 2022 and briefs were submitted in the same quarter of 2022. In January 2023, the Florida PSC approved the application for consolidation and permanent rate relief of approximately $17.2 million on an annual basis. Actual rates in connection with the rate relief were approved by the Florida PSC in February 2023 with an effective date of March 1, 2023.

In May 2022, FCG filed a general base rate increase with the Florida PSC based on a projected 2023 test year. In June 2023, the Florida PSC issued an order approving a single total base revenue increase of $23.3 million (which included an incremental increase of $14.1 million, a previously approved increase of $3.8 million for a liquefied natural gas facility, and $5.3 million to transfer the SAFE investments from a rider clause to base rates), with new rates becoming effective as of May 1, 2023. The Commission also approved FCG's proposed reserve surplus amortization mechanism ("RSAM") with a $25.0 million reserve amount, continuation and expansion of the capital SAFE program, implementation of an automated metering infrastructure pilot, and continuation of the storm damage reserve with a target reserve of $0.8 million. On June 23, 2023, the Florida OPC filed a motion for reconsideration of the PSC's approval of RSAM, which was denied on September 12, 2023. On July 7, 2023, the Florida OPC filed a notice of appeal with the Florida Supreme Court, which is pending.

The following table presents surcharge and other mechanisms that have been approved by the respective PSC for our regulated energy distribution businesses. These include: Delaware surcharges to expand natural gas service in its service territory as well as for the conversion of propane distribution systems to natural gas; Maryland's surcharges to fund natural gas conversions and system improvements in Worcester County; Elkton's Strategic Infrastructure Development and Enhanced (STRIDE) plan for accelerated pipeline replacement for older portions of the natural gas distribution system; Florida's GRIP surcharge which provides accelerated recovery of the costs of replacing older portions of the natural gas distribution system to improve safety and reliability; FCG's SAFE surcharge which provides accelerated recovery of the costs of replacing older portions of that natural gas distribution system to improve safety and reliability; and the Florida electric distribution operation's limited proceeding which allowed recovery of storm-related costs.

Operation(s)/Division(s)	Jurisdiction	Infrastructure mechanism	Revenue normalization
Delaware division	Delaware	Yes	No
Maryland division	Maryland	No	Yes
Sandpiper Energy	Maryland	Yes	Yes
Elkton Gas	Maryland	Yes	Yes
Florida Natural Gas	Florida	Yes	No
Florida City Gas [(1)]	Florida	Yes	No
FPU electric division	Florida	Yes	No

[(1)] See Item 8, *Financial Statements and Supplementary Data*, Note 18, *Rates and Other Regulatory Activities*, for additional information related to FCG's RSAM that was approved as part of its rate case effective as of May 1, 2023.

Weather

Weather variations directly influence the volume of natural gas and electricity sold and delivered to residential and commercial customers for heating and cooling and changes in volumes delivered impact the revenue generated from these customers. Natural gas volumes are highest during the winter months, when residential and commercial customers use more natural gas for heating. Demand for electricity is highest during the summer months, when more electricity is used for cooling. We measure the relative impact of weather using degree-days. A degree-day is the measure of the variation in the weather based on the extent to which the average daily temperature falls above or below 65 degrees Fahrenheit. Each degree of temperature below 65 degrees Fahrenheit is counted as one heating degree-day, and each degree of temperature above 65 degrees Fahrenheit is counted as one cooling degree-day. Normal heating and cooling degree-days are based on the most recent 10-year average.

Competition

Natural Gas Distribution

While our natural gas distribution operations do not compete directly with other distributors of natural gas for residential and commercial customers in our service areas, we do compete with other natural gas suppliers and alternative fuel providers for sales to industrial customers. Large customers could bypass our natural gas distribution systems and connect directly to intrastate or interstate transmission pipelines, and we compete in all aspects of our natural gas business with alternative energy sources, including electricity, oil, propane and renewables. The most effective means to compete against alternative fuels are lower prices, superior reliability and flexibility of service. Natural gas historically has maintained a price advantage in the residential, commercial and industrial markets, and reliability of natural gas supply and service has been excellent. In addition, we provide flexible pricing to our large customers to minimize fuel switching and protect these volumes and their contributions to the profitability of our natural gas distribution operations.

Natural Gas Transmission

Our natural gas transmission business competes with other interstate and intrastate pipeline companies to provide service to large industrial, generation and distribution customers, primarily in the northern portion of the Delmarva Peninsula and in Florida. Our transmission business in Ohio, Aspire Energy Express, services one customer, Guernsey Power Station, to which it is the sole supplier.

Electric Distribution

While our electric distribution operations do not compete directly with other distributors of electricity for residential and commercial customers in our service areas, we do compete with other electricity suppliers and alternative fuel providers for sales to industrial customers. Some of our large industrial customers may be capable of generating their own electricity, and we structure rates, service offerings and flexibility to retain these customers in order to retain their business and contributions to the profitability of our electric distribution operations.

Supplies, Transmission and Storage

Natural Gas Distribution

Our natural gas distribution operations purchase natural gas from marketers and producers and maintain contracts for transportation and storage with several interstate pipeline companies to meet projected customer demand requirements. We believe that our supply and capacity strategy will adequately meet our customers' needs over the next several years and we will continue to adapt our supply strategy to meet projected growth in customer demand within our service territories.

The Delmarva natural gas distribution systems are directly connected to Eastern Shore's pipeline, which has connections to other pipelines that provide us with transportation and storage. These operations can also use propane-air and liquefied natural gas peak-shaving equipment to serve customers. Our Delmarva Peninsula natural gas distribution operations maintain asset management agreements with a third party to manage their natural gas transportation and storage capacity. The current agreements were effective as of April 1, 2023 and expire in March 2026. Our Delmarva operations receive a fee, which we share with our customers, from the asset manager, who optimizes the transportation, storage and natural gas supply for these operations.

Our Florida Natural Gas distribution business uses Peninsula Pipeline and Peoples Gas to transport natural gas where there is no direct connection with FGT. FPU natural gas distribution and Eight Flags entered into separate 10-year asset management agreements with Emera Energy Services, Inc. to manage their natural gas transportation capacity, each of which expires in November 2030. An agreement with Florida Southeast Connection LLC for additional service to Palm Beach County is also in place for an initial term through December 2044. FCG utilizes FGT and Peninsula Pipeline to transport natural gas.

A summary of our pipeline capacity contracts follows:

Division	Pipeline	Maximum Daily Firm Transportation Capacity (Dts)	Contract Expiration Date
Delmarva Natural Gas Distribution	Eastern Shore	160,595	2024-2035
	Columbia Gas [1]	5,246	2024-2026
	Transco [1]	30,419	2024-2028
	TETLP [1]	50,000	2027
Florida Natural Gas	Gulfstream [2]	10,000	2032
	FGT	47,409 - 78,817	2025-2041
	Peninsula Pipeline	346,200	2033-2048
	Peoples Gas	12,160	2024
	Florida Southeast Connection LLC	5,000	2044
	Southern Natural Gas Company	1,500	2029
Florida City Gas	FGT	32,235 - 68,955	2030
	Peninsula Pipeline	15,000	2033 - 2043

[1] Transco, Columbia Gas and TETLP are interstate pipelines interconnected with Eastern Shore's pipeline.
[2] Pursuant to a capacity release program approved by the Florida PSC, all of the capacity under this agreement has been released to various third parties. Under the terms of these capacity release agreements, Chesapeake Utilities is contingently liable to Gulfstream should any party, that acquired the capacity through release, fail to pay the capacity charge.

Eastern Shore has three agreements with Transco for a total of 7,292 Dts/d of firm daily storage injection and withdrawal entitlements and total storage capacity of 288,003 Dts. These agreements expire in March 2028. Eastern Shore retains these firm storage services in order to provide swing transportation service and firm storage service to customers requesting such services.

Aspire Energy Express, our Ohio intrastate pipeline subsidiary, entered into a precedent agreement to provide natural gas transportation capacity to Guernsey Power Station, who completed construction of its power generation facility in Guernsey County, Ohio in January 2023. Aspire Energy Express completed construction of the gas transmission facilities in the fourth quarter of 2021 and began billing for transportation services in the first quarter of 2022.

Electric Distribution

Our Florida electric distribution operation purchases wholesale electricity under the power supply contracts summarized below:

Area Served by Contract	Counterparty	Contracted Amount (MW)	Contract Expiration Date
Northwest Florida	Gulf Power Company	Full Requirement*	2026
Northeast Florida	Florida Power & Light Company	Full Requirement*	2026
Northeast Florida	Eight Flags	21	2036
Northeast Florida	Rayonier	1.7 to 3.0	2036
Northeast Florida	WestRock Company	As-available	N/A

*The counter party is obligated to provide us with the electricity to meet our customers' demand, which may vary.

Unregulated Energy

Overview

The following table presents net income for the year ended December 31, 2023 and total assets as of December 31, 2023, for our Unregulated Energy segment by operation and area served:

Operations	Area Served	Net Income (Loss)	Total Assets
(in thousands)			
Propane Operations (Sharp, Diversified Energy, FPU and Flo-gas)	Delaware, Maryland, Virginia, Pennsylvania, North Carolina, South Carolina, Florida	$ 13,587	$ 191,164
Energy Transmission (Aspire Energy)	Ohio	3,080	145,183
Energy Generation (Eight Flags)	Florida	2,235	37,805
Marlin Gas Services	The Entire U.S.	432	54,256
Sustainable investments and other [1]	Various	(1,697)	48,994
Total		$ 17,637	$ 477,402

[1] Includes our renewable natural gas projects that are in various stages of development

Propane Operations

Our propane operations sell propane to residential, commercial/industrial, wholesale and AutoGas customers, in the Mid-Atlantic region, North Carolina, South Carolina and Florida, through Sharp Energy, Inc., Sharpgas, Inc., Diversified Energy, FPU and Flo-gas. We deliver to and bill our propane customers based on two primary customer types: bulk delivery customers and metered customers. Bulk delivery customers receive deliveries into tanks at their location. We invoice and record revenues for these customers at the time of delivery. Metered customers are either part of an underground propane distribution system or have a meter installed on the tank at their location. We invoice and recognize revenue for these customers based on their consumption as dictated by scheduled meter reads. As a member of AutoGas Alliance, we install and support propane vehicle conversion systems for vehicle fleets and provide on-site fueling infrastructure.

Propane Operations - Operational Highlights

For the year ended December 31, 2023, operating revenues, volumes sold and average number of customers by customer class for our propane operations were as follows:

	Operating Revenues (in thousands)		Volumes (in thousands of gallons)		Average Number of Customers [1]	
Residential bulk	$ 46,913	30 %	15,187	21 %	59,483	70 %
Residential metered	13,931	9 %	4,457	6 %	17,387	21 %
Commercial bulk	37,541	24 %	21,242	30 %	7,703	9 %
Commercial metered	1,809	1 %	574	1 %	202	<1%
Wholesale	25,073	16 %	24,876	35 %	35	<1%
AutoGas	7,045	5 %	4,949	7 %	76	<1%
Other [2]	22,436	15 %	—	— %	—	— %
Total	$ 154,748	100 %	71,285	100 %	84,886	100 %

[1] Average number of customers is based on a twelve-month average for the year ended December 31, 2023. Excludes customers from the propane acquisition that closed in December 2023. See Note 4 under Item 8, Financial Statements and Supplementary Data, for additional information on this acquisition.

[2] Operating revenues from "Other" sources include revenues from customer loyalty programs, delivery, service and appliance fees, and unbilled revenues.

Competition

Our propane operations compete with national and local independent companies primarily on the basis of price and service. Propane is generally a cheaper fuel for home heating than oil and electricity but more expensive than natural gas. Our propane operations are largely concentrated in areas that are not currently served by natural gas distribution systems.

Supplies, Transportation and Storage

We purchase propane from major oil companies and independent natural gas liquids producers. Propane is transported by truck and rail to our bulk storage facilities in Pennsylvania, Delaware, Maryland, Virginia, North Carolina, South Carolina and Florida which have a total storage capacity of 8.9 million gallons. Deliveries are made from these facilities by truck to tanks located on customers' premises or to central storage tanks that feed our underground propane distribution systems. While propane supply has traditionally been adequate, significant fluctuations in weather, closing of refineries and disruption in supply chains, could cause temporary reductions in available supplies.

Weather

Propane revenues are affected by seasonal variations in temperature and weather conditions, which directly influence the volume of propane used by our customers. Our propane revenues are typically highest during the winter months when propane is used for heating. Sustained warmer-than-normal temperatures will tend to reduce propane use, while sustained colder-than-normal temperatures will tend to increase consumption.

Unregulated Energy Transmission and Supply (Aspire Energy)

Aspire Energy owns approximately 2,800 miles of natural gas pipeline systems in 40 counties in Ohio. The majority of Aspire Energy's revenues are derived from long-term supply agreements with Columbia Gas of Ohio and Consumers Gas Cooperative ("CGC"), which together serve more than 22,000 end-use customers. Aspire Energy purchases natural gas to serve these customers from conventional producers in the Marcellus and Utica natural gas production areas. In October 2021, Aspire Energy completed construction of its Noble Road Landfill RNG pipeline project, which began transporting RNG generated from the landfill to Aspire Energy's pipeline system in January of 2022, displacing conventionally produced natural gas. In 2023, the RNG volumes represented approximately 10 percent of Aspire Energy's gas gathering volumes and are anticipated to continue at such rate in 2024 and beyond. In addition, Aspire Energy earns revenue by gathering and processing natural gas for customers.

For the twelve-month period ended December 31, 2023, Aspire Energy's operating revenues and deliveries by customer type were as follows:

	Operating revenues		**Deliveries**	
	(in thousands)	% of Total	*(in thousands Dts)*	% of Total
Supply to Columbia Gas of Ohio	$ 11,694	32 %	2,351	31 %
Supply to CGC	16,844	45 %	2,025	27 %
Supply to Marketers	6,287	17 %	3,141	41 %
Other (including natural gas gathering and processing)	2,314	6 %	64	1 %
Total	$ 37,139	100 %	7,581	100 %

Energy Generation (Eight Flags)

Eight Flags generates electricity and steam at its CHP plant located on Amelia Island, Florida. The plant is powered by natural gas transported by Peninsula Pipeline and our Florida Natural Gas distribution business and produces approximately 21 MW of electricity and 75,000 pounds per hour of steam. Eight Flags sells the electricity generated from the plant to our Florida electric distribution operation and sells the steam to the customer who owns the site on which the plant is located, both under separate 20-year contracts.

Marlin Gas Services

Marlin Gas Services is a supplier of mobile CNG and virtual pipeline solutions, primarily to utilities and pipelines. Marlin Gas Services provides temporary hold services, pipeline integrity services, emergency services for damaged pipelines and specialized gas services for customers who have unique requirements. These services are provided by a highly trained staff of drivers and maintenance technicians who safely perform these functions throughout the United States. Marlin Gas Services maintains a fleet of CNG trailers, mobile compression equipment, LNG tankers and vaporizers, and an internally developed

patented regulator system which allows for delivery of over 7,000 Dts/d of natural gas. Marlin Gas Services continues to actively expand the territories it serves, as well as leveraging its fleet of equipment and patented technologies to serve LNG and RNG market needs.

Sustainable Investments

Our sustainable investments are comprised primarily of our renewable natural gas projects that are in various stages of development. Included in these are the assets and intellectual property of Planet Found that we acquired during the fourth quarter of 2022, whose farm scale anaerobic digestion pilot system and technology produces biogas from poultry litter. In addition, we are constructing a dairy manure RNG facility that we will own and operate at Full Circle Dairy in Madison County, Florida. The project consists of a facility converting dairy manure to RNG and transportation assets to bring the gas to market, with capital expenditures totaling $19.3 million through December 31, 2023. The first injection of RNG is projected to occur in the first half of 2024.

Environmental Matters

See *Item 8, Financial Statements and Supplementary Data* (see Note 19*, Environmental Commitments and Contingencies,* in the consolidated financial statements).

Human Capital Initiatives

Our success is the direct result of our employees and our strong culture that fully engages our team and promotes equity, diversity, inclusion, integrity, accountability and reliability. We believe that a combination of diverse team members and an inclusive culture contributes to the success of our Company and to enhanced societal advancement. Each employee is a valued member of our team bringing a diverse perspective to help grow our business and achieve our goals.

Our tradition of serving employees, customers, investors, partners and communities is at the core of our special culture. Our unique culture is grounded in a solid foundation of regulated businesses, but enhanced by an entrepreneurial, innovative and competitive market mindset. Among the ongoing initiatives across our enterprise, we highlight below the importance of our team, our culture of safety, and our commitment to supporting a more sustainable future.

Our Team Drives Our Performance

Our employees are the key to our success. Our leadership and human resources teams are responsible for attracting and retaining top talent and as an equal opportunity employer committed to creating a diverse workforce, we consider all qualified applicants without regard to race, religion, color, sex, national origin, age, sexual orientation, gender identity, disability or veteran status, among other factors. Our senior management team includes a Chief Human Resources Officer, with expertise in diverse candidate recruitment, to ensure that we continue to expand our candidate pools to better reflect the diverse demographics of the communities we serve.

Throughout our organization, we seek to promote from within, reviewing strategic positions regularly and identifying potential internal candidates to fill those positions, evaluating critical job skill sets to identify competency gaps and creating developmental plans to facilitate employee professional growth. We provide training and development programs, including many forms of training on our internal learning platform, as well as tuition reimbursement to promote continued professional growth.

Subsequent to the acquisition of FCG, we had a total of 1,281 employees at December 31, 2023, 196 of whom are union employees represented by two labor unions: the International Brotherhood of Electrical Workers ("IBEW") and the United Food and Commercial Workers Union. The collective bargaining agreements covering our legacy employees with these labor unions expire in 2025. Negotiations began in January 2024 with IBEW for those union employees that joined our Company as part of our acquisition of FCG. We consider our relationships with employees, including those covered by collective bargaining agreements, to be in good standing. We provide a competitive Total Rewards package for our employees including health insurance coverage, wellness initiatives, retirement savings benefits, paid time off, employee assistance programs, educational and tuition reimbursement, competitive pay, career growth opportunities, paid volunteer time, and a culture of recognition.

We listen to our employees and actively seek their input and feedback. Many of the initiatives we have in place are driven by feedback from our employees during an annual survey process or through regular employee engagement. We have also been purposeful in wanting to provide adequate recognition of our employees and their many efforts. Our internal recognition platform was unveiled in 2023 and enables employees to be recognized in real-time for their contributions. Our employees are the backbone of our continued growth and success.

We have an established an equity, diversity and inclusion ("EDI") Council which recommends and promotes our EDI strategy, advises our employee resource groups ("ERGs") and works with our operating units and support teams on EDI initiatives. The EDI Council's charter includes the following objectives:

- Build a more diverse and inclusive workforce
- Promote a culture of understanding, equality and inclusion
- Educate employees about the benefits of diversity at Chesapeake Utilities
- Support community programs and organizations that are diverse and inclusive
- Provide guidance on EDI matters for the Company

The EDI Council includes members of our leadership team, the chairs of each of our ERGs and other individuals in key support roles. The CEO receives a regular report on the achievements of the EDI Council, strategic direction of initiatives, resource needs and issues that require policy decisions or other actions.

Our first ERG was established in 2019, and as of December 31, 2023, there were ten active ERGs meeting throughout the Company. ERGs are voluntary, employee-led groups that focus on shared identities, affinities and experiences and seek to apply those perspectives to initiatives that create value throughout the Company. The ERGs support their members' personal growth and professional development, and help develop learning programs and community service opportunities throughout the Company. ERGs also help foster a sense of belonging by creating a deep and intentional community that extends beyond an employee's day-to-day team and colleagues into a companywide network.

Workplace Health and Safety

We believe that there is nothing more important than the safety of our team, our customers and our communities. We are committed to ensuring safety is at the center of our culture and the way we do business. The importance of safety is exhibited throughout the entire organization, with the direction and tone set by both the Board of Directors and our President and CEO, and evidenced through required attendance at monthly safety meetings, routine safety training and the inclusion of safety moments at key team meetings. Additionally, we remain committed to providing products and services to our customers in a safe and reliable manner.

To maintain safety as a priority, our employees remain committed and work together to ensure that our plans, programs, policies and behaviors are aligned with our aspirations as a Company. The achievement of superior safety performance is both an important short-term and long-term strategic initiative in managing our operations. Our state-of-the art training facility, Safety Town, located in Dover, Delaware, now serves as a resource for training our employees who build, maintain and operate our natural gas infrastructure, offering hands-on training and fully immersive, on-the-job field experiences. First responders and other community partners also benefit from the simulated environment and conditions they could encounter as they enter homes in the community. Construction is underway for our second Safety Town facility in Florida, and we are excited to begin utilizing this facility in 2024.

Driving Sustainability across the Company

Consistent with our culture of teamwork, the focus on sustainability is supported and shared across our organization by the dedication and efforts of our Board of Directors and its Committees, as well as the entrepreneurship and dedication of our team. As stewards of long-term enterprise value, the Board of Directors is committed to overseeing the sustainability of the Company, its environmental stewardship initiatives, its safety and operational compliance practices, and to promoting equity, diversity and inclusion that reflects the diverse communities we serve. Our ESG Committee brings together a cross-functional team of leaders across the organization responsible for identifying, assessing, executing and advancing the Company's strategic sustainability initiatives. Our Environmental Sustainability Office identifies and manages emission-reducing projects both internally as well as those that support our customers' sustainability goals. Throughout the year, Chesapeake Utilities drove numerous initiatives in support of its sustainability focus, including but not limited to:

- Constructed an RNG injection point in Yulee, Florida, providing a pathway to market for produced RNG, and progressed on construction of our first RNG production facility in Lee, Florida;
- Completed an expansion of our intrastate transmission pipeline to Vero Beach, Florida, increasing the availability of natural gas to the area;
- Served as an industry anchor partner in the Mid-Atlantic Clean Hydrogen Hub (MACH2™), which was awarded federal funding of up to $750 million in October 2023; MACH2™ is a collaboration between Delaware, southern New Jersey and southeastern Pennsylvania;

- In Delaware, filed a first-of-its-kind energy efficiency program focused on natural gas; pending approval from the Delaware PSC, the program will be implemented in 2024;
- Our Florida Natural Gas distribution business received approval for its 10-year GUARD program to remove accessibility challenges and replace older problematic distribution lines and services, increasing employee, customer, and community safety; FCG received approval to extend its similar program, SAFE, for 10 more years;
- Provided Healthy Pantry Naming Sponsor-level support and donated several recycled benches from our Pipe Recycling Project for the new 70,000 square foot Food Bank of Delaware facility located in Milford, Delaware;
- Rolled out our "Chesapeake Connections Program," connecting new team members with a "connection buddy" outside of their department for the first few months of employment;
- Introduced two new ERGs in 2023 – "PRIDE," which is focused on providing a sense of acceptance and belonging for everyone in the Chesapeake Utilities family, and "GREEN," which is passionate about the environment and committed to reducing societal impacts on the planet; and
- Named a 2023 Champion of Board Diversity by The Forum of Executive Women.

Information About Executive Officers

Set forth below are the names, ages, and positions of our executive officers with their recent business experience. The age of each officer is as of the filing date of this Annual Report.

Name	Age	Executive Officer Since	Offices Held During the Past Five Years
Jeffry M. Householder	66	2010	Chairman of the Board of Directors (May 2023 - present) President (January 2019 - present) Chief Executive Officer (January 2019 - present) Director (January 2019 - present) President of FPU (June 2010 - February 2019)
Beth W. Cooper	57	2005	Executive Vice President (February 2019 - present) Chief Financial Officer (September 2008 - present) Senior Vice President (September 2008 - February 2019) Treasurer (January 2022 - present) Assistant Corporate Secretary (March 2015 - present)
James F. Moriarty	66	2015	Executive Vice President (February 2019 - present) General Counsel & Corporate Secretary (March 2015 - present) Chief Policy and Risk Officer (February 2019 - present) Senior Vice President (February 2017 - February 2019) Vice President (March 2015 - February 2017)
Kevin J. Webber	65	2010	Chief Development Officer (January 2022 - present) Senior Vice President (February 2019 - present) President FPU (February 2019 - December 2019) Vice President Gas Operations and Business Development Florida Business Units (July 2010 - February 2019)
Jeffrey S. Sylvester	54	2019	Chief Operating Officer (January 2022 - present) Senior Vice President (December 2019 - present) Vice President Black Hills Energy (October 2012 - December 2019)

Available Information on Corporate Governance Documents

Our Annual Reports on Form 10-K, Quarterly Reports on Form 10-Q, Current Reports on Form 8-K and other reports and amendments to these reports that we file with or furnish to the SEC at their website, *www.sec.gov,* are also available free of charge at our website, *www.chpk.com,* as soon as reasonably practicable after we electronically file these reports with, or furnish these reports to the SEC. The content of this website is not part of this Annual Report.

In addition, the following documents are available free of charge on our website, *www.chpk.com*:

- Business Code of Ethics and Conduct applicable to all employees, officers and directors;
- Code of Ethics for Financial Officers;
- Corporate Governance Guidelines; and
- Charters for the Audit Committee, Compensation Committee, Investment Committee, and Corporate Governance Committee of the Board of Directors.

Any of these reports or documents may also be obtained by writing to: Corporate Secretary; c/o Chesapeake Utilities Corporation, 500 Energy Lane Suite 100, Dover, DE 19901.

ITEM 1A. RISK FACTORS

The risks described below fall into three broad categories related to (1) financial risks, (2) operational risks, and (3) regulatory, legal and environmental risks, all of which may affect our operations and/or the financial performance of our regulated and unregulated energy businesses. These are not the only risks we face but are considered to be the most material. There may be other unknown or unpredictable risks or other factors that could have material adverse effects on our future results. Refer to the section entitled *Item 7, Management's Discussion and Analysis of Financial Condition and Results of Operations* of this Annual Report for an additional discussion of these and other related factors that affect our operations and/or financial performance.

FINANCIAL RISKS

Our financial results may fluctuate significantly and may not fully reflect the underlying performance of our business.

Our operating results, including our revenues, operating margin, profitability, and cash flow, may vary significantly in the future and period-to-period comparisons of our operating results may not be meaningful. Accordingly, the results of any one quarter or year should not be relied upon as an indication of future performance. Our financial results may fluctuate as a result of a variety of factors, many of which are outside of our control, and such fluctuations and related impacts to any capital or earnings guidance we may issue from time to time, or any modification or withdrawal thereof, may negatively impact the value of our securities.

Instability and volatility in the financial markets could negatively impact access to capital at competitive rates, which could affect our ability to implement our strategic plan, undertake improvements and make other investments required for our future growth.

Our business strategy includes the continued pursuit of growth and requires capital investment in excess of cash flow from operations. As a result, the successful execution of our strategy is dependent upon access to equity and debt at reasonable costs. Our ability to issue new debt and equity capital and the cost of equity and debt are greatly affected by our financial performance and the conditions of the financial markets. In addition, our ability to obtain adequate and cost-effective debt depends on our credit ratings. A downgrade in our current credit ratings could negatively impact our access to and cost of debt. If we are not able to access capital at competitive rates, our ability to implement our strategic plan, undertake improvements and make other investments required for our future growth may be limited.

Fluctuations in propane gas prices could negatively affect results of operations.

The combination of high demand and lower-than-average inventory is always a common driver for higher propane gas prices. We adjust the price of the propane we sell based on changes in our cost of purchasing propane. However, if the market does not allow us to increase propane sales prices to compensate fully for fluctuations in purchased propane costs, our results of operations and cash flows could be negatively affected.

If we fail to comply with our debt covenant obligations, we could experience adverse financial consequences that could affect our liquidity and ability to borrow funds.

Our long-term debt obligations and our Revolver contain financial covenants related to debt-to-capital ratios and interest-coverage ratios. Failure to comply with any of these covenants could result in an event of default which, if not cured or waived, could result in the acceleration of outstanding debt obligations, the inability to borrow under certain credit agreements and terms, or the inability to access capital from other sources. Any such default could cause a material adverse change in our financial condition, results of operations and cash flows. As of December 31, 2023, we were in compliance with all of our debt covenants.

Increases in interest rates may adversely affect our results of operations and cash flows.

Increases in interest rates could increase the cost of future debt issuances. To the extent we are not able to fully recover higher debt costs in the rates we charge our utility customers, or the timing of such recovery is not certain, our earnings could be adversely affected. Increases in short-term interest rates could negatively affect our results of operations, which depend on short-term debt to finance accounts receivable and storage gas inventories and to temporarily finance capital expenditures. Reference should be made to *Item 7A, Quantitative and Qualitative Disclosures about Market Risk* for additional information.

Continuing or worsening inflationary and/or supply chain issues may adversely impact our financial condition and results of operations.

Our business is dependent on the supply chain to ensure that equipment, materials and other resources are available to both expand and maintain our services in a safe and reliable manner. Pricing of equipment, materials and other resources have increased recently and may continue to do so in the future. Failure to secure equipment, materials and other resources on economically acceptable terms, including failure to eliminate or manage the constraints in the supply chain, may impact the availability of items that are necessary to support normal operations as well as materials that are required for continued infrastructure growth, and as a result, may adversely impact our financial condition and results of operations.

In addition, it may become more costly for us to recruit and retain key employees, particularly specialized/technical personnel, in the face of competitive market conditions and increased competition for specialized and experienced workers in our industry.

Disruptions, uncertainty or volatility in the credit and capital markets may exert downward pressure on the market price of the Company's common stock.

The market price and trading volume of the Company's common stock is subject to fluctuations as a result of, among other factors, general credit and capital market conditions and changes in market sentiment regarding the operations, business and financing strategies of the Company and its subsidiaries. As a result, disruptions, uncertainty or volatility in the credit and capital markets may, amongst other things, have a material adverse effect on the market price of the Company's common stock.

Current market conditions could adversely impact the return on plan assets for our Company sponsored defined benefit plans, which may require significant additional funding.

The Company's primary defined benefit pension plan, the FPU pension plan, is a funded plan that is closed to new employees and the future benefits are frozen. At December 31, 2023, the FPU pension plan benefit obligation was $49.4 million and was funded at approximately 100 percent. The costs of providing benefits and related funding requirements of the FPU plan is subject to changes in the market value of the assets that fund the plan and the discount rates used to estimate the pension benefit obligations. The funded status of the plans and the related costs reflected in our financial statements are affected by various factors that are subject to an inherent degree of uncertainty, particularly in the current economic environment. Future losses of asset values and further declines in discount rates may necessitate accelerated funding of the plans to meet minimum federal government requirements and may result in higher pension expense in future years. Adverse changes in the benefit obligation of the FPU pension plan may require us to record higher pension expense and fund obligations earlier than originally planned, which would have an adverse impact on our cash flows from operations, decrease borrowing capacity and increase interest expense.

OPERATIONAL RISKS

We are dependent upon construction of new facilities to support future growth in earnings in our natural gas and electric distribution and natural gas transmission operations.

Construction of new facilities required to support future growth is subject to various regulatory and developmental risks, including but not limited to: (i) our ability to obtain timely certificate authorizations, necessary approvals and permits from regulatory agencies and on terms that are acceptable to us; (ii) potential changes in federal, state and local statutes and regulations, including environmental requirements, that prevent a project from proceeding or increase the anticipated cost of the project; (iii) our inability to acquire rights-of-way or land rights on a timely basis on terms that are acceptable to us; (iv) lack of anticipated future growth in available natural gas and electricity supply and demand; (v) insufficient customer throughput commitments; and (vi) lack of available and qualified third-party contractors which could impact the timely construction of new facilities. Adverse outcomes and/or changes in these risks could limit the future growth of our business and cause a material adverse change in our financial condition, results of operations and cash flows.

We do not own all of the land on which our pipelines and facilities are located, which could result in disruptions to our operations.

Because we do not own all of the land on which our pipelines and facilities have been constructed, we are subject to the possibility of more onerous terms or increased costs to retain necessary land use if we do not have valid rights-of-way or if such rights-of-way lapse or terminate. We obtain the rights to construct and operate our pipelines on land owned by third parties and governmental agencies for a specific period of time. Our loss of these rights, through our inability to renew right-of-way contracts or otherwise, could have a material adverse effect on our business, financial condition and results of operations.

We operate in a competitive environment, and we may lose customers to competitors.

Natural Gas. Our natural gas transmission and distribution operations compete with interstate pipelines when our customers are located close enough to a competing pipeline to make direct connections economically feasible. Customers also have the option to switch to alternative fuels, including renewable energy sources. Failure to retain and grow our natural gas customer base would have an adverse effect on our financial condition, results of operations and cash flows.

Electric. Our Florida electric distribution business has remained substantially free from direct competition from other electric service providers but does face competition from other energy sources. Changes in the competitive environment caused by legislation, regulation, market conditions, or initiatives of other electric power providers, particularly with respect to retail electric competition, would adversely affect our financial condition, results of operations and cash flows.

Propane. Our propane operations compete with other propane distributors, primarily on the basis of service and price. Our ability to grow the propane operations business is contingent upon capturing additional market share, expanding into new markets, and successfully utilizing pricing programs that retain and grow our customer base. Failure to retain and grow our customer base in our propane operations would have an adverse effect on our financial condition, results of operations and cash flows.

Fluctuations in weather may cause a significant variance in our earnings.

Our natural gas distribution, propane operations and natural gas transmission operations, are sensitive to fluctuations in weather conditions, which directly influence the volume of natural gas and propane we transport, sell and deliver to our customers. A significant portion of our natural gas distribution, propane operations and natural gas transmission revenue is derived from the sales and deliveries to residential, commercial and industrial heating customers during the five-month peak heating season (November through March). Other than our Maryland natural gas distribution businesses (Maryland division, Sandpiper Energy and Elkton Gas) which have revenue normalization mechanisms, if the weather is warmer than normal, we generally sell and deliver less natural gas and propane to customers, and earn less revenue, which could adversely affect our results of operations, cash flows and financial condition. Conversely, if the weather is colder than normal, we generally sell and deliver more natural gas and propane to customers, and earn more revenue, which could positively affect our results of operations, cash flows and financial condition. Variations in weather from year to year can cause our results of operations, cash flows and financial condition to vary accordingly.

Our electric distribution operation is also affected by variations in weather conditions and unusually severe weather conditions. However, electricity consumption is generally less seasonal than natural gas and propane because it is used for both heating and cooling in our service areas.

Severe weather events (such as a major hurricane, flood or tornado), natural disasters and acts of terrorism could adversely impact earnings and access to insurance coverage.

Inherent in energy transmission and distribution activities are a variety of hazards and operational risks, such as leaks, ruptures, fires, uncontrollable flows of natural gas, explosions, release of contaminants into the environment, sabotage and mechanical problems. Severe weather events and natural disasters may damage our assets, cause operational interruptions and result in the loss of human life, all of which could negatively affect our earnings, financial condition and results of operations.

Acts of terrorism and the impact of retaliatory military and other action by the U.S. and its allies may lead to increased political, economic and financial market instability and volatility in the price of natural gas, electricity and propane that could negatively affect our operations. Companies in the energy industry may face a heightened risk of exposure to acts of terrorism, which could affect our financial condition, results of operations and cash flows.

The insurance industry may also be affected by severe weather events, natural disasters and acts of terrorism. As a result, the availability of insurance covering risks against which we and our competitors typically insure may be limited. In addition, the insurance we are able to obtain may have higher deductibles, higher premiums and more restrictive policy terms, which could adversely affect our financial condition, results of operations and cash flows.

Operating events affecting public safety and the reliability of our natural gas and electric distribution and transmission systems could adversely affect our operations and increase our costs.

Our natural gas and electric operations are exposed to operational events and risks, such as major leaks, outages, mechanical failures and breakdown, operations below the expected level of performance or efficiency, and accidents that could affect public safety and the reliability of our distribution and transmission systems, significantly increase costs and cause loss of customer confidence. If we are unable to recover all or some of these costs from insurance and/or customers through the regulatory process, our financial condition, results of operations and cash flows could be adversely affected.

A security breach disrupting our operating systems and facilities or exposing confidential information may adversely affect our reputation, disrupt our operations and increase our costs.

The cybersecurity risks associated with the protection of our infrastructure and facilities is evolving and increasingly complex. We continue to heavily rely on technological tools that support our business operations and corporate functions while enhancing our security. There are various risks associated with our information technology infrastructure, including hardware and software failure, communications failure, data distortion or destruction, unauthorized access to data, misuse of proprietary or confidential data, unauthorized control through electronic means, cyber-attacks, cyber-terrorism, data breaches, programming mistakes, and other inadvertent errors or deliberate human acts. Further, the U.S. government has issued public warnings that indicate energy assets might be specific targets of cybersecurity threats and/or attacks.

Many of our employees, service providers, and vendors have been working, and continue to work, from remote locations, where cybersecurity protections could be limited and cybersecurity procedures and safeguards could be less effective. As such, we could be subject to a higher risk of cybersecurity breaches than ever before. Therefore, we could be required to expend significant resources to continue to modify or enhance our procedures and controls or to upgrade our digital and operational systems, related infrastructure, technologies and network security.

Any such failure, attack, or security breach could adversely impact our ability to safely and reliably deliver services to our customers through our transmission, distribution, and generation systems, subjecting us to reputational and other harm, and subject us to legal and regulatory proceedings and claims and demands from third parties, any of which could adversely affect our business, our earnings, results of operation and financial condition. In addition, the protection of customer, employee and Company data is crucial to our operational security. A breach or breakdown of our systems that results in the unauthorized release of individually identifiable customer information or other sensitive data could have an adverse effect on our reputation, results of operations and financial condition and could also materially increase our costs of maintaining our system and protecting it against future breakdowns or breaches. We take reasonable precautions to safeguard our information systems from cyber-attacks and security breaches; however, there is no guarantee that the procedures implemented to protect against unauthorized access to our information systems are adequate to safeguard against all attacks and breaches. We also cannot assure that any redundancies built into our networks and technology, or the procedures we have implemented to protect against cyber-attacks and other unauthorized access to secured data, are adequate to safeguard against all failures of technology or security breaches.

The Company's business, results of operations, financial condition and cash flows could be adversely affected by interruption of the Company's information technology or network systems as well as the Company's implementation of its technology roadmap.

Currently, we rely on centralized and local information technology networks and systems, some of which are managed or accessible by third parties, to process, transmit and store electronic information, and to otherwise manage or support our business. Additionally, the Company collects and stores certain data, including proprietary business information, and has access to confidential or personal information that is subject to privacy and security laws, regulations and customer-imposed controls. The processing and storage of personal information is increasingly subject to privacy and data security regulations. The interpretation and application of data protection laws in the U.S. are continuing to evolve and may be different across jurisdictions. Violations of these laws could result in criminal or civil sanctions and even the mere allegation of such violations, could harm the Company's reputation.

Information technology system and/or network disruptions, whether caused by acts of sabotage, employee error, malfeasance or otherwise, could have an adverse impact on the Company's operations as well as the operations of the Company's customers and suppliers. As a result, the Company may be subject to legal claims or regulatory proceedings which could result in liability or penalties under privacy laws, disruption in the Company's operations, and damage to the Company's reputation, adversely affecting the Company's business, results of operations, financial condition and cash flows.

The Company is also implementing a technology roadmap that will significantly advance our technological capabilities. The implementation of new software in multiple phases is a complex process that involves several risks. Some of the common risks include:

- Expectations of what the software can do is not achieved and requires additional spending, resources and time;
- Inadequate planning, including changes in implementation plans, can lead to delays, cost overruns, and poor outcomes;
- Ensuring continued team engagement is critical as technology and systems projects are significant and involve many resources within the Company as well as the use of various third parties;
- Implementing new software can expose the organization to new security risks; and

- Integrating new software with existing systems can be challenging, as a result of compatibility issues, data migration and system downtime.

Concerns relating to the responsible use of new and evolving technologies, such as artificial intelligence (AI), may result in reputational or financial harm and liability.

While providing significant benefits, AI poses emerging legal, social, and ethical issues and presents risks and challenges. If we utilize AI solutions that have unintended consequences or may be deemed controversial, or if we are unable to develop effective internal policies and frameworks relating to the responsible use of AI, we may experience brand or reputational harm, competitive harm or legal liability. Complying with regulations related to AI could increase our cost of doing business, may change the way that we operate in certain jurisdictions, or may impede our ability to offer services in certain jurisdictions if we are unable to comply with regulations.

Failure to attract and retain an appropriately qualified employee workforce could adversely affect operations.

Our ability to implement our business strategy and serve our customers depends upon our continuing ability to attract, develop and retain talented professionals and a technically skilled workforce in a manner competitive with current market conditions, and transfer the knowledge and expertise of our workforce to new employees as our existing employees retire. Failure to hire and adequately train replacement employees, including the transfer of significant internal historical knowledge and expertise to new employees, or the future availability and cost of contract labor could adversely affect our ability to manage and operate our business. If we were unable to hire, train and retain appropriately qualified personnel, our results of operations could be adversely affected.

A strike, work stoppage or a labor dispute could adversely affect our operations.

We are party to collective bargaining agreements with labor unions at some of our Florida operations. A strike, work stoppage or a labor dispute with a union or employees represented by a union could cause interruption to our operations and our results could be adversely affected.

Our businesses are capital-intensive, and the increased costs and/or delays of capital projects may adversely affect our future earnings.

Our businesses are capital-intensive and require significant investments in ongoing infrastructure projects. These projects are subject to state and federal regulatory oversight and require certain property rights, such as easements and rights-of-way from public and private owners, as well as regulatory approvals, including environmental and other permits and licenses. There is no assurance that we will be able to obtain the necessary property rights, permits and licenses and approvals in a timely and cost-efficient manner, or at all, which may result in the delay or failure to complete a project. In addition, the availability of the necessary materials and qualified vendors could also impact our ability to complete such projects on a timely basis and manage the overall costs. Failure to complete any pending or future infrastructure projects could have a material adverse impact on our financial condition, results of operations and cash flows. Where we are able to successfully complete pending or future infrastructure projects, our revenues may not increase immediately upon the expenditure of funds on a particular project or as anticipated over the life of the project. As a result, there is the risk that new and expanded infrastructure may not achieve our expected investment returns, which could have a material adverse effect on our business, financial condition and results of operations.

Our regulated energy business may be at risk if franchise agreements are not renewed, or new franchise agreements are not obtained, which could adversely affect our future results or operating cash flows and financial condition.

Our regulated natural gas and electric distribution operations hold franchises in each of the incorporated municipalities that require franchise agreements in order to provide natural gas and electricity. Ongoing financial results would be adversely impacted in the event that franchise agreements were not renewed. If we are unable to obtain franchise agreements for new service areas, growth in our future earnings could be negatively impacted.

Slowdowns in customer growth may adversely affect earnings and cash flows.

Our ability to increase revenues in our natural gas, propane and electric distribution businesses is dependent upon growth in the residential construction market, adding new commercial and industrial customers and conversion of customers to natural gas, electricity or propane from other energy sources. Slowdowns in growth may adversely affect our financial condition, results of operations and cash flows.

Energy conservation could lower energy consumption, which would adversely affect our earnings.

Federal and state legislative and regulatory initiatives to promote energy efficiency, conservation and the use of alternative energy sources could lower consumption of natural gas and propane by our customers. For example, on August 16, 2022, the Inflation Reduction Act of 2022 was signed into law, with hundreds of billions of dollars in incentives for the development of renewable energy, clean hydrogen, and clean fuels, amongst other provisions. These incentives could further accelerate the transition of the U.S. economy away from the use of fossil fuels towards lower- or zero-carbon emissions alternatives and impact demand for our products and services. In addition, increasing attention to climate change, societal expectations on companies to address climate change, investor and societal expectations including mandatory climate related disclosures, and the aforementioned demand for alternative forms of energy, may result in increased costs and reduced demand for our products and services. While we cannot predict the ultimate effect that the development of alternative energy sources and related laws might have on our operations, we may be subject to reduced profits, increased investigations and litigation against us, and negative impacts on our stock price and access to capital markets.

In addition, higher costs of natural gas, propane and electricity may cause customers to conserve fuel. To the extent recovery through customer rates of higher costs or lower consumption from energy efficiency or conservation is not allowed, and our propane retail prices cannot be increased due to market conditions, our financial condition, results of operations and cash flows could be adversely affected.

Commodity price increases may adversely affect the operating costs and competitive positions of our natural gas, electric and propane operations, which may adversely affect our results of operations, cash flows and financial condition.

Natural Gas and Electricity. Higher natural gas prices can significantly increase the cost of gas billed to our natural gas customers. Increases in the cost of natural gas and other fuels used to generate electricity can significantly increase the cost of electricity billed to our electric customers. Damage to the production or transportation facilities of our suppliers, which decreases their supply of natural gas and electricity, could result in increased supply costs and higher prices for our customers. Such cost increases generally have no immediate effect on our revenues and net income because of our regulated fuel cost recovery mechanisms. However, our net income may be reduced by higher expenses that we may incur for uncollectible customer accounts and by lower volumes of natural gas and electricity deliveries when customers reduce their consumption. Therefore, increases in the price of natural gas and other fuels can adversely affect our financial condition, results of operations and cash flows, as well as the competitiveness of natural gas and electricity as energy sources.

Propane. Propane costs are subject to changes as a result of product supply or other market conditions, including weather, economic and political factors affecting crude oil and natural gas supply or pricing. For example, weather conditions could damage production or transportation facilities, which could result in decreased supplies of propane, increased supply costs and higher prices for customers. Such increases in costs can occur rapidly and can negatively affect profitability. There is no assurance that we will be able to pass on propane cost increases fully or immediately, particularly when propane costs increase rapidly. Therefore, average retail sales prices can vary significantly from year-to-year as product costs fluctuate in response to propane, fuel oil, crude oil and natural gas commodity market conditions. In addition, in periods of sustained higher commodity prices, declines in retail sales volumes due to reduced consumption and increased amounts of uncollectible accounts may adversely affect net income.

Refer to *Item 7A*, *Quantitative and Qualitative Disclosures about Market Risk* for additional information.

Our use of derivative instruments may adversely affect our results of operations.

Fluctuating commodity prices may affect our earnings and financing costs because our propane operations use derivative instruments, including forwards, futures, swaps, puts, and calls, to hedge price risk. While we have risk management policies and operating procedures in place to control our exposure to risk, if we purchase derivative instruments that are not properly matched to our exposure, our results of operations, cash flows, and financial condition may be adversely affected. In addition, fluctuations in market prices could result in significant unrealized gains or losses, which could require margins to be posted on unsettled positions and impact our financial position, results of operations and cash flows.

A substantial disruption or lack of growth in interstate natural gas pipeline transmission and storage capacity or electric transmission capacity may impair our ability to meet customers' existing and future requirements.

In order to meet existing and future customer demands for natural gas and electricity, we must acquire sufficient supplies of natural gas and electricity, interstate pipeline transmission and storage capacity, and electric transmission capacity to serve such requirements. We must contract for reliable and adequate upstream transmission capacity for our distribution systems while considering the dynamics of the interstate pipeline and storage and electric transmission markets, our own on-system resources, as well as the characteristics of our markets. Our financial condition and results of operations would be materially and adversely affected if the future availability of these capacities were insufficient to meet future customer demands for natural gas and electricity. Currently, our natural gas operations in Florida rely primarily on two pipeline systems, FGT and Peninsula Pipeline (our intrastate pipeline subsidiary), for most of their natural gas supply and transmission. Our Florida electric operation secures electricity from external parties. Any continued interruption of service from these suppliers could adversely affect our ability to meet the demands of our customers, which could negatively impact our financial condition, results of operations and cash flows.

Our ability to grow our businesses could be adversely affected if we are not successful in making acquisitions or integrating the acquisitions we have completed.

One of our strategies is to grow through acquisitions of complementary businesses. On November 30, 2023, we completed the acquisition of FCG, a regulated natural gas distribution utility serving approximately 120,000 residential and commercial natural gas customers in Florida, for $923.4 million in cash, pursuant to the previously disclosed stock purchase agreement with Florida Power & Light Company. Our acquisitions, including FCG as well as future acquisitions, involve a number of risks including, but not limited to, the following:

- We may fail to realize the benefits and growth prospects anticipated as a result of the acquisition;
- We may not identify all material facts, issues and/or liabilities in due diligence; accurately anticipate required capital expenditures; or design and implement an effective internal control environment with respect to acquired businesses;
- We may experience difficulty in integrating the technology, systems, policies, processes or operations and retaining the employees, including key personnel of the acquired business;
- The historical financial results of acquisitions may not be representative of our future financial condition, results of operations and cash flows, and may not deliver the expected strategic and operational benefits;
- An acquisition may divert management's attention to integration activities or disrupt ongoing operations; and
- We may overpay for assets, which could result in the recording of excess goodwill and other intangible assets at values that ultimately may be subject to impairment charges.

These factors, amongst others, could impact our ability to successfully grow our business which could have a material adverse effect on our financial condition, results of operations and cash flows.

An impairment of our assets including long-lived assets, goodwill and other intangible assets, could negatively impact our financial condition and results of operations.

In accordance with GAAP, goodwill, intangibles, and other long-lived assets are tested for impairment annually or whenever events or changes in circumstances indicate impairment may have occurred. The testing of assets for impairment requires us to make significant estimates about our future performance and cash flows, as well as other assumptions. These values may be impacted by significant negative industry or economic trends, changes in technology, regulatory or industry conditions, disruptions to our business, inability to effectively integrate acquired businesses, unexpected significant change or planned changes in use of our assets, changes in the structure of our business, divestitures, market capitalization declines or changes in economic conditions or interest rates. If the testing performed indicates that impairment has occurred, we are required to record an impairment charge for the difference between the carrying value of the applicable asset and the implied fair value in the period the determination is made. Any changes in key assumptions, or actual performance compared with key assumptions, about our business and its future prospects could affect the fair value of one or more of our assets, which may result in an impairment charge and could negatively affect our financial condition and results of operations.

REGULATORY, LEGAL AND ENVIRONMENTAL RISKS

Regulation of our businesses, including changes in the regulatory environment, may adversely affect our financial condition, results of operations and cash flows.

The Delaware, Maryland, Ohio and Florida PSCs regulate our utility operations in those states. Eastern Shore is regulated by the FERC. The PSCs and the FERC set the rates that we can charge customers for services subject to their regulatory jurisdiction. Our ability to obtain timely rate increases and rate supplements to maintain current rates of return depends on regulatory approvals, and there can be no assurance that our regulated operations will be able to obtain such approvals or maintain currently authorized rates of return. When earnings from our regulated utilities exceed the authorized rate of return, the respective regulatory authority may require us to reduce our rates charged to customers in the future.

We may face certain regulatory and financial risks related to pipeline safety legislation.

We are subject to a number of legislative proposals at the federal and state level to implement increased oversight over natural gas pipeline operations and facilities to inspect pipeline facilities, upgrade pipeline facilities, or control the impact of a breach of such facilities. Additional operating expenses and capital expenditures may be necessary to remain in compliance.

If new legislation is adopted and we incur additional expenses and expenditures, our financial condition, results of operations and cash flows could be adversely affected, particularly if we are not authorized through the regulatory process to recover from customers some or all of these costs and earn at an authorized rate of return.

Pipeline integrity programs and repairs may impose significant costs and liabilities on the Company.

The PHMSA requires pipeline operators to develop integrity management programs to comprehensively evaluate their pipelines and to take additional measures to protect pipeline segments located in areas where a leak or rupture could potentially do the most harm. The PHMSA constantly updates its regulations to ensure the highest levels of pipeline safety. As the operator of pipelines, we are required to: perform ongoing assessments of pipeline integrity; identify and characterize applicable threats to pipelines; improve data collection, integration and analysis; repair and remediate the pipelines as necessary; and implement preventative and mitigating actions. These new and any future regulations adopted by the PHMSA may impose more stringent requirements applicable to integrity management programs and other pipeline safety aspects of our operations, which could cause us to incur increased capital and operating costs and operational delays. Moreover, should we fail to comply with the PHMSA rules and regulations, we could be subject to significant penalties and fines which may adversely affect our financial condition, results of operations and cash flows.

We are subject to operating and litigation risks that may not be fully covered by insurance.

Our operations are subject to the operating hazards and risks normally incidental to handling, storing, transporting, transmitting and delivering natural gas, electricity and propane to end users. From time to time, we are a defendant in legal proceedings arising in the ordinary course of business. We maintain insurance coverage for our general liabilities in the amount of $52 million, which we believe is reasonable and prudent. However, there can be no assurance that such insurance will be adequate to protect us from all material expenses related to potential future claims for personal injury and property damage or that such levels of insurance will be available in the future at economical prices.

Costs of compliance with environmental laws may be significant.

We are subject to federal, state and local laws and regulations governing environmental quality and pollution control. These evolving laws and regulations may require expenditures over a long period of time to control environmental effects at our current and former operating sites, especially former MGP sites. To date, we have been able to recover, through regulatory rate mechanisms, the costs associated with the remediation of former MGP sites. However, there is no guarantee that we will be able to recover future remediation costs in the same manner or at all. A change in our approved rate mechanisms for recovery of environmental remediation costs at former MGP sites could adversely affect our financial condition, results of operations and cash flows.

Further, existing environmental laws and regulations may be revised, or new laws and regulations seeking to protect the environment may be adopted and be applicable to us. Revised or additional laws and regulations could result in additional operating restrictions on our facilities or increased compliance costs, which may not be fully recoverable. Any such increase in compliance costs could adversely affect our financial condition, results of operations and cash flows. Compliance with these legal obligations requires us to commit capital. If we fail to comply with environmental laws and regulations, even if such failure is caused by factors beyond our control, we may be assessed administrative, civil, or criminal penalties and fines, imposed with investigatory and remedial obligations, or issued injunctions all of which could impact our financial condition, results of operations and cash flows. See *Item 8, Financial Statements and Supplementary Data* (see Note 19*, Environmental Commitments and Contingencies,* in the consolidated financial statements).

Unanticipated changes in our tax provisions or exposure to additional tax liabilities could affect our profitability and cash flow.

We are subject to income and other taxes in the U.S. and the states in which we operate. Changes in applicable state or U.S. tax laws and regulations, or their interpretation and application, including the possibility of retroactive effect, could affect our tax expense and profitability. In addition, the final determination of any tax audits or related litigation could be materially different from our historical income tax provisions and accruals. Changes in our tax provision or an increase in our tax liabilities, due to changes in applicable law and regulations, the interpretation or application thereof, future changes in the tax rate or a final determination of tax audits or litigation, could have a material adverse effect on our financial position, results of operations and cash flows.

Our business may be subject in the future to additional regulatory and financial risks associated with global warming and climate change.

There have been a number of federal and state legislative and regulatory initiatives proposed in recent years in an attempt to control or limit the effects of global warming and overall climate change, including greenhouse gas emissions. The direction of future U.S. climate change regulation is difficult to predict given the potential for policy changes under different Presidential administrations and Congressional leadership. The Environmental Protection Agency, or other Federal agencies, may or may not continue developing regulations to reduce greenhouse gas emissions. Even if federal efforts in this area slow, states, cities and local jurisdictions may continue pursuing climate regulations. Any laws or regulations that may be adopted to restrict or reduce emissions of greenhouse gases could require us to incur additional operating costs, such as costs to purchase and operate emissions controls, to obtain emission allowances or to pay emission taxes, and could reduce demand for our energy delivery services. Federal, state and local legislative initiatives to implement renewable portfolio standards or to further subsidize the cost of solar, wind and other renewable power sources may change the demand for natural gas. We cannot predict the potential impact that such laws or regulations, if adopted, may have on our future business, financial condition or financial results.

Climate changes may impact the demand for our services in the future and could result in more frequent and more severe weather events, which ultimately could adversely affect our financial results.

Significant climate change creates physical and financial risks for us. Our customers' energy needs vary with weather conditions, primarily temperature and humidity. For residential customers, heating and cooling represent their largest energy use. To the extent weather conditions may be affected by climate change, customers' energy use could increase or decrease depending on the duration and magnitude of any changes. To the extent that climate change adversely impacts the economic health or weather conditions of our service territories directly, it could adversely impact customer demand or our customers' ability to pay. Changes in energy use due to weather variations may affect our financial condition through volatility and/or decreased revenues and cash flows. Extreme weather conditions require more system backups and can increase costs and system stresses, including service interruptions. Severe weather impacts our operating territories primarily through thunderstorms, tornadoes, hurricanes, and snow or ice storms. Weather conditions outside of our operating territories could also have an impact on our revenues and cash flows by affecting natural gas prices. To the extent the frequency of extreme weather events increases, this could increase our costs of providing services. We may not be able to pass on the higher costs to our customers or recover all the costs related to mitigating these physical risks. To the extent financial markets view climate change and emissions of greenhouse gases as a financial risk, this could adversely affect our ability to access capital markets or cause us to receive less favorable terms and conditions in future financings. Our business could be affected by the potential for investigations and lawsuits related to or against greenhouse gas emitters based on the claimed connection between greenhouse gas emissions and climate change, which could impact adversely our business, results of operations and cash flows.

Our certificate of incorporation and bylaws may delay or prevent a transaction that stockholders would view as favorable.

Our certificate of incorporation and bylaws, as well as Delaware law, contain provisions that could delay, defer or prevent an unsolicited change in control of Chesapeake Utilities, which may negatively affect the market price of our common stock or the ability of stockholders to participate in a transaction in which they might otherwise receive a premium for their shares over the then current market price. These provisions may also prevent changes in management. In addition, our Board of Directors is authorized to issue preferred stock without stockholder approval on such terms as our Board of Directors may determine. Our common stockholders will be subject to, and may be negatively affected by, the rights of any preferred stock that may be issued in the future.

ITEM 1B. UNRESOLVED STAFF COMMENTS.

None.

ITEM 1C. CYBERSECURITY

We recognize the importance of assessing, identifying, and managing material risks associated with cybersecurity threats, as such term is defined in Item 106(a) of Regulation S-K. We face a multitude of increasing cybersecurity threats, including those that target the Nation's critical infrastructure sectors. Reliable service and operational continuity are critical to our success and the welfare of those we serve, including our ability to safely and reliably deliver energy to our customers through our transmission, distribution, and generation systems. We are committed to maintaining robust governance and oversight of these risks and to investing in the implementation of mechanisms, controls, technologies, and processes designed to help us assess, identify, and manage these risks in an everchanging landscape.

To mitigate the threat to our business, we take a comprehensive, cross-functional approach to cybersecurity risk management. Our management team is actively involved in the oversight and implementation of our risk management program, of which cybersecurity represents an important component. At least annually, we conduct a cybersecurity risk assessment that evaluates information from internal stakeholders and external sources. The results of the assessment inform our alignment and prioritization of initiatives to enhance our security controls. As described in more detail below, we have established policies, standards, processes and practices for assessing, identifying, and managing material risks from cybersecurity threats which follow frameworks established by the National Institute of Standards and Technology (NIST). These include, among other things: security awareness training for employees; mechanisms to detect and monitor unusual network activity; services that identify cybersecurity threats; conducting scans of the threat environment; evaluating our industry's risk profile; utilizing internal and external audits; conducting threat and vulnerability assessments; and containment and incident response tools. We also actively engage with industry groups for benchmarking and awareness of best practices. We maintain controls and procedures that are designed to ensure prompt escalation of certain cybersecurity incidents so that decisions regarding public disclosure and reporting of such incidents can be made in a timely manner.

Our approach to cybersecurity risk management includes the following key elements:

- Multi-Layered Defense and Continuous Monitoring: We work to protect our business from cybersecurity threats through multi-layered defenses and apply lessons learned from our defense and monitoring efforts to help prevent future attacks. We utilize data analytics to detect anomalies and review trends in the data. We regularly assess and deploy technical safeguards designed to protect our information systems from cybersecurity threats. Such safeguards are regularly evaluated and enhanced based on vulnerability assessments, cybersecurity threat intelligence and incident response experience.

- Information Sharing and Collaboration: We share and receive threat intelligence and best practices with industry peers, government agencies, information sharing and analysis centers, industry trade organizations, and cybersecurity forums. These relationships enable the rapid sharing of information around threat and vulnerability mitigation.

- Third-Party Risk Assessments: We engage third-party services to conduct assessments of our security controls, whether through penetration testing, independent audits or consulting on best practices to address new challenges. These assessments include testing both the design and operational effectiveness of security controls.

- Companywide Policies and Procedures: We have companywide cybersecurity policies and procedures, such as encryption standards, antivirus protection, remote access protocols, multi-factor authentication, protection of confidential information, and the use of the internet, social media, email, and wireless devices. These policies go through an internal review process and are approved by the appropriate members of management.

- Training and Awareness: We provide awareness training to our employees to help identify, avoid and mitigate cybersecurity threats. Our employees routinely participate in phishing campaigns, education that reinforces compliance with our policies, standards and practices, and other awareness training. We also periodically perform simulations and other exercises with management and incorporate external resources and advisors as needed. Our team of cybersecurity professionals collaborate with stakeholders across our business units to further analyze the risk to the Company, and form detection, mitigation and remediation strategies.

- Supplier Engagement: We work collectively with our suppliers to support cybersecurity resiliency in our supply chain. The Company uses a variety of processes to address third-party cybersecurity threats, including reviewing the cybersecurity practices of such provider(s), contractually imposing obligations on the provider(s), notifications in the event of any known or suspected cyber incident, conducting security assessments, and periodic reassessments during the course of the Company's engagement with such provider(s).

As of the date of this Form 10-K, there have not been any cybersecurity incidents that have materially affected our business strategy, results of operations or financial condition. There can be no guarantee that our policies and procedures will be followed or, if followed, will be effective. For more information regarding the risks we face from cybersecurity threats, please see *Item 1A*, *Risk Factors*, which should be read in conjunction with this Item 1C.

Cybersecurity Risk Governance and Oversight

The Company's Board, in conjunction with its Audit Committee, oversees management's approach to cybersecurity risk and its alignment with the Company's risk management program. The Board and Audit Committee receive reports from management about the prevention, detection, mitigation, and remediation of cybersecurity incidents, including material security risks and vulnerabilities. Additionally, management provides the Audit Committee with updates on cybersecurity risk assessments, risk mitigation strategies, and relevant internal and industry cybersecurity matters. The Company's Chief Information Officer ("CIO") is responsible for developing and implementing our information security program and reporting on cybersecurity matters to the Board and Audit Committee. The Company's CIO has 25 years of experience in the information technology industry. The CIO reports to the Chief Executive Officer and is supported by a dedicated cybersecurity team within our information systems department, as well as a multidisciplinary incident response team. Employees across the organization also have a role in our cybersecurity defenses, which we believe improves our cybersecurity posture.

In addition, the Company's Risk Management Committee ("RMC") evaluates risks relating to cybersecurity, among other significant risks, and applicable mitigation plans to address such risks. The RMC is comprised of members of the executive leadership team. The RMC meets monthly and receives updates from the CIO or a member of our cybersecurity team. The RMC reviews security performance metrics, global security risks, security enhancements, and updates on our security posture.

ITEM 2. Properties.

Offices and other operational facilities

We own or lease offices and other operational facilities in our service territories located in Delaware, Maryland, Virginia, North Carolina, South Carolina, Florida, Pennsylvania and Ohio.

Regulated Energy Segment

The following table presents a summary of miles of assets operated by our natural gas distribution, natural gas transmission and electric business units as of December 31, 2023:

Operations	Miles
Natural Gas Distribution	
Delmarva Natural Gas (Natural gas pipelines)	2,075
Delmarva Natural Gas (Underground propane pipelines)	17
FPU (Natural gas pipelines)	3,154
Florida City Gas (Natural gas pipelines)	3,860
Natural Gas Transmission	
Eastern Shore	517
Florida City Gas	79
Peninsula Pipeline	177
Aspire Energy Express [1]	—
Electric Distribution	
FPU	906
Total	10,785

[1] Aspire Energy Express had less than 1 mile of natural gas pipeline at December 31, 2023.

Peninsula Pipeline also has a 50 percent jointly owned intrastate transmission pipeline with Seacoast Gas Transmission, LLC ("Seacoast Gas Transmission") in Nassau County, Florida. The 26-mile pipeline serves demand in both Nassau and Duval Counties.

Unregulated Energy Segment

The following table presents propane storage capacity, miles of underground distribution mains and transmission for our Unregulated Energy Segment operations as of December 31, 2023:

Operations	Gallons or miles
Propane distribution	
Propane storage capacity (gallons in millions)	8.9
Underground propane distribution mains (miles)	153
Unregulated Energy Transmission and gathering (Aspire Energy)	
Natural gas pipelines (miles)	2,800

ITEM 3. Legal Proceedings.

See Note 20, *Other Commitments and Contingencies* in the Consolidated Financial Statements, which is incorporated into Item 3 by reference.

ITEM 4. Mine Safety Disclosures.

Not applicable.

PART II

ITEM 5. Market for the Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities.

Common Stock Dividends and Stockholder Information:

Chesapeake Utilities common stock is traded on the New York Stock Exchange ("NYSE") under the ticker symbol CPK. As of February 16, 2024, we had 1,974 holders of record of our common stock. We declared quarterly cash dividends on our common stock totaling $2.305 per share in 2023 and $2.085 per share in 2022, and have paid a cash dividend to holders of our common stock for 63 consecutive years. Future dividend payments and amounts are at the discretion of the Board of Directors and will depend on our financial condition, results of operations, capital requirements, and other factors.

Indentures to our long-term debt contain various restrictions which limit our ability to pay dividends. Refer to *Item 8, Financial Statements and Supplementary Data* (see Note 12, *Long-Term Debt*, in the consolidated financial statements) for additional information.

Purchases of Equity Securities by the Issuer

The following table sets forth information on purchases by us or on our behalf of shares of our common stock during the quarter ended December 31, 2023:

Period	Total Number of Shares Purchased	Average Price Paid per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs [2]	Maximum Number of Shares That May Yet Be Purchased Under the Plans or Programs [2]
October 1, 2023 through October 31, 2023 [1]	663	$ 95.19	—	—
November 1, 2023 through November 30, 2023	—	—	—	—
December 1, 2023 through December 31, 2023	—	—	—	—
Total	663	$ 95.19	—	—

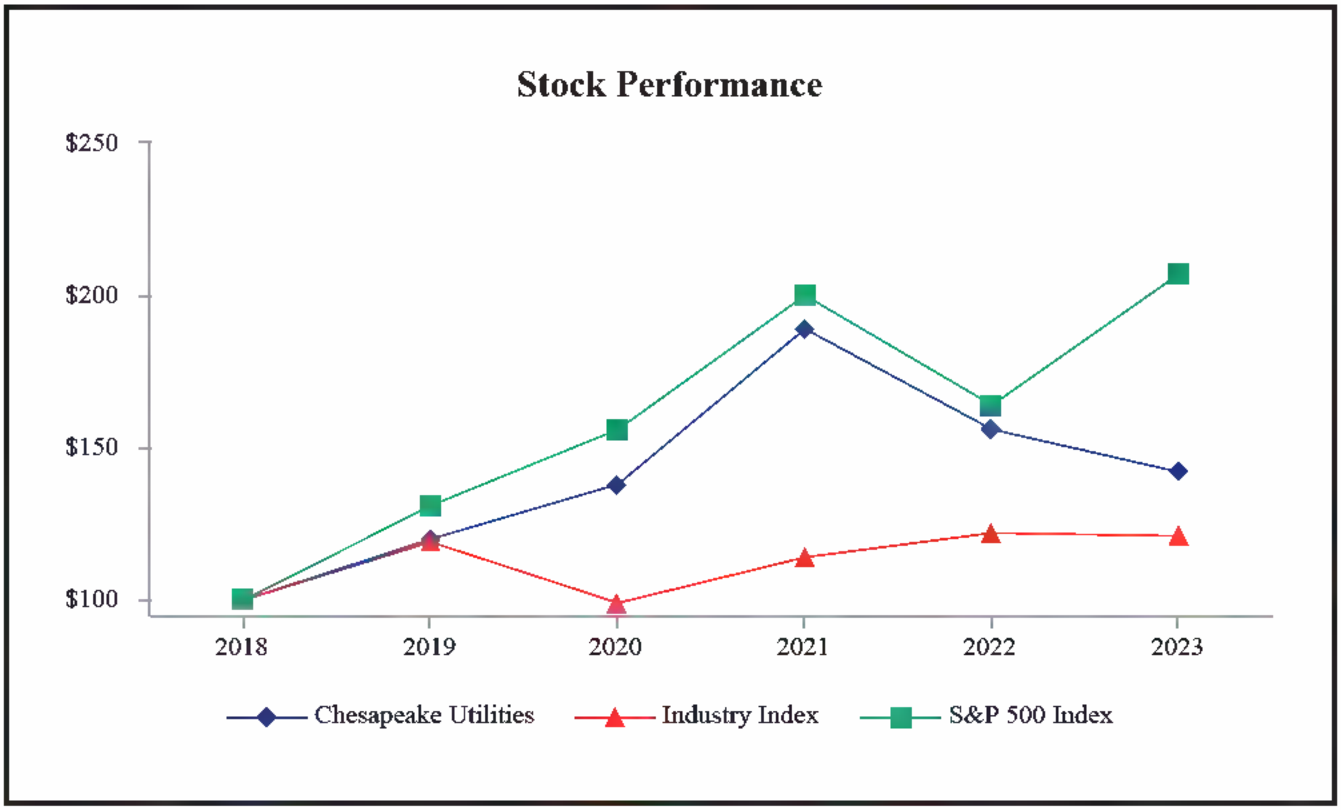
[1] In October 2023, we purchased 663 shares of common stock on the open market for the purpose of reinvesting the dividend on shares held in the Rabbi Trust accounts under the Non-Qualified Deferred Compensation Plan. The Non-Qualified Deferred Compensation Plan is discussed in detail in Item 8, Financial Statements and Supplementary Data (see Note 16, Employee Benefit Plans, in the consolidated financial statements).
[2] Except for the purpose described in footnote [1], we have no publicly announced plans or programs to repurchase our shares.

Information on certain of our equity compensation plans, for which shares of our common stock are authorized for issuance, is included in the section of our Proxy Statement captioned "Equity Compensation Plan Information" and is incorporated herein by reference.

Common Stock Performance Graph

The stock performance graph and table below compares cumulative total stockholder return on our common stock during the five fiscal years ended December 31, 2023, with the cumulative total stockholder return of the Standard & Poor's 500 Index and the cumulative total stockholder return of select peers, which include the following companies: Atmos Energy Corporation; Black Hills Corporation; New Jersey Resources Corporation; NiSource; Northwest Natural Gas Company; Northwestern Corporation; ONE Gas, Inc.; RGC Resources, Inc.; Spire, Inc.; and Unitil Corporation.

The comparison assumes $100 was invested on December 31, 2018 in our common stock and in each of the foregoing indices and assumes reinvested dividends. The comparisons in the graph below are based on historical data and are not intended to forecast the possible future performance of our common stock.



	2018		2019		2020		2021		2022		2023
Chesapeake Utilities	$	100	$	120	$	138	$	189	$	156	$	142
Industry Index	$	100	$	119	$	99	$	114	$	122	$	121
S&P 500 Index	$	100	$	131	$	156	$	200	$	164	$	207

ITEM 6. RESERVED

ITEM 7. Management's Discussion and Analysis of Financial Condition and Results of Operations

This section provides management's discussion of Chesapeake Utilities and its consolidated subsidiaries, with specific information on results of operations, liquidity and capital resources, as well as discussion of how certain accounting principles affect our financial statements. It includes management's interpretation of our financial results and our operating segments, the factors affecting these results, the major factors expected to affect future operating results as well as investment and financing plans. This discussion should be read in conjunction with our consolidated financial statements and notes thereto in *Item 8, Financial Statements and Supplementary Data*.

Several factors exist that could influence our future financial performance, some of which are described in Item 1A*, Risk Factors*. They should be considered in connection with forward-looking statements contained in this Annual Report, or otherwise made by or on behalf of us, since these factors could cause actual results and conditions to differ materially from those set out in such forward-looking statements.

Earnings per share information is presented on a diluted basis, unless otherwise noted.

Acquisition of FCG

On November 30, 2023, we completed the acquisition of FCG for $923.4 million in cash, including working capital adjustments as defined in the agreement, pursuant to the previously disclosed stock purchase agreement with Florida Power & Light Company. Upon completion of the acquisition, FCG became a wholly-owned subsidiary of the Company and is included within our Regulated Energy segment. FCG serves approximately 120,000 residential and commercial natural gas customers across eight counties in Florida, including Miami-Dade, Broward, Brevard, Palm Beach, Hendry, Martin, St. Lucie and Indian River. Its natural gas system includes approximately 3,800 miles of distribution main and 80 miles of transmission pipe. Results for FCG are included within our consolidated results from the acquisition date.

In June 2023, FCG received approval from the Florida PSC for a $23.3 million total increase in base revenue in connection with its May 2022 rate case filing. The new rates, which became effective as of May 1, 2023, included the transfer of its SAFE program provisions from a rider clause to base rates, an increase in rates associated with a liquefied natural gas facility, and approval of FCG's proposed reserve surplus amortization mechanism ("RSAM") with a $25.0 million reserve amount. The RSAM is recorded as either an increase or decrease to accrued removal costs on the balance sheet, with a corresponding increase or decrease to depreciation and amortization expense.

The impact of FCG's results from the acquisition date and effects on our liquidity are discussed further below and throughout Item 7, *Management's Discussion and Analysis of Financial Condition and Results of Operations*.

Non-GAAP Financial Measures

This document, including the tables herein, include references to both Generally Accepted Accounting Principles ("GAAP") and non-GAAP financial measures, including Adjusted Gross Margin, Adjusted Net Income and Adjusted EPS. A "non-GAAP financial measure" is generally defined as a numerical measure of a company's historical or future performance that includes or excludes amounts, or that is subject to adjustments, so as to be different from the most directly comparable measure calculated or presented in accordance with GAAP. Our management believes certain non-GAAP financial measures, when considered together with GAAP financial measures, provide information that is useful to investors in understanding period-over-period operating results separate and apart from items that may, or could, have a disproportionately positive or negative impact on results in any particular period.

We calculate Adjusted Gross Margin by deducting the purchased cost of natural gas, propane and electricity and the cost of labor spent on direct revenue-producing activities from operating revenues. The costs included in Adjusted Gross Margin exclude depreciation and amortization and certain costs presented in operations and maintenance expenses in accordance with regulatory requirements. We calculate Adjusted Net Income and Adjusted EPS by deducting non-recurring costs and expenses associated with significant acquisitions that may affect the comparison of period-over-period results. These non-GAAP financial measures are not in accordance with, or an alternative to, GAAP and should be considered in addition to, and not as a substitute for, the comparable GAAP measures. We believe that these non-GAAP financial measures are useful and meaningful to investors as a basis for making investment decisions, and provide investors with information that demonstrates the profitability achieved by the Company under allowed rates for regulated energy operations and under the Company's competitive pricing structures for unregulated energy operations. The Company's management uses these non-GAAP financial measures in assessing a business unit's and the overall Company performance. Other companies may calculate these non-GAAP financial measures in a different manner.

The following tables reconcile Gross Margin, Net Income, and EPS, all as defined under GAAP, to our non-GAAP financial measures of Adjusted Gross Margin, Adjusted Net Income and Adjusted EPS for the years ended December 31, 2023, 2022 and 2021:

Adjusted Gross Margin

	For the Year Ended December 31, 2023			
(in thousands)	**Regulated Energy**	**Unregulated Energy**	**Other and Eliminations**	**Total**
Operating Revenues	**$ 473,595**	**$ 223,148**	**$ (26,139)**	**$ 670,604**
Cost of Sales:				
Natural gas, propane and electric costs	(140,008)	(102,492)	26,019	(216,481)
Depreciation & amortization	(48,162)	(17,347)	8	(65,501)
Operations & maintenance expenses (1)	(27,485)	(31,507)	343	(58,649)
Gross Margin (GAAP)	**257,940**	**71,802**	**231**	**329,973**
Operations & maintenance expenses (1)	27,485	31,507	(343)	58,649
Depreciation & amortization	48,162	17,347	(8)	65,501
Adjusted Gross Margin (Non-GAAP)	**$ 333,587**	**$ 120,656**	**$ (120)**	**$ 454,123**

	For the Year Ended December 31, 2022			
(in thousands)	**Regulated Energy**	**Unregulated Energy**	**Other and Eliminations**	**Total**
Operating Revenues	**$ 429,424**	**$ 280,750**	**$ (29,470)**	**$ 680,704**
Cost of Sales:				
Natural gas, propane and electric costs	(127,172)	(162,683)	29,349	(260,506)
Depreciation & amortization	(52,707)	(16,257)	(9)	(68,973)
Operations & maintenance expenses (1)	(35,472)	(29,825)	9	(65,288)
Gross Margin (GAAP)	**214,073**	**71,985**	**(121)**	**285,937**
Operations & maintenance expenses (1)	35,472	29,825	(9)	65,288
Depreciation & amortization	52,707	16,257	9	68,973
Adjusted Gross Margin (Non-GAAP)	**$ 302,252**	**$ 118,067**	**$ (121)**	**$ 420,198**

	For the Year Ended December 31, 2021			
(in thousands)	**Regulated Energy**	**Unregulated Energy**	**Other and Eliminations**	**Total**
Operating Revenues	$ **383,920**	$ **206,869**	$ **(20,821)**	$ **569,968**
Cost of Sales:				
Natural gas, propane and electric costs	(100,737)	(106,900)	20,687	(186,950)
Depreciation & amortization	(48,748)	(13,869)	(44)	(62,661)
Operations & maintenance expenses [(1)]	(32,780)	(24,123)	179	(56,724)
Gross Margin (GAAP)	**201,655**	**61,977**	**1**	**263,633**
Operations & maintenance expenses [(1)]	32,780	24,123	(179)	56,724
Depreciation & amortization	48,748	13,869	44	62,661
Adjusted Gross Margin (Non-GAAP)	$ **283,183**	$ **99,969**	$ **(134)**	$ **383,018**

[(1)] Operations & maintenance expenses within the Consolidated Statements of Income are presented in accordance with regulatory requirements and to provide comparability within the industry. Operations & maintenance expenses which are deemed to be directly attributable to revenue producing activities have been separately presented above in order to calculate Gross Margin as defined under U.S. GAAP.

2023 to 2022 Gross Margin (GAAP) Variance – Regulated Energy

Gross Margin (GAAP) for the Regulated Energy segment for 2023 was $257.9 million, an increase of $43.9 million, or 20.5 percent, compared to 2022. Higher gross margin reflects contributions from the Company's Florida Natural Gas base rate proceeding, organic growth in the Company's natural gas distribution businesses and continued pipeline expansion projects, and contributions attributable to the acquisition of FCG. These increases were partially offset by reduced customer consumption resulting from the significantly warmer temperatures in our northern service territories throughout the year and increased employee costs related to growth initiatives, the ongoing competitive labor market and higher benefits costs.

2022 to 2021 Gross Margin (GAAP) Variance – Regulated Energy

Gross Margin (GAAP) for the Regulated Energy segment for the year ended December 31, 2022 compared to 2021 is described in Item 7, *Management's Discussion and Analysis of Financial Condition and Results of Operations* in our Annual Report on Form 10-K for the year ended December 31, 2022, which is incorporated herein by reference.

2023 to 2022 Gross Margin (GAAP) Variance – Unregulated Energy

Gross Margin (GAAP) for the Unregulated Energy segment for 2023 was $71.8 million, which was largely consistent with gross margin for the prior year. The effects of changes in customer consumption due primarily to significantly warmer weather in our Mid-Atlantic and North Carolina service areas throughout the year and increased operating expenses and depreciation were largely offset by increased propane margins and fees and increased gathering charges and consumption for Aspire Energy.

2022 to 2021 Gross Margin (GAAP) Variance – Unregulated Energy

Gross Margin (GAAP) for the Unregulated Energy segment for the year ended December 31, 2022 compared to 2021 is described in Item 7, *Management's Discussion and Analysis of Financial Condition and Results of Operations* in our Annual Report on Form 10-K for the year ended December 31, 2022, which is incorporated herein by reference.

Adjusted Net Income and Adjusted EPS

(in thousands, except shares and per share data)	Year Ended December 31, 2023	2022	2021
Net Income (GAAP)	**$ 87,212**	$ 89,796	$ 83,466
FCG transaction-related expenses, net [(1)]	**10,625**	—	—
Adjusted Net Income (Non-GAAP)	**$ 97,837**	$ 89,796	$ 83,466
Weighted average common shares outstanding - diluted	**18,434,857**	17,804,294	17,633,029
Earnings Per Share - Diluted (GAAP)	**$ 4.73**	$ 5.04	$ 4.73
FCG transaction-related expenses, net [(1)]	**0.58**	—	—
Adjusted Earnings Per Share - Diluted (Non-GAAP)	**$ 5.31**	$ 5.04	$ 4.73

(1) Transaction-related expenses for the year ended December 31, 2023 represent costs incurred attributable to the acquisition of FCG, including pretax operating expenses of $10.4 million associated with legal, consulting and audit fees and $4.1 million of interest charges related to pretax fees and expenses associated with the Bridge Facility.

2023 to 2022 Net Income (GAAP) Variance

Net income (GAAP) for the year ended December 31, 2023 was $87.2 million, or $4.73 per share, compared to $89.8 million, or $5.04 per share in 2022. Net income for the year ended December 31, 2023 included $10.6 million of transaction-related expenses in connection with the FCG acquisition. Excluding these costs, net income increased by $8.0 million or 9 percent compared to the prior year.

2022 to 2021 Net Income (GAAP) Variance

Net income (GAAP) for the year ended December 31, 2022 compared to 2021 is described in Item 7, *Management's Discussion and Analysis of Financial Condition and Results of Operations* in our Annual Report on Form 10-K for the year ended December 31, 2022, which is incorporated herein by reference.

OVERVIEW AND HIGHLIGHTS

(in thousands except shares and per share data)			Increase			Increase
For the Year Ended December 31,	**2023**	**2022**	**(Decrease)**	**2022**	**2021**	**(Decrease)**
Operating Income						
Regulated Energy	**$ 126,199**	$ 115,317	$ 10,882	$ 115,317	$ 106,174	$ 9,143
Unregulated Energy	**24,426**	27,350	(2,924)	27,350	24,427	2,923
Other businesses and eliminations	**178**	266	(88)	266	511	(245)
Operating Income	**150,803**	142,933	7,870	142,933	131,112	11,821
Other income, net	**1,438**	5,051	(3,613)	5,051	1,720	3,331
Interest charges	**36,951**	24,356	12,595	24,356	20,135	4,221
Income from Before Income Taxes	**115,290**	123,628	(8,338)	123,628	112,697	10,931
Income Taxes	**28,078**	33,832	(5,754)	33,832	29,231	4,601
Net Income	**$ 87,212**	$ 89,796	$ (2,584)	$ 89,796	$ 83,466	$ 6,330
Basic Earnings Per Share of Common Stock	**$ 4.75**	$ 5.07	$ (0.32)	$ 5.07	$ 4.75	$ 0.32
Diluted Earnings Per Share of Common Stock	**$ 4.73**	$ 5.04	$ (0.31)	$ 5.04	$ 4.73	$ 0.31
Adjusted Net Income and Adjusted Earnings Per Share						
Net Income (GAAP)	**$ 87,212**	$ 89,796	$ (2,584)	**$ 89,796**	$ 83,466	$ 6,330
FCG transaction-related expenses, net [1]	**10,625**	—	10,625	**—**	—	—
Adjusted Net Income (Non-GAAP)	**$ 97,837**	$ 89,796	$ 8,041	**$ 89,796**	$ 83,466	$ 6,330
Weighted average common shares outstanding - diluted	**18,434,857**	17,804,294	630,563	**17,804,294**	17,633,029	171,265
Earnings Per Share - Diluted (GAAP)	**$ 4.73**	$ 5.04	$ (0.31)	**$ 5.04**	$ 4.73	$ 0.31
FCG transaction-related expenses, net [1]	**0.58**	—	0.58	**—**	—	—
Adjusted Earnings Per Share - Diluted (Non-GAAP)	**$ 5.31**	$ 5.04	$ 0.27	**$ 5.04**	$ 4.73	$ 0.31

[1] Transaction-related expenses for the year ended December 31, 2023 represent costs incurred attributable to the acquisition of FCG, including pretax operating expenses of $10.4 million associated with legal, consulting and audit fees and $4.1 million of interest charges related to pretax fees and expenses associated with the Bridge Facility.

2023 compared to 2022

Key variances in operations between 2023 and 2022 included:

(in thousands, except per share data)	Pre-tax Income	Net Income	Earnings Per Share
Year ended December 31, 2022 Adjusted Results**	$ 123,628	$ 89,796	$ 5.04
Non-recurring Items:			
One-time benefit associated with reduction in state tax rate	—	2,469	0.13
Absence of interest income from federal income tax refund	(826)	(600)	(0.03)
Absence of gain from sales of assets	(1,902)	(1,382)	(0.07)
	(2,728)	487	0.03
Increased (Decreased) Adjusted Gross Margins:			
Contribution from rate changes associated with Florida Natural Gas base rate proceeding*	13,361	9,820	0.53
Increased propane margins per gallon and fees	8,821	6,483	0.34
Contribution from the acquisition of FCG	8,687	6,385	0.35
Natural gas growth (excluding service expansions)	6,214	4,567	0.25
Natural gas transmission service expansions*	4,812	3,537	0.19
Contributions from regulated infrastructure programs*	2,597	1,909	0.10
Increased margins from Aspire Energy	1,141	839	0.05
Increased adjusted gross margin from off-system natural gas capacity sales	960	706	0.04
Customer consumption primarily resulting from weather	(13,627)	(10,016)	(0.54)
	32,966	24,230	1.31
(Increased) Decreased Other Operating Expenses (Excluding Natural Gas, Electricity and Propane Costs):			
Payroll, benefits and other employee-related expenses	(9,013)	(6,625)	(0.36)
FCG operating expenses	(4,190)	(3,080)	(0.17)
Facilities expenses, maintenance costs and outside services	(1,756)	(1,290)	(0.07)
Customer service related costs	(820)	(603)	(0.03)
Regulatory expenses	(658)	(484)	(0.03)
Depreciation, amortization and property tax costs	615	452	0.02
Decreased vehicle expenses	577	424	0.02
	(15,245)	(11,206)	(0.62)
Interest charges	(8,494)	(6,243)	(0.34)
Change in pension expense	(1,453)	(1,068)	(0.06)
Increase in shares outstanding due to 2023 and 2022 equity offerings	—	—	(0.17)
Net other changes	1,070	1,841	0.12
Year ended December 31, 2023 Adjusted Results**	$ 129,744	$ 97,837	$ 5.31

* See the Major Projects and Initiatives table

** Transaction-related expenses attributable to the acquisition of FCG have been excluded from the Company's non-GAAP measures of adjusted net income and adjusted EPS See previous tables for a reconciliation of these items against the related GAAP measures

SUMMARY OF KEY FACTORS

Recently Completed and Ongoing Major Projects and Initiatives

We constantly pursue and develop additional projects and initiatives to serve existing and new customers, further grow our businesses and earnings, and increase shareholder value. The following table includes the major projects and initiatives recently completed and currently underway. Major projects and initiatives that have generated consistent year-over-year adjusted gross margin contributions are removed from the table at the beginning of the next calendar year. Our practice is to add new projects and initiatives to this table once negotiations or details are substantially final and/or the associated earnings can be estimated.

	Adjusted Gross Margin				
	Year Ended December 31,			Estimate for Calendar Year	
(in thousands)	**2021**	**2022**	**2023**	**2024**	**2025**
Pipeline Expansions:					
Guernsey Power Station	$ 187	$ 1,377	**$ 1,478**	$ 1,482	$ 1,478
Southern Expansion	—	—	**586**	2,344	2,344
Winter Haven Expansion	—	260	**637**	626	626
Beachside Pipeline Expansions	—	—	**1,810**	2,451	2,414
North Ocean City Connector	—	—	—	—	494
St. Cloud / Twin Lakes Expansion	—	—	**264**	584	584
Clean Energy [1]	—	126	**1,064**	1,009	1,079
Wildlight	—	—	**471**	2,000	2,038
Lake Wales	—	—	**265**	454	454
Newberry	—	—	—	862	2,585
Total Pipeline Expansions	187	1,763	**6,575**	11,812	14,096
CNG/RNG/LNG Transportation and Infrastructure	7,566	11,100	**11,181**	12,500	13,969
Regulatory Initiatives:					
Florida GUARD Program	—	—	**353**	2,421	5,136
FCG SAFE Program	—	—	—	2,683	5,293
Capital Cost Surcharge Programs	1,199	2,001	**2,829**	3,979	4,374
Florida Rate Case Proceeding [2]	—	2,474	**15,835**	17,153	17,153
Maryland Rate Case [3]	—	—	—	TBD	TBD
Electric Storm Protection Plan	—	486	**1,326**	2,433	3,951
Total Regulatory Initiatives	1,199	4,961	**20,343**	28,669	35,907
Total	$ 8,952	$ 17,824	**$ 38,099**	$ 52,981	$ 63,972

[1] Includes adjusted gross margin generated from interim services through the project in-service date in September 2023.
[2] Includes adjusted gross margin during 2023 comprised of both interim rates and permanent base rates which became effective in March 2023.
[3] Rate case application filed with the Maryland PSC in January 2024. See additional information provided below.

Discussion of Major Projects and Initiatives

Pipeline Expansions

Guernsey Power Station
Guernsey Power Station and our affiliate, Aspire Energy Express, are engaged in a firm transportation capacity agreement whereby Guernsey Power Station has constructed a power generation facility and Aspire Energy Express provides firm natural gas transportation service to this facility. Guernsey Power Station commenced construction of the project in October 2019, Aspire Energy Express completed construction of the gas transmission facilities in the fourth quarter of 2021, and the facility went into service during the first quarter of 2023. The project generated additional adjusted gross margin of $0.1 million for the year ended December 31, 2023, and is expected to produce adjusted gross margin of approximately $1.5 million in 2024 and beyond.

Southern Expansion
Eastern Shore installed a new natural gas driven compressor skid unit at its existing Bridgeville, Delaware compressor station that provides 7,300 Dts of incremental firm transportation pipeline capacity. The project was placed in service in the fourth quarter of 2023 and generated adjusted gross margin of $0.6 million for the year ended December 31, 2023 and is expected to produce adjusted gross margin of approximately $2.3 million in 2024 and beyond.

Winter Haven Expansion
In May 2021, Peninsula Pipeline filed a petition with the Florida PSC for approval of its Transportation Service Agreement with Florida Natural Gas for an incremental 6,800 Dts/d of firm service in the Winter Haven, Florida area. As part of this agreement, Peninsula Pipeline constructed a new interconnect with FGT and a new regulator station for Florida Natural Gas. Florida Natural Gas is using the additional firm service to support new incremental load due to growth in the area, including providing service, most immediately, to a new can manufacturing facility, as well as reliability and operational benefits to Florida Natural Gas's existing distribution system in the area. In connection with Peninsula Pipeline's new regulator station, Florida Natural Gas also extended its distribution system to connect to the new station. This expansion was placed in service in the third quarter of 2022. The project generated additional adjusted gross margin of $0.4 million for the year ended December 31, 2023, and is expected to produce adjusted gross margin of approximately $0.6 million in 2024 and beyond.

Beachside Pipeline Expansion
In June 2021, Peninsula Pipeline and FCG entered into a Transportation Service Agreement for an incremental 10,176 Dts/d of firm service in Indian River County, Florida, to support Florida City Gas' growth along the Indian River's barrier island. As part of this agreement, Peninsula Pipeline constructed approximately 11.3 miles of pipeline from its existing pipeline in the Sebastian, Florida, area east under the Intercoastal Waterway and southward on the barrier island. Construction was completed and the project went into service in April 2023. Subsequent to the acquisition of FCG, the agreement is now an affiliate agreement. The project generated additional adjusted gross margin of $1.8 million for the year ended December 31, 2023, and is expected to produce adjusted gross margin of approximately $2.5 million in 2024 and $2.4 million in 2025 and beyond.

North Ocean City Connector
During the second quarter of 2022, we began construction of an extension of service into North Ocean City, Maryland. Our Delaware natural gas division and Sandpiper installed approximately 5.4 miles of pipeline across southern Sussex County, Delaware to Fenwick Island, Delaware and Worcester County, Maryland. The project reinforces our existing system in Ocean City, Maryland and enables incremental growth along the pipeline. Construction of this project was completed in the second quarter of 2023. The Company filed a natural gas rate case application with the PSC for the state of Maryland in January 2024 as discussed below. Adjusted gross margin in connection with this project is contingent upon the completion of the rate case and inclusion of the project in rate base. As a result, we expect this expansion to generate annual adjusted gross margin of approximately $0.5 million beginning in 2025, with additional margin opportunities from incremental growth.

St. Cloud / Twin Lakes Expansion
In July 2022, Peninsula Pipeline filed a petition with the Florida PSC for approval of its Transportation Service Agreement with FPU for an additional 2,400 Dt/day of firm service in the St. Cloud, Florida area. As part of this agreement, Peninsula Pipeline constructed a pipeline extension and regulator station for FPU. The extension supports new incremental load due to growth in the area, including providing service, most immediately, to the residential development, Twin Lakes. The expansion also improves reliability and provides operational benefits to FPU's existing distribution system in the area, supporting future growth. This project was placed into service in July 2023 and generated additional adjusted gross margin of $0.3 million for the year ended December 31, 2023. We expect this extension to generate additional annual adjusted gross margin of approximately $0.6 million in 2024 and beyond.

Clean Energy Expansion

During the fourth quarter of 2022, Clean Energy Fuels ("Clean Energy") and Florida Natural Gas entered into a precedent agreement for firm transportation services associated with a CNG fueling station Clean Energy is constructing. We installed approximately 2.2 miles of main extension in Davenport, Florida to support the filling station which was placed into service during September 2023. Our subsidiary, Marlin Gas Services, provided interim services to Clean Energy during the construction phase of the project. The project generated additional adjusted gross margin of $0.9 million for the year ended December 31, 2023, and is expected to contribute adjusted gross margin of approximately $1.0 million in 2024 and $1.1 million in 2025 and beyond.

Wildlight Expansion

In August 2022, Peninsula Pipeline and FPU filed a joint petition with the Florida PSC for approval of its Transportation Service Agreement associated with the Wildlight planned community located in Nassau County, Florida. The project enables us to meet the significant growing demand for service in Yulee, Florida. The agreement will enable us to build the project during the construction and build-out of the community, and charge the reservation rate as each phase of the project goes into service. Construction of the pipeline facilities will occur in two separate phases. Phase one consists of three extensions with associated facilities, and a gas injection interconnect with associated facilities. Phase two will consist of two additional pipeline extensions. Various phases of the project commenced in the first quarter of 2023, with construction on the overall project continuing through 2025. The project generated additional adjusted gross margin of $0.5 million for the year ended December 31, 2023, and is expected to contribute adjusted gross margin of approximately $2.0 million in 2024 and beyond.

Lake Wales Expansion

In February 2023, Peninsula Pipeline filed a petition with the Florida PSC for approval of its Transportation Service Agreement with our Florida Natural Gas distribution business, FPU, for an additional 9,000 Dt/d of firm service in the Lake Wales, Florida area. The PSC approved the petition in April 2023. Approval of the agreement enabled Peninsula Pipeline to complete the acquisition of an existing pipeline in May 2023 that is being utilized to serve both current and new natural gas customers. The project generated additional adjusted gross margin of $0.3 million for the year ended December 31, 2023, and is expected to contribute adjusted gross margin of approximately $0.5 million in 2024 and beyond.

Newberry Expansion

In April 2023, Peninsula Pipeline filed a petition with the Florida PSC for approval of its Transportation Service Agreement with FPU for an additional 8,000 Dt/d of firm service in the Newberry, Florida area. The petition was approved by the Florida PSC in the third quarter of 2023. Peninsula Pipeline will construct a pipeline extension, which will be used by FPU to support the development of a natural gas distribution system to provide gas service to the City of Newberry. A filing to address the acquisition and conversion of propane community gas systems in Newberry was made in November 2023, and the Florida PSC is scheduled to vote on this in March 2024. The project is expected to contribute adjusted gross margin of approximately $0.9 million in 2024 and $2.6 million in 2025 and beyond.

Worcester Resiliency Upgrade

In August 2023, Eastern Shore filed an application with the FERC requesting authorization to construct the Worcester Resiliency Upgrade, which consists of a mixture of storage and transmission facilities in Sussex County, DE and Wicomico, Worcester, and Somerset Counties in Maryland. The project will provide long-term incremental supply necessary to support the growing demand of the participating shippers. Eastern Shore has requested certificate authorization by December 2024, with a target in-service date by the third quarter of 2025.

East Coast Reinforcement Projects

In December 2023, Peninsula Pipeline filed a petition with the Florida PSC for approval of its Transportation Service Agreements with FPU for projects that will support additional supply to communities on the East Coast of Florida. The projects are driven by the need for increased supply to coastal portions of the state that have experienced an increase in population growth. Peninsula Pipeline will construct several pipeline extensions which will support FPU's distribution system in the areas of Boynton Beach and New Smyrna Beach with an additional 15,000 Dts/day and 3,400 Dts/day, respectively. The Florida PSC is scheduled to vote on the projects in March 2024.

Central Florida Reinforcement Projects

In February 2024, Peninsula Pipeline filed a petition with the Florida PSC for approval of its Transportation Service Agreements with FPU for projects that will support additional supply to communities located in Central Florida. The projects are driven by the need for increased supply to communities in central Florida that have experienced an increase in population growth. Peninsula Pipeline will construct several pipeline extensions which will support FPU's distribution system in the areas of Plant City and Lake Mattie with an additional 5,000 Dts/day and 8,700 Dts/day, respectively.

CNG/RNG/LNG Transportation and Infrastructure

We have made a commitment to meet customer demand for CNG, RNG and LNG in the markets we serve. This has included making investments within Marlin Gas Services to be able to transport these products through its virtual pipeline fleet to customers. To date, we have also made an infrastructure investment in Ohio, enabling RNG to fuel a third-party landfill fleet and to transport RNG to end use customers off our pipeline system. Similarly, we announced in March 2022, the opening of a high-capacity CNG truck and tube trailer fueling station in Port Wentworth, Georgia. As one of the largest public access CNG stations on the East Coast, it will offer a RNG option to customers in the near future. We constructed the station in partnership with Atlanta Gas Light, a subsidiary of Southern Company Gas.

We are also involved in various other projects, all at various stages and all with different opportunities to participate across the energy value chain. In many of these projects, Marlin will play a key role in ensuring the RNG is transported to one of our many pipeline systems where it will be injected. We include our RNG transportation service and infrastructure related adjusted gross margin from across the organization in combination with our CNG and LNG projects.

For the year ended December 31, 2023, we generated $0.1 million in additional adjusted gross margin associated with the transportation of CNG and RNG by Marlin's virtual pipeline and Aspire Energy's Noble Road RNG pipeline. We estimate annual adjusted gross margin of approximately $12.5 million in 2024, and $14.0 million in 2025 for these transportation related services, with potential for additional growth in future years.

Full Circle Dairy

In February 2023, we announced plans to construct, own and operate a dairy manure RNG facility at Full Circle Dairy in Madison County, Florida. The project consists of a facility converting dairy manure to RNG and transportation assets to bring the gas to market. The first injection of RNG is projected to occur in the first half of 2024.

Noble Road Landfill RNG Project

In October 2021, Aspire Energy completed construction of its Noble Road Landfill RNG pipeline project, a 33.1-mile pipeline, which transports RNG generated from the Noble Road landfill to Aspire Energy's pipeline system, displacing conventionally produced natural gas. In conjunction with this expansion, Aspire Energy also upgraded an existing compressor station and installed two new metering and regulation sites. The RNG volume is expected to represent nearly 10 percent of Aspire Energy's gas gathering volumes.

Regulatory Initiatives

Florida GUARD Program

In February 2023, FPU filed a petition with the Florida PSC for approval of the GUARD program. GUARD is a ten-year program to enhance the safety, reliability, and accessibility of portions of our natural gas distribution system. We identified various categories of projects to be included in GUARD, which include the relocation of mains and service lines located in rear easements and other difficult to access areas to the front of the street, the replacement of problematic distribution mains, service lines, and maintenance and repair equipment and system reliability projects. In August 2023, the Florida PSC approved the GUARD program, which included $205 million of capital expenditures projected to be spent over a 10-year period. For the year ended December 31, 2023, there was $0.4 million of incremental adjusted gross margin generated pursuant to the program. The program is expected to generate $2.4 million of adjusted gross margin in 2024 and $5.1 million in 2025.

FCG SAFE Program

In June 2023, the Florida PSC issued the approval order for the continuation of the SAFE program beyond its 2025 expiration date and inclusion of 150 miles of additional mains and services located in rear property easements. The SAFE program is designed to relocate certain mains and facilities associated with rear lot easements to street front locations to improve FCG's ability to inspect and maintain the facilities and reduce opportunities for damage and theft. In the same order, the Commission approved a replacement of 160 miles of pipe that was used in the 1970s and 1980s and shown through industry research to exhibit premature failure in the form of cracking. The program includes projected capital expenditures of $205 million over a 10-year period. The program is expected to generate $2.7 million of adjusted gross margin in 2024 and $5.3 million in 2025.

Capital Cost Surcharge Programs

In December 2019, the FERC approved Eastern Shore's capital cost surcharge to become effective January 1, 2020. The surcharge, an approved item in the settlement of Eastern Shore's last general rate case, allows Eastern Shore to recover capital costs associated with mandated highway or railroad relocation projects that required the replacement of existing Eastern Shore facilities. In 2023, there was $0.8 million of incremental adjusted gross margin generated pursuant to the program. Eastern Shore expects to produce adjusted gross margin of approximately $4.0 million in 2024 and $4.4 million in 2025 from relocation projects, which is ultimately dependent upon the timing of filings and the completion of construction.

Florida Natural Gas Rate Case Proceeding

In May 2022, our legacy natural gas distribution businesses in Florida filed a consolidated natural gas rate case with the Florida PSC. The application included a request for the following: (i) permanent rate relief of approximately $24.1 million, effective January 1, 2023; (ii) a depreciation study also submitted with the filing; (iii) authorization to make certain changes to tariffs to include the consolidation of rates and rate structure across the businesses and to unify the Florida Natural Gas distribution business under FPU; (iv) authorization to retain the acquisition adjustment recorded at the time of the FPU merger in our revenue requirement; and (v) authorization to establish an environmental remediation surcharge for the purposes of addressing future expected remediation costs for FPU MGP sites. In August 2022, interim rates were approved by the Florida PSC in the amount of approximately $7.7 million on an annualized basis, effective for all meter readings in September 2022. The discovery process and related hearings were concluded during the fourth quarter of 2022 and briefs were submitted in the same quarter of 2022. In January 2023, the Florida PSC approved the application for consolidation and permanent rate relief of approximately $17.2 million on an annual basis. Actual rates in connection with the rate relief were approved by the Florida PSC in February 2023 with an effective date of March 1, 2023. For the year ended December 31, 2023, there was $15.8 million of adjusted gross margin generated pursuant to this proceeding, and it is expected to generate $17.2 million of total adjusted gross margin in 2024 and 2025.

Maryland Natural Gas Rate Case

In January 2024, our natural gas distribution businesses in Maryland, CUC-Maryland Division, Sandpiper Energy, Inc., and Elkton Gas Company (collectively, “Maryland natural gas distribution businesses”) filed a joint application for a natural gas rate case with the Maryland PSC. In connection with the application, we are seeking approval of the following: (i) permanent rate relief of approximately $6.9 million; (ii) authorization to make certain changes to tariffs to include a unified rate structure and to consolidate the Maryland natural gas distribution businesses under the new corporate entity which we anticipate will be called Chesapeake Utilities of Maryland, Inc.; and (iii) authorization to establish a rider for recovery of the costs associated with our new technology systems. The outcome of the application is subject to review and approval by the Maryland PSC.

Storm Protection Plan

In 2020, the Florida PSC implemented the Storm Protection Plan ("SPP") and Storm Protection Plan Cost Recovery Clause ("SPPCRC"), which require electric utilities to petition the Florida PSC for approval of a Transmission and Distribution Storm Protection Plan that covers the utility’s immediate 10-year planning period with updates to the plan at least every 3 years. The SPPCRC rules allow the utility to file for recovery of associated costs related to its SPP. Our Florida electric distribution operation's SPP and SPPCRC were filed during the first quarter of 2022 and approved in the fourth quarter of 2022, with modifications, by the Florida PSC. For the year ended December 31, 2023, this initiative generated incremental adjusted gross margin of $0.8 million, and is expected to generate $2.4 million in 2024 and $4.0 million in 2025. We expect continued investment under the SPP going forward.

COVID-19 Regulatory Proceeding

In October 2020, the Florida PSC approved a joint petition of our natural gas and electric distribution utilities in Florida to establish a regulatory asset to record incremental expenses incurred due to COVID-19. The regulatory asset allows us to obtain recovery of these costs in the next base rate proceedings. Our Florida regulated business units reached a settlement with the Florida OPC in June 2021, enabling the business units to establish a regulatory asset of $2.1 million. This amount includes COVID-19 related incremental expenses for bad debt write-offs, personnel protective equipment, cleaning and business information services for remote work. Our Florida regulated business units are currently amortizing the amount over two years effective January 1, 2022 and recovering the regulatory asset through the Purchased Gas Adjustment and Swing Service mechanisms for the natural gas business units and through the Fuel Purchased Power Cost Recovery clause for the electric division. This resulted in additional adjusted gross margin of $1.0 million annually for both 2022 and 2023, which was offset by a corresponding amortization of regulatory asset expense in each year.

Other Major Factors Influencing Adjusted Gross Margin

Weather and Consumption

Weather had a significant impact on customer consumption during 2023, resulting in adjusted gross margin being negatively impacted by approximately $13.6 million compared to 2022 driven largely by significantly warmer weather in some of the Company's service territories resulting in reduced consumption. The following table summarizes heating degree day ("HDD") and cooling degree day ("CDD") variances from the 10-year average HDD/CDD ("Normal") for the years ended 2023 compared to 2022, and 2022 compared to 2021.

HDD and CDD Information

	For the Years Ended December 31,					
	2023	**2022**	**Variance**	**2022**	**2021**	**Variance**
Delmarva						
Actual HDD	**3,416**	4,088	(672)	4,088	3,849	239
10-Year Average HDD ("Normal")	**4,161**	4,147	14	4,147	4,182	(35)
Variance from Normal	**(745)**	(59)		(59)	(333)	
Florida						
Actual HDD	**664**	836	(172)	836	829	7
10-Year Average HDD ("Normal")	**826**	828	(2)	828	839	(11)
Variance from Normal	**(162)**	8		8	(10)	
Ohio						
Actual HDD	**5,043**	5,532	(489)	5,532	5,138	394
10-Year Average HDD ("Normal")	**5,594**	5,557	37	5,557	5,621	(64)
Variance from Normal	**(551)**	(25)		(25)	(483)	
Florida						
Actual CDD	**3,101**	2,826	275	2,826	2,687	139
10-Year Average CDD ("Normal")	**2,934**	2,929	5	2,929	2,952	(23)
Variance from Normal	**167**	(103)		(103)	(265)	

Natural Gas Distribution Growth

The average number of residential customers served on the Delmarva Peninsula and our legacy Florida Natural Gas distribution business increased by approximately 5.4 percent and 3.9 percent, respectively, during 2023.

On the Delmarva Peninsula, a larger percentage of the adjusted gross margin growth was generated from residential growth given the expansion of gas into new housing communities and conversions to natural gas as our distribution infrastructure continues to build out. In Florida, as new communities continue to build out due to population growth and the additional infrastructure to support the growth. there is increased load from both residential customers as well as new commercial and industrial customers. The details are provided in the following table:

	Adjusted Gross Margin Increase For the Year Ended December 31, 2023	
(in thousands)	**Delmarva Peninsula**	**Florida**
Customer growth:		
Residential	$ 1,895	$ 1,599
Commercial and industrial	589	2,131
Total customer growth [(1)]	$ 2,484	$ 3,730

[(1)] Customer growth amounts for our legacy Florida operations include the effects of revised rates associated with the Company's natural gas base rate proceeding, but exclude the effects of the FCG acquisition

For the Year Ended December	2023	2022	Increase (Decrease)	2022	2021	Increase (Decrease)
(in thousands)						
Revenue	**$ 473,595**	$ 429,424	$ 44,171	$ 429,424	$ 383,920	$ 45,504
Natural gas and electric costs	**140,008**	127,172	12,836	127,172	100,737	26,435
Adjusted gross margin [1]	**333,587**	302,252	31,335	302,252	283,183	19,069
Operations & maintenance	**125,310**	112,963	12,347	112,963	108,190	4,773
Depreciation & amortization	**48,162**	52,707	(4,545)	52,707	48,748	3,959
FCG transaction-related expenses [2]	**10,355**	—	10,355	—	—	—
Other taxes	**23,561**	21,265	2,296	21,265	20,071	1,194
Other operating expenses	**207,388**	186,935	20,453	186,935	177,009	9,926
Operating Income	**$ 126,199**	$ 115,317	$ 10,882	$ 115,317	$ 106,174	$ 9,143

[1] Adjusted Gross Margin is a non-GAAP measure utilized by Management to review business unit performance. For a more detailed discussion on the differences between Gross Margin (GAAP) and Adjusted Gross Margin, see the Reconciliation of GAAP to Non-GAAP Measures presented above.
[2] Transaction-related expenses referred to in this table represent pretax operating expenses of $10.4 million associated with legal, consulting and audit fees incurred in connection with the acquisition of FCG.

2023 compared to 2022

Operating income for the Regulated Energy segment for 2023 was $126.2 million, an increase of $10.9 million, or 9.4 percent, compared to 2022. Excluding transaction-related expenses associated with the acquisition of FCG, operating income increased $21.2 million or 18.4 percent compared to the prior year. Higher operating income reflects contributions from our regulatory initiatives, organic growth in our natural gas distribution businesses and continued pipeline expansion projects, and contributions from the acquisition of FCG. These increases were partially offset by changes in customer consumption resulting from the significantly warmer temperatures in our northern service territories throughout the year. Excluding the transaction-related expenses described above, operating expenses increased by $10.1 million compared to the prior year primarily attributable to increased employee costs driven by growth initiatives, the ongoing competitive labor market and higher benefits costs and higher property taxes compared to the prior year. Increases in depreciation and amortization expense attributable to growth projects that were placed into service during the current year were offset by reductions related to revised depreciation rates approved in the Company's Florida Natural Gas rate case and electric depreciation study filing, and a $5.1 million RSAM adjustment from FCG.

Items contributing to the year-over-year adjusted gross margin increase are listed in the following table:

(in thousands)	
Rate changes associated with the Florida Natural Gas base rate proceeding [1]	$ 13,361
Contribution from the acquisition of FCG	8,687
Natural gas growth including conversions (excluding service expansions)	6,214
Natural gas transmission service expansions	4,812
Contributions from regulated infrastructure programs	2,597
Changes in customer consumption, driven by significantly warmer temperatures	(5,096)
Other variances	760
Year-over-year increase in adjusted gross margin	$ 31,335

[1] Includes adjusted gross margin contributions from interim rates and permanent base rates that became effective in March 2023.

The following narrative discussion provides further detail and analysis of the significant variances in adjusted gross margin detailed above.

Rate Changes Associated with the Florida Natural Gas Base Rate Proceeding
In August 2022, the Florida PSC approved interim rates starting in September 2022. In February 2023, we obtained a final rate order in connection with the Florida Natural Gas base rate proceeding with permanent rates effective on March 1, 2023. These interim and permanent rates contributed additional adjusted gross margin of $13.4 million. Refer to Note 18, *Rates and Other Regulatory Activities*, in the consolidated financial statements for additional information.

Contribution from Acquisition of FCG
FCG contributed adjusted gross margin of $8.7 million from the acquisition date.

Natural Gas Distribution Customer Growth
We generated additional adjusted gross margin of $6.2 million from natural gas customer growth. Adjusted gross margin increased by $3.7 million for our Florida Natural Gas distribution business and $2.5 million on the Delmarva Peninsula compared to 2022, due primarily to residential customer growth of 3.9 percent and 5.4 percent in Florida and on the Delmarva Peninsula, respectively.

Natural Gas Transmission Service Expansions
We generated increased adjusted gross margin of $4.8 million from natural gas transmission service expansions of Peninsula Pipeline, Eastern Shore and Aspire Energy Express.

Contributions from Regulated Infrastructure Programs
Contributions from regulated infrastructure programs generated incremental adjusted gross margin of $2.6 million for the year. The increase in adjusted gross margin was primarily related to FPU Electric's storm protection plan, Eastern Shore's capital surcharge program and Florida's GUARD program. Refer to Note 18, *Rates and Other Regulatory Activities*, in the consolidated financial statements for additional information.

Customer Consumption - Inclusive of Weather
We experienced reduced customer consumption for the year ended December 31, 2023, largely the result of significantly warmer weather experienced in the Delmarva service territory throughout the year resulting in reduced adjusted gross margin of $5.1 million compared to 2022.

The major components of the increase in other operating expenses are as follows:

(in thousands)		
FCG transaction-related expenses [(1)]	$	10,355
Payroll, benefits and other employee-related expenses		5,054
FCG operating expenses		4,190
Facilities expenses, maintenance costs and outside services		1,416
Customer service related costs		764
Regulatory expenses		658
Depreciation, amortization and property tax costs		(2,308)
Other variances		324
Year-over-year increase in other operating expenses	$	20,453

[(1)] Transaction-related expenses referred to in this table represent pretax operating expenses of $10.4 million associated with legal, consulting and audit fees incurred in connection with the acquisition of FCG.

2022 compared to 2021

The results for the Regulated Energy segment for the year ended December 31, 2022 compared to 2021 are described in Item 7, *Management's Discussion and Analysis of Financial Condition and Results of Operations* in our Annual Report on Form 10-K for the year ended December 31, 2022, which is incorporated herein by reference.

UNREGULATED ENERGY

For the Year Ended December 31,	2023	2022	Increase (Decrease)	2022	2021	Increase (Decrease)
(in thousands)						
Revenue	**$ 223,148**	$ 280,750	$ (57,602)	$ 280,750	$ 206,869	$ 73,881
Propane and natural gas costs	**102,492**	162,683	(60,191)	162,683	106,900	55,783
Adjusted gross margin [(1)]	**120,656**	118,067	2,589	118,067	99,969	18,098
Operations & maintenance	**74,168**	70,489	3,679	70,489	57,905	12,584
Depreciation & amortization	**17,347**	16,257	1,090	16,257	13,869	2,388
Other taxes	**4,715**	3,971	744	3,971	3,768	203
Other operating expenses	**96,230**	90,717	5,513	90,717	75,542	15,175
Operating Income	**$ 24,426**	$ 27,350	$ (2,924)	$ 27,350	$ 24,427	$ 2,923

[(1)] Adjusted Gross Margin is a non-GAAP measure utilized by Management to review business unit performance. For a more detailed discussion on the differences between Gross Margin (GAAP) and Adjusted Gross Margin, see the Reconciliation of GAAP to Non-GAAP Measures presented above.

2023 Compared to 2022

Operating income for the Unregulated Energy segment for 2023 decreased by $2.9 million compared to 2022. Operating results were impacted by changes in customer consumption due to significantly warmer weather in our Mid-Atlantic and North Carolina service areas throughout the year as well as conversion of propane customers to our natural gas distribution service. Additionally, we experienced increased operating expenses associated with increased payroll, benefits and employee related expenses driven by competition in the current labor market, depreciation, amortization and property taxes, as well as increased costs for facilities, maintenance and outside services. These factors were partially offset by increased propane margins and fees and increased gathering charges and customer consumption for Aspire.

Adjusted Gross Margin

Items contributing to the year-over-year increase in adjusted gross margin are listed in the following table:

(in thousands)	
Propane Operations	
Increased propane margins and fees	$ 8,821
Propane customer consumption - primarily weather related	(8,235)
Decreased customer consumption due to conversion of customers to our natural gas system	(793)
Aspire Energy	
Increase in gathering margin	1,141
Increased customer consumption	496
Eight Flags	
Increased electric generation margin	1,018
Other variances	141
Year-over-year increase in adjusted gross margin	**$ 2,589**

The following narrative discussion provides further detail and analysis of the significant items in the foregoing table.

Propane Operations

- *Increased propane margins and fees* - Adjusted gross margin increased by $8.8 million, mainly due to increased margins and customer service fees. These market conditions, which include market pricing and competition with other propane suppliers, as well as the availability and price of alternative energy sources, may fluctuate based on changes in demand, supply and other energy commodity prices.
- *Propane customer consumption* - Adjusted gross margin was negatively impacted by $8.2 million as a result of reduced customer consumption driven by significantly warmer weather that our Mid-Atlantic and North Carolina service areas experienced throughout 2023.
- *Reduced customer consumption due to conversion of customers to natural gas* - Adjusted gross margin was reduced by $0.8 million as more customers converted from propane to our natural gas distribution service.

Aspire Energy

- *Increase in gathering charges* - Adjusted gross margin increased by $1.1 million primarily due to increased gathering charges associated with a large commercial customer.

- *Increased customer consumption* - Adjusted gross margin increased by $0.5 million despite warmer temperatures due to increased customer consumption from agricultural customers compared to the prior year.

Eight Flags

- *Increased electric generation margin* - Adjusted gross margin increased by $1.0 million due to increased electric generation compared to the prior year.

Other Operating Expenses

Items contributing to the period-over-period increase in other operating expenses are listed in the following table:

(in thousands)		
Increased payroll, benefits and other employee-related expenses	$	3,959
Increased depreciation, amortization and property tax costs		1,717
Other variances		(163)
Period-over-period increase in other operating expenses	**$**	**5,513**

2022 compared to 2021
The results for the Unregulated Energy segment for the year ended December 31, 2022 compared to 2021 are described in Item 7, *Management's Discussion and Analysis of Financial Condition and Results of Operations* in our Annual Report on Form 10-K for the year ended December 31, 2022, which is incorporated by reference.

OTHER INCOME, NET

Other income, net was $1.4 million and $5.1 million for 2023 and 2022, respectively. Other income, net includes non-operating investment income (expense), interest income, late fees charged to customers, gains or losses from the sale of assets for our unregulated businesses and pension and other benefits expense. The decrease was primarily attributable to the absence of a one-time gain related to a building sale during 2022, the absence of interest income received in connection with a Federal Income Tax refund during 2022, and higher pension related expenses compared to the prior-year period.

INTEREST CHARGES

2023 Compared to 2022

Interest charges for 2023 increased by $12.6 million compared to the same period in 2022. This increase is primarily attributable to $6.2 million in interest expense as a result of long-term debt placements in 2023, including the November 2023 placement in connection with the FCG acquisition as well as $4.1 million related to bridge financing costs also attributable to the FCG acquisition. Higher interest expense on Revolver borrowings of $3.1 million driven by higher average interest rates compared to the prior year also contributed to the increase. The weighted-average interest rate on our Revolver borrowings was 5.4 percent for the year ended December 31, 2023 compared to 2.5 percent during the prior year as a result of the Federal Reserve actions in 2022 and 2023. These factors were partially offset by higher capitalized interest of $1.7 million during the current year associated with capital projects.

INCOME TAXES

2023 Compared to 2022

Income tax expense was $28.1 million for 2023 compared to $33.8 million for 2022. Our effective income tax rates were 24.4 percent and 27.4 percent for the years ended December 31, 2023 and 2022, respectively. Income tax expense for the year ended December 31, 2023 includes a $2.5 million benefit resulting from a reduction in the Pennsylvania state income tax rate. Excluding this change, our effective income tax rate was 26.5 percent in 2023.

Liquidity and Capital Resources

Our capital requirements reflect the capital-intensive and seasonal nature of our business and are principally attributable to investment in new plant and equipment, retirement of outstanding debt and seasonal variability in working capital. We rely on cash generated from operations, short-term borrowings, and other sources to meet normal working capital requirements and to temporarily finance capital expenditures. We may also issue long-term debt and equity to fund capital expenditures and to maintain our capital structure within our target capital structure range. We maintain effective shelf registration statements with the SEC, as applicable, for the issuance of shares of common stock under various types of equity offerings, including the DRIP and previously, shares of common stock under an ATM equity program. Depending on our capital needs and subject to market conditions, in addition to other possible debt and equity offerings, we may consider issuing additional shares under the direct share purchase component of the DRIP and/or under an ATM equity program.

Our energy businesses are weather-sensitive and seasonal. We normally generate a large portion of our annual net income and subsequent increases in our accounts receivable in the first and fourth quarters of each year due to significant volumes of natural gas, electricity, and propane delivered by our distribution operations, and our natural gas transmission operations to customers during the peak heating season. In addition, our natural gas and propane inventories, which usually peak in the fall months, are largely drawn down in the heating season and provide a source of cash as the inventory is used to satisfy winter sales demand.

Capital expenditures for investments in new or acquired plant and equipment are our largest capital requirements. Our capital expenditures were $1.1 billion in 2023, which includes $923.4 million attributable to the purchase of FCG and $3.9 million related to an acquisition in the propane distribution business.

The following table shows total capital expenditures for the year ended December 31, 2023 by segment and by business line:

(in thousands)	**For the Year Ended December 31, 2023**
Regulated Energy:	
Natural gas distribution	$ 109,245
Natural gas transmission	40,179
Electric distribution	19,745
Total Regulated Energy	169,169
Unregulated Energy:	
Propane distribution	14,287
Energy transmission	5,469
Other unregulated energy	20,508
Total Unregulated Energy	40,264
Other:	
Corporate and other businesses	1,762
Total Other	1,762
Legacy capital expenditures	**211,195**
FCG Acquisition [1]	**926,702**
Total 2023 Capital Expenditures	**$ 1,137,897**

[1] Includes amounts for the acquisition of FCG net of cash acquired and their capital expenditures from the date of the acquisition through December 31, 2023. For additional information on the FCG acquisition, refer to Note 4, *Acquisitions*, in the consolidated financial statements.

In the table below, we have provided a range of our forecasted capital expenditures by segment and business line for 2024:

(in thousands)	Estimate for Fiscal 2024 Low	High
Regulated Energy:		
Natural gas distribution	$ 150,000	$ 170,000
Natural gas transmission	90,000	120,000
Electric distribution	25,000	28,000
Total Regulated Energy	265,000	318,000
Unregulated Energy:		
Propane distribution	13,000	15,000
Energy transmission	5,000	6,000
Other unregulated energy	13,000	15,000
Total Unregulated Energy	31,000	36,000
Other:		
Corporate and other businesses	4,000	6,000
Total 2024 Forecasted Capital Expenditures	**$ 300,000**	**$ 360,000**

The 2024 forecast excludes potential acquisitions due to their opportunistic nature.

As a result of the Company's most recent 5-year strategic plan review where we revisited growth projections over the next five years for our legacy businesses and with the increased scale and investment opportunities related to FCG, the Company previously announced new capital expenditure guidance for the five-year period ended 2028 that will range from $1.5 billion to $1.8 billion.

The capital expenditure projection is subject to continuous review and modification. Actual capital requirements may vary from the above estimates due to a number of factors, including changing economic conditions, supply chain disruptions, capital delays that are greater than currently anticipated, customer growth in existing areas, regulation, new growth or acquisition opportunities and availability of capital and other factors discussed in Item 1A, *Risk Factors*. Historically, actual capital expenditures have typically lagged behind the budgeted amounts. The timing of capital expenditures can vary based on delays in regulatory approvals, securing environmental approvals and other permits. The regulatory application and approval process has lengthened in the past few years, and we expect this trend to continue.

Capital Structure

We are committed to maintaining a sound capital structure and strong credit ratings. This commitment, along with adequate and timely rate relief for our regulated energy operations, is intended to ensure our ability to attract capital from outside sources at a reasonable cost, which will benefit our customers, creditors, employees and stockholders.

The following tables present our capitalization as of December 31, 2023 and 2022 and includes the impacts associated with financing the FCG acquisition:

(dollars in thousands)	December 31, 2023		December 31, 2022	
Long-term debt, net of current maturities	**$ 1,187,075**	**49 %**	$ 578,388	41 %
Stockholders' equity	**1,246,104**	**51 %**	832,801	59 %
Total capitalization, excluding short-term borrowings	**$ 2,433,179**	**100 %**	$ 1,411,189	100 %

(dollars in thousands)	December 31, 2023		December 31, 2022	
Short-term debt	**$ 179,853**	**7 %**	$ 202,157	12 %
Long-term debt, including current maturities	**1,205,580**	**46 %**	599,871	37 %
Stockholders' equity	**1,246,104**	**47 %**	832,801	51 %
Total capitalization, including short-term borrowings	**$ 2,631,537**	**100 %**	$ 1,634,829	100 %

Our target ratio of equity to total capitalization, including short-term borrowings, is between 50 and 60 percent. We seek to align permanent financing with the in-service dates of our capital projects. We may utilize more temporary short-term debt when the financing cost is attractive as a bridge to the permanent long-term financing or if the equity markets are volatile. We expect to move closer to our target capital structure over the next couple of years.

In November 2023, in connection with our acquisition of FCG, we completed an overnight offering resulting in the issuance of 4.4 million shares of our common stock at a price per share of $82.72 (net of underwriter discounts and commissions). We received net proceeds of $366.4 million which were used to partially finance the acquisition.

During 2023, there were no issuances under the DRIP. In 2022, we issued less than 0.1 million shares at an average price per share of $136.26 and received net proceeds of $4.5 million under the DRIP.

Shelf Agreements

We have entered into Shelf Agreements with Prudential and MetLife, whom are under no obligation to purchase any unsecured debt. In February 2023, we amended these Shelf Agreements, which expanded the total borrowing capacity and extended the term of the agreements for an additional three years from the effective dates to 2026. The following table summarizes our Shelf Agreements at December 31, 2023:

Shelf Agreement [1] (in thousands)	Total Borrowing Capacity	Less: Amount of Debt Issued	Less: Unfunded Commitments	Remaining Borrowing Capacity
Prudential Shelf Agreement	$ 405,000	$ (300,000)	—	$ 105,000
MetLife Shelf Agreement	200,000	(50,000)	—	150,000
Total	$ 605,000	$ (350,000)	$ —	$ 255,000

[1] The amended Prudential and MetLife Shelf Agreements both expire in February 2026.

Long-Term Debt

All of our outstanding Senior Notes set forth certain business covenants to which we are subject when any note is outstanding, including covenants that limit or restrict our ability, and the ability of our subsidiaries, to incur indebtedness, or place or permit liens and encumbrances on any of our property or the property of our subsidiaries.

In November 2023, we issued Senior Notes in the aggregate principal amount of $550.0 million at an average interest rate of 6.54 percent that were used to partially finance our acquisition of FCG which closed during the fourth quarter of 2023. These notes have varying maturity dates of between three and 15 years, and the outstanding principal balance of the notes will be due on their respective maturity dates with interest payments payable semiannually until the principal has been paid in full. These Senior Notes have similar covenants and default provisions as our other Senior Notes.

In March 2023, we issued 5.43 percent Senior Notes due March 14, 2038 in the aggregate principal amount of $80.0 million and used the proceeds received from the issuances of the Senior Notes to reduce short-term borrowings under our Revolver and to fund capital expenditures. These Senior Notes have similar covenants and default provisions as our other Senior Notes, and have an annual principal amortization payment beginning in the sixth year after the issuance.

Short-Term Borrowings

We are authorized by our Board of Directors to borrow up to $375.0 million of short-term debt, as required. At December 31, 2023 and 2022, we had $179.9 million and $202.2 million, respectively, of short-term borrowings outstanding at a weighted average interest rate of 5.83 percent and 5.04 percent, respectively. There were no borrowings outstanding under the sustainable investment sublimit of the 364-day tranche at December 31, 2023.

We have entered into several amendments to our Revolver which resulted in modifications to both tranches of the facility. The most recent amendment in October 2023 allowed for a change in our funded indebtedness ratio from 65 percent to 70 percent during the quarter in which the acquisition of FCG is consummated and the quarter subsequent to the closing of the acquisition. The amendment in August 2023 served to renew the 364-day tranche of the Revolver, providing for $175.0 million of short-term debt capacity. Additionally, the amendment for borrowings under the 364-day tranche shall now bear interest (i) based upon the SOFR, plus a 10-basis point credit spread adjustment, and an applicable margin of 1.05 percent or less, with such margin based on total indebtedness as a percentage of total capitalization or (ii) the base rate, solely at our discretion. Further, the amendment provided that borrowings under the 364-day green loan sublimit shall now bear interest at (i) the SOFR rate plus a 10-basis point credit spread adjustment and an applicable margin of 1.00 percent or less, with such margin based on total indebtedness as a percentage of total capitalization or (ii) the base rate plus 0.05 percent or less, solely at our discretion. The amendment entered into in 2022 served to reset the benchmark interest rate to SOFR and to eliminate a previous covenant which capped our investment limit to $150.0 million for investments where we maintain less than 50 percent ownership.

The 364-day tranche of the Revolver expires in August 2024 and the five-year tranche expires in August 2026. Borrowings under both tranches of the Revolver are subject to a pricing grid, including the commitment fee and the interest rate charged based upon our total indebtedness to total capitalization ratio for the prior quarter. As of December 31, 2023, the pricing under the 364-day tranche of the Revolver included a commitment fee of 9-basis points on undrawn amounts and an interest rate of 75-basis points over SOFR plus a 10-basis point SOFR adjustment on outstanding balances. As of December 31, 2023, the pricing under the five-year tranche of the Revolver included a commitment fee of 9-basis points on undrawn amounts and an interest rate of 95-basis points over SOFR plus a 10-basis point SOFR adjustment on outstanding balances.

The availability of funds under the Revolver is subject to conditions specified in the credit agreement, all of which we currently satisfy. These conditions include our compliance with financial covenants and the continued accuracy of representations and warranties contained in the Revolver's loan documents. We are required by the financial covenants in the Revolver to maintain, at the end of each fiscal year, a funded indebtedness ratio as described above. As of December 31, 2023, we are in compliance with this covenant.

Our total available credit under the Revolver at December 31, 2023 was $188.1 million. As of December 31, 2023, we had issued $7.0 million in letters of credit to various counterparties under the Revolver. These letters of credit are not included in the outstanding short-term borrowings and we do not anticipate that they will be drawn upon by the counterparties. The letters of credit reduce the available borrowings under the Revolver.

In connection with our acquisition of FCG, we entered into a 364-day Bridge Facility commitment with Barclays Bank PLC for up to $965.0 million. Upon closing of the FCG acquisition in November 2023, and with the completion of other financing activities as defined in the lending agreement, this facility was terminated without any funds drawn to finance the transaction.

Key statistics regarding our unsecured short-term credit facilities (our Revolver and previous bilateral lines of credit and revolving credit facility) for the years ended December 31, 2023, 2022 and 2021 are as follows:

(in thousands)	**2023**	2022	2021
Average borrowings during the year	**$ 130,246**	$ 170,434	$ 182,305
Weighted average interest rate for the year	**5.41 %**	2.49 %	1.03 %
Maximum month-end borrowings	**$ 206,460**	$ 225,050	$ 226,097

Cash Flows

The following table provides a summary of our operating, investing and financing cash flows for the years ended December 31, 2023, 2022 and 2021:

	For the Year Ended December 31,		
	2023	**2022**	**2021**
(in thousands)			
Net cash provided by (used in):			
Operating activities	**$ 203,482**	$ 158,882	$ 150,504
Investing activities	**(1,111,391)**	(136,448)	(223,023)
Financing activities	**906,609**	(21,206)	73,996
Net (decrease) increase in cash and cash equivalents	**(1,300)**	1,228	1,477
Cash and cash equivalents—beginning of period	**6,204**	4,976	3,499
Cash and cash equivalents—end of period	**$ 4,904**	$ 6,204	$ 4,976

Cash Flows Provided by Operating Activities

Changes in our cash flows from operating activities are attributable primarily to changes in net income, adjusted for non-cash items, such as depreciation and changes in deferred income taxes, and changes in working capital. Working capital requirements are determined by a variety of factors, including weather, the prices of natural gas, electricity and propane, the timing of customer collections, payments for purchases of natural gas, electricity and propane, and deferred fuel cost recoveries.

We normally generate a large portion of our annual net income and related increases in our accounts receivable in the first and fourth quarters of each year due to significant volumes of natural gas and propane delivered to customers during the peak heating season by our natural gas and propane operations and our natural gas supply, gathering and processing operation. In addition, our natural gas and propane inventories, which usually peak in the fall months, are largely drawn down in the heating season and provide a source of cash as the inventory is used to satisfy winter sales demand.

During 2023, net cash provided by operating activities was $203.5 million. Operating cash flows were primarily impacted by the following:

- Net income, adjusted for non-cash adjustments, provided a $170.0 million source of cash;
- Changes in net regulatory assets and liabilities due primarily to the change in fuel costs collected through the various cost recovery mechanisms resulted in a $20.1 million source of cash; and
- Other working capital changes, as well as propane inventory and the related hedging activity, resulted in a $9.8 million source of cash.

Cash Flows Used in Investing Activities

Net cash used in investing activities totaled $1.1 billion during the year ended December 31, 2023. Key investing activities contributing to the cash flow change included:

- Net cash of $925.0 million was used in 2023 to acquire FCG and a propane distribution business; and
- Cash used to pay for capital expenditures amounted to $188.6 million for 2023.

Cash Flows Provided by Financing Activities

Net cash provided by financing activities totaled $906.6 million for the year ended December 31, 2023. This source of cash was largely related to financing activities in connection with the FCG acquisition and included:

- A net increase in long-term debt borrowings resulting in a net source of cash of $605.5 million, including $627.0 million from issuances, offset by long-term repayments of $21.5 million;
- Net proceeds of $366.4 million from the issuance of common stock; partially offset by
- A $40.0 million use of cash for dividend payments in 2023; and
- Net repayments under lines of credit resulting in a use of cash of $22.5 million.

CONTRACTUAL OBLIGATIONS

We have the following contractual obligations and other commercial commitments as of December 31, 2023:

Contractual Obligations *(in thousands)*	Payments Due by Period 2024	2025-2026	2027-2028	After 2028	Total
Long-term debt [1]	$ 18,505	$ 160,079	$ 268,373	$ 762,376	$ 1,209,333
Operating leases [2]	2,771	4,062	2,788	5,243	14,864
Purchase obligations [3]					
Transmission capacity	45,314	87,627	70,030	128,326	331,297
Storage capacity	3,312	4,519	860	—	8,691
Commodities	30,983	—	—	—	30,983
Electric supply	6,431	12,936	12,961	12,961	45,289
Unfunded benefits [4]	228	485	474	1,131	2,318
Funded benefits [5]	2,018	4,035	4,035	2,172	12,260
Total Contractual Obligations	**$ 109,562**	**$ 273,743**	**$ 359,521**	**$ 912,209**	**$ 1,655,035**

[1] This represents principal payments on long-term debt. See *Item 8, Financial Statements and Supplementary Data,* Note 12*, Long-Term Debt*, for additional information. The expected interest payments on long-term debt are $62.4 million, $116.4 million, $92.8 million and $160.6 million, respectively, for the periods indicated above. Expected interest payments for all periods total $432.2 million.
[2] See *Item 8, Financial Statements and Supplementary Data,* Note 14*, Leases*, for additional information.
[3] See *Item 8, Financial Statements and Supplementary Data,* Note 20*, Other Commitments and Contingencies*, for additional information.
[4] These amounts associated with our unfunded post-employment and post-retirement benefit plans are based on expected payments to current retirees and assume a retirement age of 62 for currently active employees. There are many factors that would cause actual payments to differ from these amounts, including early retirement, future health care costs that differ from past experience and discount rates implicit in calculations. See *Item 8, Financial Statements and Supplementary Data,* Note 16*, Employee Benefit Plan*s, for additional information on the plans.
[5] We have recorded long-term liabilities of $0.2 million at December 31, 2023 for the FPU qualified, defined benefit pension plan. The assets funding this plan are in a separate trust and are not considered assets of ours or included in our balance sheets. We do not expect to make payments to the trust funds in 2024. Additional contributions may be required in future years based on the actual return earned by the plan assets and other actuarial assumptions, such as the discount rate and long-term expected rate of return on plan assets. See *Item 8, Financial Statements and Supplementary Data,* Note 16*, Employee Benefit Plan*s, for further information on the plans. Additionally, the Contractual Obligations table above includes deferred compensation obligations totaling $12.3 million, funded with Rabbi Trust assets in the same amount. The Rabbi Trust assets are recorded under Investments on the consolidated balance sheets. We assume a retirement age of 65 for purposes of distribution from this trust.

OFF-BALANCE SHEET ARRANGEMENTS

Our Board of Directors has authorized us to issue corporate guarantees securing obligations of our subsidiaries and to obtain letters of credit securing our subsidiaries' obligations. The maximum authorized liability under such guarantees and letters of credit as of December 31, 2023 was $35.0 million. The aggregate amount guaranteed at December 31, 2023 was approximately $24.3 million with the guarantees expiring on various dates through December 2024. In addition, the Board has authorized us to issue specific purpose corporate guarantees. The amount of specific purpose guarantees outstanding at December 31, 2023 was $4.0 million.

As of December 31, 2023, we have issued letters of credit totaling approximately $7.0 million related to the electric transmission services for FPU's electric division, the firm transportation service agreement between TETLP and our Delaware and Maryland divisions, the capacity agreement between NEXUS and Aspire, and our current and previous primary insurance carriers. These letters of credit have various expiration dates through October 2024. There have been no draws on these letters of credit as of December 31, 2023. We do not anticipate that the counterparties will draw upon these letters of credit, and we expect that they will be renewed to the extent necessary in the future. Additional information is presented in *Item 8, Financial Statements and Supplementary Data,* Note 20*, Other Commitments and Contingencies* in the consolidated financial statements.

CRITICAL ACCOUNTING ESTIMATES

We prepare our financial statements in accordance with GAAP. Application of these accounting principles requires the use of estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses, and related disclosures of contingencies during the reporting period. We base our estimates on historical experience and on various assumptions that are believed to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying value of assets and liabilities that are not readily apparent from other sources. Since a significant portion of our businesses are regulated and the accounting methods used by these businesses must comply with the requirements of the regulatory bodies, the choices available are limited by these regulatory requirements. In the normal course of business, estimated amounts are subsequently adjusted to actual results that may differ from the estimates.

Regulatory Assets and Liabilities

As a result of the ratemaking process, we record certain assets and liabilities in accordance with ASC Topic 980, *Regulated Operations*, and consequently, the accounting principles applied by our regulated energy businesses differ in certain respects from those applied by the unregulated businesses. Amounts are deferred as regulatory assets and liabilities when there is a probable expectation that they will be recovered in future revenues or refunded to customers as a result of the regulatory process. This is more fully described in Item 8*, Financial Statements and Supplementary Data,* Note 2*, Summary of Significant Accounting Policies,* in the consolidated financial statements. If we were required to terminate the application of ASC Topic 980, we would be required to recognize all such deferred amounts as a charge or a credit to earnings, net of applicable income taxes. Such an adjustment could have a material effect on our results of operations.

Financial Instruments

We utilize financial instruments to mitigate commodity price risk associated with fluctuations of natural gas, electricity and propane and to mitigate interest rate risk. We continually monitor the use of these instruments to ensure compliance with our risk management policies and account for them in accordance with GAAP, such that every derivative instrument is recorded as either an asset or a liability measured at its fair value. It also requires that changes in the derivatives' fair value are recognized in the current period earnings unless specific hedge accounting criteria are met. If these instruments do not meet the definition of derivatives or are considered "normal purchases and normal sales," they are accounted for on an accrual basis of accounting.

Additionally, GAAP also requires us to classify the derivative assets and liabilities based on the lowest level of input that is significant to the fair value measurement. Our assessment of the significance of a particular input to the fair value measurement requires judgment and may affect the fair value of the assets and liabilities and their placement within the fair value hierarchy.

We determined that certain propane put options, call options, swap agreements and interest rate swap agreements met the specific hedge accounting criteria. We also determined that most of our contracts for the purchase or sale of natural gas, electricity and propane either: (i) did not meet the definition of derivatives because they did not have a minimum purchase/sell requirement, or (ii) were considered "normal purchases and normal sales" because the contracts provided for the purchase or sale of natural gas, electricity or propane to be delivered in quantities that we expect to use or sell over a reasonable period of time in the normal course of business. Accordingly, these contracts were accounted for on an accrual basis of accounting.

Additional information about our derivative instruments is disclosed in Item 8, *Financial Statements and Supplementary Data,* Note 8, *Derivative Instruments,* in the consolidated financial statements.

Goodwill and Other Intangible Assets

We test goodwill for impairment at least annually in December, or more frequently if an event occurs or circumstances change that would more likely than not reduce the fair value of a reporting unit below its carrying value. We generally use a present value technique based on discounted cash flows to estimate the fair value of our reporting units. An impairment charge is recognized if the carrying value of a reporting unit's goodwill exceeds its fair value. The annual impairment testing for 2023 indicated no impairment of goodwill. At December 31, 2023, our goodwill balance totaled $508.2 million including $461.2 million attributable to the acquisition of FCG. Additional information is presented in Item 8*, Financial Statements and Supplementary Data,* Note 4, *Acquisitions,* and Note 10*, Goodwill and Other Intangible Assets,* in the consolidated financial statements.

Other Assets Impairment Evaluations

We periodically evaluate whether events or circumstances have occurred which indicate that long-lived assets may not be recoverable. When events or circumstances indicate that an impairment is present, we record an impairment loss equal to the excess of the asset's carrying value over its fair value, if any.

Pension and Other Postretirement Benefits

Pension and other postretirement plan costs and liabilities are determined on an actuarial basis and are affected by numerous assumptions and estimates including the market value of plan assets, estimates of the expected returns on plan assets, assumed discount rates, the level of contributions made to the plans, and current demographic and actuarial mortality data. The assumed discount rates and the expected returns on plan assets are the assumptions that generally have the most significant impact on the pension costs and liabilities. The assumed discount rates, the assumed health care cost trend rates and the assumed rates of retirement generally have the most significant impact on our postretirement plan costs and liabilities. Additional information is presented in Item 8, *Financial Statements and Supplementary Data,* Note 16*, Employee Benefit Plans,* in the consolidated financial statements, including plan asset investment allocation, estimated future benefit payments, general descriptions of the plans, significant assumptions, the impact of certain changes in assumptions, and significant changes in estimates.

At December 31, 2023, actuarial assumptions include expected long-term rates of return on plan assets for FPU's pension plan of 6.00 percent and a discount rate of 5.00 percent. The discount rate was determined by management considering high-quality corporate bond rates, such as the Empower curve index and the FTSE Index. changes in those rates from the prior year and other pertinent factors, including the expected lives of the plans and the availability of the lump-sum payment option. A 0.25 percent increase or decrease in the discount rate would not have a material impact on our pension and postretirement liabilities and related costs.

Actual changes in the fair value of plan assets and the differences between the actual return on plan assets and the expected return on plan assets could have a material effect on the amount of pension benefit costs that we ultimately recognize for our funded pension plan. A 0.25 percent change in the rate of return would not have a material impact on our annual pension cost for the FPU pension plan.

ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK.

INTEREST RATE RISK

The fluctuation in interest rates expose us to potential increased cost we could incur when we issue debt instruments or to provide financing and liquidity for our business activities. We evaluate whether to refinance existing debt or permanently refinance existing short-term borrowings based in part on the fluctuation in interest rates. We utilize interest rate swap agreements to mitigate short-term borrowing rate risk. Additional information about our long-term debt and short-term borrowing is disclosed in Note 12, *Long-Term Debt,* and Note 13, *Short-Term Borrowings*, respectively, in the consolidated financial statements.

COMMODITY PRICE RISK

Regulated Energy Segment

We have entered into agreements with various wholesale suppliers to purchase natural gas and electricity for resale to our customers. Our regulated energy distribution businesses that sell natural gas or electricity to end-use customers have fuel cost recovery mechanisms authorized by the PSCs that allow us to recover all of the costs prudently incurred in purchasing natural gas and electricity for our customers. Therefore, our regulated energy distribution operations have limited commodity price risk exposure.

Unregulated Energy Segment

Our propane operations are exposed to commodity price risk as a result of the competitive nature of retail pricing offered to our customers. In order to mitigate this risk, we utilize propane storage activities and forward contracts for supply and sales activities.

We can store up to approximately 8.9 million gallons of propane (including leased storage and rail cars) during the winter season to meet our customers' peak requirements and to serve metered customers. Decreases in the wholesale price of propane may cause the value of stored propane to decline, particularly if we utilize fixed price forward contracts for supply. To mitigate the risk of propane commodity price fluctuations on the inventory valuation, we have adopted a Risk Management Policy that allows our propane distribution operation to enter into fair value hedges, cash flow hedges or other economic hedges of our inventory.

Aspire Energy is exposed to commodity price risk, primarily during the winter season. to the extent we are not successful in balancing our natural gas purchases and sales and have to secure natural gas from alternative sources at higher spot prices. In order to mitigate this risk. we procure firm capacity that meets our estimated volume requirements and we continue to seek out new producers in order to fulfill our natural gas purchase requirements.

The following table reflects the changes in the fair market value of financial derivatives contracts related to propane purchases and sales from December 31, 2022 to December 31, 2023:

(in thousands)	Balance at December 31, 2022	Increase (Decrease) in Fair Market Value	Less Amounts Settled	Balance at December 31, 2023
Sharp	$ 1,507	$ (1,822)	$ (61)	$ (376)

There were no changes in the methods of valuations during the year ended December 31, 2023.

The following is a summary of fair market value of financial derivatives as of December 31, 2023, by method of valuation and by maturity for each fiscal year period.

(in thousands)	2024	2025	2026	Total Fair Value
Price based on Mont Belvieu - Sharp	$ (264)	$ (75)	$ (37)	$ (376)

Wholesale Credit Risk

The Risk Management Committee reviews credit risks associated with counterparties to commodity derivative contracts prior to such contracts being approved.

Additional information about our derivative instruments is disclosed in Item 8, *Financial Statements and Supplementary Data,* Note 8, *Derivative Instruments,* in the consolidated financial statements.

Inflation

Inflation affects the cost of supply, labor, products and services required for operations, maintenance and capital improvements. To help cope with the effects of inflation on our capital investments and returns, we periodically seek rate increases from regulatory commissions for our regulated operations and closely monitor the returns of our unregulated energy business operations. To compensate for fluctuations in propane gas prices, we adjust propane sales prices to the extent allowed by the market.

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and Stockholders of
Chesapeake Utilities Corporation

Opinions on the Consolidated Financial Statements and Internal Control over Financial Reporting

We have audited the accompanying consolidated balance sheets of Chesapeake Utilities Corporation and Subsidiaries (the "Company") as of December 31, 2023 and 2022, the related consolidated statements of income, comprehensive income, stockholders' equity, and cash flows, for each of the years in the three-year period ended December 31, 2023, and the related notes and financial statement schedule listed in Item 15(a)2 (collectively referred to as the "consolidated financial statements"). We also have audited the Company's internal control over financial reporting as of December 31, 2023, based on criteria established in *Internal Control – Integrated Framework: (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2023 and 2022, and the results of their operations and their cash flows for each of the three years in the period ended December 31, 2023, in conformity with accounting principles generally accepted in the United States of America. Also in our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of December 31, 2023, based on criteria established in *Internal Control – Integrated Framework: (2013)* issued by COSO.

Basis for Opinion

The Company's management is responsible for these consolidated financial statements, for maintaining effective internal control over financial reporting, and for their assessment of the effectiveness of internal control over financial reporting, included in the accompanying Management's Report on Internal Control Over Financial Reporting. Our responsibility is to express an opinion on the Company's consolidated financial statements and an opinion on the Company's internal control over financial reporting based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) ("PCAOB") and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud, and whether effective internal control over financial reporting was maintained in all material respects.

Our audits of the financial statements included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. Our audit of internal control over financial reporting included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audits also included performing such other procedures as we considered necessary in the circumstances.

As indicated in the accompanying Management's Report on Internal Control Over Financial Reporting, management has excluded Florida City Gas ("FCG") from its assessment of internal control over financial reporting as of December 31, 2023, because it was acquired by the Company in a business combination during 2023. We have also excluded FCG from our audit of internal control over financial reporting. FCG is a wholly-owned subsidiary whose total assets and loss before taxes represented 31 percent and 4 percent, respectively, of the Company's consolidated total assets and earnings before taxes as of December 31, 2023 and for the year then ended.

We believe that our audits provide a reasonable basis for our opinions.

Definition and Limitations of Internal Control Over Financial Reporting

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Critical Audit Matter

The critical audit matter communicated below is a matter arising from the current period audit of the consolidated financial statements that was communicated or required to be communicated to the audit committee and that: (1) relates to accounts or disclosures that are material to the consolidated financial statements and (2) involved our especially challenging, subjective, or complex judgments. The communication of the critical audit matter does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.

Goodwill Impairment Assessment - Energy Transmission and Supply Services (Aspire Energy) - Unregulated Energy Segment - Refer to Notes 2 and 10 to the consolidated financial statements

Critical Audit Matter Description

As described in Notes 2 and 10 to the consolidated financial statements, the Company has recorded goodwill associated with the Aspire Energy reporting unit within its Unregulated Energy reportable segment as of December 31, 2023. To test goodwill for impairment, the Company uses a present value technique based on discounted cash flows to estimate the fair value of its reporting units. Management's testing of goodwill as of December 31, 2023 indicated no impairment.

We identified the goodwill impairment assessment of Aspire Energy as a critical audit matter because the fair value estimate requires significant estimates and assumptions by management, including those relating to future revenue and operating margin forecasts and discount rates. Testing these estimates involved especially challenging, subjective, or complex judgments and effort.

How the Critical Audit Matter was Addressed in the Audit

The primary procedures we performed to address this critical audit matter included:

- We obtained an understanding, evaluated the design, and tested the operating effectiveness of controls over management's goodwill impairment evaluation, including those over the determination of the fair value of the Aspire Energy reporting unit.
- We evaluated the appropriateness of management's valuation methodology, including testing the mathematical accuracy of the calculation.
- We assessed the historical accuracy of management's revenue and operating margin forecasts.
- We compared the significant assumptions used by management to current industry and economic trends, current and historical performance of the reporting unit, and other relevant factors.
- We performed sensitivity analyses of the significant assumptions to evaluate the changes in the fair value of the reporting units that would result from changes in the assumptions.
- We evaluated whether the assumptions were consistent with evidence obtained in other areas of the audit, including testing the Company's fair value of all reporting units within the Company's Regulated and Unregulated Energy segments, in relation to the market capitalization of the Company and assessed the results.

/s/ Baker Tilly US, LLP

We have served as the Company's auditor since 2007.

Lancaster, Pennsylvania
February 21, 2024

Chesapeake Utilities Corporation and Subsidiaries

Consolidated Statements of Income

	For the Year Ended December 31,		
	2023	**2022**	**2021**
(in thousands, except shares and per share data)			
Operating Revenues			
Regulated Energy	**$ 473,595**	$ 429,424	$ 383,920
Unregulated Energy	**223,148**	280,750	206,869
Other businesses and eliminations	**(26,139)**	(29,470)	(20,821)
Total operating revenues	**670,604**	680,704	569,968
Operating Expenses			
Natural gas and electricity costs	**140,008**	127,172	100,737
Propane and natural gas costs	**76,474**	133,334	86,213
Operations	**178,437**	164,505	148,294
FCG transaction-related expenses	**10,355**	—	—
Maintenance	**20,401**	18,176	16,793
Depreciation and amortization	**65,501**	68,973	62,661
Other taxes	**28,625**	25,611	24,158
Total operating expenses	**519,801**	537,771	438,856
Operating Income	**150,803**	142,933	131,112
Other income, net	**1,438**	5,051	1,720
Interest charges	**36,951**	24,356	20,135
Income Before Income Taxes	**115,290**	123,628	112,697
Income taxes	**28,078**	33,832	29,231
Net Income	**$ 87,212**	$ 89,796	$ 83,466
Weighted Average Common Shares Outstanding:			
Basic	**18,370,758**	17,722,227	17,558,078
Diluted	**18,434,857**	17,804,294	17,633,029
Earnings Per Share of Common Stock:			
Basic	**$ 4.75**	$ 5.07	$ 4.75
Diluted	**$ 4.73**	$ 5.04	$ 4.73

The accompanying notes are an integral part of the financial statements.

Chesapeake Utilities Corporation and Subsidiaries

Consolidated Statements of Comprehensive Income

(in thousands)	For the Year Ended December 31, 2023	2022	2021
Net Income	**$ 87,212**	$ 89,796	$ 83,466
Other Comprehensive Income (Loss), net of tax:			
Employee Benefits, net of tax:			
Reclassifications of amortization of prior service credit and actuarial loss, net of tax of $11, $18 and $550, respectively	**32**	57	1,616
Net (loss) gain, net of tax of $(37), $243, and $93, respectively	**(110)**	705	262
Cash Flow Hedges, net of tax:			
Net (loss) gain on commodity contract cash flow hedges, net of tax of $(501), $(369) and $2,702, respectively	**(1,322)**	(934)	7,075
Reclassifications of net gain on commodity contract cash flow hedges, net of tax of $(17), $(963) and $(1,838), respectively	**(44)**	(2,545)	(4,813)
Net gain on interest rate swap cash flow hedges, net of tax of $165, $0, and $0, respectively	**473**	—	—
Reclassifications of net (gain) loss on interest rate swap cash flow hedges, net of tax of $(135), $12 and $12, respectively	**(388)**	35	28
Total Other Comprehensive (Loss) Income	**(1,359)**	(2,682)	4,168
Comprehensive Income	**$ 85,853**	$ 87,114	$ 87,634

The accompanying notes are an integral part of the financial statements.

Chesapeake Utilities Corporation and Subsidiaries

Consolidated Balance Sheets

Assets	As of December 31, 2023	2022
(in thousands, except shares and per share data)		
Property, Plant and Equipment		
Regulated Energy	$ 2,418,494	$ 1,802,999
Unregulated Energy	410,807	393,215
Other businesses and eliminations	30,310	29,890
Total property, plant and equipment	2,859,611	2,226,104
Less: Accumulated depreciation and amortization	(516,429)	(462,926)
Plus: Construction work in progress	113,192	47,295
Net property, plant and equipment	2,456,374	1,810,473
Current Assets		
Cash and cash equivalents	4,904	6,204
Trade and other receivables	74,485	65,758
Less: Allowance for credit losses	(2,699)	(2,877)
Trade receivables, net	71,786	62,881
Accrued revenue	32,597	29,206
Propane inventory, at average cost	9,313	9,365
Other inventory, at average cost	19,912	16,896
Regulatory assets	19,506	41,439
Storage gas prepayments	4,695	6,364
Income taxes receivable	3,829	2,541
Prepaid expenses	15,407	15,865
Derivative assets, at fair value	1,027	2,787
Other current assets	2,723	428
Total current assets	185,699	193,976
Deferred Charges and Other Assets		
Goodwill	508,174	46,213
Other intangible assets, net	16,865	17,859
Investments, at fair value	12,282	10,576
Derivative assets, at fair value	40	982
Operating lease right-of-use assets	12,426	14,421
Regulatory assets	96,396	108,214
Receivables and other deferred charges	16,448	12,323
Total deferred charges and other assets	662,631	210,588
Total Assets	$ 3,304,704	$ 2,215,037

The accompanying notes are an integral part of the financial statements.

Chesapeake Utilities Corporation and Subsidiaries

Consolidated Balance Sheets

Capitalization and Liabilities	As of December 31, 2023	2022
(in thousands, except shares and per share data)		
Capitalization		
Stockholders' equity		
Preferred stock, par value $0.01 per share (authorized 2,000,000 shares), no shares issued and outstanding	**$ —**	$ —
Common stock, par value $0.4867 per share (authorized 50,000,000 shares)	**10,823**	8,635
Additional paid-in capital	**749,356**	380,036
Retained earnings	**488,663**	445,509
Accumulated other comprehensive loss	**(2,738)**	(1,379)
Deferred compensation obligation	**9,050**	7,060
Treasury stock	**(9,050)**	(7,060)
Total stockholders' equity	**1,246,104**	832,801
Long-term debt, net of current maturities	**1,187,075**	578,388
Total capitalization	**2,433,179**	1,411,189
Current Liabilities		
Current portion of long-term debt	**18,505**	21,483
Short-term borrowing	**179,853**	202,157
Accounts payable	**77,481**	61,496
Customer deposits and refunds	**46,427**	37,152
Accrued interest	**7,020**	3,349
Dividends payable	**13,119**	9,492
Accrued compensation	**16,544**	14,660
Regulatory liabilities	**13,719**	5,031
Derivative liabilities, at fair value	**354**	585
Other accrued liabilities	**13,362**	13,618
Total current liabilities	**386,384**	369,023
Deferred Credits and Other Liabilities		
Deferred income taxes	**259,082**	256,167
Regulatory liabilities	**195,279**	142,989
Environmental liabilities	**2,607**	3,272
Other pension and benefit costs	**15,330**	16,965
Derivative liabilities at fair value	**927**	1,630
Operating lease - liabilities	**10,550**	12,392
Deferred investment tax credits and other liabilities	**1,366**	1,410
Total deferred credits and other liabilities	**485,141**	434,825
Environmental and other commitments and contingencies (Notes 19 and 20)		
Total Capitalization and Liabilities	**$ 3,304,704**	$ 2,215,037

The accompanying notes are an integral part of the financial statements.

Chesapeake Utilities Corporation and Subsidiaries

Consolidated Statements of Cash Flows

(in thousands)	For the Year Ended December 31, 2023	2022	2021
Operating Activities			
Net Income	$ 87,212	$ 89,796	$ 83,466
Adjustments to reconcile net income to net operating cash:			
Depreciation and amortization	65,501	68,973	62,661
Depreciation and accretion included in operations expenses	11,934	11,044	10,228
Deferred income taxes, net	3,413	23,705	26,658
Realized (loss) on sale of assets/commodity contracts	(824)	(7,532)	(9,026)
Unrealized loss (gain) on investments/commodity contracts	(1,916)	1,817	(1,464)
Employee benefits and compensation	342	(1,111)	(53)
Share-based compensation	7,622	6,438	5,945
Other, net	170	—	—
Changes in assets and liabilities:			
Accounts receivable and accrued revenue	2,270	(11,159)	(1,634)
Propane inventory, storage gas and other inventory	293	(7,847)	(9,517)
Regulatory assets/liabilities, net	20,102	(38,671)	(18,464)
Prepaid expenses and other current assets	18,689	9,124	(1,520)
Accounts payable and other accrued liabilities	(16,795)	2,724	8,285
Income taxes receivable	(1,288)	14,919	(4,575)
Customer deposits and refunds	3,928	664	3,176
Accrued compensation	1,462	(1,231)	1,198
Other assets and liabilities, net	1,367	(2,771)	(4,860)
Net cash provided by operating activities	203,482	158,882	150,504
Investing Activities			
Property, plant and equipment expenditures	(188,618)	(128,276)	(186,924)
Proceeds from sale of assets	2,926	3,860	1,033
Acquisitions, net of cash acquired	(925,034)	(11,766)	(36,371)
Environmental expenditures	(665)	(266)	(761)
Net cash used in investing activities	(1,111,391)	(136,448)	(223,023)
Financing Activities			
Common stock dividends	(40,009)	(35,147)	(31,537)
Issuance of stock for Dividend Reinvestment Plan	(28)	4,534	15,851
Proceeds from issuance of common stock, net of expenses	366,417	—	—
Tax withholding payments related to net settled stock compensation	(2,455)	(2,838)	(1,478)
Change in cash overdrafts due to outstanding checks	(301)	955	(1,154)
Net borrowings (repayments) under line of credit agreements	(22,544)	(20,608)	46,647
Proceeds from issuance of long-term debt	627,011	49,859	59,478
Repayment of long-term debt and finance lease obligation	(21,482)	(17,961)	(13,811)
Net cash provided by (used in) financing activities	906,609	(21,206)	73,996
Net (Decrease) Increase in Cash and Cash Equivalents	(1,300)	1,228	1,477
Cash and Cash Equivalents — Beginning of Period	6,204	4,976	3,499
Cash and Cash Equivalents — End of Period	$ 4,904	$ 6,204	$ 4,976

See Note 7 for Supplemental Cash Flow Disclosures.

The accompanying notes are an integral part of the financial statements.

Chesapeake Utilities Corporation and Subsidiaries

Consolidated Statements of Stockholders' Equity

(in thousands, except shares and per share data)	Common Stock [1] Number of Shares [2]	Common Stock [1] Par Value	Additional Paid-In Capital	Retained Earnings	Accumulated Other Comprehensive Income (Loss)	Deferred Compensation	Treasury Stock	Total
Balance at December 31, 2020	**17,461,841**	**$ 8,499**	**$ 348,482**	**$ 342,969**	**$ (2,865)**	**$ 5,679**	**$ (5,679)**	**$ 697,085**
Net Income	—	—	—	83,466	—	—	—	**83,466**
Other comprehensive income	—	—	—	—	4,168	—	—	**4,168**
Dividends declared ($1.880 per share)	—	—	—	(33,363)	—	—	—	**(33,363)**
Dividend reinvestment plan [5]	147,256	72	18,176	—	—	—	—	**18,248**
Share-based compensation and tax benefit [3] [4]	46,313	22	4,504	—	—	—	—	**4,526**
Treasury stock activities [2]	—	—	—	—	—	1,561	(1,561)	—
Balance at December 31, 2021	**17,655,410**	**8,593**	**371,162**	**393,072**	**1,303**	**7,240**	**(7,240)**	**774,130**
Net Income	—	—	—	89,796	—	—	—	**89,796**
Other comprehensive income	—	—	—	—	(2,682)	—	—	**(2,682)**
Dividends declared ($2.085 per share)	—	—	—	(37,359)	—	—	—	**(37,359)**
Issuance under various plans [5]	39,418	19	5,273	—	—	—	—	**5,292**
Share-based compensation and tax benefit [3] [4]	46,590	23	3,601	—	—	—	—	**3,624**
Treasury stock activities [2]	—	—	—	—	—	(180)	180	—
Balances at December 31, 2022	**17,741,418**	**8,635**	**380,036**	**445,509**	**(1,379)**	**7,060**	**(7,060)**	**832,801**
Net Income	—	—	—	87,212	—	—	—	**87,212**
Issuance of common stock in connection with acquisition of FCG	4,438,596	2,160	364,257	—	—	—	—	**366,417**
Other comprehensive loss	—	—	—	—	(1,359)	—	—	**(1,359)**
Dividends declared ($2.305 per share)	—	—	—	(44,058)	—	—	—	**(44,058)**
Issuance under various plans [5]	—	—	(26)	—	—	—	—	**(26)**
Share-based compensation and tax benefit [3] [4]	55,323	28	5,089	—	—	—	—	**5,117**
Treasury stock activities [2]	—	—	—	—	—	1,990	(1,990)	—
Balances at December 31, 2023	**22,235,337**	**$ 10,823**	**$ 749,356**	**$ 488,663**	**$ (2,738)**	**$ 9,050**	**$ (9,050)**	**$ 1,246,104**

[1] 2,000,000 shares of preferred stock at $0.01 par value per share have been authorized. No shares have been issued or are outstanding; accordingly, no information has been included in the Consolidated Statements of Stockholders' Equity.
[2] Includes 107,623, 108,143 and 116,238 shares at December 31, 2023, 2022 and 2021, respectively, held in a Rabbi Trust related to our Non-Qualified Deferred Compensation Plan.
[3] Includes amounts for shares issued for directors' compensation.
[4] The shares issued under the SICP are net of shares withheld for employee taxes. For 2023, 2022 and 2021, we withheld 19,859, 21,832 and 14,020 shares, respectively, for taxes.
[5] Includes shares issued under the Retirement Savings Plan, DRIP and/or ATM equity issuances, as applicable.

The accompanying notes are an integral part of the financial statements.

1. ORGANIZATION AND BASIS OF PRESENTATION

Chesapeake Utilities, incorporated in 1947 in Delaware, is a diversified energy company engaged in regulated and unregulated energy businesses.

Our regulated energy businesses consist of: (a) regulated natural gas distribution operations in central and southern Delaware, Maryland's eastern shore and Florida; (b) regulated natural gas transmission operations on the Delmarva Peninsula, in Pennsylvania, Florida and in Ohio; and (c) regulated electric distribution operations serving customers in northeast and northwest Florida.

Our unregulated energy businesses primarily include: (a) propane operations in the Mid-Atlantic region, North Carolina, South Carolina, and Florida; (b) our unregulated natural gas transmission/supply operation in central and eastern Ohio; (c) our CHP plant in Florida that generates electricity and steam; (d) our subsidiary, based in Florida, that provides CNG, LNG and RNG transportation and pipeline solutions, primarily to utilities and pipelines throughout the United States; and (e) sustainable energy investments including renewable natural gas.

Our consolidated financial statements include the accounts of Chesapeake Utilities and its wholly-owned subsidiaries. We do not have any ownership interest in investments accounted for using the equity method or any interest in a variable interest entity. All intercompany accounts and transactions have been eliminated in consolidation. We have assessed and, if applicable, reported on subsequent events through the date of issuance of these consolidated financial statements. Where necessary to improve comparability, prior period amounts have been reclassified to conform to current period presentation.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Use of Estimates

Preparing the consolidated financial statements to conform with GAAP requires management to make estimates in measuring assets and liabilities and related revenues and expenses. These estimates involve judgments about various future economic factors that are difficult to predict and are beyond our control; therefore, actual results could differ from these estimates. As additional information becomes available, or actual amounts are determined, recorded estimates are revised. Consequently, operating results can be affected by revisions to prior accounting estimates.

Property, Plant and Equipment

Property, plant and equipment are stated at original cost less accumulated depreciation or fair value, if impaired. Costs include direct labor, materials and third-party construction contractor costs, allowance for funds used during construction ("AFUDC"), and certain indirect costs related to equipment and employees engaged in construction. The costs of repairs and minor replacements are charged to expense as incurred, and the costs of major renewals and improvements are capitalized. Upon retirement or disposition of property within the regulated businesses, the gain or loss, net of salvage value, is charged to accumulated depreciation. Upon retirement or disposition of property owned by the unregulated businesses, the gain or loss, net of salvage value, is charged to income. A summary of property, plant and equipment by classification as of December 31, 2023 and 2022 is provided in the following table:

(in thousands)	As of December 31, 2023	2022
Property, plant and equipment		
Regulated Energy		
Natural gas distribution - Delmarva Peninsula and Florida [1]	**$ 1,486,796**	$ 925,501
Natural gas transmission - Delmarva Peninsula, Pennsylvania, Ohio and Florida	**788,185**	741,865
Electric distribution	**143,513**	135,633
Unregulated Energy		
Propane operations – Mid-Atlantic, North Carolina, South Carolina and Florida	**194,918**	185,090
Natural gas transmission and supply – Ohio	**134,192**	128,620
Electricity and steam generation	**37,064**	36,886
Mobile CNG and pipeline solutions	**40,558**	38,543
Sustainable energy investments, including renewable natural gas	**4,076**	4,076
Other	**30,309**	29,890
Total property, plant and equipment	**2,859,611**	2,226,104
Less: Accumulated depreciation and amortization	**(516,429)**	(462,926)
Plus: Construction work in progress	**113,192**	47,295
Net property, plant and equipment	**$ 2,456,374**	$ 1,810,473

[1] Includes amounts attributable to the acquisition of FCG. See Note 4 for additional details on the acquisition.

Contributions or Advances in Aid of Construction

Customer contributions or advances in aid of construction reduce property, plant and equipment, unless the amounts are refundable to customers. Contributions or advances may be refundable to customers after a number of years based on the amount of revenues generated from the customers or the duration of the service provided to the customers. Refundable contributions or advances are recorded initially as liabilities. Non-refundable contributions reduce property, plant and equipment at the time of such determination. As of December 31, 2023 and 2022, the non-refundable contributions totaled $4.2 million and $7.6 million, respectively.

AFUDC

Some of the additions to our regulated property, plant and equipment include AFUDC, which represents the estimated cost of funds, from both debt and equity sources, used to finance the construction of major projects. AFUDC is capitalized in the applicable rate base for rate-making purposes when the completed projects are placed in service. During the years ended December 31, 2023, 2022 and 2021, AFUDC was immaterial and was reflected as a reduction of interest charges.

Leases

We have entered into lease arrangements for office space, land, equipment, pipeline facilities and warehouses. These leases enable us to conduct our business operations in the regions in which we operate. Our operating leases are included in operating lease right-of-use assets, other accrued liabilities, and operating lease - liabilities in our consolidated balance sheets.

Right-of-use assets represent our right to use an underlying asset for the lease term and lease liabilities represent our obligation to make lease payments arising from the lease. Operating lease right-of-use assets and liabilities are recognized at commencement date based on the present value of lease payments over the lease term. Leases with an initial term of 12 months or less are not recorded on our balance sheet; we recognize lease expense for these leases on a straight-line basis over the lease term. Our leases do not provide an implicit lease rate, therefore, we utilize our incremental borrowing rate, as the basis to calculate the present value of future lease payments, at lease commencement. Our incremental borrowing rate represents the rate that we would have to pay to borrow funds on a collateralized basis over a similar term and in a similar economic environment.

We have lease agreements with lease and non-lease components. At the adoption of ASC 842, we elected not to separate non-lease components from all classes of our existing leases. The non-lease components have been accounted for as part of the single lease component to which they are related. See Note 14, *Leases,* for additional information.

Jointly-owned Pipelines

Property, plant and equipment for our Florida natural gas transmission operation included $28.4 million of jointly owned assets at December 31, 2023, primarily comprised of the 26-mile Callahan intrastate transmission pipeline in Nassau County, Florida jointly-owned with Seacoast Gas Transmission. Peninsula Pipeline's ownership is 50 percent. Direct expenses for the jointly-owned pipeline are included in operating expenses within our consolidated statements of income. Accumulated depreciation for this pipeline totaled $2.2 million and $1.5 million at December 31, 2023 and 2022, respectively.

Impairment of Long-lived Assets

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

Depreciation and Accretion Included in Operations Expenses

We compute depreciation expense for our regulated operations by applying composite, annual rates, as approved by the respective regulatory bodies. Certain components of depreciation and accretion are reported in operations expenses, rather than as depreciation and amortization expense, in the accompanying consolidated statements of income in accordance with industry practice and regulatory requirements. Depreciation and accretion included in operations expenses consists of the accretion of the costs of removal for future retirements of utility assets, vehicle depreciation, computer software and hardware depreciation, and other minor amounts of depreciation expense. For the years ended December 31, 2023, 2022 and 2021, we reported $11.9 million, $11.0 million and $10.2 million, respectively, of depreciation and accretion in operations expenses.

The following table shows the average depreciation rates used for regulated operations during the years ended December 31, 2023, 2022 and 2021:

	2023	**2022**	**2021**
Natural gas distribution – Delmarva Peninsula	**2.5%**	2.5%	2.5%
Natural gas distribution – Florida [(1) (2)]	**2.2%**	2.5%	2.5%
Natural gas transmission – Delmarva Peninsula	**2.7%**	2.7%	2.7%
Natural gas transmission – Florida	**2.4%**	2.4%	2.3%
Natural gas transmission – Ohio	**5.0%**	5.0%	N/A
Electric distribution	**2.4%**	2.8%	2.8%

(1) Excludes the acquisition of FCG which was completed on November 30, 2023.
(2) Average for 2023 includes the impact of the depreciation study that was approved by the Florida PSC in connection with the natural gas base rate proceeding.

For our unregulated operations, we compute depreciation expense on a straight-line basis over the following estimated useful lives of the assets:

Asset Description	Useful Life
Propane distribution mains	10-37 years
Propane bulk plants and tanks	10-40 years
Propane equipment, meters and meter installations	5-33 years
Measuring and regulating station equipment	5-37 years
Natural gas pipelines	45 years
Natural gas right of ways	Perpetual
CHP plant	30 years
Natural gas processing equipment	20-25 years
Office furniture and equipment	3-10 years
Transportation equipment	4-20 years
Structures and improvements	5-45 years
Other	Various

Regulated Operations

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

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

Revenue Recognition

Revenues for our natural gas and electric distribution operations are based on rates approved by the PSC in each state in which they operate. Customers' base rates may not be changed without formal approval by these commissions. The PSCs, however, have authorized our regulated operations to negotiate rates, based on approved methodologies, with customers that have competitive alternatives. Eastern Shore's revenues are based on rates approved by the FERC. The FERC has also authorized Eastern Shore to negotiate rates above or below the FERC-approved maximum rates, which customers can elect as an alternative to FERC-approved maximum rates.

For regulated deliveries of natural gas and electricity, we read meters and bill customers on monthly cycles that do not coincide with the accounting periods used for financial reporting purposes. We accrue unbilled revenues for natural gas and electricity delivered, but not yet billed, at the end of an accounting period to the extent that they do not coincide. We estimate the amount of the unbilled revenue by jurisdiction and customer class.

All of our regulated natural gas and electric distribution operations have fuel cost recovery mechanisms. These mechanisms allow us to adjust billing rates, without further regulatory approvals, to reflect changes in the cost of purchased fuel. Differences between the cost of fuel purchased and delivered are deferred and accounted for as either unrecovered fuel cost or amounts payable to customers. Generally, these deferred amounts are recovered or refunded within one year.

We charge flexible rates to our natural gas distribution industrial interruptible customers who can use alternative fuels. Interruptible service imposes no contractual obligation to deliver or receive natural gas on a firm service basis.

Our unregulated propane distribution businesses record revenue in the period the products are delivered and/or services are rendered for their bulk delivery customers. For propane customers with meters whose billing cycles do not coincide with our accounting periods, we accrue unbilled revenue for product delivered but not yet billed and bill customers at the end of an accounting period, as we do in our regulated energy businesses.

Our Ohio natural gas transmission/supply operation recognizes revenues based on actual volumes of natural gas shipped using contractual rates based upon index prices that are published monthly.

Eight Flags records revenues based on the amount of electricity and steam generated and sold to its customers.

Our mobile compressed natural gas operation recognizes revenue for CNG services at the end of each calendar month for services provided during the month based on agreed upon rates for labor, equipment utilized, costs incurred for natural gas compression, miles driven, mobilization and demobilization fees.

We report revenue taxes, such as gross receipts taxes, franchise taxes, and sales taxes, on a net basis.

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

Natural Gas, Electric and Propane Costs

Natural gas, electric and propane costs include the direct costs attributable to the products sold or services provided to our customers. These costs include primarily the variable commodity cost of natural gas, electricity and propane, costs of pipeline capacity needed to transport and store natural gas, transmission costs for electricity, costs to gather and process natural gas, costs to transport propane to/from our storage facilities or our mobile CNG equipment to customer locations, and steam and electricity generation costs. Depreciation expense is not included in natural gas, electric and propane costs.

Operations and Maintenance Expenses

Operations and maintenance expenses include operations and maintenance salaries and benefits, materials and supplies, usage of vehicles, tools and equipment, payments to contractors, utility plant maintenance, customer service, professional fees and other outside services, insurance expense, minor amounts of depreciation, accretion of removal costs for future retirements of utility assets and other administrative expenses.

Cash and Cash Equivalents

Our policy is to invest cash in excess of operating requirements in overnight income-producing accounts. Such amounts are stated at cost, which approximates fair value. Investments with an original maturity of three months or less when purchased are considered cash equivalents.

Accounts Receivable and Allowance for Credit Losses

Accounts receivable consist primarily of amounts due for sales of natural gas, electricity and propane and transportation and distribution services to customers. An allowance for doubtful accounts is recorded against amounts due based upon our collections experiences and an assessment of our customers' inability or reluctance to pay. If circumstances change, our estimates of recoverable accounts receivable may also change. Circumstances which could affect such estimates include, but are not limited to, customer credit issues, natural gas, electricity and propane prices and impacts from general economic conditions. Accounts receivable are written off when they are deemed to be uncollectible.

Our estimate for expected credit losses has been developed by analyzing our portfolio of financial assets that present potential credit exposure risk. These assets consist solely of our trade receivables from customers and contract assets. The estimate is based on five years of historical collections experience, a review of current economic and operating conditions in our service territories, and an examination of economic indicators which provide a reasonable and supportable basis of potential future activity. Those indicators include metrics which we believe provide insight into the future collectability of our trade receivables such as unemployment rates and economic growth statistics in our service territories.

When determining estimated credit losses, we analyze the balance of our trade receivables based on the underlying line of business. This includes an examination of trade receivables from our energy distribution, energy transmission, energy delivery services and propane operations businesses. Our energy distribution business consists of all our regulated distribution utility (natural gas and electric) operations on the Delmarva Peninsula and in Florida. These business units have the ability to recover their costs through the rate-making process, which can include consideration for amounts historically written off to be included in rate base. Therefore, they possess a mechanism to recover credit losses which we believe reduces their exposure to credit risk. Our energy transmission and energy delivery services business units consist of our natural gas pipelines and our mobile CNG delivery operations. The majority of customers served by these business units are regulated distribution utilities who also have the ability to recover their costs. We believe this cost recovery mechanism significantly reduces the amount of credit risk associated with these customers. Our propane operations are unregulated and do not have the same ability to recover their costs as our regulated operations. However, historically our propane operations have not had material write offs relative to the amount of revenues generated.

Our estimate of expected credit losses reflects our anticipated losses associated with our trade receivables as a result of non-payment from our customers beginning the day the trade receivable is established. We believe the risk of loss associated with trade receivables classified as current presents the least amount of credit exposure risk and therefore, we assign a lower estimate to our current trade receivables. As our trade receivables age outside of their expected due date, our estimate increases. Our allowance for credit losses relative to the balance of our trade receivables has historically been immaterial as a result of on time payment activity from our customers.

The table below illustrates the changes in the balance of our allowance for expected credit losses for the year ended December 31, 2023:

(in thousands)		
Balance at December 31, 2022	**$**	**2,877**
Additions:		
Provision for credit losses		**2,340**
Recoveries		**166**
Deductions:		
Write offs		**(2,684)**
Balance at December 31, 2023	**$**	**2,699**

Inventories

We use the average cost method to value propane, materials and supplies, and other merchandise inventory. If market prices drop below cost, inventory balances that are subject to price risk are adjusted to their net realizable value. There were no lower-of-cost-or-net realizable value adjustment for the years ended December 31, 2023, 2022 or 2021.

Goodwill and Other Intangible Assets

Goodwill is not amortized but is tested for impairment at least annually, or more frequently if an event occurs or circumstances change that would more likely than not reduce the fair value of a reporting unit below its carrying value. We generally use a present value technique based on discounted cash flows to estimate the fair value of our reporting units. An impairment charge is recognized if the carrying value of a reporting unit's goodwill exceeds its fair value. There were no goodwill impairments recognized during the years ended December 31, 2023, 2022 and 2021. Other intangible assets are amortized on a straight-line basis over their estimated economic useful lives.

Other Deferred Charges

Other deferred charges include issuance costs associated with short-term borrowings. These charges are amortized over the life of the related short-term debt borrowings.

Asset Removal Cost

As authorized by the appropriate regulatory body (state PSC or FERC), we accrue future asset removal costs associated with utility property, plant and equipment even if a legal obligation does not exist. Such accruals are provided for through depreciation expense and are recorded with corresponding credits to regulatory liabilities or assets. When we retire depreciable utility plant and equipment, we charge the associated original costs to accumulated depreciation and amortization, and any related removal costs incurred are charged to regulatory liabilities or assets. The difference between removal costs recognized in depreciation rates and the accretion and depreciation expense recognized for financial reporting purposes is a timing difference between recovery of these costs in rates and their recognition for financial reporting purposes. Accordingly, these differences are deferred as regulatory liabilities or assets. In the rate setting process, the regulatory liability or asset is excluded from the rate base upon which those utilities have the opportunity to earn their allowed rates of return. The costs associated with our asset retirement obligations are either currently being recovered in rates or are probable of recovery in future rates.

See Note 18, *Rates and Other Regulatory Activities*, for information related to FCG's reserve surplus amortization mechanism ("RSAM") that was approved as part of its rate case effective as of May 1, 2023.

Pension and Other Postretirement Plans

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

The discount rates are utilized principally in calculating the actuarial present value of our pension and postretirement obligations and net pension and postretirement costs. When estimating our discount rates, we consider high-quality corporate bond rates, such as the Empower curve index and the FTSE Index, changes in those rates from the prior year and other pertinent factors, including the expected life of each of our plans and their respective payment options.

The expected long-term rates of return on assets are utilized in calculating the expected returns on the plan assets component of our annual pension plan costs. We estimate the expected returns on plan assets by evaluating expected bond returns, asset allocations, the effects of active plan management, the impact of periodic plan asset rebalancing and historical performance. We also consider the guidance from our investment advisors in making a final determination of our expected rates of return on plan assets.

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

The mortality assumption used for our pension and postretirement plans is reviewed periodically and is based on the actuarial table that best reflects the expected mortality of the plan participants.

Income Taxes, Investment Tax Credit Adjustments and Tax-Related Contingency

Deferred tax assets and liabilities are recorded for the income tax effect of temporary differences between the financial statement basis and tax basis of assets and liabilities and are measured using the enacted income tax rates in effect in the years in which the differences are expected to reverse. Deferred tax assets are recorded net of any valuation allowance when it is more likely than not that such income tax benefits will be realized. Investment tax credits on utility property have been deferred and are allocated to income ratably over the lives of the subject property.

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

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

Financial Instruments

We utilize financial instruments to mitigate commodity price risk associated with fluctuations of natural gas, electricity and propane and to mitigate interest rate risk. Our propane operations enter into derivative transactions, such as swaps, put options and call options in order to mitigate the impact of wholesale price fluctuations on inventory valuation and future purchase commitments. These transactions may be designated as fair value hedges or cash flow hedges, if they meet all of the accounting requirements pursuant to ASC Topic 815, *Derivatives and Hedging,* and we elect to designate the instruments as hedges. If designated as a fair value hedge, the value of the hedging instrument, such as a swap, future, or put option, is recorded at fair value, with the effective portion of the gain or loss of the hedging instrument effectively reducing or increasing the value of the hedged item. If designated as a cash flow hedge, the value of the hedging instrument, such as a swap or call option, is recorded at fair value with the effective portion of the gain or loss of the hedging instrument being initially recorded in accumulated other comprehensive income (loss) and reclassified to earnings when the associated hedged transaction settles. The ineffective portion of the gain or loss of a hedge is immediately recorded in earnings. If the instrument is not designated as a fair value or cash flow hedge, or it does not meet the accounting requirements of a hedge under ASC Topic 815, *Derivatives and Hedging*, it is recorded at fair value with all gains or losses being recorded directly in earnings.

Our natural gas, electric and propane operations enter into agreements with suppliers to purchase natural gas, electricity, and propane for resale to our respective customers. Purchases under these contracts, as well as distribution and sales agreements with counterparties or customers, either do not meet the definition of a derivative, or qualify for "normal purchases and normal sales" treatment under ASC Topic 815 and are accounted for on an accrual basis.

We manage interest rate risk by entering into derivative contracts to hedge the variability in cash flows attributable to changes in the short-term borrowing rates. We designate and account for the interest rate swaps as cash flows hedges. Accordingly, unrealized gains and losses associated with the interest rate swaps are recorded as a component of accumulated other comprehensive income (loss). When the interest rate swaps settle, the realized gain or loss will be recorded in the income statement and recognized as a component of interest charges.

Recent Accounting Standards Yet to be Adopted

Segment Reporting (ASC 280) - In November 2023, the FASB issued ASU 2023-07, *Improvements to Reportable Segments Disclosures*, which modifies required disclosures about a public entity's reportable segments and addresses requests from investors for more detailed information about a reportable segment's expenses and a more comprehensive reconciliation of each segment's reported profit or loss. ASU 2023-07 will be effective for our annual financial statements beginning January 1, 2024 and our interim financial statements beginning January 1, 2025. ASU 2023-07 only impacts disclosures, and as a result, will not have a material impact on our financial position or results of operations.

Income Taxes (ASC 740) - In December 2023, the FASB issued ASU 2023-09, *Improvements to Income Tax Disclosures,* which modifies required income tax disclosures primarily related to an entity's rate reconciliation and information pertaining to income taxes paid. These enhancements have been made to address requests from investors related to transparency and usefulness of income tax disclosures. ASU 2023-09 will be effective for our annual financial statements beginning January 1, 2024. ASU 2023-09 only impacts disclosures, and as a result, will not have a material impact on our financial position or results of operations.

3. Earnings Per Share

The following table presents the calculation of our basic and diluted earnings per share:

	For the Year Ended December 31,		
(in thousands, except shares and per share data)	**2023**	**2022**	**2021**
Calculation of Basic Earnings Per Share:			
Net Income	**$ 87,212**	$ 89,796	$ 83,466
Weighted average shares outstanding [1]	**18,370,758**	17,722,227	17,558,078
Basic Earnings Per Share	**$ 4.75**	$ 5.07	$ 4.75
Calculation of Diluted Earnings Per Share:			
Reconciliation of Denominator:			
Weighted average shares outstanding — Basic [1]	**18,370,758**	17,722,227	17,558,078
Effect of dilutive securities — Share-based compensation	**64,099**	82,067	74,951
Adjusted denominator — Diluted [1]	**18,434,857**	17,804,294	17,633,029
Diluted Earnings Per Share	**$ 4.73**	$ 5.04	$ 4.73

[1] 2023 weighted average shares reflect the impact of 4.4 million common shares issued in November 2023 in connection with the acquisition of FCG. See Notes 4 and 15 for additional details on the acquisition and related equity offering.

4. Acquisitions

Acquisition of Florida City Gas

On November 30, 2023, we completed the acquisition of FCG for $923.4 million in cash, including working capital adjustments as defined in the agreement, pursuant to the previously disclosed stock purchase agreement with Florida Power & Light Company. Upon completion of the acquisition, FCG became a wholly-owned subsidiary of the Company and is included within our Regulated Energy segment.

FCG, a regulated utility, serves approximately 120,000 residential and commercial natural gas customers across eight counties in Florida, including Miami-Dade, Broward, Brevard, Palm Beach, Hendry, Martin, St. Lucie and Indian River. Its natural gas system includes approximately 3,800 miles of distribution main and 80 miles of transmission pipe.

The purchase price of the acquisition was funded with $366.4 million of net proceeds from the issuance of 4.4 million shares of our common stock, the issuance of approximately $550.0 million principal amount of uncollateralized senior notes, and borrowings under the Company's Revolver. See Note 12, *Long-Term Debt*, and Note 15, *Stockholders' Equity,* for additional details on these financing activities.

We accounted for the acquisition of FCG using the acquisition method. At December 31, 2023, the allocation of the purchase price remains preliminary pending finalizing of certain working capital balances. As such, the fair value measurements presented below are subject to change within the measurement period not to exceed one year from the date of the acquisition. As FCG is a regulated utility, the measurement of the fair value of most of the assets acquired and liabilities assumed were determined using the predecessor's carrying value. In certain other instances where assets and liabilities are not subject to regulation, we determined the fair value in accordance with the principles of ASC Topic 820, *Fair Value Measurements.*

The excess of the purchase price for FCG over the fair value of the assets acquired and liabilities assumed has been reflected as goodwill within the Regulated Energy segment. Goodwill resulting from the acquisition is largely attributable to expansion opportunities provided within our existing regulated operations in Florida, including planned customer growth and growth in rate base through continued investment in our utility infrastructure, as well as natural gas transmission infrastructure supporting the distribution operations. The goodwill recognized in connection with the acquisition of FCG will be deductible for income tax purposes.

The components of the preliminary purchase price allocation are as follows:

(in thousands)

Assets acquired:	**Acquisition Date Fair Value**
Cash	$ 2,270
Accounts receivable, net	14,396
Regulatory assets - current	2,983
Other current assets	2,707
Property, plant and equipment	453,845
Goodwill	461,193
Regulatory assets - non-current	3,381
Other deferred charges and other assets,	18,309
Total assets acquired	**959,084**
Liabilities assumed:	
Current liabilities	(20,954)
Regulatory liabilities	(14,137)
Other deferred credits and other liabilities	(548)
Total liabilities assumed	**(35,639)**
Net purchase price	**$ 923,445**

Direct transaction costs of $10.4 million associated with the FCG acquisition are reflected in "FCG transaction-related expenses" on our consolidated statement of income for the year ended December 31, 2023. In addition, interest charges include $4.1 million related to fees and expenses associated with the Bridge Facility, which was terminated without any funds drawn, for the year ended December 31, 2023. Other transaction costs of $15.9 million related primarily to the debt and equity financings executed in connection with the acquisition have been deferred on the consolidated balance sheet or recorded in equity as an offset to proceeds received, as appropriate.

For the period from the acquisition date through December 31, 2023, the Company's consolidated results include $12.1 million of operating revenue and a $3.3 million net loss attributable to FCG which includes $7.5 million of the transaction-related expenses described above. For additional information on FCG's results, see discussion under Item 7, *Management's Discussion and Analysis of Financial Condition and Results of Operations*. The following unaudited financial information reflects our pro forma operating revenues and net income assuming the FCG acquisition had occurred on January 1, 2022. The unaudited pro forma financial information has been presented for illustrative purposes only and is not necessarily indicative of the results of operations that would have been achieved or the future results of operations of FCG.

	For the Year Ended December 31,	
	2023	**2022**
(in thousands)		
Operating Revenue	**$ 786,473**	$ 798,355
Net Income	**$ 85,398**	$ 81,508

Acquisition of J.T. Lee and Son's

In December 2023, Sharp acquired the propane operating assets of J.T. Lee and Son's in Cape Fear, North Carolina for $3.9 million. In connection with this acquisition, we recorded a $0.3 million liability which is subject to the seller's adherence to various provisions contained in the purchase agreement through the first anniversary of the transaction closing. Through this acquisition, we expanded our operating footprint further in North Carolina, where customers are served by Sharp Energy's Diversified Energy division. Sharp added approximately 3,000 customers and distribution of approximately 800,000 gallons of propane annually. The transaction also includes a bulk plant with 60,000 gallons of propane storage, enabling the Company to realize efficiencies with additional storage capacity and overlapping delivery territories.

In connection with this acquisition, we recorded $2.7 million in property plant and equipment, $0.9 million in goodwill, $0.2 million in working capital, and less than $0.1 million in intangible assets associated primarily with non-compete agreements, all of which are deductible for income tax purposes. The amounts recorded in conjunction with the acquisition are preliminary, and subject to adjustment based on contractual provisions and finalization prior to the first anniversary of the transaction closing. The financial results associated with this acquisition are included within our propane distribution operations within our Unregulated Energy segment. The operating revenues and net income of this acquisition were not material to our consolidated results for the year ended December 31, 2023.

Acquisition of Planet Found Energy Development

In October 2022, we acquired Planet Found Energy Development, LLC ("Planet Found") for $9.5 million. In connection with this acquisition, we recorded a $0.9 million liability which was released after the first anniversary of the transaction closing. We accounted for this acquisition as a business combination within our Unregulated Energy segment beginning in the fourth quarter of 2022. Planet Found's farm scale anaerobic digestion pilot system and technology produces biogas from 1200 tons of poultry litter annually. The transaction accelerated our efforts in converting poultry waste to renewable, sustainable energy while simultaneously improving the local environments in our service territories.

In connection with this acquisition, we recorded $4.4 million in intangible assets associated primarily with intellectual property and non-compete agreements, $4.0 million in property plant and equipment, $1.1 million in goodwill, and less than $0.1 million in working capital, all of which are deductible for income tax purposes. The operating revenues and net income of Planet Found were not material to our consolidated results for the years ended December 31, 2023 and 2022.

Acquisition of Davenport Energy

In June 2022, Sharp acquired the propane operating assets of Davenport Energy's Siler City, North Carolina propane division for approximately $2.0 million. Through this acquisition, the Company expanded its operating footprint further into North Carolina, where customers are served by Sharp Energy's Diversified Energy division. Sharp added approximately 850 customers, and expected distribution of approximately 0.4 million gallons of propane annually. We recorded $1.5 million in property plant and equipment, $0.5 million in goodwill, and immaterial amounts associated with customer relationships and non-compete agreements, all of which are deductible for income tax purposes. The financial results associated with this acquisition are included within the Company's propane distribution operations within its Unregulated Energy segment. The operating revenues and net income of Davenport Energy were not material to our consolidated results for the years ended December 31, 2023 and 2022.

5. Revenue Recognition

We recognize revenue when our performance obligations under contracts with customers have been satisfied, which generally occurs when our businesses have delivered or transported natural gas, electricity or propane to customers. We exclude sales taxes and other similar taxes from the transaction price. Typically, our customers pay for the goods and/or services we provide in the month following the satisfaction of our performance obligation. The following tables display revenue by major source based on product and service type for the years ended December 31, 2023, 2022 and 2021:

(in thousands)	For the Year Ended December 31, 2023 Regulated Energy	Unregulated Energy	Other and Eliminations	Total
Energy distribution				
Delaware natural gas division	$ 83,882	$ —	$ —	$ 83,882
Florida Natural Gas distribution [1]	168,360	—	—	168,360
Florida City Gas [2]	12,073	—	—	12,073
FPU electric distribution	99,474	—	—	99,474
Maryland natural gas division	28,092	—	—	28,092
Sandpiper natural gas/propane operations	20,185	—	—	20,185
Elkton Gas	8,814	—	—	8,814
Total energy distribution	420,880	—	—	420,880
Energy transmission				
Aspire Energy	—	37,139	—	37,139
Aspire Energy Express	1,478	—	—	1,478
Eastern Shore	79,923	—	—	79,923
Peninsula Pipeline	30,400	—	—	30,400
Total energy transmission	111,801	37,139	—	148,940
Energy generation				
Eight Flags	—	19,207	—	19,207
Propane operations				
Propane distribution operations	—	154,748	—	154,748
Compressed Natural Gas Services				
Marlin Gas Services	—	12,300	—	12,300
Other and eliminations				
Eliminations	(59,086)	(246)	(26,321)	(85,653)
Other	—	—	182	182
Total other and eliminations	(59,086)	(246)	(26,139)	(85,471)
Total operating revenues [3]	**$ 473,595**	**$ 223,148**	**$ (26,139)**	**$ 670,604**

[1] In accordance with the Florida PSC approval of our natural gas base rate proceeding, effective March 1, 2023, our natural gas distribution businesses in Florida (FPU, FPU-Indiantown division, FPU-Fort Meade division and Chesapeake Utilities' CFG division) have been consolidated and amounts above are now being presented on a consolidated basis consistent with the final rate order.

[2] Operating revenues for FCG include amounts from the acquisition date through December 31, 2023. For additional information on FCG's results, see Note 4, Acquisitions, and discussion under Item 7, Management's Discussion and Analysis of Financial Condition and Results of Operations.

[3] Total operating revenues for the year ended December 31, 2023, include other revenue (revenues from sources other than contracts with customers) of $1.2 million and $0.4 million for our Regulated and Unregulated Energy segments, respectively. The sources of other revenues include revenue from alternative revenue programs related to revenue normalization for Maryland division and Sandpiper and late fees.

(in thousands)	For the Year Ended December 31, 2022 Regulated Energy	Unregulated Energy	Other and Eliminations	Total
Energy distribution				
Delaware natural gas division	$ 82,176	$ —	$ —	$ 82,176
Florida Natural Gas distribution [1]	155,870	—	—	155,870
FPU electric distribution	81,714	—	—	81,714
Maryland natural gas division	26,607	—	—	26,607
Sandpiper natural gas/propane operations	21,278	—	—	21,278
Elkton Gas	9,198	—	—	9,198
Total energy distribution	376,843	—	—	376,843
Energy transmission				
Aspire Energy	—	56,225	—	56,225
Aspire Energy Express	1,377	—	—	1,377
Eastern Shore	78,624	—	—	78,624
Peninsula Pipeline	27,263	—	—	27,263
Total energy transmission	107,264	56,225	—	163,489
Energy generation				
Eight Flags	—	25,318	—	25,318
Propane operations				
Propane distribution operations	—	188,412	—	188,412
Compressed Natural Gas Services				
Marlin Gas Services	—	11,159	—	11,159
Other and eliminations				
Eliminations	(54,683)	(364)	(29,778)	(84,825)
Other	—	—	308	308
Total other and eliminations	(54,683)	(364)	(29,470)	(84,517)
Total operating revenues [2]	**$ 429,424**	**$ 280,750**	**$ (29,470)**	**$ 680,704**

[1] In accordance with the Florida PSC approval of our natural gas base rate proceeding, effective March 1, 2023, our natural gas distribution businesses in Florida (FPU, FPU-Indiantown division, FPU-Fort Meade division and Chesapeake Utilities' CFG division) have been consolidated and amounts above are now being presented on a consolidated basis consistent with the final rate order.

[2] Total operating revenues for the year ended December 31, 2022, include other revenue (revenues from sources other than contracts with customers) of $0.5 million and $0.4 million for our Regulated and Unregulated Energy segments, respectively. The sources of other revenues include revenue from alternative revenue programs related to revenue normalization for Maryland division and Sandpiper and late fees.

(in thousands)	For the Year Ended December 31, 2021 Regulated Energy	Unregulated Energy	Other and Eliminations	Total
Energy distribution				
Delaware natural gas division	$ 71,195	$ —	$ —	$ 71,195
Florida Natural Gas distribution [1]	134,609	—	—	134,609
FPU electric distribution	78,300	—	—	78,300
Maryland natural gas division	22,449	—	—	22,449
Sandpiper natural gas/propane operations	20,746	—	—	20,746
Elkton Gas	7,105	—	—	7,105
Total energy distribution	334,404	—	—	334,404
Energy transmission				
Aspire Energy	—	38,163	—	38,163
Aspire Energy Express	187	—	—	187
Eastern Shore	76,911	—	—	76,911
Peninsula Pipeline	26,630	—	—	26,630
Total energy transmission	103,728	38,163	—	141,891
Energy generation				
Eight Flags	—	18,652	—	18,652
Propane operations				
Propane distribution operations	—	142,082	—	142,082
Compressed Natural Gas Services				
Marlin Gas Services	—	8,315	—	8,315
Other and eliminations				
Eliminations	(54,212)	(343)	(21,348)	(75,903)
Other	—	—	527	527
Total other and eliminations	(54,212)	(343)	(20,821)	(75,376)
Total operating revenues [2]	**$ 383,920**	**$ 206,869**	**$ (20,821)**	**$ 569,968**

[1] In accordance with the Florida PSC approval of our natural gas base rate proceeding, effective March 1, 2023, our natural gas distribution businesses in Florida (FPU, FPU-Indiantown division, FPU-Fort Meade division and Chesapeake Utilities' CFG division) have been consolidated and amounts above are now being presented on a consolidated basis consistent with the final rate order.

[2] Total operating revenues for the year ended December 31, 2021, include other revenue (revenues from sources other than contracts with customers) of $0.2 million and $0.4 million for our Regulated and Unregulated Energy segments, respectively. The sources of other revenues include revenue from alternative revenue programs related to revenue normalization for Maryland division and Sandpiper and late fees.

Regulated Energy Segment

The businesses within our Regulated Energy segment are regulated utilities whose operations and customer contracts are subject to rates approved by the respective state PSC or the FERC.

Our energy distribution operations deliver natural gas or electricity to customers, and we bill the customers for both the delivery of natural gas or electricity and the related commodity, where applicable. In most jurisdictions, our customers are also required to purchase the commodity from us, although certain customers in some jurisdictions may purchase the commodity from a third-party retailer (in which case we provide delivery service only). We consider the delivery of natural gas or electricity and/or the related commodity sale as one performance obligation because the commodity and its delivery are highly interrelated with two-way dependency on one another. Our performance obligation is satisfied over time as natural gas or electricity is delivered and consumed by the customer. We recognize revenues based on monthly meter readings, which are based on the quantity of natural gas or electricity used and the approved rates. We accrue unbilled revenues for natural gas and electricity that have been delivered, but not yet billed, at the end of an accounting period, to the extent that billing and delivery do not coincide.

Revenues for Eastern Shore are based on rates approved by the FERC. The FERC has also authorized Eastern Shore to negotiate rates above or below the FERC-approved maximum rates, which customers can elect as an alternative to the FERC-approved maximum rates. Eastern Shore's services can be firm or interruptible. Firm services are offered on a guaranteed basis and are available at all times unless prevented by force majeure or other permitted curtailments. Interruptible customers receive service only when there is available capacity or supply. Our performance obligation is satisfied over time as we deliver natural gas to the customers' locations. We recognize revenues based on capacity used or reserved and the fixed monthly charge.

Peninsula Pipeline is engaged in natural gas intrastate transmission to third-party customers and certain affiliates in the State of Florida. Our performance obligation is satisfied over time as the natural gas is transported to customers. We recognize revenue based on rates approved by the Florida PSC and the capacity used or reserved. We accrue unbilled revenues for transportation services provided and not yet billed at the end of an accounting period.

Aspire Energy Express is engaged in natural gas intrastate transmission in the State of Ohio. We currently serve the Guernsey power plant and our performance obligation is satisfied over time as the natural gas is transported to the plant. We recognize revenue based on rates approved by the Ohio PSC and the capacity used or reserved. We accrue unbilled revenues for transportation services provided and not yet billed at the end of an accounting period.

Unregulated Energy Segment

Revenues generated from the Unregulated Energy segment are not subject to any federal, state, or local pricing regulations. Aspire Energy primarily sources gas from hundreds of conventional producers and performs gathering and processing functions to maintain the quality and reliability of its gas for its wholesale customers. Aspire Energy's performance obligation is satisfied over time as natural gas is delivered to its customers. Aspire Energy recognizes revenue based on the deliveries of natural gas at contractually agreed upon rates (which are based upon an established monthly index price and a monthly operating fee, as applicable). For natural gas customers, we accrue unbilled revenues for natural gas that has been delivered, but not yet billed, at the end of an accounting period, to the extent that billing and delivery do not coincide with the end of the accounting period.

Eight Flags' CHP plant, which is located on land leased from a customer, produces three sources of energy: electricity, steam and heated water. This customer purchases the steam (unfired and fired) and heated water, which are used in the customer’s production facility. Our electric distribution operation purchases the electricity generated by the CHP plant for distribution to its customers. Eight Flags' performance obligation is satisfied over time as deliveries of heated water, steam and electricity occur. Eight Flags recognizes revenues over time based on the amount of heated water, steam and electricity generated and delivered to its customers.

For our propane distribution operations, we recognize revenue based upon customer type and service offered. Generally, for propane bulk delivery customers (customers without meters) and wholesale sales, our performance obligation is satisfied when we deliver propane to the customers' locations (point-in-time basis). We recognize revenue from these customers based on the number of gallons delivered and the price per gallon at the point-in-time of delivery. For our propane distribution customers with meters, we satisfy our performance obligation over time. We recognize revenue over time based on the amount of propane consumed and the applicable price per unit. For propane distribution metered customers, we accrue unbilled revenues for propane that is estimated to have been consumed, but not yet billed, at the end of an accounting period, to the extent that billing and delivery do not coincide with the end of the accounting period.

Marlin Gas Services provides mobile CNG and pipeline solutions primarily to utilities and pipelines. Marlin Gas Services provides temporary hold services, pipeline integrity services, emergency services for damaged pipelines and specialized gas services for customers who have unique requirements. Marlin Gas Services' performance obligations are comprised of the compression of natural gas, mobilization of CNG equipment, utilization of equipment and on-site CNG support. Our performance obligations for the compression of natural gas, utilization of mobile CNG equipment and for the on-site CNG staff support are satisfied over time when the natural gas is compressed, equipment is utilized or as our staff provide support services to our customers. Our performance obligation for the mobilization of CNG equipment is satisfied at a point-in-time when the equipment is delivered to the customer project location. We recognize revenue for CNG services at the end of each calendar month for services provided during the month based on agreed upon rates for equipment utilized, costs incurred for natural gas compression, miles driven, mobilization and demobilization fees.

Contract balances

The timing of revenue recognition, customer billings and cash collections results in trade receivables, unbilled receivables (contract assets), and customer advances (contract liabilities) in our consolidated balance sheets. The balances of our trade receivables, contract assets, and contract liabilities as of December 31, 2023 and 2022 were as follows:

(in thousands)	Trade Receivables	Contract Assets (Current)	Contract Assets (Noncurrent)	Contract Liabilities (Current)
Balance at 12/31/2022	$ 61,687	$ 18	$ 4,321	$ 983
Balance at 12/31/2023	**67,741**	**18**	**3,524**	**1,022**
Increase (decrease)	$ 6,054	$ —	$ (797)	$ 39

Our trade receivables are included in trade and other receivables in the consolidated balance sheets. Our non-current contract assets are included in receivables and other deferred charges in the consolidated balance sheet and relate to operations and maintenance costs incurred by Eight Flags that have not yet been recovered through rates for the sale of electricity to our electric distribution operation pursuant to a long-term service agreement.

At times, we receive advances or deposits from our customers before we satisfy our performance obligation, resulting in contract liabilities. Contract liabilities are included in other accrued liabilities in the consolidated balance sheets and relate to non-refundable prepaid fixed fees for our propane distribution operation's retail offerings. Our performance obligation is satisfied over the term of the respective retail offering plan on a ratable basis. For the years ended December 31, 2023 and 2022, the amounts recognized in revenue were not material.

Remaining performance obligations

Our businesses have long-term fixed fee contracts with customers in which revenues are recognized when performance obligations are satisfied over the contract term. Revenue for these businesses for the remaining performance obligations at December 31, 2023 are expected to be recognized as follows:

(in thousands)	2024	2025	2026	2027	2028	2029 and thereafter
Eastern Shore and Peninsula Pipeline	$ 36,657	$ 30,330	$ 26,547	$23,433	$22,559	$ 149,124
Natural gas distribution operations	9,680	9,216	8,501	6,472	5,252	28,428
FPU electric distribution	652	275	275	275	275	—
Total revenue contracts with remaining performance obligations	$ 46,989	$ 39,821	$ 35,323	$30,180	$28,086	$ 177,552

6. Segment Information

We use the management approach to identify operating segments. We organize our business around differences in regulatory environment and/or products or services, and the operating results of each segment are regularly reviewed by the chief decision maker (our Chief Executive Officer, or "CEO") in order to make decisions about resources and to assess performance.

Our operations are entirely domestic and are comprised of two reportable segments:

- *Regulated Energy*. Includes energy distribution and transmission services (natural gas distribution, natural gas transmission and electric distribution operations). All operations in this segment are regulated, as to their rates and services, by the PSC having jurisdiction in each operating territory or by the FERC in the case of Eastern Shore.
- *Unregulated Energy.* Includes energy transmission, energy generation (the operations of our Eight Flags' CHP plant), propane distribution operations, mobile compressed natural gas distribution and pipeline solutions operations, and sustainable energy investments including renewable natural gas. Also included in this segment are other unregulated energy services, such as energy-related merchandise sales and heating, ventilation and air conditioning, plumbing and electrical services. These operations are unregulated as to their rates and services.

The remainder of our operations are presented as "Other businesses and eliminations," which consists of unregulated subsidiaries that own real estate leased to Chesapeake Utilities, as well as certain corporate costs not allocated to other operations.

The following tables present information about our reportable segments:

	For the Year Ended December 31,		
(in thousands)	**2023**	2022	2021
Operating Revenues, Unaffiliated Customers			
Regulated Energy	**$ 471,591**	$ 422,894	$ 381,879
Unregulated Energy	**199,013**	257,810	188,089
Total operating revenues, unaffiliated customers	**$ 670,604**	$ 680,704	$ 569,968
Intersegment Revenues [1]			
Regulated Energy	**$ 2,004**	$ 6,530	$ 2,041
Unregulated Energy	**24,135**	22,940	18,780
Other businesses	**182**	308	527
Total intersegment revenues	**$ 26,321**	$ 29,778	$ 21,348
Operating Income			
Regulated Energy	**$ 126,199**	$ 115,317	$ 106,174
Unregulated Energy	**24,426**	27,350	24,427
Other businesses and eliminations	**178**	266	511
Operating Income	**150,803**	142,933	131,112
Other income, net	**1,438**	5,051	1,720
Interest charges	**36,951**	24,356	20,135
Income before Income Taxes	**115,290**	123,628	112,697
Income Taxes	**28,078**	33,832	29,231
Net Income	**$ 87,212**	$ 89,796	$ 83,466
Depreciation and Amortization			
Regulated Energy [2]	**$ 48,162**	$ 52,707	$ 48,748
Unregulated Energy	**17,347**	16,257	13,869
Other businesses and eliminations	**(8)**	9	44
Total depreciation and amortization	**$ 65,501**	$ 68,973	$ 62,661
Capital Expenditures			
Regulated Energy [3]	**$ 1,095,871**	$ 97,554	$ 139,733
Unregulated Energy	**40,264**	40,773	81,651
Other businesses	**1,762**	2,355	6,425
Total capital expenditures	**$ 1,137,897**	$ 140,682	$ 227,809

(1) All significant intersegment revenues are billed at market rates and have been eliminated from consolidated revenues.
(2) Depreciation and amortization in 2023 includes a $5.1 million RSAM adjustment. See Note 18 for additional details.
(3) Capital expenditures in 2023 include our acquisition of FCG for $923.4 million. See Note 4 for additional details.

	As of December 31,	
(in thousands)	**2023**	2022
Identifiable Assets		
Regulated Energy segment	**$ 2,781,581**	$ 1,716,255
Unregulated Energy segment	**477,402**	463,239
Other businesses and eliminations	**45,721**	35,543
Total identifiable assets	**$ 3,304,704**	$ 2,215,037

7. SUPPLEMENTAL CASH FLOW DISCLOSURES

Cash paid for interest and income taxes during the years ended December 31, 2023, 2022 and 2021 were as follows:

	For the Year Ended December 31,		
(in thousands)	**2023**	**2022**	**2021**
Cash paid for interest	**$ 30,525**	$ 24,267	$ 20,809
Cash (received) paid for income taxes, net of refunds	**$ 21,920**	$ (4,963)	$ 8,395

Non-cash investing and financing activities during the years ended December 31, 2023, 2022, and 2021 were as follows:

	For the Year Ended December 31,		
(in thousands)	**2023**	**2022**	**2021**
Capital property and equipment acquired on account, but not paid for as of December 31,	**$ 33,334**	$ 13,211	$ 16,164
Common stock issued for the Retirement Savings Plan	**$ —**	$ —	$ 1,712
Common stock issued under the SICP	**$ 3,740**	$ 2,868	$ 2,834

8. DERIVATIVE INSTRUMENTS

We use derivative and non-derivative contracts to manage risks related to obtaining adequate supplies and the price fluctuations of natural gas, electricity and propane and to mitigate interest rate risk. Our natural gas, electric and propane distribution operations have entered into agreements with suppliers to purchase natural gas, electricity and propane for resale to our customers. Our natural gas gathering and transmission company has entered into contracts with producers to secure natural gas to meet its obligations. Purchases under these contracts typically either do not meet the definition of derivatives or are considered "normal purchases and normal sales" and are accounted for on an accrual basis. Our propane distribution operations may also enter into fair value hedges of their inventory or cash flow hedges of their future purchase commitments in order to mitigate the impact of wholesale price fluctuations. Occasionally, we may enter into interest rate swap agreements to mitigate risk associated with changes in short-term borrowing rates. As of December 31, 2023 and 2022, our natural gas and electric distribution operations did not have any outstanding derivative contracts.

Volume of Derivative Activity

As of December 31, 2023, the volume of our open commodity derivative contracts were as follows:

Business unit	Commodity	Contract Type	Quantity hedged (in millions)	Designation	Longest expiration date of hedge
Sharp	Propane (gallons)	Purchases	18.1	Cash flow hedges	June 2026
Sharp	Propane (gallons)	Sales	3.2	Cash flow hedges	March 2024

Sharp entered into futures and swap agreements to mitigate the risk of fluctuations in wholesale propane index prices associated with the propane volumes expected to be purchased and/or sold during the heating season. Under the futures and swap agreements, Sharp will receive or pay the difference between (i) the index prices (Mont Belvieu prices in December 2023 through June 2026) and (ii) the per gallon propane contracted prices, to the extent the index prices deviate from the contracted prices. We designated and accounted for the propane swaps as cash flows hedges. The change in the fair value of the swap agreements is initially recorded as a component of accumulated other comprehensive income (loss) and later recognized in our consolidated statement of income in the same period and in the same line item as the hedged transaction. We expect to reclassify approximately $0.3 million of unrealized losses from accumulated other comprehensive income (loss) to earnings during the next 12-month period.

Interest Rate Swap Activities

We manage interest rate risk by entering into derivative contracts to hedge the variability in cash flows attributable to changes in the short-term borrowing rates. In September 2022, we entered into an interest rate swap with a notional amount of $50.0 million through September 2025, with pricing of 3.98 percent.

In February 2021, we entered into an interest rate swap with a notional amount of $40.0 million through December 2021 with pricing of [illegible] percent. In the fourth quarter of 2020, we entered into interest rate swaps with notional amounts totaling $60.0 million through December 2021 with pricing of approximately 0.20 percent for the period associated with our outstanding borrowing under the Revolver.

In August 2022, we amended and restated the Revolver and transitioned the benchmark interest rate to the 30-day SOFR as a result of the expiration of LIBOR. Accordingly, our current interest rate swap is cash settled monthly as the counter-party pays us the 30-day SOFR rate less the fixed rate. Prior to August 2022, our short-term borrowing interest rate was based on the 30-day LIBOR rate. Our pre-2022 interest rate swaps were cash settled monthly as the counter-party paid us the 30-day LIBOR rate less the fixed rate.

We designate and account for interest rate swaps as cash flows hedges. Accordingly, unrealized gains and losses associated with the interest rate swaps are initially recorded as a component of accumulated other comprehensive income (loss). As the interest rate swap settles each month, the realized gain or loss is recorded in the income statement and is recognized as a component of interest charges.

Broker Margin

Futures exchanges have contract specific margin requirements that require the posting of cash or cash equivalents relating to traded contracts. Margin requirements consist of initial margin that is posted upon the initiation of a position. maintenance margin that is usually expressed as a percent of initial margin, and variation margin that fluctuates based on the daily mark-to-market relative to maintenance margin requirements. We currently maintain a broker margin account for Sharp included within other current assets on the consolidated balance sheet with a balance of $2.1 million as of December 31, 2023 compared to a current liability of $0.1 million at December 31, 2022.

Financial Statements Presentation

The following tables present information about the fair value and related gains and losses of our derivative contracts. We did not have any derivative contracts with a credit-risk-related contingency. Fair values of the derivative contracts recorded in the consolidated balance sheets as of December 31, 2023 and 2022 are as follows:

	Derivative Assets		
		Fair Value as of	
(in thousands)	Balance Sheet Location	December 31, 2023	December 31, 2022
Derivatives designated as cash flow hedges			
Propane swap agreements	Derivative assets, at fair value [1]	$ 702	$ 3,317
Interest rate swap agreements	Derivative assets, at fair value [1]	365	452
Total Derivative Assets		$ 1,067	$ 3,769

[1] Derivative assets, at fair value include $1.0 million and $2.8 million in current assets in the consolidated balance sheet at December 31, 2023 and 2022, respectively, with the remainder of the balance classified as long-term.

	Derivative Liabilities		
		Fair Value as of	
(in thousands)	Balance Sheet Location	December 31, 2023	December 31, 2022
Derivatives designated as cash flow hedges			
Propane swap agreements	Derivative liabilities, at fair value [1]	$ 1,078	$ 1,810
Interest rate swap agreements	Derivative liabilities, at fair value [1]	203	405
Total Derivative Liabilities		$ 1,281	$ 2,215

[1] Derivative liabilities, at fair value include $0.4 million and $0.6 million in current liabilities in the consolidated balance sheet at December 31, 2023 and 2022, respectively, with the remainder of the balance classified as long-term.

The effects of gains and losses from derivative instruments and their location in the consolidated statements of income are as follows:

(in thousands)	Location of Gain (Loss) on Derivatives	Amount of Gain (Loss) on Derivatives: For the Year Ended December 31, 2023	2022	2021
Derivatives not designated as hedging instruments				
Propane swap agreements	Propane and natural gas costs	$ —	$ 56	$ (1)
Derivatives designated as fair value hedges				
Put/Call option	Propane and natural gas costs	—	—	(24)
Derivatives designated as cash flow hedges				
Propane swap agreements	Revenues	**1,221**	(373)	(536)
Propane swap agreements	Propane and natural gas costs	**(1,160)**	3,881	7,187
Interest rate swap agreements	Interest expense	**523**	(47)	(40)
Total		**$ 584**	$ 3,517	$ 6,586

9. Fair Value of Financial Instruments

GAAP establishes a fair value hierarchy that prioritizes the inputs to valuation methods used to measure fair value. The three levels of the fair value hierarchy are as follows:

Fair Value Hierarchy	Description of Fair Value Level	Fair Value Technique Utilized
Level 1	Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities	*Investments - equity securities* - The fair values of these trading securities are recorded at fair value based on unadjusted quoted prices in active markets for identical securities. *Investments - mutual funds and other* - The fair values of these investments, comprised of money market and mutual funds, are recorded at fair value based on quoted net asset values of the shares.
Level 2	Quoted prices in markets that are not active, or inputs which are observable, either directly or indirectly, for substantially the full term of the asset or liability	*Derivative assets and liabilities* - The fair value of the propane put/call options, propane and interest rate swap agreements are measured using market transactions for similar assets and liabilities in either the listed or over-the-counter markets.
Level 3	Prices or valuation techniques requiring inputs that are both significant to the fair value measurement and unobservable (i.e., supported by little or no market activity)	*Investments - guaranteed income fund* - The fair values of these investments are recorded at the contract value, which approximates their fair value.

Financial Assets and Liabilities Measured at Fair Value

The following tables summarize our financial assets and liabilities that are measured at fair value on a recurring basis and the fair value measurements, by level, within the fair value hierarchy as of December 31, 2023 and 2022, respectively:

		Fair Value Measurements Using:		
As of December 31, 2023	**Fair Value**	**Quoted Prices in Active Markets (Level 1)**	**Significant Other Observable Inputs (Level 2)**	**Significant Unobservable Inputs (Level 3)**
(in thousands)				
Assets:				
Investments—equity securities	**$ 21**	**$ 21**	**$ —**	**$ —**
Investments—guaranteed income fund	**1,489**	**—**	**—**	**1,489**
Investments—mutual funds and other	**10,772**	**10,772**	**—**	**—**
Total investments	**12,282**	**10,793**	**—**	**1,489**
Derivative assets	**1,067**	**—**	**1,067**	**—**
Total assets	**$ 13,349**	**$ 10,793**	**$ 1,067**	**$ 1,489**
Liabilities:				
Derivative liabilities	**$ 1,281**	**$ —**	**$ 1,281**	**$ —**

		Fair Value Measurements Using:		
As of December 31, 2022	**Fair Value**	**Quoted Prices in Active Markets (Level 1)**	**Significant Other Observable Inputs (Level 2)**	**Significant Unobservable Inputs (Level 3)**
(in thousands)				
Assets:				
Investments—equity securities	$ 24	$ 24	$ —	$ —
Investments—guaranteed income fund	1,853	—	—	1,853
Investments—mutual funds and other	8,699	8,699	—	—
Total investments	10,576	8,723	—	1,853
Derivative assets	3,769	—	3,769	—
Total assets	$ 14,345	$ 8,723	$ 3,769	$ 1,853
Liabilities:				
Derivative liabilities	$ 2,215	$ —	$ 2,215	$ —

The changes in the fair value of our Level 3 investments for the years ended December 31, 2023 and 2022 were immaterial. Investment income from our Level 3 investments is reflected in other income (expense), net in the consolidated statements of income.

At December 31, 2023 and 2022, there were no non-financial assets or liabilities required to be reported at fair value. We review our non-financial assets for impairment at least on an annual basis, as required.

Other Financial Assets and Liabilities

Financial assets with carrying values approximating fair value include cash and cash equivalents and accounts receivable. Financial liabilities with carrying values approximating fair value include accounts payable, other accrued liabilities and short-term debt. The fair value of cash and cash equivalents is measured using the comparable value in the active market (Level 1 measurement). The fair value of short-term debt approximates the carrying value due to its near-term maturities and because interest rates approximate current market rates (Level 2 measurement).

At December 31, 2023, long-term debt, which includes the current maturities but excludes debt issuance cost, had a carrying value of $[illegible] billion compared to the estimated fair value of $1.2 billion. At December 31, 2022, long-term debt, which includes the current maturities and excludes debt issuance costs, had a carrying value of $600.8 million, compared to a fair value of $595.0 million. The fair value was calculated using a discounted cash flow methodology that incorporates a market interest rate based on published corporate borrowing rates for debt instruments with similar terms and average maturities, and with adjustments for duration. optionality, and risk profile. The valuation technique used to estimate the fair value of long-term debt would be considered a Level 2 measurement.

See Note 16, *Employee Benefit Plans,* for fair value measurement information related to our pension plan assets.

10. Goodwill and Other Intangible Assets

The carrying value of goodwill as of December 31, 2023 and 2022 was as follows:

(in thousands)	Regulated Energy	Unregulated Energy	Total Goodwill
Balance at December 31, 2022	$ 7,689	$ 38,524	$ 46,213
Additions [(1)]	461,025	936	461,961
Balance at December 31, 2023	**$ 468,714**	**$ 39,460**	**$ 508,174**

[(1)] 2023 additions primarily attributable to goodwill from the November 2023 acquisition of FCG See Note 4 for additional details

There were no goodwill impairments recognized during the three-year period ended December 31, 2023.

The carrying value and accumulated amortization of intangible assets subject to amortization as of December 31, 2023 and 2022 was as follows:

	As of December 31,			
	2023		2022	
(in thousands)	Gross Carrying Amount	Accumulated Amortization	Gross Carrying Amount	Accumulated Amortization
Customer relationships	**$ 17,004**	**$ 7,146**	$ 16,965	$ 6,131
Non-Compete agreements	**3,125**	**1,855**	3,105	1,411
Patents [(1)]	**6,558**	**859**	5,819	533
Other	**270**	**232**	270	225
Total	**$ 26,957**	**$ 10,092**	$ 26,159	$ 8,300

[(1)] Includes amounts related to patented technology developed by Marlin Gas Services and the acquisition of Planet Found

The customer relationships, non-compete agreements, patents and other intangible assets acquired in the purchases of the operating assets of several companies are being amortized over a weighted average of 14 years. Amortization expense of intangible assets for the year ended December 31, 2023, 2022 and 2021 was $1.8 million. $1.5 million and $1.3 million, respectively. Amortization expense of intangible assets is expected to be $1.8 million for the years 2024 through 2025, $1.6 million for 2026, $1.5 million for 2027 and $1.3 million for 2028.

11. Income Taxes

We file a consolidated federal income tax return. Income tax expense allocated to our subsidiaries is based upon their respective taxable incomes and tax credits. State income tax returns are filed on a separate company basis in most states where we have operations and/or are required to file. Our state returns for tax years after 2017 are subject to examination. At December 31, 2023, the 2015 through 2019 federal income tax returns are no longer under examination.

For state income tax purposes, we had NOL in various states of $72.9 million and $67.7 million as of December 31, 2023 and 2022, respectively, almost all of which will expire in 2040. Excluding NOLs from discontinued operations, we have recorded deferred tax assets of $1.8 million and $1.5 million related to state NOL carry-forwards at December 31, 2023 and 2022, respectively. We have not recorded a valuation allowance to reduce the future benefit of the tax NOL because we believe they will be fully utilized.

Tax Law Changes

In March 2020, the CARES Act was signed into law and included several significant changes to the Internal Revenue Code. The CARES Act includes certain tax relief provisions including the ability to carryback five years net operating losses arising in a tax year beginning in 2018, 2019, or 2020. This provision allows a taxpayer to recover taxes previously paid at a 35 percent federal income tax rate during tax years prior to 2018. In addition, the CARES Act removed the taxable income limitation to allow a tax NOL to fully offset taxable income for tax years beginning before January 1, 2021. As a result, our income tax expense for the year ended December 31, 2021 included a tax benefit $0.9 million, attributable to the tax NOL carryback provided under the CARES Act for losses generated in 2018 and 2019 and then applied back to our 2013 and 2015 tax years in which we paid federal income taxes at a 35 percent tax rate. Tax benefits associated with this legislation were not available for the year ended December 31, 2023.

On December 22, 2017, the TCJA was signed into law. Substantially all of the provisions of the TCJA were effective for taxable years beginning on or after January 1, 2018. The provisions that significantly impacted us include the reduction of the corporate federal income tax rate from 35 percent to 21 percent. Our federal income tax expense for periods beginning on January 1, 2018 are based on the new federal corporate income tax rate. The TCJA included changes to the Internal Revenue Code, which materially impacted our 2017 financial statements. ASC 740, *Income Taxes,* requires recognition of the effects of changes in tax laws in the period in which the law is enacted. ASC 740 requires deferred tax assets and liabilities to be measured at the enacted tax rate expected to apply when temporary differences are to be realized or settled. During 2018, we completed the assessment of the impact of accounting for certain effects of the TCJA. At the date of enactment in 2017, we re-measured deferred income taxes based upon the new corporate tax rate. See Note 18, *Rates and Other Regulatory Activities,* for further discussion of the TCJA's impact on our regulated businesses.

The following tables provide: (a) the components of income tax expense in 2023, 2022, and 2021; (b) the reconciliation between the statutory federal income tax rate and the effective income tax rate for 2023, 2022, and 2021; and (c) the components of accumulated deferred income tax assets and liabilities at December 31, 2023 and 2022.

	For the Year Ended December 31,		
(in thousands)	**2023**	**2022**	**2021**
Current Income Tax Expense			
Federal	**$ 14,736**	$ 8,284	$ 2,775
State	**5,496**	1,948	(96)
Other	**(47)**	(47)	(47)
Total current income tax expense (benefit)	**20,185**	10,185	2,632
Deferred Income Tax Expense [(1)]			
Property, plant and equipment	**17,797**	14,968	24,074
Deferred gas costs	**(7,739)**	8,923	1,857
Pensions and other employee benefits	**(974)**	1,109	(655)
FPU merger-related premium cost and deferred gain	**(351)**	(351)	(351)
Net operating loss carryforwards	**(370)**	2	97
Other	**(470)**	(1,004)	1,577
Total deferred income tax expense	**7,893**	23,647	26,599
Total Income Tax	**$ 28,078**	$ 33,832	$ 29,231

[(1)] Includes less than $0.1 million, $7.8 million, and $8.2 million of deferred state income taxes for the years 2023, 2022 and 2021, respectively.

(in thousands)	For the Year Ended December 31, 2023	2022	2021
Reconciliation of Effective Income Tax Rates			
Federal income tax expense [1]	**$ 24,214**	$ 25,982	$ 23,666
State income taxes, net of federal benefit	**4,377**	7,714	6,371
ESOP dividend deduction	**(184)**	(177)	(180)
CARES Act Tax Benefit	**—**	—	(919)
Other	**(329)**	313	293
Total Income Tax Expense	**$ 28,078**	$ 33,832	$ 29,231
Effective Income Tax Rate	**24.35 %**	27.34 %	25.94 %

[1] Federal income taxes were calculated at 21 percent for 2023, 2022, and 2021.

(in thousands)	As of December 31, 2023	2022
Deferred Income Taxes		
Deferred income tax liabilities:		
Property, plant and equipment	**$ 252,125**	$ 238,687
Acquisition adjustment	**5,564**	5,915
Loss on reacquired debt	**145**	164
Deferred gas costs	**3,550**	11,288
Natural gas conversion costs	**4,824**	5,026
Storm reserve liability	**5,797**	5,791
Other	**9,655**	8,236
Total deferred income tax liabilities	**$ 281,660**	$ 275,107
Deferred income tax assets:		
Pension and other employee benefits	**$ 4,993**	$ 3,985
Environmental costs	**951**	1,052
Net operating loss carryforwards	**1,847**	1,488
Storm reserve liability	**213**	453
Accrued expenses	**3,335**	9,007
Other	**11,239**	2,955
Total deferred income tax assets	**$ 22,578**	$ 18,940
Deferred Income Taxes Per Consolidated Balance Sheets	**$ 259,082**	$ 256,167

12. LONG-TERM DEBT

Our outstanding long-term debt is shown below:

(in thousands)	As of December 31, 2023	2022
Uncollateralized Senior Notes:		
5.93% notes, due October 31, 2023	$ —	$ 3,000
5.68% notes, due June 30, 2026	**8,700**	11,600
6.43% notes, due May 2, 2028	**3,500**	4,200
3.73% notes, due December 16, 2028	**10,000**	12,000
3.88% notes, due May 15, 2029	**30,000**	35,000
3.25% notes, due April 30, 2032	**59,500**	66,500
3.48% notes, due May 31, 2038	**50,000**	50,000
3.58% notes, due November 30, 2038	**50,000**	50,000
3.98% notes, due August 20, 2039	**100,000**	100,000
2.98% notes, due December 20, 2034	**70,000**	70,000
3.00% notes, due July 15, 2035	**50,000**	50,000
2.96% notes, due August 15, 2035	**40,000**	40,000
2.49% notes, due January 25, 2037	**50,000**	50,000
2.95% notes, due March 15, 2042	**50,000**	50,000
5.43% notes, due March 14, 2038	**80,000**	—
6.39% notes, due December 2026	**100,000**	—
6.44% notes, due December 2027	**100,000**	—
6.45% notes, due December 2028	**100,000**	—
6.62% notes, due December 2030	**100,000**	—
6.71% notes, due December 2033	**100,000**	—
6.73% notes, due December 2038	**50,000**	—
Equipment security note		
2.46% note, due September 24, 2031	**7,633**	8,517
Less: debt issuance costs	**(3,753)**	(946)
Total long-term debt	**1,205,580**	599,871
Less: current maturities	**(18,505)**	(21,483)
Total long-term debt, net of current maturities	**$ 1,187,075**	$ 578,388

Terms of the Senior Notes

All of our outstanding Senior Notes set forth certain business covenants to which we are subject when any note is outstanding, including covenants that limit or restrict our ability, and the ability of our subsidiaries, to incur indebtedness, or place or permit liens and encumbrances on any of our property or the property of our subsidiaries.

Senior Notes

On November 20, 2023, we issued Senior Notes in the aggregate principal amount of $550.0 million at an average interest rate of 6.54 percent that were used to partially finance our acquisition of FCG which closed during the fourth quarter of 2023. These notes have varying maturity dates of between three and 15 years, and the outstanding principal balance of the notes will be due on their respective maturity dates with interest payments payable semiannually until the principal has been paid in full. These Senior Notes have similar covenants and default provisions as our other Senior Notes.

On March 14, 2023 we issued 5.43 percent Senior Notes due March 14, 2038 in the aggregate principal amount of $80.0 million and used the proceeds received from the issuances of the Senior Notes to reduce short-term borrowings under our Revolver and to fund capital expenditures. These Senior Notes have similar covenants and default provisions as our other Senior Notes, and have an annual principal amortization payment beginning in the sixth year after the issuance.

Annual Maturities

Annual maturities and principal repayments of long-term debt are as follows:

Year	2024	2025	2026	2027	2028	Thereafter	Total
(in thousands)							
Payments	$ 18,505	$ 25,528	$ 134,551	$ 131,674	$ 136,699	$ 762,376	$1,209,333

Shelf Agreements

We have entered into Shelf Agreements with Prudential and MetLife, whom are under no obligation to purchase any unsecured debt. In February 2023, we amended these Shelf Agreements, which expanded the total borrowing capacity and extended the term of the agreements for an additional three years to 2026. The following table summarizes the current available capacity under our Shelf Agreements at December 31, 2023:

(in thousands)	Total Borrowing Capacity	Less Amount of Debt Issued	Less Unfunded Commitments	Remaining Borrowing Capacity
Shelf Agreements [(1)]				
Prudential Shelf Agreement	$ 405,000	$ (300,000)	$ —	$ 105,000
MetLife Shelf Agreement	200,000	(50,000)	—	150,000
Total	$ 605,000	$ (350,000)	$ —	$ 255,000

13. SHORT-TERM BORROWINGS

We are authorized by our Board of Directors to borrow up to $375.0 million of short-term debt, as required. At December 31, 2023 and 2022, we had $179.9 million and $202.2 million, respectively, of short-term borrowings outstanding at a weighted average interest rate of 5.83 percent and 5.04 percent, respectively. There were no borrowings outstanding under the sustainable investment sublimit of the 364-day tranche at December 31, 2023.

We have entered into several amendments to our Revolver which resulted in modifications to both tranches of the facility. The most recent amendment in October 2023 allowed for a change in our funded indebtedness ratio from 65 percent to 70 percent during the quarter in which the acquisition of FCG is consummated and the quarter subsequent to the closing of the acquisition. The amendment in August 2023 served to renew the 364-day tranche of the Revolver, providing for $175.0 million of short-term debt capacity. Additionally, the amendment for borrowings under the 364-day tranche shall now bear interest (i) based upon the SOFR, plus a 10-basis point credit spread adjustment, and an applicable margin of 1.05 percent or less, with such margin based on total indebtedness as a percentage of total capitalization or (ii) the base rate, solely at our discretion. Further, the amendment provided that borrowings under the 364-day green loan sublimit shall now bear interest at (i) the SOFR rate plus a 10-basis point credit spread adjustment and an applicable margin of 1.00 percent or less, with such margin based on total indebtedness as a percentage of total capitalization or (ii) the base rate plus 0.05 percent or less, solely at our discretion. The amendment entered into in 2022 served to reset the benchmark interest rate to SOFR and to eliminate a previous covenant which capped our investment limit to $150.0 million for investments where we maintain less than 50 percent ownership.

The 364-day tranche of the Revolver expires in August 2024 and the five-year tranche expires in August 2026. Borrowings under both tranches of the Revolver are subject to a pricing grid, including the commitment fee and the interest rate charged based upon our total indebtedness to total capitalization ratio for the prior quarter. As of December 31, 2023, the pricing under the 364-day tranche of the Revolver included a commitment fee of 9-basis points on undrawn amounts and an interest rate of 75-basis points over SOFR plus a 10-basis point SOFR adjustment on outstanding balances. As of December 31, 2023, the pricing under the five-year tranche of the Revolver included a commitment fee of 9-basis points on undrawn amounts and an interest rate of 95-basis points over SOFR plus a 10-basis point SOFR adjustment on outstanding balances.

The availability of funds under the Revolver is subject to conditions specified in the credit agreement, all of which we currently satisfy. These conditions include our compliance with financial covenants and the continued accuracy of representations and warranties contained in the Revolver's loan documents. We are required by the financial covenants in the Revolver to maintain, at the end of each fiscal year, a funded indebtedness ratio as described above. As of December 31, 2023, we are in compliance with this covenant.

Our total available credit under the Revolver at December 31, 2023 was $188.1 million. As of December 31, 2023, we had issued $7.0 million in letters of credit to various counterparties under the Revolver. These letters of credit are not included in the outstanding short-term borrowings and we do not anticipate that they will be drawn upon by the counterparties. The letters of credit reduce the available borrowings under the Revolver.

In connection with our acquisition of FCG, we entered into a 364-day Bridge Facility commitment with Barclays Bank PLC and other lending parties for up to $965.0 million. Upon closing of the FCG acquisition in November 2023, and with the completion of other financing activities as defined in the lending agreement, this facility was terminated with no funds drawn to finance the transaction. For additional information regarding the acquisition and related financing, see Note 4, *Acquisitions,* Note 12, *Long-Term Debt* and Note 15, *Stockholders Equity*.

For additional information on interest rate swaps related to our short-term borrowings, see Note 8, *Derivative Instruments*.

14. LEASES

We have entered into lease arrangements for office space, land. equipment, pipeline facilities and warehouses. These lease arrangements enable us to better conduct business operations in the regions in which we operate. Office space is leased to provide adequate workspace for our employees in several locations throughout our service territories. We lease land at various locations throughout our service territories to enable us to inject natural gas into underground storage and distribution systems, for bulk storage capacity, for our propane operations and for storage of equipment used in repairs and maintenance of our infrastructure. We lease natural gas compressors to ensure timely and reliable transportation of natural gas to our customers. We also lease warehouses to store equipment and materials used in repairs and maintenance for our businesses.

Some of our leases are subject to annual changes in the Consumer Price Index ("CPI"). While lease liabilities are not re-measured as a result of changes to the CPI, changes to the CPI are treated as variable lease payments and recognized in the period in which the obligation for those payments was incurred. A 100-basis-point increase in CPI would not have resulted in material additional annual lease costs. Most of our leases include options to renew, with renewal terms that can extend the lease term from one to 25 years or more. The exercise of lease renewal options is at our sole discretion. The amounts disclosed in our consolidated balance sheet at December 31, 2023, pertaining to the right-of-use assets and lease liabilities, are measured based on our current expectations of exercising our available renewal options. Our existing leases are not subject to any restrictions or covenants that would preclude our ability to pay dividends, obtain financing or enter into additional leases. As of December 31, 2023, we have not entered into any leases, which have not yet commenced, that would entitle us to significant rights or create additional obligations. The following table presents information related to our total lease cost included in our consolidated statements of income:

		Year Ended December 31,	
(in thousands)	**Classification**	**2023**	**2022**
Operating lease cost (1)	Operations expense	**$ 3,040**	$ 2,883

(1) Includes short-term leases and variable lease costs, which are immaterial

The following table presents the balance and classifications of our right of use assets and lease liabilities included in our consolidated balance sheets at December 31, 2023 and 2022:

(in thousands)	**Balance sheet classification**	**December 31, 2023**	**December 31, 2022**
Assets			
Operating lease assets	Operating lease right-of-use assets	**$ 12,426**	$ 14,421
Liabilities			
Current			
Operating lease liabilities	Other accrued liabilities	**$ 2,454**	$ 2,552
Noncurrent			
Operating lease liabilities	Operating lease - liabilities	**10,550**	12,392
Total lease liabilities		**$ 13,004**	$ 14,944

The following table presents our weighted-average remaining lease term and weighted-average discount rate for our operating leases at December 31, 2023 and 2022:

	December 31, 2023	December 31, 2022
Weighted-average remaining lease term (*in years*)		
Operating leases	**8.1**	8.5
Weighted-average discount rate		
Operating leases	**3.5 %**	3.4 %

The following table presents additional information related to cash paid for amounts included in the measurement of lease liabilities included in our consolidated statements of cash flows at December 31, 2023 and 2022:

	Year Ended December 31,	
(in thousands)	2023	2022
Operating cash flows from operating leases	**$ 2,906**	$ 2,931

The following table presents the future undiscounted maturities of our operating and financing leases at December 31, 2023 and for each of the next five years and thereafter:

(in thousands)	Operating Leases [(1)]
2024	**$ 2,771**
2025	**2,288**
2026	**1,774**
2027	**1,583**
2028	**1,205**
Thereafter	**5,243**
Total lease payments	**14,864**
Less: Interest	**(1,860)**
Present value of lease liabilities	**$ 13,004**

[(1)] Operating lease payments include $2.1 million related to options to extend lease terms that are reasonably certain of being exercised.

15. STOCKHOLDERS' EQUITY

Common Stock Issuances

In November 2023, in connection with our acquisition of FCG, we completed an overnight offering resulting in the issuance of 4.4 million shares of our common stock at a price per share of $82.72 (net of underwriter discounts and commissions). We received net proceeds of $366.4 million which were used to partially finance the acquisition.

We maintain an effective shelf registration statement with the SEC for the issuance of shares under our DRIP and our previous ATM programs. Depending on our capital needs and subject to market conditions, in addition to other possible debt and equity offerings, we may issue additional shares under the direct stock purchase component of the DRIP. There were no issuances under the DRIP in 2023. In 2022, we issued less than 0.1 million shares at an average price per share of $136.26 and received net proceeds of $4.5 million under the DRIP. Our most recent ATM equity program, which allowed us to issue and sell shares of our common stock up to an aggregate offering price of $75 million, expired in June 2023.

Net proceeds from share issuances under our DRIP and ATM programs are used for general corporate purposes including, but not limited to, financing of capital expenditures, repayment of short-term debt, financing acquisitions, investing in subsidiaries, and general working capital purposes.

Accumulated Other Comprehensive Income (Loss)

Defined benefit pension and postretirement plan items, unrealized gains (losses) of our propane swap agreements designated as commodity contract cash flow hedges, and the unrealized gains (losses) of our interest rate swap agreements designated as cash flow hedges are the components of our accumulated other comprehensive income (loss). The following tables present the changes in the balances of accumulated other comprehensive income (loss) components for the years ended December 31, 2023 and 2022. All amounts in the following tables are presented net of tax.

(in thousands)	Defined Benefit Pension and Postretirement Plan Items	Commodity Contract Cash Flow Hedges	Interest Rate Swap Cash Flow Hedges	Total
As of December 31, 2021	**$ (3,268)**	**$ 4,571**	**$ —**	**$ 1,303**
Other comprehensive income (loss) before reclassifications	705	(934)	—	(229)
Amounts reclassified from accumulated other comprehensive income (loss)	57	(2,545)	35	(2,453)
Net current-period other comprehensive income (loss)	762	(3,479)	35	(2,682)
As of December 31, 2022	**(2,506)**	**1,092**	**35**	**(1,379)**
Other comprehensive income (loss) before reclassifications	(110)	(1,322)	473	(959)
Amounts reclassified from accumulated other comprehensive income (loss)	32	(44)	(388)	(400)
Net current-period other comprehensive income (loss)	(78)	(1,366)	85	(1,359)
As of December 31, 2023	**$ (2,584)**	**$ (274)**	**$ 120**	**$ (2,738)**

Deferred gains or losses for our commodity contract and interest rate swap cash flow hedges are recognized in earnings upon settlement and are included in the effects of gains and losses from derivative instruments. See Note 8, *Derivative Instruments*, for additional details. Amortization of the net loss related to the defined benefit pension plan and postretirement plans is included in the computation of net periodic costs (benefits). See Note 16, *Employee Benefit Plans*, for additional details.

16. Employee Benefit Plans

We measure the assets and obligations of the defined benefit pension plans and other postretirement benefits plans to determine the plans' funded status as of the end of the year. The changes in funded status that occurred during the year that are not recognized as part of net periodic benefit costs are recorded as a component of other comprehensive income (loss) or a regulatory asset.

Defined Benefit Pension Plans

At December 31, 2023 we sponsored two defined benefit pension plans: the FPU Pension Plan and the Chesapeake Supplemental Executive Retirement Plan ("SERP").

The FPU Pension Plan, a qualified plan, covers eligible FPU non-union employees hired before January 1, 2005 and union employees hired before the respective union contract expiration dates in 2005 and 2006. Prior to the FPU merger, the FPU Pension Plan was frozen with respect to additional years of service and compensation, effective December 31, 2009.

The Chesapeake SERP, a nonqualified plan, is comprised of two sub-plans. The first sub-plan was frozen with respect to additional years of service and additional compensation as of December 31, 2004. The second sub-plan provides fixed payments for several executives who joined the Company as a result of an acquisition and whose agreements with the Company provided for this benefit.

The unfunded liability for all plans at both December 31, 2023 and 2022, is included in the other pension and benefit costs liability in our consolidated balance sheets.

The following schedules set forth the funded status at December 31, 2023 and 2022 and the net periodic cost (benefit) for the years ended December 31, 2023, 2022 and 2021 for the FPU Pension Plan and the Chesapeake SERP:

At December 31,	FPU Pension Plan 2023	FPU Pension Plan 2022	Chesapeake SERP 2023	Chesapeake SERP 2022
(in thousands)				
Change in benefit obligation:				
Benefit obligation — beginning of year	**$ 49,941**	$ 67,030	**$ 1,659**	$ 2,096
Interest cost	**2,495**	1,781	**81**	50
Actuarial (gain) loss	**454**	(15,713)	**48**	(335)
Benefits paid	**(3,233)**	(3,157)	**(152)**	(152)
Benefit obligation — end of year	**49,657**	49,941	**1,636**	1,659
Change in plan assets:				
Fair value of plan assets — beginning of year	**46,203**	58,712	**—**	—
Actual return on plan assets	**6,462**	(9,552)	**—**	—
Employer contributions	**—**	200	**152**	152
Benefits paid	**(3,233)**	(3,157)	**(152)**	(152)
Fair value of plan assets — end of year	**49,432**	46,203	**—**	—
Accrued pension cost / funded status	**$ (225)**	$ (3,738)	**$ (1,636)**	$ (1,659)
Assumptions:				
Discount rate	**5.00 %**	5.25 %	**4.88 %**	5.00 %
Expected return on plan assets	**6.00 %**	6.00 %	**— %**	— %

For the Years Ended December 31,	FPU Pension Plan 2023	FPU Pension Plan 2022	FPU Pension Plan 2021	Chesapeake SERP 2023	Chesapeake SERP 2022	Chesapeake SERP 2021
(in thousands)						
Components of net periodic pension cost:						
Interest cost	**$2,495**	$ 1,781	$1,714	**$ 81**	$ 50	$ 48
Expected return on assets	**(2,670)**	(3,430)	(3,306)	**—**	—	—
Amortization of actuarial loss	**407**	466	612	**8**	28	28
Total periodic cost	**$ 232**	$ (1,183)	$ (980)	**$ 89**	$ 78	$ 76
Assumptions:						
Discount rate	**5.25 %**	2.75 %	2.50 %	**5.00 %**	2.50 %	2.25 %
Expected return on plan assets	**6.00 %**	6.00 %	6.00 %	**— %**	— %	— %

During the fourth quarter of 2021, we formally terminated the Chesapeake Pension Plan. Total periodic cost for the plan during that year was $2.0 million attributable to a settlement charge.

Our funding policy provides that payments to the trust of each qualified plan shall be equal to at least the minimum funding requirements of the Employee Retirement Income Security Act of 1974. The following schedule summarizes the assets of the FPU Pension Plan, by investment type, at December 31, 2023, 2022 and 2021:

	FPU Pension Plan		
At December 31,	**2023**	**2022**	**2021**
Asset Category			
Equity securities	**50 %**	53 %	52 %
Debt securities	**49 %**	38 %	38 %
Other	**1 %**	9 %	10 %
Total	**100 %**	100 %	100 %

The investment policy of the FPU Pension Plan is designed to provide the capital assets necessary to meet the financial obligations of the plan. The investment goals and objectives are to achieve investment returns that, together with contributions, will provide funds adequate to pay promised benefits to present and future beneficiaries of the plan, earn a competitive return to increasingly fund a large portion of the plan's retirement liabilities, minimize pension expense and cumulative contributions resulting from liability measurement and asset performance, and maintain the appropriate mix of investments to reduce the risk of large losses over the expected remaining life of the plan.

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

Asset Allocation Strategy

Asset Class	**Minimum Allocation Percentage**	**Maximum Allocation Percentage**
Domestic Equities (Large Cap, Mid Cap and Small Cap)	33 %	57 %
Fixed Income (Inflation Bond and Taxable Fixed)	38 %	58 %
Foreign Equities (Developed and Emerging Markets)	3 %	7 %
Cash	0 %	5 %

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

At December 31, 2023 and 2022, the assets of the FPU Pension Plan were comprised of the following investments:

Asset Category	Fair Value Measurement Hierarchy For Year Ended December 31, 2023	2022
(in thousands)		
Mutual Funds - Equity securities		
U.S. Large Cap (1)	**$ 15,360**	$ 3,413
U.S. Mid Cap (1)	**4,271**	1,425
U.S. Small Cap (1)	**2,518**	692
International (2)	**2,499**	9,352
Alternative Strategies (3)	**—**	4,824
	24,648	19,706
Mutual Funds - Debt securities		
Fixed income (4)	**24,228**	15,343
High Yield (4)	**—**	2,269
	24,228	17,612
Mutual Funds - Other		
Commodities (5)	**—**	1,832
Real Estate (6)	**—**	1,709
Guaranteed deposit (7)	**556**	398
	556	3,939
Total Pension Plan Assets in fair value hierarchy (8)	**49,432**	41,257
Investments measured at net asset value (9)	**—**	4,946
Total Pension Plan Assets	**$ 49,432**	$ 46,203

(1) Includes funds that invest primarily in United States common stocks.
(2) Includes funds that invest primarily in foreign equities and emerging markets equities.
(3) Includes funds that actively invest in both equity and debt securities, funds that sell short securities and funds that provide long-term capital appreciation. The funds may invest in debt securities below investment grade.
(4) Includes funds that invest in investment grade and fixed income securities.
(5) Includes funds that invest primarily in commodity-linked derivative instruments and fixed income securities.
(6) Includes funds that invest primarily in real estate.
(7) Includes investment in a group annuity product issued by an insurance company.
(8) All investments in the FPU Pension Plan are classified as Level 1 within the Fair Value hierarchy exclusive of the Guaranteed Deposit Account which is classified as Level 3.
(9) Certain investments that were measured at net asset value per share have not been classified in the fair value hierarchy. These amounts are presented to reconcile to total pension plan assets.

At December 31, 2023 and 2022, our pension plan investments were classified under the same fair value measurement hierarchy (Level 1 through Level 3) described under Note 9, *Fair Value of Financial Instruments.* The Level 3 investments were recorded at fair value based on the contract value of annuity products underlying guaranteed deposit accounts, which was calculated using discounted cash flow models. The contract value of these products represented deposits made to the contract, plus earnings at guaranteed crediting rates, less withdrawals and fees. Certain investments that were measured at net asset value per share have not been classified in the fair value hierarchy and are presented in the table above to reconcile to total pension plan assets.

The changes in the fair value within our pension assets for Level 3 investments for the years ended December 31, 2023 and 2022 were immaterial.

Other Postretirement Benefits Plans

We sponsor two defined benefit postretirement health plans: the Chesapeake Utilities Postretirement Plan ("Chesapeake Postretirement Plan") and the FPU Medical Plan. At December 31, 2023 and 2022, the funded status of the Chesapeake Postretirement Plan was $1.1 million and $0.6 million, respectively. The funded status of the FPU Medical Plan was $0.4 million and $0.7 million as of December 31, 2023 and 2022, respectively.

Net periodic postretirement benefit costs for the Chesapeake Postretirement Plan and the FPU Medical Plan were not material for the years ended December 31, 2023, 2022, and 2021.

As of December 31, 2023, there was $12.8 million not yet reflected in net periodic postretirement benefit costs and included in accumulated other comprehensive income (loss) or as a regulatory asset. Net losses of $10.8 million and $1.2 million attributable to the FPU Pension Plan and Chesapeake Postretirement Plan, respectively, comprised most of this amount with $3.2 million recorded in accumulated other comprehensive income (loss) and $8.7 million recorded as a regulatory asset at December 31, 2023.

Pursuant to a Florida PSC order, FPU continues to record as a regulatory asset the portion of the unrecognized pension and postretirement benefit costs after the merger with Chesapeake Utilities related to its regulated operations.

Assumptions

The assumptions used for the discount rate to calculate the benefit obligations were based on the interest rates of high-quality bonds in 2023, considering the expected lives of each of the plans. In determining the average expected return on plan assets for the FPU Pension Plan, various factors, such as historical long-term return experience, investment policy and current and expected allocation, were considered. Since the FPU Pension Plan is frozen with respect to additional years of service and compensation, the rate of assumed compensation increases is not applicable.

The health care inflation rate for 2023 used to calculate the benefit obligation is 5 percent for medical and 6 percent for prescription drugs for the Chesapeake Postretirement Plan; and 5 percent for both medical and prescription drugs for the FPU Medical Plan.

Estimated Future Benefit Payments

In 2024, we do not expect to contribute to the FPU Pension Plan, and total payments of $0.2 million are expected for the Chesapeake SERP, Chesapeake Postretirement Plan and FPU Medical Plan combined.

The schedule below shows the estimated future benefit payments for each of the plans previously described:

(in thousands)	FPU Pension Plan [1]	Chesapeake SERP [2]	Chesapeake Postretirement Plan [2]	FPU Medical Plan [2]
2024	$ 3,528	$ 151	$ 42	$ 35
2025	$ 3,603	$ 164	$ 46	$ 35
2026	$ 3,617	$ 161	$ 45	$ 34
2027	$ 3,616	$ 158	$ 48	$ 33
2028	$ 3,651	$ 154	$ 49	$ 32
Years 2029 through 2033	$ 17,951	$ 689	$ 299	$ 143

[1] The pension plan is funded; therefore, benefit payments are expected to be paid out of the plan assets.
[2] Benefit payments are expected to be paid out of our general funds.

Retirement Savings Plan

We sponsor a 401(k) Retirement Savings Plan which is offered to all eligible employees who have completed three months of service. We match 100 percent of eligible participants' pre-tax contributions to the Retirement Savings Plan up to a maximum of six percent of eligible compensation. The employer matching contribution is made in cash and is invested based on a participant's investment directions. In addition, we may make a discretionary supplemental contribution to participants in the plan, without regard to whether or not they make pre-tax contributions. Any supplemental employer contribution is generally made in our common stock. With respect to the employer match and supplemental employer contribution, employees are 100 percent vested after two years of service or upon reaching 55 years of age while still employed by us. New employees who do not make an election to contribute and do not opt out of the Retirement Savings Plan will be automatically enrolled at a deferral rate of three percent, and the automatic deferral rate will increase by one percent per year up to a maximum of ten percent. All contributions and matched funds can be invested among the mutual funds available for investment.

Employer contributions to our Retirement Savings Plan totaled $6.6 million, $6.2 million, and $5.9 million for the years ended December 31, 2023, 2022 and 2021, respectively. As of December 31, 2023, there were 798,586 shares of our common stock reserved to fund future contributions to the Retirement Savings Plan.

Non-Qualified Deferred Compensation Plan

Members of our Board of Directors and officers of the Company are eligible to participate in the Non-Qualified Deferred Compensation Plan. Directors can elect to defer any portion of their cash or stock compensation and officers can defer up to 80 percent of their base compensation, cash bonuses or any amount of their stock bonuses (net of required withholdings). Officers may receive a matching contribution on their cash compensation deferrals up to six percent of their compensation, provided it does not duplicate a match they receive in the Retirement Savings Plan. Stock bonuses are not eligible for matching contributions. Participants are able to elect the payment of deferred compensation to begin on a specified future date or upon separation from service. Additionally, participants can elect to receive payments upon the earlier or later of a fixed date or separation from service. The payments can be made in one lump sum or annual installments for up to 15 years.

All obligations arising under the Non-Qualified Deferred Compensation Plan are payable from our general assets, although we have established a Rabbi Trust to informally fund the plan. Deferrals of cash compensation may be invested by the participants in various mutual funds (the same options that are available in the Retirement Savings Plan). The participants are credited with gains or losses on those investments. Deferred stock compensation may not be diversified. The participants are credited with dividends on their deferred common stock units in the same amount that is received by all other stockholders. Such dividends are reinvested into additional deferred common stock units. Assets held in the Rabbi Trust, recorded as Investments on the consolidated balance sheet, had a fair value of $12.3 million and $10.6 million at December 31, 2023 and 2022, respectively. The assets of the Rabbi Trust are at all times subject to the claims of our general creditors.

Deferrals of officer base compensation and cash bonuses and directors' cash retainers are paid in cash. All deferrals of executive performance shares and directors' stock retainers are made in the form of deferred common stock units and are paid out in shares of our common stock, on a one-for-one basis, except that cash is paid in lieu of fractional shares. The value of our stock held in the Rabbi Trust is classified within the stockholders' equity section of the consolidated balance sheets and has been accounted for in a manner similar to treasury stock. The amounts recorded under the Non-Qualified Deferred Compensation Plan totaled $9.1 million and $7.1 million at December 31, 2023 and 2022, respectively, which are also shown as a deduction against stockholders' equity in the consolidated balance sheet.

17. Share-Based Compensation Plans

Our key employees and non-employee directors have been granted share-based awards through our SICP. We record these share-based awards as compensation costs over the respective service period for which services are received in exchange for an award of equity or equity-based compensation. The compensation cost is based primarily on the fair value of the shares awarded, using the estimated fair value of each share on the date it was granted, and the number of shares to be issued at the end of the service period. We have 561,115 shares of common stock reserved for issuance under the SICP.

The table below presents the amounts included in net income related to share-based compensation expense for the awards granted under the SICP for the years ended December 31, 2023, 2022 and 2021:

	For the Year Ended December 31,		
	2023	**2022**	**2021**
(in thousands)			
Awards to key employees	**$ 6,716**	$ 5,479	$ 5,163
Awards to non-employee directors	**906**	959	782
Total compensation expense	**7,622**	6,438	5,945
Less: tax benefit	**(1,947)**	(1,663)	(1,535)
Share-based compensation amounts included in net income	**$ 5,675**	$ 4,775	$ 4,410

Officers and Key Employees

Our Compensation Committee is authorized to grant our key employees the right to receive awards of shares of our common stock, contingent upon the achievement of established performance goals and subject to SEC transfer restrictions once awarded. Our President and CEO has the right to issue awards of shares of our common stock, to other officers and key employees of the Company, contingent upon various performance goals and subject to SEC transfer restrictions.

We currently have several outstanding multi-year performance plans, which are based upon the successful achievement of long-term goals, growth and financial results and comprise both market-based and performance-based conditions and targets. The fair value per share, tied to a performance-based condition or target, is equal to the market price per share on the grant date. For the market-based conditions, we used a Monte Carlo valuation to estimate the fair value of each share granted.

The table below presents the summary of the stock activity for awards to all officers:

	Number of Shares	Weighted Average Fair Value
Outstanding — December 31, 2021	**197,398**	**$ 94.15**
Granted	69,620	117.61
Vested	(60,191)	90.60
Expired	(2,678)	91.42
Outstanding — December 31, 2022	**204,149**	**103.17**
Granted	80,820	126.06
Vested	(68,302)	91.59
Expired	(2,053)	94.64
Forfeited	(1,490)	113.44
Outstanding — December 31, 2023	**213,124**	**$ 117.74**

During the year ended December 31, 2023, we granted awards of 80,820 shares of common stock to officers and key employees under the SICP, including awards granted in February 2023 and to key employees appointed to officer positions. The shares granted are multi-year awards that will vest no later than the three-year service period ending December 31, 2025.

The aggregate intrinsic value of the SICP awards granted was $22.5 million, $24.1 million, and $28.8 million at December 31, 2023, 2022 and 2021, respectively. At December 31, 2023, there was $6.6 million of unrecognized compensation cost related to these awards, which is expected to be recognized through 2025.

In March 2023, 2022 and 2021, upon the election by certain of our executive officers, we withheld shares with a value at least equivalent to each such executive officer's minimum statutory obligation for applicable income and other employment taxes related to shares that vested and were paid in March 2023, 2022 and 2021 for the performance periods ended December 31, 2022, 2021, and 2020. We paid the balance of such awarded shares to each such executive officer and remitted the cash equivalent of the withheld shares to the appropriate taxing authorities. The below table presents the number of shares withheld and amounts remitted:

	For the Year Ended December 31,		
(amounts in thousands, except shares)	**2023**	**2022**	**2021**
Shares withheld to satisfy tax obligations	**19,859**	21,832	14,020
Amounts remitted to tax authorities to satisfy obligations	**$ 2,455**	$ 2,838	$ 1,478

Non-employee Directors

Shares granted to non-employee directors are issued in advance of the directors' service periods and are fully vested as of the grant date. We record a deferred expense equal to the fair value of the shares issued and amortize the expense equally over a service period of one year or less.

Our directors receive an annual retainer of shares of common stock under the SICP for services rendered through the subsequent Annual Meeting of Shareholders. Accordingly, our directors that served on the Board as of May 2023 and 2022 each received 765 and 652 shares of common stock, respectively, with a weighted average fair value of $124.12 and $130.36 per share, respectively.

At December 31, 2023, there was $0.3 million of unrecognized compensation expense related to shares granted to non-employee directors. This expense will be recognized over the remaining service period ending in May 2024.

18. Rates and Other Regulatory Activities

Our natural gas and electric distribution operations in Delaware, Maryland and Florida are subject to regulation by their respective PSC; Eastern Shore, our natural gas transmission subsidiary, is subject to regulation by the FERC; and Peninsula Pipeline and Aspire Energy Express, our intrastate pipeline subsidiaries, are subject to regulation (excluding cost of service) by the Florida PSC and Public Utilities Commission of Ohio, respectively.

Refer to the additional details below pertaining to the Customer Information System Regulatory Asset Petition and COVID-19 impact.

Delaware

The October 2, 2023, application for the issuance of common stock and long-term debt was unanimously approved on October 25, 2023, by the Delaware PSC.

In September 2023, the Delaware Division submitted the Energy Efficiency Rider application for natural gas with the Delaware PSC after obtaining an affirmative recommendation from the Delaware Energy Efficiency Advisory Council ("EEAC"). The application is the first in the state and applies to a portfolio of four programs including, Home Energy Counseling, Home Performance with Energy Star, Assisted Home Performance with Energy Star, and standard Offer Program in which customers can participate and allow for recovery. The evidentiary hearing on this matter is set for April 2024. If approved as filed, rates will be effective May 1, 2024.

Maryland

On October 2, 2023, Chesapeake filed a notification of the financing plans associated with the FCG acquisition with the Maryland PSC. The filing was successfully noted during the November 1, 2023, Maryland PSC administrative meeting.

Maryland Natural Gas Rate Case: In January 2024, our natural gas distribution businesses in Maryland, CUC-Maryland Division, Sandpiper Energy, Inc., and Elkton Gas Company (collectively, "Maryland natural gas distribution businesses") filed a joint application for a natural gas rate case with the Maryland PSC. In connection with the application, we are seeking approval of the following: (i) permanent rate relief of approximately $6.9 million; (ii) authorization to make certain changes to tariffs to include a unified rate structure and to consolidate the Maryland natural gas distribution businesses under the new corporate entity which we anticipate will be called Chesapeake Utilities of Maryland, Inc.; and (iii) authorization to establish a rider for recovery of the costs associated with our new technology systems. The outcome of the application is subject to review and approval by the Maryland PSC.

Maryland Natural Gas Depreciation Study: In January 2024, our Maryland natural gas distribution businesses filed a joint petition for approval of their proposed unified depreciation rates with the Maryland PSC. If approved, new rates will become effective retroactively on January 1, 2023.

Ocean City Maryland Reinforcement: During the second quarter of 2022, we began construction of an extension of service into North Ocean City, Maryland. Our Delaware natural gas division and Sandpiper installed approximately 5.4 miles of pipeline across southern Sussex County, Delaware to Fenwick Island, Delaware and Worcester County, Maryland. The project reinforces our existing system in Ocean City, Maryland and enables incremental growth along the pipeline. Construction of this project was completed in the second quarter of 2023. The Company filed a natural gas rate case application with the PSC for the state of Maryland in January 2024 as discussed above.

Florida

Wildlight Expansion: In August 2022, Peninsula Pipeline and FPU filed a joint petition with the Florida PSC for approval of its Transportation Service Agreement associated with the Wildlight planned community located in Nassau County, Florida. The project enables us to meet the significant growing demand for service in Yulee, Florida. The agreement will enable us to construct the project during the build-out of the community, and charge the reservation rate as each phase of the project goes into service. Construction of the pipeline facilities will occur in two separate phases. Phase one consists of three extensions with associated facilities, and a gas injection interconnect with associated facilities. Phase two will consist of two additional pipeline extensions. The various phases of the project commenced in the first quarter of 2023, with construction on the overall project continuing through 2025. The petition was approved by the Florida PSC in November 2022.

Florida Natural Gas Rate Case: In May 2022, our legacy natural gas distribution businesses in Florida filed a consolidated natural gas rate case with the Florida PSC. The application included a request for the following: (i) permanent rate relief of approximately $24.1 million, effective January 1, 2023, (ii) a depreciation study also submitted with the filing; (iii) authorization to make certain changes to tariffs to include the consolidation of rates and rate structure across the businesses and to unify the Florida Natural Gas distribution businesses under FPU; (iv) authorization to retain the acquisition adjustment recorded at the time of the FPU merger in our revenue requirement; and (v) authorization to establish an environmental remediation surcharge for the purposes of addressing future expected remediation costs for FPU MGP sites. In August 2022, interim rates were approved by the Florida PSC in the amount of approximately $7.7 million on an annualized basis, effective for all meter readings in September 2022. The discovery process and subsequent hearings were concluded during the fourth quarter of 2022 and briefs were submitted during the same quarter of 2022. In January 2023, the Florida PSC approved the application for consolidation and permanent rate relief of approximately $17.2 million on an annual basis. Actual rates in connection with the rate relief were approved by the Florida PSC in February 2023 with an effective date of March 1, 2023.

FCG Natural Gas Rate Case: In May 2022, FCG filed a general base rate increase with the Florida PSC based on a projected 2023 test year. In June 2023, the Florida PSC issued an order approving a single total base revenue increase of $23.3 million (which included an incremental increase of $14.1 million, a previously approved increase of $3.8 million for a liquefied natural gas facility, and $5.3 million to transfer the SAFE investments from a rider clause to base rates), with new rates becoming effective as of May 1, 2023. The Commission also approved FCG's proposed RSAM with a $25.0 million reserve amount, continuation and expansion of the capital SAFE program, implementation of an automated metering infrastructure pilot, and continuation of the storm damage reserve with a target reserve of $0.8 million. On June 23, 2023, the Florida OPC filed a motion for reconsideration of the PSC's approval of RSAM, which was denied on September 12, 2023. On July 7, 2023, the Florida OPC filed a notice of appeal with the Florida Supreme Court, which is pending. The Florida OPC filed their initial brief on January 31, 2024.

The RSAM is recorded as either an increase or decrease to accrued removal costs which is reflected on the Company's balance sheets and a corresponding increase or decrease to depreciation and amortization expense. In order to earn the targeted regulatory ROE in each reporting period subject to the conditions of the effective rate agreement, RSAM is calculated using a trailing thirteen-month average of rate base and capital structure in conjunction with the trailing twelve months regulatory base net operating income, which primarily includes the base portion of rates and other revenues, net of operations and maintenance expenses, depreciation and amortization, interest and tax expenses. In general, the net impact of these income statement line items is adjusted, in part, by RSAM or its reversal to earn the targeted regulatory ROE. For the year ended December 31, 2023, the Company recorded decreases to asset removal costs and depreciation expense of $5.1 million as a result of the RSAM adjustment.

Beachside Pipeline Extension: In June 2021, Peninsula Pipeline and FCG entered into a Transportation Service Agreement for an incremental 10,176 Dts/d of firm service in Indian River County, Florida, to support FCG's growth along the Indian River's barrier island. As part of this agreement, Peninsula Pipeline constructed 11.3 miles of pipeline from its existing pipeline in the Sebastian, Florida area, traveling east under the Intercoastal Waterway and southward on the barrier island. The project was placed in-service during April 2023.

St. Cloud / Twin Lakes Expansion: In July 2022, Peninsula Pipeline filed a petition with the Florida PSC for approval of its Transportation Service Agreement with FPU for an additional 2,400 Dt/d of firm service in the St. Cloud, Florida area. As part of this agreement, Peninsula Pipeline constructed a pipeline extension and regulator station for FPU. The extension supports new incremental load due to growth in the area, including providing service, most immediately, to the residential development, Twin Lakes. The expansion also improves reliability and provides operational benefits to FPU's existing distribution system in the area, supporting future growth. The petition was approved by the Florida PSC in October 2022, and the expansion was placed into service during the third quarter of 2023.

Storm Protection Plan: In 2020, the Florida PSC implemented the Storm Protection Plan ("SPP") and Storm Protection Plan Cost Recovery Clause ("SPPCRC") rules, which require electric utilities to petition the Florida PSC for approval of a Transmission and Distribution Storm Protection Plan that covers the utility's immediate 10-year planning period with updates to the plan at least every 3 years. The SPPCRC rules allow the utility to file for recovery of associated costs for the SPP. Our Florida electric distribution operations' SPP was filed during the first quarter of 2022 and approved in the fourth quarter of 2022, with modifications, by the Florida PSC. Rates associated with this initiative were effective in January 2023. The Company filed 2024 SPPCRC projections on May 1, 2023. A hearing was held on September 12, 2023. The Commission voted to approve the projections on November 9, 2023. FPU projects to spend $13.6 million on the program in 2024.

Lake Wales Pipeline Acquisition: In February 2023, Peninsula Pipeline filed a petition with the Florida PSC for approval of its Transportation Service Agreement with FPU for an additional 9,000 Dt/d of firm service in the Lake Wales, Florida area. The Commission approved the petition in April 2023. Approval of the agreement allowed Peninsula Pipeline to complete the acquisition of the existing pipeline in May 2023 which is being utilized to serve both current and new natural gas customers.

GUARD: In February 2023, FPU filed a petition with the Florida PSC for approval of the GUARD program. GUARD is a ten-year program to enhance the safety, reliability, and accessibility of portions of our natural gas distribution system. We identified various categories of projects to be included in GUARD, which include the relocation of mains and service lines located in rear easements and other difficult to access areas to the front of the street, the replacement of problematic distribution mains, service lines, and maintenance and repair equipment and system reliability projects. In August 2023, the Florida PSC approved the GUARD program, which included $205.0 million of capital expenditures projected to be spent over a 10-year period.

Newberry Expansion: In April 2023, Peninsula Pipeline filed a petition with the Florida PSC for approval of its Transportation Service Agreement with FPU for an additional 8,000 Dt/d of firm service in the Newberry, Florida area. The petition was approved by the Florida PSC in the third quarter of 2023. Peninsula Pipeline will construct a pipeline extension, which will be used by FPU to support the development of a natural gas distribution system to provide gas service to the City of Newberry. A filing to address the acquisition and conversion of propane community gas systems in Newberry was made in November 2023, and the Florida PSC is scheduled to vote on this in March 2024. The Company anticipates beginning the conversions of the community gas systems in the second quarter of 2024.

Amendment to Escambia County Agreement: In April of 2023, Peninsula Pipeline filed a petition with the Florida PSC for approval of an amendment to an existing contract with FPU. This amendment will allow Peninsula Pipeline to construct an additional delivery point on a pipeline located in Escambia County. The additional delivery point comes at the request of an FPU customer and will be used to enhance natural gas service in the area. The amendment was approved by the Florida PSC in the third quarter of 2023.

Florida Electric Depreciation Study: The Florida PSC requires electric utilities to file a depreciation study every four years to reevaluate and set depreciation rates for the utility's plant assets. In June 2023, FPU filed a petition with the Florida PSC for approval of its proposed depreciation rates, which was approved in December 2023.

East Coast Reinforcement Projects: In December 2023, Peninsula Pipeline filed a petition with the Florida PSC for approval of its Transportation Service Agreements with FPU for projects that will support additional supply to communities on the East Coast of Florida. The projects are driven by the need for increased supply to coastal portions of the state that have experienced an increase in population growth. Peninsula Pipeline will construct several pipeline extensions which will support FPU's distribution system in the areas of Boynton Beach and New Smyrna Beach with an additional 15,000 Dts/day and 3,400 Dts/day, respectively.

Eastern Shore

Southern Expansion Project: In January 2022, Eastern Shore submitted a prior notice filing with the FERC pursuant to blanket certificate procedures, regarding its proposal to install an additional compressor unit and related facilities at Eastern Shore's compressor station in Bridgeville, Sussex County, Delaware. The project enables Eastern Shore to provide additional firm natural gas transportation service to an existing shipper on its pipeline system. The project obtained FERC approval in December 2022 and went into service in October 2023.

Capital Cost Surcharge: In December 2022, Eastern Shore submitted a filing with the FERC regarding a capital cost surcharge to recover capital costs associated with the replacement of existing Eastern Shore facilities as a result of mandated highway relocation projects as well as compliance with the PHMSA regulation. The capital cost surcharge mechanism was approved in Eastern Shore's last rate case. In conjunction with the filing of this surcharge, a cumulative adjustment to the existing surcharge to reflect additional depreciation was included. The FERC issued an order approving the surcharge as filed on December 19, 2022. The combined revised surcharge became effective January 1, 2023.

Worcester Resiliency Upgrade: In August 2023, Eastern Shore filed an application with the FERC requesting authorization to construct the Worcester Resiliency Upgrade, which consists of a mixture of storage and transmission facilities in Sussex County, DE and Wicomico, Worcester, and Somerset Counties in Maryland. The project will provide long-term incremental supply necessary to support the growing demand of the participating shippers. Eastern Shore has requested certificate authorization by December 2024, with a target in-service date by the third quarter of 2025.

Various Jurisdictional Activity Related to the Joint Customer Information System Project

In July 2022, we filed a joint petition for our natural gas divisions in Maryland (Maryland Division, Sandpiper, and Elkton Gas) for the approval to establish a regulatory asset for non-capitalizable expenses related to the initial development and implementation of our new Customer Information System ("CIS") system. The petition was approved by the Maryland PSC in August 2022. A similar petition for our Florida Regulated Energy businesses was filed during the same time frame, however, the Florida PSC approved capitalization of these expenses in lieu of establishment of regulatory assets. Additionally, our Delaware Division has the ability to defer these costs as a regulatory asset. We have completed the system selection process and the CIS implementation began during the first quarter of 2023.

COVID-19 Impact

In March 2020, the CDC declared a national emergency due to the rapidly growing outbreak of COVID-19. In response to this declaration and the rapid spread of COVID-19 within the United States, federal, state and local governments throughout the country imposed varying degrees of restrictions on social and commercial activity to promote social distancing in an effort to slow the spread of the illness. These restrictions significantly impacted economic conditions in the United States in 2020 and continued to impact economic conditions, to a lesser extent, through 2021 and 2022. Chesapeake Utilities is considered an "essential business," which allowed us to continue operational activities and construction projects with appropriate safety precautions and personal protective equipment, while being mindful of the social distancing restrictions that were in place.

In response to the COVID-19 pandemic and related restrictions, we experienced reduced consumption of energy largely in the commercial and industrial sectors, higher bad debt expenses and incremental expenses associated with COVID-19, including expenditures associated with personal protective equipment and premium pay for field personnel. The additional operating expenses we incurred support the ongoing delivery of our essential services during the height of the pandemic. In April and May 2020, we were authorized by the Maryland and Delaware PSCs, respectively, to record regulatory assets for COVID-19 related costs which offered us the ability to seek recovery of those costs. In July 2021, the Florida PSC issued an order that approved incremental expenses we incurred due to COVID-19. The order allowed us to establish a regulatory asset in a total amount of $2.1 million as of June 30, 2021 for natural gas and electric distribution operations. The regulatory asset is being amortized over two years and is recovered through the Purchased Gas Adjustment and Swing Service mechanisms for our natural gas distribution businesses and through the Fuel Purchased Power Cost Recovery clause for our electric division. As of December 31, 2023 and 2022, our total COVID-19 regulatory asset balance was $0.2 million and $1.2 million, respectively.

Summary TCJA Table

Customer rates for our regulated business were adjusted, as approved by the regulators, prior to 2020 except for Elkton Gas, which implemented a one-time bill credit in May 2020. The following table summarized the regulatory liabilities related to accumulated deferred taxes ("ADIT") associated with TCJA for our regulated businesses as of December 31, 2023 and 2022:

	Amount (in thousands)		
Operation and Regulatory Jurisdiction	**December 31, 2023**	**December 31, 2022**	**Status**
Eastern Shore (FERC)	$34,190	$34,190	Will be addressed in Eastern Shore's next rate case filing.
Chesapeake Delaware natural gas division (Delaware PSC)	$12,038	$12,230	PSC approved amortization of ADIT in January 2019.
Chesapeake Maryland natural gas division (Maryland PSC)	$3,585	$3,703	PSC approved amortization of ADIT in May 2018.
Sandpiper Energy (Maryland PSC)	$3,487	$3,597	PSC approved amortization of ADIT in May 2018.
Florida Natural Gas distribution (Florida PSC) [1]	$26,757	$27,179	PSC issued order authorizing amortization and retention of net ADIT liability by the Company in February 2019.
FPU electric division (Florida PSC)	$4,760	$4,993	In January 2019, PSC issued order approving amortization of ADIT through purchased power cost recovery, storm reserve and rates.
Elkton Gas (Maryland PSC)	$1,027	$1,059	PSC approved amortization of ADIT in March 2018.

[1] In accordance with the Florida PSC approval of our natural gas base rate proceeding, effective March 1, 2023, our natural gas distribution businesses in Florida have been consolidated and amounts above are now being presented on a consolidated basis consistent with the final rate order

Regulatory Assets and Liabilities

At December 31, 2023 and 2022, our regulated utility operations recorded the following regulatory assets and liabilities included in our consolidated balance sheets, including amounts attributable to FCG. These assets and liabilities will be recognized as revenues and expenses in future periods as they are reflected in customers' rates.

	As of December 31,	
(in thousands)	**2023**	2022
Regulatory Assets		
Under-recovered purchased fuel, gas and conservation cost recovery [1] [2]	**$ 13,696**	$ 43,583
Under-recovered GRIP revenue [3]	**1,777**	1,705
Deferred postretirement benefits [4]	**10,802**	13,927
Deferred conversion and development costs [1]	**21,466**	23,653
Acquisition adjustment [5]	**31,857**	25,609
Deferred costs associated with COVID-19 [6]	**190**	1,233
Deferred storm costs [7]	**19,370**	27,687
Deferred rate case expenses - current	**1,171**	—
Other	**15,573**	12,256
Total Regulatory Assets	**$ 115,902**	$ 149,653
Regulatory Liabilities		
Self-insurance [8]	**$ 521**	$ 339
Over-recovered purchased fuel and conservation cost recovery [1]	**12,340**	3,827
Over-recovered GRIP revenue [3]	**501**	—
Storm reserve [8]	**1,900**	2,845
Accrued asset removal cost [9]	**86,534**	50,261
Deferred income taxes due to rate change [10]	**105,055**	87,690
Interest related to storm recovery [7]	**536**	1,207
Other	**1,611**	1,851
Total Regulatory Liabilities	**$ 208,998**	$ 148,020

(1) We are allowed to recover the asset or are required to pay the liability in rates. We do not earn an overall rate of return on these assets.

(2) At December 31, 2022, includes $21.2 million being recovered over a three year period primarily concentrated in our electric division. Per Florida PSC approval, our electric division was allowed to recover these amounts over an extended period of time in an effort to reduce the impact of increased commodity prices to our customers. Recovery of these costs began in January 2023.

(3) The Florida PSC allowed us to recover through a surcharge, capital and other program-related-costs, inclusive of an appropriate return on investment, associated with accelerating the replacement of qualifying distribution mains and services (defined as any material other than coated steel or plastic) in FPU's natural gas distribution, Fort Meade division and Chesapeake Utilities' CFG division. We are allowed to recover the asset or are required to pay the liability in rates related to GRIP.

(4) The Florida PSC allowed FPU to treat as a regulatory asset the portion of the unrecognized costs pursuant to ASC Topic 715, Compensation - Retirement Benefits, related to its regulated operations. This balance also includes the portion of pension settlement expense associated with the termination of the Chesapeake Pension Plan pursuant to an order from the FERC and the respective PSCs that allowed us to defer Eastern Shore, Delaware and Maryland Divisions' portion. See Note 16, Employee Benefit Plans, for additional information.

(5) We are allowed to include the premiums paid in various natural gas utility acquisitions in Florida in our rate bases and recover them over a specific time period pursuant to the Florida PSC approvals. We paid $34.2 million of the premium in 2009, including a gross up for income tax, because it is not tax deductible, and $0.7 million of the premium paid by FPU in 2010. For additional information, see Florida Natural Gas Rate Case discussion above.

(6) We deferred as regulatory assets the net incremental expense impact associated with the net expense impact of COVID-19 as authorized by the stated PSCs.

(7) The Florida PSC authorized us to recover regulatory assets (including interest) associated with the recovery of Hurricanes Michael and Dorian storm costs which will be amortized between 6 and 10 years. Recovery of these costs includes a component of an overall return on capital additions and regulatory assets.

(8) We have storm reserves in our Florida regulated energy operations and self-insurance for our regulated energy operations that allow us to collect through rates amounts to be used against general claims, storm restoration costs and other losses as they are incurred.

(9) See Note 2, Summary of Significant Accounting Policies, for additional information on our asset removal cost policies.

(10) We recorded a regulatory liability for our regulated businesses related to the revaluation of accumulated deferred tax assets/liabilities as a result of the TCJA. The liability will be amortized over a period between 5 to 80 years based on the remaining life of the associated property. Based upon the regulatory proceedings, we will pass back the respective portion of the excess accumulated deferred taxes to rate payers. See Note 11, Income Taxes, for additional information.

19. Environmental Commitments and Contingencies

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

MGP Sites

We have participated in the investigation, assessment or remediation of, and have exposures at, seven former MGP sites. We have received approval for recovery of clean-up costs in rates for sites located in Salisbury, Maryland; Seaford, Delaware; and Winter Haven, Key West, Pensacola, Sanford and West Palm Beach, Florida.

As of December 31, 2023 and 2022, we had approximately $3.6 million and $4.3 million, respectively, in environmental liabilities, related to the former MGP sites. As of December 31, 2023 and 2022, we have cumulative regulatory assets of $0.5 million and $0.8 million, respectively, for future recovery of environmental costs from customers. Specific to FPU's four MGP sites in Key West, Pensacola, Sanford and West Palm Beach, FPU has approval for and has recovered, through a combination of insurance and customer rates, $14.0 million of its environmental costs related to its MGP sites as of December 31, 2023.

Environmental liabilities for our MGP sites are recorded on an undiscounted basis based on the estimate of future costs provided by independent consultants. We continue to expect that all costs related to environmental remediation and related activities, including any potential future remediation costs for which we do not currently have approval for regulatory recovery, will be recoverable from customers through rates.

Remediation is ongoing for the MGP's in Winter Haven and Key West in Florida and in Seaford, Delaware and the remaining clean-up costs are estimated to be between $0.3 million to $0.9 million for these three sites. The Environmental Protection Agency has approved a "site-wide ready for anticipated use" status for the Sanford, Florida MGP site, which is the final step before delisting a site. The remaining remediation expenses for the Sanford MGP site are immaterial.

The remedial actions approved by the Florida Department of Environmental Protection have been implemented on the east parcel of our West Palm Beach Florida site. Similar remedial actions have been initiated on the site's west parcel, and construction of active remedial systems are expected to be completed in 2024. Remaining remedial costs for West Palm Beach, including completion of the construction of the system on the West Parcel, five to ten years of operation, maintenance and monitoring, and final site work for closeout of the property, is estimated to be between $1.9 million and $3.2 million.

20. Other Commitments and Contingencies

Natural Gas, Electric and Propane Supply

In March 2023, our Delmarva Peninsula natural gas distribution operations entered into asset management agreements with a third party to manage their natural gas transportation and storage capacity. The agreements were effective as of April 1, 2023 and expire in March 2026.

FPU natural gas distribution operations and Eight Flags have separate asset management agreements with Emera Energy Services, Inc. to manage their natural gas transportation capacity. These agreements commenced in November 2020 and expire in October 2030.

Florida Natural Gas has firm transportation service contracts with FGT and Gulfstream. Pursuant to a capacity release program approved by the Florida PSC, all of the capacity under these agreements has been released to various third parties. Under the terms of these capacity release agreements, Chesapeake Utilities is contingently liable to FGT and Gulfstream should any party, that acquired the capacity through release, fail to pay the capacity charge. To date, Chesapeake Utilities has not been required to make a payment resulting from this contingency.

FPU's electric supply contracts require FPU to maintain an acceptable standard of creditworthiness based on specific financial ratios. FPU's agreement with Florida Power & Light Company requires FPU to meet or exceed a debt service coverage ratio of 1.25 times based on the results of the prior 12 months. If FPU fails to meet this ratio, it must provide an irrevocable letter of credit or pay all amounts outstanding under the agreement within five business days. FPU's electric supply agreement with Gulf Power requires FPU to meet the following ratios based on the average of the prior six quarters: (a) funds from operations interest coverage ratio (minimum of 2 times), and (b) total debt to total capital (maximum of 65 percent). If FPU fails to meet the requirements, it has to provide the supplier a written explanation of actions taken, or proposed to be taken, to become compliant. Failure to comply with the ratios specified in the Gulf Power agreement could also result in FPU having to provide an irrevocable letter of credit. As of December 31, 2023, FPU was in compliance with all of the requirements of its supply contracts.

Eight Flags provides electricity and steam generation services through its CHP plant located on Amelia Island, Florida. In June 2016, Eight Flags began selling power generated from the CHP plant to FPU pursuant to a 20-year power purchase agreement for distribution to our electric customers. In July 2016, Eight Flags also started selling steam pursuant to a separate 20-year contract, to the landowner on which the CHP plant is located. The CHP plant is powered by natural gas transported by FPU through its distribution system and Peninsula Pipeline through its intrastate pipeline.

The total purchase obligations for natural gas, electric and propane supplies are as follows:

Year	2024	2025-2026	2027-2028	Beyond 2028	Total
(in thousands)					
Purchase Obligations	$ 86,040	$ 105,082	$ 83,851	$ 141,287	$ 416,260

Corporate Guarantees

The Board of Directors has authorized us to issue corporate guarantees securing obligations of our subsidiaries and to obtain letters of credit securing our subsidiaries' obligations. The maximum authorized liability under such guarantees and letters of credit as of December 31, 2023 was $35.0 million. The aggregate amount guaranteed related to our subsidiaries at December 31, 2023 was approximately $24.3 million with the guarantees expiring on various dates through December 2024. In addition, the Board has authorized us to issue specific purpose corporate guarantees. The amount of specific purpose guarantees outstanding at December 31, 2023 was $4.0 million.

As of December 31, 2023, we have issued letters of credit totaling approximately $7.0 million related to the electric transmission services for FPU's electric division, the firm transportation service agreement between TETLP and our Delaware and Maryland divisions, the capacity agreement between NEXUS and Aspire, and our current and previous primary insurance carriers. These letters of credit have various expiration dates through October 2024 and to date, none have been used. We do not anticipate that the counterparties will draw upon these letters of credit, and we expect that they will be renewed to the extent necessary in the future.

ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE.

None.

ITEM 9A. CONTROLS AND PROCEDURES.

EVALUATION OF DISCLOSURE CONTROLS AND PROCEDURES

Our Chief Executive Officer and Chief Financial Officer, with the participation of other Company officials, have evaluated our "disclosure controls and procedures" (as such term is defined under Rule 13a-15(e) and Rule 15d-15(e) promulgated under the Securities Exchange Act of 1934, as amended) as of December 31, 2023. Based upon their evaluation, our Chief Executive Officer and Chief Financial Officer concluded that our disclosure controls and procedures were effective as of December 31, 2023.

CHANGE IN INTERNAL CONTROLS

During the quarter ended December 31, 2023, other than the ongoing changes resulting from the FCG acquisition discussed below, there have been no changes in internal control over financial reporting (as such term is defined in Exchange Act Rule 13a-15(f)) that have materially affected, or are reasonably likely to materially affect, internal controls over financial reporting.

On November 30, 2023, we completed the acquisition of FCG. We are currently integrating processes, procedures, and internal controls related to the acquisition. See Note 4, *Acquisitions,* to the consolidated financial statements and Management's Report on Internal Control Over Financial Reporting for additional information related to the acquisition of FCG. The scope of that assessment excluded FCG, which we acquired on November 30, 2023. FCG's total assets and loss before taxes represented approximately 31 percent and 4 percent, respectively, of the Company's consolidated total assets and earnings before taxes as of December 31, 2023 and for the year then ended. This exclusion is permitted based upon current guidance of the U.S. Securities & Exchange Commission.

CEO AND CFO CERTIFICATIONS

Our Chief Executive Officer and Chief Financial Officer have filed with the SEC the certifications required by Section 302 of the Sarbanes-Oxley Act of 2002 as Exhibits 31.1 and 31.2 to our Annual Report on Form 10-K for the fiscal year ended December 31, 2023. In addition, on May 31, 2023 our Chief Executive Officer certified to the NYSE that he was not aware of any violation by us of the NYSE corporate governance listing standards.

MANAGEMENT'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING

Management is responsible for establishing and maintaining adequate internal control over financial reporting, as such term is defined in Rule 13a-15(f) of the Exchange Act. A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with GAAP. A company's internal control over financial reporting includes those policies and procedures that: (i) pertain to the maintenance of records which in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with GAAP and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Under the supervision and with the participation of management, including the Chief Executive Officer and Chief Financial Officer, our management conducted an evaluation of the effectiveness of its internal control over financial reporting based on the criteria established in an updated report entitled "Internal Control - Integrated Framework," issued in May 2013 by the Committee of Sponsoring Organizations of the Treadway Commission. The scope of that assessment excluded FCG, which we acquired on November 30, 2023. FCG's total assets and loss before taxes represented approximately 31 percent and 4 percent, respectively, of the Company's consolidated total assets and earnings before taxes as of December 31, 2023 and for the year then ended. This exclusion is permitted based upon current guidance of the U.S. Securities & Exchange Commission.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Our management has evaluated and concluded that our internal control over financial reporting was effective as of December 31, 2023.

Our independent registered public accounting firm, Baker Tilly US, LLP, has audited the effectiveness of our internal control over financial reporting as of December 31, 2023, as stated in its attestation report which appears under Part II, *Item 8. Financial Statements and Supplementary Data*.

ITEM 9B. OTHER INFORMATION.

None.

ITEM 9C. DISCLOSURE REGARDING FOREIGN JURISDICTIONS THAT PREVENT INSPECTIONS

None.

PART III

ITEM 10. DIRECTORS, EXECUTIVE OFFICERS OF THE REGISTRANT AND CORPORATE GOVERNANCE.

We have adopted a Code of Ethics that applies to our Principal Executive Officer, President, Principal Financial Officer, Principal Accounting Officer, Treasurer, Assistant Treasurer, Corporate Controller and persons performing similar functions, which is a "code of ethics" as defined by applicable rules of the SEC. This Code of Ethics is publicly available on our website at https://www.chpk.com. If we make any amendments to this code other than technical, administrative or other non-substantive amendments, or grant any waivers, including implicit waivers, from a provision of this code to the individuals and roles noted above, or persons performing similar functions, we intend to disclose the nature of the amendment or waiver, its effective date and to whom it applies by posting such information on our website at the address and location specified above.

The remaining information required by this Item is incorporated herein by reference to the sections of our Proxy Statement (which we intend to file with the SEC within 120 days after the close of our fiscal year) captioned "Election of Directors (Proposal 1)," "Governance Trends and Director Education," "Corporate Governance Practices," "Board of Directors and its Committees" and "Delinquent Section 16(a) Reports."

ITEM 11. EXECUTIVE COMPENSATION.

The information required by this Item is incorporated herein by reference to the sections of our Proxy Statement (which we intend to file with the SEC within 120 days after the close of our fiscal year) captioned "Director Compensation," "Executive Compensation" and "Compensation Discussion and Analysis".

ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS.

The information required by this Item is incorporated herein by reference to the sections of our Proxy Statement (which we intend to file with the SEC within 120 days after the close of our fiscal year) captioned "Security Ownership of Certain Beneficial Owners and Management" and "Equity Compensation Plan Information."

ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS, AND DIRECTOR INDEPENDENCE.

The information required by this Item is incorporated herein by reference to the section of our Proxy Statement (which we intend to file with the SEC within 120 days after the close of our fiscal year) captioned "Corporate Governance Practices" and "Director Independence."

ITEM 14. PRINCIPAL ACCOUNTING FEES AND SERVICES.

The information required by this Item is incorporated herein by reference to the portion of the Proxy Statement (which we intend to file with the SEC within 120 days after the close of our fiscal year) captioned "Fees and Services of Independent Registered Public Accounting Firm." The Company's independent registered public accounting firm is Baker Tilly US, LLP, PCAOB ID: (23)

PART IV

ITEM 15. EXHIBITS, FINANCIAL STATEMENT SCHEDULES.

The following documents are filed as part of this Annual Report:

(a)(1) All of the financial statements, reports and notes to the financial statements included in Item 8 of Part II of this Annual Report on Form 10-K.

(a)(2) Schedule II—Valuation and Qualifying Accounts.

(a)(3) The Exhibits below.

• Exhibit 2.1	Stock Purchase Agreement, dated September 26, 2023, by and among Florida Power & Light Company and Chesapeake Utilities Corporation (incorporated by reference to the Company's Current Report on Form 8-K filed with the SEC on September 27, 2023).
• Exhibit 3.1	Amended and Restated Certificate of Incorporation of Chesapeake Utilities Corporation is incorporated herein by reference to Exhibit 3.1 of our Quarterly Report on Form 10-Q for the period ended June 30, 2010, File No. 001-11590.
• Exhibit 3.2	Amended and Restated Bylaws of Chesapeake Utilities Corporation, effective May 3, 2023, are incorporated herein by reference to Exhibit 3.1 of our Current Report on Form 8-K, filed May 3, 2023, File No. 001-11590.
• Exhibit 3.3	Certificate of Amendment to the Amended and Restated Certificate of Incorporation of Chesapeake Utilities Corporation, is incorporated herein by reference to Exhibit 3.1 of our Current Report on Form 8-K, filed May 9, 2017, File No. 001-11590.
• Exhibit 3.4	Certificate of Elimination of Series A Participating Cumulative Preferred Stock of Chesapeake Utilities Corporation, is incorporated herein by reference to Exhibit 3.6 to our Annual Report on Form 10-K for the year ended December 31, 2017, File No. 001-11590.
• Exhibit 3.4	Note Purchase Agreement, dated November 20, 2023, by and among Chesapeake Utilities Corporation and the purchasers party thereto (incorporated by reference to the Company's Current Report on Form 8-K filed with the SEC on November 21, 2023).
• Exhibit 4.2	Note Agreement dated June 29, 2010, among Chesapeake Utilities Corporation, as issuer, Metropolitan Life Insurance Company and New England Life Insurance Company, relating to the private placement of Chesapeake Utilities Corporation's 5.68% Senior Notes due 2026 and Chesapeake Utilities Corporation's 6.43% Senior Notes due 2028.†
• Exhibit 4.3	Note Agreement dated September 5, 2013, among Chesapeake Utilities Corporation, as issuer, and certain note holders, relating to the private placement of Chesapeake Utilities Corporation's 3.73% Senior Notes due 2028 and Chesapeake Utilities Corporation's 3.88% Senior Notes due 2029.†
• Exhibit 4.4	Private Shelf Agreement dated October 8, 2015, between Chesapeake Utilities Corporation, as issuer, and Prudential Investment Management Inc., relating to the private placement of Chesapeake Utilities Corporation's 3.25% Senior Notes due 2032, 3.98% Senior Notes due 2039, 3.0% Senior Notes due 2035, and the sale of other Chesapeake Utilities Corporation unsecured Senior Notes from time to time, is incorporated herein by reference to Exhibit 4.1 of our Quarterly Report on Form 10-Q for the period ended September 30, 2015, File No. 001-11590.
• Exhibit 4.5	First Amendment to Private Shelf Agreement dated September 14, 2018, between Chesapeake Utilities Corporation, as issuer, and PGIM, Inc. (formerly known as Prudential Investment Management, Inc.), and other purchasers that may become party thereto. †

- Exhibit 4.6 — Master Note Agreement dated March 2, 2017, among Chesapeake Utilities Corporation, as issuer, NYL Investors LLC, and other certain note holders that may become party thereto from time to time relating to the private placement of Chesapeake Utilities Corporation's 3.48% Senior Notes due 2038 and Chesapeake Utilities Corporation's 3.58% Senior Notes due 2038, and Chesapeake Utilities Corporation's 2.96% Senior Notes due 2035. †
- Exhibit 4.7 — Note Purchase Agreement, dated August 25, 2021, by and among Chesapeake Utilities Corporation, MetLife Insurance K.K., Thrivent Financial For Lutherans, CMFG Life Insurance Company, and American Memorial Life Insurance Company relating to the placement of Chesapeake Utilities Corporation's 2.49% Senior Notes due 2037. †
- Exhibit 4.8 — Private Shelf Agreement, dated March 2, 2017, by and among Chesapeake Utilities Corporation, Metropolitan Life Insurance Company, and MetLife Investment Management, LLC, relating to the private placement of Chesapeake Utilities Corporation's 2.95% Senior Notes due 2042.†
- Exhibit 4.9 — First Amendment to Private Shelf Agreement, dated May 14, 2020, by and among Chesapeake Utilities Corporation, Metropolitan Life Insurance Company, and MetLife Investment Management, LLC. †
- Exhibit 4.10 — Third Amendment to Private Shelf Agreement dated February 8, 2023, between Chesapeake Utilities Corporation, as issuer, and PGIM, Inc. (formerly known as Prudential Investment Management, Inc.), and other purchasers that may become party thereto is filed herewith.
- Exhibit 4.11 — Second Amendment to Private Shelf Agreement, dated February 21, 2023, by and among Chesapeake Utilities Corporation, Metropolitan Life Insurance Company, and MetLife Investment Management, LLC is filed herewith.
- Exhibit 4.12 — Description of Chesapeake Utilities Corporation's Securities Registered Pursuant to Section 12 of the Securities Exchange Act of 1934, as amended, is incorporated by reference to Exhibit 4.10 of our Annual Report on Form 10-K for the year ended December 31, 2021, File No. 001-11590.
- Exhibit 10.1* — Chesapeake Utilities Corporation Cash Bonus Incentive Plan, effective January 1, 2015, is incorporated herein by reference to our Proxy Statement dated March 31, 2015, in connection with our Annual Meeting held on May 6, 2015, File No. 001-11590.
- Exhibit 10.2* — Non-Qualified Deferred Compensation Plan, effective January 1, 2014, is incorporated herein by reference to Exhibit 10.8 of our Annual Report on Form 10-K for the year ended December 31, 2013, File No. 001-11590.
- Exhibit 10.3* — Chesapeake Utilities Corporation Supplemental Executive Retirement Plan, as amended and restated effective January 1, 2009, is incorporated herein by reference to Exhibit 10.27 of our Annual Report on Form 10-K for the year ended December 31, 2008, File No. 001-11590.
- Exhibit 10.4* — First Amendment to the Chesapeake Utilities Corporation Supplemental Executive Retirement Plan as amended and restated effective January 1, 2009, is incorporated herein by reference to Exhibit 10.30 of our Annual Report on Form 10-K for the year ended December 31, 2010, File No. 001-11590.
- Exhibit 10.5 — Revolving Credit Agreement dated October 8, 2015, between Chesapeake Utilities Corporation and PNC Bank, National Association, Bank of America, N.A., Citizens Bank N.A., Royal Bank of Canada and Wells Fargo Bank, National Association as lenders, is incorporated herein by reference to Exhibit 10.1 of our Quarterly Report on Form 10-Q for the period ended September 30, 2015, File No. 001-11590.
- Exhibit 10.6 — First Amendment dated February 25, 2016 to the Revolving Credit Agreement dated October 8, 2015, between Chesapeake Utilities Corporation and PNC Bank, National Association, Bank of America, N.A., Citizens Bank N.A., Royal Bank of Canada and Wells Fargo Bank, National Association as lenders, is incorporated herein by reference to Exhibit 10.24 of our Annual Report on Form 10-K for the year ended December 31, 2015, File No. 001-11590.
- Exhibit 10.7 — Credit Agreement, dated November 28, 2017, by and between Chesapeake Utilities Corporation and Branch Banking and Trust Company is incorporated herein by reference to Exhibit 10.20 of our Annual Report on Form 10-K for the year ended December 31, 2018, File No. 001-11590.

- Exhibit 10.8* — Form of Performance Share Agreement, effective February 25, 2019 for the period January 1, 2019 to December 31, 2021, pursuant to Chesapeake Utilities Corporation 2013 Stock and Incentive Compensation Plan by and between Chesapeake Utilities Corporation and Jeffry M. Householder is incorporated herein by reference to Exhibit 10.24 of our Annual Report on Form 10-K for the year ended December 31, 2018, File No. 001-11590.

- Exhibit 10.9 — Note Agreement dated September 28, 2022, among Chesapeake Utilities Corporation, as issuer, PGIM, Inc. (formerly known as Prudential Investment Management, Inc.) and each of its affiliates relating to the private placement of Chesapeake Utilities Corporation's 5.43% Senior Notes due 2038.†

- Exhibit 10.10* — Executive Retirement Agreement dated October 9, 2019, between Chesapeake Utilities Corporation and Stephen C. Thompson is incorporated herein by reference to Exhibit 10.1 of our Quarterly Report on Form 10-Q for the quarter ended September 30, 2019, File No. 001-11590.

- Exhibit 10.11 — Note Purchase Agreement dated November 19, 2019, between Chesapeake Utilities Corporation, The Guardian Life Insurance Company of America, The Guardian Insurance & Annuity Company, Inc., Berkshire Life Insurance Company of America, Thrivent Financial for Lutherans, United of Omaha Life Insurance Company, and CMFG Life Insurance Company is incorporated herein by reference to our Current Report on Form 8-K filed on November 20, 2019, File No. 001-11590.

- Exhibit 10.12* — Form of Performance Share Agreement, effective December 3, 2019 for the period 2019 to 2021, pursuant to Chesapeake Utilities Corporation 2013 Stock and Incentive Compensation Plan by and between Chesapeake Utilities Corporation and each of Jeffry M. Householder, Beth W. Cooper, James F. Moriarty and Kevin Webber is incorporated herein by reference to Exhibit 10.26 to our Annual Report on Form 10-K for the year ended December 31, 2019, File No. 001-11590.

- Exhibit 10.13* — Form of Performance Share Agreement dated February 22, 2023 for the period 2023-2025, pursuant to Chesapeake Utilities Corporation 2013 Stock and Incentive Compensation Plan by and between Chesapeake Utilities Corporation and each of Jeffry M. Householder, Beth W. Cooper, James F. Moriarty, Kevin Webber and Jeffrey S. Sylvester is incorporated herein by reference to Exhibit 10.16 to our Annual Report on Form 10-K for the year ended December 31, 2022. File No. 001-11590

- Exhibit 10.14* — Form of Performance Share Agreement, effective February 25, 2020 for the period 2020 to 2022, pursuant to Chesapeake Utilities Corporation 2013 Stock and Incentive Compensation Plan by and between Chesapeake Utilities Corporation and each of Jeffry M. Householder, Beth W. Cooper, James F. Moriarty and Kevin Webber is incorporated herein by reference to Exhibit 10.28 to our Annual Report on Form 10-K for the year ended December 31, 2019, File No. 001-11590.

- Exhibit 10.15* — Form of Performance Share Agreement, effective February 24, 2021, for the period 2021 to 2023, pursuant to the Chesapeake Utilities Corporation 2013 Stock and Incentive Compensation Plan by and between Chesapeake Utilities Corporation and each of Jeffry M. Householder, Beth W. Cooper, James F. Moriarty, Kevin Webber, and Jeffrey S. Sylvester is incorporated herein by reference to Exhibit 10.18 to our Annual Report on Form 10-K for the year ended December31, 2021, File No. 001-11590.

- Exhibit 10.16 — Loan Agreement dated April 24, 2020, between Chesapeake Utilities Corporation and PNC Bank, National Association is incorporated herein by reference to Exhibit 10.3 to our Quarterly Report on Form 10-Q for the quarter ended March 31, 2020, File No.001-11590.

- Exhibit 10.17 — Loan Agreement dated April 27, 2020, between Chesapeake Utilities Corporation and Bank of America, N.A. is incorporated herein by reference to Exhibit 10.4 to our Quarterly Report on Form 10-Q for the quarter ended March 31, 2020, File No. 001-11590.

- Exhibit 10.18 — Revolving Line of Credit Note dated April 24, 2020 issued by Chesapeake Utilities Corporation in favor of PNC Bank, National Association is incorporated herein by reference to Exhibit 10.5 to our Quarterly Report on Form 10-Q for the quarter ended March 31, 2020, File No. 001-11590.

- Exhibit 10.19 — Promissory Note dated April 22, 2020, issued by Chesapeake Utilities Corporation and in favor of Bank of America, N.A. is incorporated herein by reference to Exhibit 10.6 to our Quarterly Report on Form 10-Q for the quarter ended March 31, 2020, File No.001-11590.
- Exhibit 10.20 — Credit Agreement dated May 29, 2020, between Chesapeake Utilities Corporation and Citizens Bank National Association is incorporated herein by reference to Exhibit 10.1 to our Quarterly Report on Form 10-Q for the quarter ended June 30, 2020, File No. 001-11590.
- Exhibit 10.21 — Loan Agreement dated May 6, 2020 between Chesapeake Utilities Corporation and Royal bank of Canada is incorporated herein by reference to Exhibit 10.2 to our Quarterly Report on Form 10-Q for the quarter ended June 30, 2020, File No. 001-11590.
- Exhibit 10.22 — Form of Revolving Loan Note in favor of Citizens Bank National Association is incorporated herein by reference to Exhibit 10.3 to our Quarterly Report on Form 10-Q for the quarter ended June 30, 2020, File No. 001-11590.
- Exhibit 10.23 — Form of Revolving Credit Note in favor of Royal Bank of Canada is incorporated herein by reference to Exhibit 10.4 to our Quarterly Report on Form 10-Q for the quarter ended June 30, 2020, File No. 001-11590.
- Exhibit 10.24 — Credit Agreement, dated September 30, 2020, by and between Chesapeake Utilities Corporation, PNC Bank, National Association, and several other financial institutions named therein is incorporated herein by reference to Exhibit 10.1 to our Quarterly Report on Form 10-Q for the quarter ended September 30, 2020, File No. 001-11590.
- Exhibit 10.25 — Amended and Restated Credit Agreement, dated August 12, 2021, by and between Chesapeake Utilities Corporation, PNC Bank, National Association, and several other financial institutions named therein is incorporated herein by reference to Exhibit 10.1 to our Quarterly Report on Form 10-Q for the quarter ended September 30, 2021, File No. 001-11590
- Exhibit 10.26* — Executive Employment Agreement, dated December 16, 2021, by and between Chesapeake Utilities Corporation and Jeffrey S. Sylvester is incorporated by reference to Exhibit 10.1 to our Current Report on Form 8-K filed on December 20, 2021, File No. 001-11590
- Exhibit 10.27* — Executive Employment Agreement, dated December 16, 2021, by and between Chesapeake Utilities Corporation and Jeffry M. Householder is incorporated by reference to Exhibit 10.2 to our Current Report on Form 8-K filed on December 20, 2021, File No. 001-11590
- Exhibit 10.28* — Executive Employment Agreement, dated December 16, 2021, by and between Chesapeake Utilities Corporation and Beth W. Cooper is incorporated by reference to Exhibit 10.3 to our Current Report on Form 8-K filed on December 20, 2021, File No. 001-11590
- Exhibit 10.29* — Executive Employment Agreement, dated December 16, 2021, by and between Chesapeake Utilities Corporation and James F. Moriarty is incorporated by reference to Exhibit 10.4 to our Current Report on Form 8-K filed on December 20, 2021, File No.001-11590
- Exhibit 10.30* — Executive Employment Agreement, dated December 16, 2021, by and between Chesapeake Utilities Corporation and Kevin J. Webber is incorporated by reference to Exhibit 10.5 to our Current Report on Form 8-K filed on December 20, 2021, File No. 001-11590
- Exhibit 10.31* — Form of Performance Share Agreement, effective February 23, 2022, for the period 2022 to 2024, pursuant to the Chesapeake Utilities Corporation 2013 Stock and Incentive Compensation Plan by and between Chesapeake Utilities Corporation and each of Jeffry M. Householder, Beth W. Cooper, James F. Moriarty, Kevin J. Webber, and Jeffrey S. Sylvester is incorporated herein by reference to Exhibit 10.34 to our Annual Report on Form 10-K for the year ended December 31, 2021, File No. 001-11590.
- Exhibit 10.32* — Chesapeake Utilities Corporation 2023 Stock and Incentive Compensation Plan as approved by stockholders and effective on May 3, 2023 is incorporated herein by reference to Exhibit 10.1 to our Registration Statement on Form S-8 filed May 3, 2023, File No. 001-11590.
- Exhibit 10.33* — Second Amendment to the Non-Qualified Deferred Compensation Plan, effective October 2, 2023, is filed herewith.

- Exhibit 10.34* Form of Amendment to the Executive Employment Agreement, effective October 2, 2023, for each of Jeffry M. Householder, Beth W. Cooper, James F. Moriarty, Kevin J. Webber and Jeffrey S. Sylvester is filed herewith.
- Exhibit 10.35 Second Amendment to Amended and Restated Credit Agreement, dated August 9, 2023, by and between Chesapeake Utilities Corporation and PNC Bank, National Association, and several other financial institutions is incorporated herein by reference to Exhibit 10.1 of our Quarterly Report on Form 10-Q for the period ended September 30, 2023, File No.001-11590.
- Exhibit 10.36 Commitment Letter for Bridge Facility, dated September 26, 2023, by and between Chesapeake Utilities Corporation and Barclays Bank PLC is incorporated herein by reference to Exhibit 10.2 of our Quarterly Report on Form 10-Q for the period ended September 30, 2023, File No. 001-11590.
- Exhibit 10.37 Third Amendment to Amended and Restated Credit Agreement, dated October 13, 2023, by and between Chesapeake Utilities Corporation and PNC Bank, National Association is incorporated herein by reference to Exhibit 10.3 of our Quarterly Report on Form 10-Q for the period ended September 30, 2023, File No. 001-11590.
- Exhibit 21 Subsidiaries of the Registrant is filed herewith.
- Exhibit 23.1 Consent of Independent Registered Public Accounting Firm is filed herewith.
- Exhibit 31.1 Certificate of Chief Executive Officer of Chesapeake Utilities Corporation pursuant to Exchange Act Rule 13a-14(a) and 15d – 14(a), is filed herewith.
- Exhibit 31.2 Certificate of Chief Financial Officer of Chesapeake Utilities Corporation pursuant to Exchange Act Rule 13a-14(a) and 15d – 14(a), is filed herewith.
- Exhibit 32.1 Certificate of Chief Executive Officer of Chesapeake Utilities Corporation pursuant to 18 U.S.C. Section 1350, is filed herewith.
- Exhibit 32.2 Certificate of Chief Financial Officer of Chesapeake Utilities Corporation pursuant to 18 U.S.C. Section 1350, is filed herewith.
- Exhibit 97 Chesapeake Utilities Corporation Incentive-Based Compensation Clawback Policy effective October 2, 2023, is filed herewith.
- Exhibit 101.INS XBRL Instance Document is filed herewith.
- Exhibit 101.SCH XBRL Taxonomy Extension Schema Document is filed herewith.
- Exhibit 101.CAL XBRL Taxonomy Extension Calculation Linkbase Document is filed herewith.
- Exhibit 101.DEF XBRL Taxonomy Extension Definition Linkbase Document is filed herewith.
- Exhibit 101.LAB XBRL Taxonomy Extension Label Linkbase Document is filed herewith.
- Exhibit 101.PRE XBRL Taxonomy Extension Presentation Linkbase Document is filed herewith.
- Exhibit 104 Cover Page Interactive Data File - formatted in Inline XBRL and contained in Exhibit 101.

* Management contract or compensatory plan or agreement.

† These agreements have not been filed herewith pursuant to Item 601(b)(4)(v) of Regulation S-K under the Securities Act of 1933, as amended. We hereby agree to furnish copies to the SEC upon request.

ITEM 16. FORM 10-K SUMMARY.

None.

SIGNATURES

Pursuant to the requirements of Section 13 or 15 (d) of the Securities Exchange Act of 1934, Chesapeake Utilities Corporation has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

CHESAPEAKE UTILITIES CORPORATION

By: /s/ JEFFRY M. HOUSEHOLDER
Jeffry M. Householder
President, Chief Executive Officer and Director
February 21, 2024

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

/s/ JEFFRY M. HOUSEHOLDER
Jeffry M. Householder
President, Chief Executive Officer and Director
February 21, 2024

/S/ BETH W. COOPER
Beth W. Cooper, Executive Vice President,
Chief Financial Officer, Treasurer
and Assistant Corporate Secretary
(Principal Financial and Accounting Officer)
February 21, 2024

/S/ LISA G. BISACCIA
Lisa G. Bisaccia, Director
February 21, 2024

/S/ LILA A. JABER
Lila A. Jaber, Director
February 21, 2024

/S/ THOMAS J. BRESNAN
Thomas J. Bresnan, Lead Director
February 21, 2024

/S/ PAUL L. MADDOCK, JR.
Paul L. Maddock, Jr., Director
February 21, 2024

/S/ RONALD G. FORSYTHE, JR.
Dr. Ronald G. Forsythe, Jr., Director
February 21, 2024

/S/ SHEREE M. PETRONE
Sheree M. Petrone, Director
February 21, 2024

/S/ STEPHANIE N. GARY
Stephanie N. Gary, Director
February 21, 2024

/S/ THOMAS P. HILL, JR.
Thomas P. Hill, Jr., Director
February 21, 2024

/S/ DENNIS S. HUDSON, III
Dennis S. Hudson, III, Director
February 21, 2024

Chesapeake Utilities Corporation and Subsidiaries
Schedule II
Valuation and Qualifying Accounts

For the Year Ended December 31,	Balance at Beginning of Year	Additions: Charged to Income	Additions: Other Accounts [1]	Deductions [2]	Balance at End of Year
(in thousands)					
Reserve Deducted From Related Assets					
Reserve for Uncollectible Accounts					
2023	$ 2,877	$ 2,340	$ 166	$ (2,684)	$ 2,699
2022	$ 3,141	$ 1,550	$ 172	$ (1,986)	$ 2,877
2021	$ 4,785	$ 134	$ (125)	$ (1,653)	$ 3,141

[1] Recoveries and other allowance adjustments.
[2] Uncollectible accounts charged off.

CORPORATE INFORMATION

CORPORATE OFFICE

Chesapeake Utilities Corporation
500 Energy Lane
Dover, DE 19901

Telephone: 302.734.6799

Website: ***www.chpk.com***

TRANSFER AGENT AND REGISTRAR

Computershare Trust Company, N.A.
c/o Chesapeake Utilities Corporation
P.O. Box 43006
Providence, RI 02940-3078

Toll-Free Telephone
(in US and Canada): 877.498.8865

Outside of US and Canada: 781.575.2879

Website: ***www.computershare.com/investor***

DIVIDEND REINVESTMENT AND DIRECT STOCK PURCHASE PLAN

The Dividend Reinvestment and Direct Stock Purchase Plan provides flexible investment options for those who wish to invest in the Company. Common stock holders can have their dividends automatically reinvested to purchase additional shares directly through the Plan and/or send in additional optional cash investments at any time to increase their holdings. New investors can purchase shares directly through the Plan. For more information, please contact the Company's transfer agent (Computershare) as stated above.

ANALYST INFORMATION

Beth W. Cooper
Executive Vice President, Chief Financial Officer, Treasurer and Assistant Secretary

Telephone: 302.734.6022
bcooper@chpk.com

Michael D. Galtman
Senior Vice President
and Chief Accounting Officer

Telephone: 302.217.7036
mgaltman@chpk.com

COMMON STOCK AND DIVIDEND INFORMATION

CPK
LISTED
NYSE

NYSE: CPK

Chesapeake Utilities Corporation's common stock is traded on the New York Stock Exchange under the symbol **CPK**.

QUARTER ENDED 2023	PRICE RANGE HIGH	LOW	CLOSE	DIVIDENDS DECLARED PER SHARE*
MARCH 31	$ 131.18	$ 113.83	$ 127.99	$ 0.5350
JUNE 30	$ 132.91	$ 117.43	$ 119.00	$ 0.5900
SEPTEMBER 30	$ 124.72	$ 97.45	$ 97.75	$ 0.5900
DECEMBER 31	$ 107.98	$ 83.80	$ 105.63	$ 0.5900

QUARTER ENDED 2022	PRICE RANGE HIGH	LOW	CLOSE	DIVIDENDS DECLARED PER SHARE*
MARCH 31	$ 146.30	$ 125.39	$ 137.76	$ 0.4800
JUNE 30	$ 142.39	$ 117.43	$ 129.55	$ 0.5350
SEPTEMBER 30	$ 138.49	$ 114.49	$ 115.39	$ 0.5350
DECEMBER 31	$ 126.85	$ 105.79	$ 118.18	

** Declaration of dividends is at the discretion of the Board of Directors. Dividends in 2023 and 2022 were paid quarterly*

PUBLIC INFORMATION AND SEC FILINGS

Our latest news and filings with the Securities and Exchange Commission (SEC), including Forms 10-K, 10-Q and 8-K are available to view or request a printed copy, free of charge, at our website, ***www.chpk.com/investors/shareholder-inquiries.***

CHESAPEAKE UTILITIES CORPORATION

500 ENERGY LANE | DOVER, DELAWARE 19901 USA | chpk.com

FLORIDA PUBLIC SERVICE COMMISSION COMPANY: FLORIDA PUBLIC UTILITIES Consolidated Electric Division DOCKET NO.: 20240099-EI	EXPLANATION:	Provide a copy of the most recent Form l0-K annual report to the Securities and Exchange Commission and all Form 10-Q quarterly reports filed subsequent to the filing of the latest 10-k.	Type of Data Shown: Projected Test Year Ended 12/31/2025 Prior Year Ended 12/31/2024 Historical Test Year Ended 12/31/2023 Witness: Galtman

See Attachment F-2a - 10K 2023 Form 10-K and the first quarter filing for 2024. See attachment F-2b -10Q Q1 2024. At this time there have been no subsequent quarterly reports filed.

Supporting Schedules: Recap Schedules:

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-K

(Mark One)

☒ **ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934 For the Fiscal Year Ended: December 31, 2023**

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

Commission File Number: 001-11590

CHESAPEAKE UTILITIES CORPORATION
(Exact name of registrant as specified in its charter)

State of Delaware **(State or other jurisdiction of incorporation or organization)**	**51-0064146** **(I.R.S. Employer Identification No.)**

500 Energy Lane, Dover, Delaware 19901
(Address of principal executive offices, including zip code)

302-734-6799
(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol	Name of each exchange on which registered
Common Stock—par value per share $0 4867	CPK	New York Stock Exchange, Inc

Securities registered pursuant to Section 12(g) of the Act:
None

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act Yes ☒ No ☐

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act Yes ☐ No ☒

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15 (d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§ 232 405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files) Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act

Large accelerated filer	☒	Accelerated filer	☐
Non-accelerated filer	☐	Smaller reporting company	☐
		Emerging growth company	☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act ☐

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U S C 7262(b)) by the registered public accounting firm that prepared or issued its audit report ☒

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements ☐

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive based compensation received by any of the registrant's executive officers during the relevant recovery period pursuant to §240.10D-1(b). ☐

Indicate by a check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act). Yes ☐ No ☒

The aggregate market value of the common shares held by non-affiliates of Chesapeake Utilities Corporation as of June 30, 2023, the last business day of its most recently completed second fiscal quarter, based on the last sale price on that date, as reported by the New York Stock Exchange, was approximately $2.1 billion.

The number of shares of Chesapeake Utilities Corporation's common stock outstanding as of February 16, 2024 was 22,238,384

DOCUMENTS INCORPORATED BY REFERENCE

Portions of the Chesapeake Utilities Corporation Proxy Statement for the 2024 Annual Meeting of Shareholders are incorporated by reference in Part II and Part III hereof.

CHESAPEAKE UTILITIES CORPORATION

FORM 10-K

YEAR ENDED DECEMBER 31, 2023

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GLOSSARY OF DEFINITIONS

ASC: Accounting Standards Codification issued by the FASB

Adjusted Gross Margin: a non-GAAP measure calculated by deducting the purchased cost of natural gas, propane and electricity and the cost of labor spent on direct revenue-producing activities from operating revenues. The costs included in Adjusted Gross Margin exclude depreciation and amortization and certain costs presented in operations and maintenance expenses in accordance with regulatory requirements

Aspire Energy: Aspire Energy of Ohio, LLC, a wholly-owned subsidiary of Chesapeake Utilities

Aspire Energy Express: Aspire Energy Express, LLC, a wholly-owned subsidiary of Chesapeake Utilities

ASU: Accounting Standards Update issued by the FASB

ATM: At-the-market

CDC: U.S. Centers for Disease Control and Prevention

CDD: Cooling Degree-Day

CFG: Central Florida Gas Company, a division of Chesapeake Utilities

Chesapeake or Chesapeake Utilities: Chesapeake Utilities Corporation, its divisions and subsidiaries, as appropriate in the context of the disclosure

CHP: Combined Heat and Power Plant

Company: Chesapeake Utilities Corporation, its divisions and subsidiaries, as appropriate in the context of the disclosure

CNG: Compressed natural gas

Degree-day: Measure of the variation in the weather based on the extent to which the average daily temperature (from 10:00 am to 10:00 am) falls above (CDD) or below (HDD) 65 degrees Fahrenheit

Delmarva Peninsula: A peninsula on the east coast of the U.S. occupied by Delaware and portions of Maryland and Virginia

Diversified Energy: an entity from whom we acquired certain propane operating assets in North Carolina, South Carolina, Virginia, and Pennsylvania

DRIP: Dividend Reinvestment and Direct Stock Purchase Plan

Dt(s): Dekatherm(s), which is a natural gas unit of measurement that includes a standard measure for heating value

Dts/d: Dekatherms per day

Eastern Shore: Eastern Shore Natural Gas Company, a wholly-owned subsidiary of Chesapeake Utilities

Eight Flags: Eight Flags Energy, LLC, a wholly-owned subsidiary of Chesapeake Utilities

Elkton Gas: Elkton Gas Company, a wholly-owned subsidiary of Chesapeake Utilities

ESG: Environmental, Social and Governance

FASB: Financial Accounting Standards Board

FCG or Florida City Gas: Pivotal Utility Holdings, Inc., doing business as Florida City Gas, a wholly-owned subsidiary of Chesapeake Utilities that was acquired from Florida Power & Light Company on November 30, 2023

FERC: Federal Energy Regulatory Commission

FGT: Florida Gas Transmission Company

Florida Natural Gas: Refers to the Company's legacy Florida natural gas distribution operations (excluding FCG) that were consolidated under FPU, for both rate-making and operations purposes

FPSC EXH NO. 8

ADMITTED

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Florida OPC: The Office of Public Counsel, an agency established by the Florida legislature who advocates on behalf of Florida's utility consumers prior to actions or rule changes

FPU: Florida Public Utilities Company, a wholly-owned subsidiary of Chesapeake Utilities

GAAP: Generally Accepted Accounting Principles

GRIP: Gas Reliability Infrastructure Program

Gross Margin: a term under U.S. GAAP which is the excess of sales over costs of goods sold

GUARD: Gas Utility Access and Replacement Directive, a program to enhance the safety, reliability and accessibility of portions of the Company's natural gas distribution system in Florida

Guernsey Power Station: Guernsey Power Station, LLC, a power generation facility in Guernsey County Ohio

Gulfstream: Gulfstream Natural Gas System, LLC, an unaffiliated pipeline network that supplies natural gas to FPU

HDD: Heating Degree-Day

LNG: Liquefied Natural Gas

Marlin Gas Services: Marlin Gas Services, LLC, a wholly-owned subsidiary of Chesapeake Utilities

MetLife: MetLife Investment Advisors, an institutional debt investment management firm, with which we have previously issued Senior Notes and which is a party to the current MetLife Shelf Agreement, as amended

MGP: Manufactured gas plant, which is a site where coal was previously used to manufacture gaseous fuel for industrial, commercial and residential use

MW: Megawatt, which is a unit of measurement for electric power or capacity

NOL: Net operating loss(es)

Peninsula Pipeline: Peninsula Pipeline Company, Inc., a wholly-owned subsidiary of Chesapeake Utilities

Peoples Gas: Peoples Gas System, an Emera Incorporated subsidiary

PHMSA: United States Department of Transportation Pipeline and Hazardous Materials Safety Administration

Prudential: Prudential Investment Management Inc., an institutional investment management firm, with which we have previously issued Senior Notes and which is a party to the current Prudential Shelf Agreement, as amended

PSC: Public Service Commission, which is the state agency that regulates utility rates and/or services in certain of our jurisdictions

Revolver: Our $375.0 million unsecured revolving credit facility with certain lenders

RNG: Renewable natural gas

Sandpiper Energy: Sandpiper Energy, Inc., a wholly-owned subsidiary of Chesapeake Utilities

SAFE: Safety, Access, and Facility Enhancement, a program to enhance the safety, reliability and accessibility of portions of the FCG's natural gas distribution system

SEC: Securities and Exchange Commission

Senior Notes: Our unsecured long-term debt issued primarily to insurance companies on various dates

Sharp: Sharp Energy, Inc., a wholly-owned subsidiary of Chesapeake Utilities

Shelf Agreement: An agreement entered into by Chesapeake Utilities and a counterparty pursuant to which Chesapeake Utilities may request that the counterparty purchase our unsecured senior debt with a fixed interest rate and a maturity date not to exceed 20 years from the date of issuance

Shelf Notes: Unsecured senior promissory notes issuable under the Shelf Agreement executed with various counterparties

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SICP: Stock and Incentive Compensation Plan, which as used herein covers stock-based compensation awards issued under the current 2023 plan and the previous 2013 plan

SOFR: Secured Overnight Financing Rate, a secured interbank overnight interest rate established as an alternative to LIBOR

TCJA: Tax Cuts and Jobs Act enacted on December 22, 2017

TETLP: Texas Eastern Transmission, LP, an interstate pipeline interconnected with Eastern Shore's pipeline

Transco: Transcontinental Gas Pipe Line Company, LLC

U.S.: The United States of America

References in this document to "Chesapeake," "Chesapeake Utilities," the "Company," "we," "us" and "our" mean Chesapeake Utilities Corporation, its divisions and/or its subsidiaries, as appropriate in the context of the disclosure.

Safe Harbor for Forward-Looking Statements

We make statements in this Annual Report on Form 10-K (this "Annual Report") that do not directly or exclusively relate to historical facts. Such statements are "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, Section 21E of the Securities Exchange Act of 1934, as amended, and the Private Securities Litigation Reform Act of 1995. One can typically identify forward-looking statements by the use of forward-looking words, such as "project," "believe," "expect," "anticipate," "intend," "plan," "estimate," "continue," "potential," "forecast" or other similar words, or future or conditional verbs such as "may," "will," "should," "would" or "could." These statements represent our intentions, plans, expectations, assumptions and beliefs about future financial performance, business strategy, projected plans and objectives of the Company. Forward-looking statements speak only as of the date they are made or as of the date indicated and we do not undertake any obligation to update forward-looking statements as a result of new information, future events or otherwise. These statements are subject to many risks and uncertainties. In addition to the risk factors described under *Item 1A, Risk Factors*, the following important factors, among others, could cause actual future results to differ materially from those expressed in the forward-looking statements:

- state and federal legislative and regulatory initiatives that affect cost and investment recovery, have an impact on rate structures, and affect the speed and the degree to which competition enters the electric and natural gas industries;
- the outcomes of regulatory, environmental and legal matters, including whether pending matters are resolved within current estimates and whether the related costs are adequately covered by insurance or recoverable in rates;
- the impact of climate change, including the impact of greenhouse gas emissions or other legislation or regulations intended to address climate change;
- the impact of significant changes to current tax regulations and rates;
- the timing of certification authorizations associated with new capital projects and the ability to construct facilities at or below estimated costs, and within estimated timeframes;
- changes in environmental and other laws and regulations to which we are subject and environmental conditions of property that we now, or may in the future, own or operate;
- possible increased federal, state and local regulation of the safety of our operations;
- the availability and reliability of adequate technology, including our ability to adapt to technological advances, effectively implement new technologies and manage the related costs;
- the inherent hazards and risks involved in transporting and distributing natural gas, electricity and propane;
- the economy in our service territories or markets, the nation, and worldwide, including the impact of economic conditions (which we do not control) on demand for natural gas, electricity, propane or other fuels;
- risks related to cyber-attacks or cyber-terrorism that could disrupt our business operations or result in failure of information technology systems or result in the loss or exposure of confidential or sensitive customer, employee or Company information;
- issues relating to the responsible use of our technologies, including artificial intelligence;
- adverse weather conditions, including the effects of hurricanes, ice storms and other damaging weather events;
- customers' preferred energy sources;
- industrial, commercial and residential growth or contraction in our markets or service territories;
- the effect of competition on our businesses from other energy suppliers and alternative forms of energy;
- the timing and extent of changes in commodity prices and interest rates;
- the effect of spot, forward and future market prices on our various energy businesses;
- the extent of our success in connecting natural gas and electric supplies to our transmission systems, establishing and maintaining key supply sources, and expanding natural gas and electric markets;
- the creditworthiness of counterparties with which we are engaged in transactions;
- the capital-intensive nature of our regulated energy businesses;
- our ability to access the credit and capital markets to execute our business strategy, including our ability to obtain financing on favorable terms, which can be affected by various factors, including credit ratings and general economic conditions;
- the ability to successfully execute, manage and integrate a merger, acquisition or divestiture of assets or businesses and the related regulatory or other conditions associated with the merger, acquisition or divestiture;
- the impact on our costs and funding obligations, under our pension and other post-retirement benefit plans, of potential downturns in the financial markets, lower discount rates, and costs associated with health care legislation and regulation;
- the ability to continue to hire, train and retain appropriately qualified personnel;

- the availability of, and competition for, qualified personnel supporting our natural gas, electricity and propane businesses;
- the effect of accounting pronouncements issued periodically by accounting standard-setting bodies; and
- the impacts associated with a pandemic, including the duration and scope of the pandemic, the corresponding impact on our supply chains, our personnel, our contract counterparties, general economic conditions and growth, the financial markets and any costs to comply with governmental mandates.

Corporate Overview and Strategy

Chesapeake Utilities Corporation is a Delaware corporation formed in 1947 with operations primarily in the Mid-Atlantic region, North Carolina, South Carolina, Florida and Ohio. We are an energy delivery company engaged in the distribution of natural gas, electricity and propane, the transmission of natural gas, the generation of electricity and steam, and in providing related services to our customers. Our strategy is focused on growing earnings from a stable regulated energy delivery foundation and investing in related businesses and services that provide opportunities for returns greater than traditional utility returns. We seek to identify and develop opportunities across the energy value chain, with emphasis on midstream and downstream investments that are accretive to earnings per share, consistent with our long-term growth strategy and create opportunities to continue our record of higher-than-authorized regulated returns. The Company's growth strategy includes the continued investment and expansion of the Company's regulated operations that provide a stable base of earnings, as well as investments in other related non-regulated businesses and services including sustainable investments, such as renewable natural gas. By investing in these related businesses and services, the Company creates opportunities to sustain its track record of higher returns, as compared to a traditional utility.

Currently, the Company's growth strategy is focused on the following platforms, including:

- Optimizing the earnings growth in our existing businesses, which includes organic growth, strategic and complimentary acquisitions, territory expansions, and new products and services as well as increased opportunities to transform the Company with a focus on people, process, technology and organizational structure.
- Identification and pursuit of additional pipeline expansions, including new interstate and intrastate transmission projects.
- Growth of Marlin Gas Services' CNG transport business and expansion into LNG and RNG transport services as well as methane capture.
- Identifying and undertaking additional strategic propane acquisitions that provide a larger foundation in current markets and expand our brand and presence into new strategic growth markets.
- Pursuit of growth opportunities that enable us to utilize our integrated set of energy delivery businesses to participate in sustainable energy investments.

Operating Segments

We conduct operations within two reportable segments: Regulated Energy and Unregulated Energy. The remainder of our operations is presented as "Other businesses and eliminations." These segments are described below in detail.

Regulated Energy

Overview

Our regulated energy businesses are comprised of natural gas and electric distribution, as well as natural gas transmission services.

On November 30, 2023, we completed the acquisition of FCG for $923.4 million in cash, including working capital adjustments as defined in the agreement, pursuant to the previously disclosed stock purchase agreement with Florida Power & Light Company. Upon completion of the acquisition, FCG became a wholly-owned subsidiary of the Company and is included within our Regulated Energy segment. FCG serves approximately 120,000 residential and commercial natural gas customers across eight counties in Florida, including Miami-Dade, Broward, Brevard, Palm Beach, Hendry, Martin, St. Lucie and Indian River. Its natural gas system includes approximately 3,800 miles of distribution main and 80 miles of transmission pipe. Results for FCG are included within our consolidated results from the acquisition date.

The following table presents net income for the year ended December 31, 2023 and total assets as of December 31, 2023, by operation and area served:

Operations	Areas Served	Net Income (Loss)	Total Assets
(in thousands)			
Natural Gas Distribution			
Delmarva Natural Gas [1]	Delaware/Maryland	$ 9,256	$ 407,089
Florida Natural Gas [2]	Florida	23,840	545,952
Florida City Gas [3]	Florida	(3,256)	1,010,998
Natural Gas Transmission			
Eastern Shore	Delaware/Maryland/ Pennsylvania	23,284	480,147
Peninsula Pipeline	Florida	12,195	154,301
Aspire Energy Express	Ohio	417	6,746
Electric Distribution			
FPU	Florida	3,727	176,348
Total Regulated Energy		$ 69,463	$ 2,781,581

[1] Delmarva Natural Gas consists of Delaware division, Maryland division, Sandpiper Energy and Elkton Gas
[2] In accordance with the Florida PSC approval of our natural gas base rate proceeding, effective March 1, 2023, our natural gas distribution business in Florida (FPU, FPU-Indiantown division, FPU-Fort Meade division and Chesapeake Utilities' CFG division) have been consolidated and amounts are now being presented on a consolidated basis consistent with the final rate order
[3] FCG net income (loss) includes results from the acquisition date, including transaction-related expenses attributable to the acquisition. For additional information on FCG's results, see discussion under *Item 7, Management's Discussion and Analysis of Financial Condition and Results of Operations*

Revenues in the Regulated Energy segment are based on rates regulated by the PSC in the states in which we operate or, in the case of Eastern Shore, which is an interstate business, by the FERC. The rates are designed to generate revenues to recover all prudent operating and financing costs and provide a reasonable return for our stockholders. Each of our distribution and transmission operations has a rate base, which generally consists of the original cost of the operation's plant (less accumulated depreciation), working capital and other assets. For Delmarva Natural Gas and Eastern Shore, rate base also includes deferred income tax liabilities and other additions or deductions. The Florida Natural Gas regulated energy operations do not include deferred income tax liabilities in their rate base.

Our natural gas and electric distribution operations bill customers at standard rates approved by their respective state PSC. Each state PSC allows us to negotiate rates, based on approved methodologies, for large customers that can switch to other fuels. Some of our customers in Maryland receive propane through underground distribution systems in Worcester County. We bill these customers under PSC-approved rates and include them in the natural gas distribution results and customer statistics.

Our natural gas and electric distribution operations earn profits on the delivery of natural gas or electricity to customers. The cost of natural gas or electricity that we deliver is passed through to customers under PSC-approved fuel cost recovery mechanisms. The mechanisms allow us to adjust our rates on an ongoing basis without filing a rate case to recover changes in the cost of the natural gas and electricity that we purchase for customers. Therefore, while our distribution operating revenues fluctuate with the cost of natural gas or electricity we purchase, our distribution adjusted gross margin is generally not impacted by fluctuations in the cost of natural gas or electricity.

Our natural gas transmission operations bill customers under rate schedules approved by the FERC or at rates negotiated with customers.

Operational Highlights

The following table presents operating revenues, volumes and the average number of customers by customer class for our natural gas and electric distribution operations for the year ended December 31, 2023:

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	Delmarva Natural Gas Distribution		Florida Natural Gas Distribution (1)		Florida City Gas Distribution (2)		Electric Distribution	
***Operating Revenues** (in thousands)*								
Residential	$ 87,709	62 %	$ 50,792	30 %	$ 5,042	42 %	$ 49,542	50 %
Commercial and Industrial	54,261	38 %	108,913	65 %	5,872	49 %	52,047	52 %
Other (3)	(997)	<(1)%	8,655	5 %	1,159	9 %	(2,115)	(2)%
Total Operating Revenues	$ 140,973	100 %	$ 168,360	100 %	$ 12,073	100 %	$ 99,474	100 %
***Volumes** (in Dts for natural gas/MW Hours for electric)*								
Residential	4,389,934	29 %	2,081,045	5 %	157,884	10 %	300,118	44 %
Commercial and Industrial	10,230,662	69 %	41,498,921	94 %	940,028	57 %	384,306	56 %
Other	293,186	2 %	627,934	1 %	549,132	33 %	—	— %
Total Volumes	14,913,782	100 %	44,207,900	100 %	1,647,044	00 %	684,424	100 %
Average Number of Customers (4)								
Residential	97,666	92 %	88,384	91 %	112,585	93%	25,719	78 %
Commercial and Industrial	8,246	8 %	8,415	9 %	8,587	7%	7,372	22 %
Other	23	<1%	6	<1%	6	<1%	—	— %
Total Average Number of Customers	105,935	100 %	96,805	100 %	121,178	100 %	33,091	100 %

(1) In accordance with the Florida PSC approval of our natural gas base rate proceeding, effective March 1, 2023, our natural gas distribution business in Florida (FPU, FPU-Indiantown division, FPU-Fort Meade division and Chesapeake Utilities' CFG division) have been consolidated and amounts are now being presented on a consolidated basis consistent with the final rate order

(2) Operating revenues and volumes for FCG include amounts from the acquisition date Customer totals for FCG reflect actual amounts at December 31, 2023 since the period from the acquisition covered only one month. For additional information on FCG's results, see discussion under *Item 7, Management's Discussion and Analysis of Financial Condition and Results of Operations*

(3) Operating Revenues from "Other" sources include revenue, unbilled revenue, under (over) recoveries of fuel cost, conservation revenue, other miscellaneous charges, fees for billing services provided to third parties, and adjustments for pass-through taxes

(4) Average number of customers is based on the twelve-month average for the year ended December 31, 2023

The following table presents operating revenues, by customer type, for Eastern Shore and Peninsula Pipeline for the year ended December 31, 2023, as well as contracted firm transportation capacity by customer type, and design day capacity at December 31, 2023. Aspire Energy Express has been excluded from the table below and had operating revenue of $1.5 million and firm transportation capacity of 300,000 Dts/d for the year ended December 31, 2023:

	Eastern Shore		Peninsula Pipeline	
***Operating Revenues** (in thousands)*				
Local distribution companies - affiliated (1)	$ 34,050	43 %	$ 24,324	80 %
Local distribution companies - non-affiliated	22,163	28 %	2,449	8 %
Commercial and industrial - affiliated	—	— %	1,651	5 %
Commercial and industrial - non-affiliated	23,439	29 %	534	2 %
Other (2)	271	<1%	1,442	5 %
Total Operating Revenues	$ 79,923	100 %	$ 30,400	100 %
***Contracted firm transportation capacity** (in Dts/d)*				
Local distribution companies - affiliated	160,595	51 %	351,976	39 %
Local distribution companies - non-affiliated	56,576	18 %	534,825	59 %
Commercial and industrial - affiliated	—	— %	8,300	1 %
Commercial and industrial - non-affiliated	98,540	31 %	5,100	1 %
Total Contracted firm transportation capacity	315,711	100 %	900,201	100 %
***Design day capacity** (in Dts/d)*	315,711	100 %	900,201	100 %

(1) Eastern Shore's and Peninsula Pipeline's service to our local distribution affiliates is based on the respective regulator's approved rates and is an integral component of the cost associated with providing natural gas supplies to the end users of those affiliates We eliminate operating revenues of these entities against the natural gas costs of those affiliates in our consolidated financial information, however, our local distribution affiliates include this amount in their purchased fuel cost and recover it through fuel cost recovery mechanisms

(2) Operating revenues from "Other" sources are from the rental of gas properties

Regulatory Overview

The following table highlights key regulatory information for each of our principal Regulated Energy operations. Peninsula Pipeline and Aspire Energy Express are not regulated with regard to cost of service by either the Florida PSC or Ohio PUC respectively, or the FERC and are therefore excluded from the table. See Item 8, *Financial Statements and Supplementary Data* (Note 18, *Rates and Other Regulatory Activities,* in the consolidated financial statements) for further discussion on the impact of this legislation on our regulated businesses.

	Natural Gas Distribution							
	Delmarva				Florida		Electric Distribution	Natural Gas Transmission
Operation/Division	**Delaware**	**Maryland** [1]	**Sandpiper** [1]	**Elkton Gas** [1] [2]	**Florida Natural Gas**	**Florida City Gas**	**FPU**	**Eastern Shore**
Regulatory Agency	Delaware PSC	Maryland PSC			Florida PSC			FERC
Effective date - Last Rate Order	01/01/2017	12/1/2007	12/01/2019	02/07/2019	3/1/23	6/9/23	10/8/2020	08/01/2017
Rate Base (in Rates) (in Millions)	Not stated	Not stated	Not stated	Not stated	$453.7	$487.3	$24.9	Not stated
Annual Rate Increase Approved (in Millions)	$2.3	$0.6	N/A[3]	$0.1	$17.2	$14.1	$3.4 base rate and $7.7 from storm surcharge	$9.8
Capital Structure (in rates) [4]	Not stated	LTD: 42% STD: 5% Equity: 53%	Not stated	LTD: 50% Equity: 50%	LTD: 33% STD: 5% Equity: 45% Other: 17%	LTD: 31% STD: 4% Equity: 53% Other: 12%	LTD: 22% STD: 23% Equity: 55%	Not stated
Allowed Return on Equity [5]	9.75%	10.75%	Not stated [6]	9.80%	10.25%	9.50%	10.25% [7]	Not stated
TJCA Refund Status associated with customer rates	Refunded	Refunded	Refunded	N/A	Retained	Refunded	Refunded	Refunded

[1] In January 2024, our natural gas distribution businesses in Maryland, CUC-Maryland Division, Sandpiper Energy, Inc., and Elkton Gas Company (collectively, "Maryland natural gas distribution businesses") filed a joint application for a natural gas rate case with the Maryland PSC. The outcome of the application is subject to review and approval by the Maryland PSC.

[2] The rate increase and allowed return on equity for Elkton Gas were approved by the Maryland PSC before we acquired the company.

[3] The Maryland PSC approved a declining return on equity.

[4] Other components of capital structure include customer deposits, deferred income taxes and tax credits.

[5] Allowed after-tax return on equity.

[6] The terms of the agreement include revenue neutral rates for the first year (December 1, 2016 through November 30, 2017), followed by a schedule of rate reductions in subsequent years based upon the projected rate of propane to natural gas conversions.

[7] The terms of the settlement agreement for the FPU electric division limited proceeding with the Florida PSC prescribed an authorized return on equity range of 9.25 to 11.25 percent, with a mid-point of 10.25 percent.

* LTD-Long-term debt, STD-Short-term debt

In May 2022, our legacy natural gas distribution businesses filed a consolidated natural gas rate case with the Florida PSC. The application included a request for the following: (i) permanent rate relief of approximately $24.1 million, effective January 1, 2023; (ii) a depreciation study also submitted with the filing; (iii) authorization to make certain changes to tariffs to include the consolidation of rates and rate structure across the businesses and to unify the Florida natural gas distribution businesses under FPU; (iv) authorization to retain the acquisition adjustment recorded at the time of the FPU merger in our revenue requirement; and (v) authorization to establish an environmental remediation surcharge for the purposes of addressing future expected remediation costs for FPU MGP sites. In August 2022, interim rates were approved by the Florida PSC in the amount of approximately $7.7 million on an annualized basis, effective for all meter readings in September 2022. The discovery process and subsequent hearings were concluded during the fourth quarter of 2022 and briefs were submitted in the same quarter of 2022. In January 2023, the Florida PSC approved the application for consolidation and permanent rate relief of approximately $17.2 million on an annual basis. Actual rates in connection with the rate relief were approved by the Florida PSC in February 2023 with an effective date of March 1, 2023.

In May 2022, FCG filed a general base rate increase with the Florida PSC based on a projected 2023 test year. In June 2023, the Florida PSC issued an order approving a single total base revenue increase of $23.3 million (which included an incremental increase of $14.1 million, a previously approved increase of $3.8 million for a liquefied natural gas facility, and $5.3 million to transfer the SAFE investments from a rider clause to base rates), with new rates becoming effective as of May 1, 2023. The Commission also approved FCG's proposed reserve surplus amortization mechanism ("RSAM") with a $25.0 million reserve amount, continuation and expansion of the capital SAFE program, implementation of an automated metering infrastructure pilot, and continuation of the storm damage reserve with a target reserve of $0.8 million. On June 23, 2023, the Florida OPC filed a motion for reconsideration of the PSC's approval of RSAM, which was denied on September 12, 2023. On July 7, 2023, the Florida OPC filed a notice of appeal with the Florida Supreme Court, which is pending.

The following table presents surcharge and other mechanisms that have been approved by the respective PSC for our regulated energy distribution businesses. These include: Delaware surcharges to expand natural gas service in its service territory as well as for the conversion of propane distribution systems to natural gas; Maryland's surcharges to fund natural gas conversions and system improvements in Worcester County; Elkton's Strategic Infrastructure Development and Enhanced (STRIDE) plan for accelerated pipeline replacement for older portions of the natural gas distribution system; Florida's GRIP surcharge which provides accelerated recovery of the costs of replacing older portions of the natural gas distribution system to improve safety and reliability; FCG's SAFE surcharge which provides accelerated recovery of the costs of replacing older portions of that natural gas distribution system to improve safety and reliability; and the Florida electric distribution operation's limited proceeding which allowed recovery of storm-related costs.

Operation(s)/Division(s)	Jurisdiction	Infrastructure mechanism	Revenue normalization
Delaware division	Delaware	Yes	No
Maryland division	Maryland	No	Yes
Sandpiper Energy	Maryland	Yes	Yes
Elkton Gas	Maryland	Yes	Yes
Florida Natural Gas	Florida	Yes	No
Florida City Gas [(1)]	Florida	Yes	No
FPU electric division	Florida	Yes	No

[(1)] See Item 8, *Financial Statements and Supplementary Data*, Note 18, *Rates and Other Regulatory Activities*, for additional information related to FCG's RSAM that was approved as part of its rate case effective as of May 1, 2023

Weather

Weather variations directly influence the volume of natural gas and electricity sold and delivered to residential and commercial customers for heating and cooling and changes in volumes delivered impact the revenue generated from these customers. Natural gas volumes are highest during the winter months, when residential and commercial customers use more natural gas for heating. Demand for electricity is highest during the summer months, when more electricity is used for cooling. We measure the relative impact of weather using degree-days. A degree-day is the measure of the variation in the weather based on the extent to which the average daily temperature falls above or below 65 degrees Fahrenheit. Each degree of temperature below 65 degrees Fahrenheit is counted as one heating degree-day, and each degree of temperature above 65 degrees Fahrenheit is counted as one cooling degree-day. Normal heating and cooling degree-days are based on the most recent 10-year average.

<u>*Competition*</u>

Natural Gas Distribution

While our natural gas distribution operations do not compete directly with other distributors of natural gas for residential and commercial customers in our service areas, we do compete with other natural gas suppliers and alternative fuel providers for sales to industrial customers. Large customers could bypass our natural gas distribution systems and connect directly to intrastate or interstate transmission pipelines, and we compete in all aspects of our natural gas business with alternative energy sources, including electricity, oil, propane and renewables. The most effective means to compete against alternative fuels are lower prices, superior reliability and flexibility of service. Natural gas historically has maintained a price advantage in the residential, commercial and industrial markets, and reliability of natural gas supply and service has been excellent. In addition, we provide flexible pricing to our large customers to minimize fuel switching and protect these volumes and their contributions to the profitability of our natural gas distribution operations.

Natural Gas Transmission

Our natural gas transmission business competes with other interstate and intrastate pipeline companies to provide service to large industrial, generation and distribution customers, primarily in the northern portion of the Delmarva Peninsula and in Florida. Our transmission business in Ohio, Aspire Energy Express, services one customer, Guernsey Power Station, to which it is the sole supplier.

Electric Distribution

While our electric distribution operations do not compete directly with other distributors of electricity for residential and commercial customers in our service areas, we do compete with other electricity suppliers and alternative fuel providers for sales to industrial customers. Some of our large industrial customers may be capable of generating their own electricity, and we structure rates, service offerings and flexibility to retain these customers in order to retain their business and contributions to the profitability of our electric distribution operations.

<u>*Supplies, Transmission and Storage*</u>

Natural Gas Distribution

Our natural gas distribution operations purchase natural gas from marketers and producers and maintain contracts for transportation and storage with several interstate pipeline companies to meet projected customer demand requirements. We believe that our supply and capacity strategy will adequately meet our customers' needs over the next several years and we will continue to adapt our supply strategy to meet projected growth in customer demand within our service territories.

The Delmarva natural gas distribution systems are directly connected to Eastern Shore's pipeline, which has connections to other pipelines that provide us with transportation and storage. These operations can also use propane-air and liquefied natural gas peak-shaving equipment to serve customers. Our Delmarva Peninsula natural gas distribution operations maintain asset management agreements with a third party to manage their natural gas transportation and storage capacity. The current agreements were effective as of April 1, 2023 and expire in March 2026. Our Delmarva operations receive a fee, which we share with our customers, from the asset manager, who optimizes the transportation, storage and natural gas supply for these operations.

Our Florida Natural Gas distribution business uses Peninsula Pipeline and Peoples Gas to transport natural gas where there is no direct connection with FGT. FPU natural gas distribution and Eight Flags entered into separate 10-year asset management agreements with Emera Energy Services, Inc. to manage their natural gas transportation capacity, each of which expires in November 2030. An agreement with Florida Southeast Connection LLC for additional service to Palm Beach County is also in place for an initial term through December 2044. FCG utilizes FGT and Peninsula Pipeline to transport natural gas.

A summary of our pipeline capacity contracts follows:

Division	Pipeline	Maximum Daily Firm Transportation Capacity (Dts)	Contract Expiration Date
Delmarva Natural Gas Distribution	Eastern Shore	160,595	2024-2035
	Columbia Gas [1]	5,246	2024-2026
	Transco [1]	30,419	2024-2028
	TETLP [1]	50,000	2027
Florida Natural Gas	Gulfstream [2]	10,000	2032
	FGT	47,409 - 78,817	2025-2041
	Peninsula Pipeline	346,200	2033-2048
	Peoples Gas	12,160	2024
	Florida Southeast Connection LLC	5,000	2044
	Southern Natural Gas Company	1,500	2029
Florida City Gas	FGT	32,235 - 68,955	2030
	Peninsula Pipeline	15,000	2033 - 2043

[1] Transco, Columbia Gas and TETLP are interstate pipelines interconnected with Eastern Shore's pipeline
[2] Pursuant to a capacity release program approved by the Florida PSC, all of the capacity under this agreement has been released to various third parties Under the terms of these capacity release agreements, Chesapeake Utilities is contingently liable to Gulfstream should any party, that acquired the capacity through release, fail to pay the capacity charge

Eastern Shore has three agreements with Transco for a total of 7,292 Dts/d of firm daily storage injection and withdrawal entitlements and total storage capacity of 288,003 Dts. These agreements expire in March 2028. Eastern Shore retains these firm storage services in order to provide swing transportation service and firm storage service to customers requesting such services.

Aspire Energy Express, our Ohio intrastate pipeline subsidiary, entered into a precedent agreement to provide natural gas transportation capacity to Guernsey Power Station, who completed construction of its power generation facility in Guernsey County, Ohio in January 2023. Aspire Energy Express completed construction of the gas transmission facilities in the fourth quarter of 2021 and began billing for transportation services in the first quarter of 2022.

Electric Distribution

Our Florida electric distribution operation purchases wholesale electricity under the power supply contracts summarized below:

Area Served by Contract	Counterparty	Contracted Amount (MW)	Contract Expiration Date
Northwest Florida	Gulf Power Company	Full Requirement*	2026
Northeast Florida	Florida Power & Light Company	Full Requirement*	2026
Northeast Florida	Eight Flags	21	2036
Northeast Florida	Rayonier	1.7 to 3.0	2036
Northeast Florida	WestRock Company	As-available	N/A

*The counter party is obligated to provide us with the electricity to meet our customers' demand, which may vary

Unregulated Energy

Overview

The following table presents net income for the year ended December 31, 2023 and total assets as of December 31, 2023, for our Unregulated Energy segment by operation and area served:

Operations *(in thousands)*	Area Served	Net Income (Loss)	Total Assets
Propane Operations (Sharp, Diversified Energy, FPU and Flo-gas)	Delaware, Maryland, Virginia, Pennsylvania, North Carolina, South Carolina, Florida	$ 13,587	$ 191,164
Energy Transmission (Aspire Energy)	Ohio	3,080	145,183
Energy Generation (Eight Flags)	Florida	2,235	37,805
Marlin Gas Services	The Entire U.S.	432	54,256
Sustainable investments and other [1]	Various	(1,697)	48,994
Total		$ 17,637	$ 477,402

[1] Includes our renewable natural gas projects that are in various stages of development

Propane Operations

Our propane operations sell propane to residential, commercial industrial, wholesale and AutoGas customers, in the Mid-Atlantic region, North Carolina, South Carolina and Florida, through Sharp Energy, Inc., Sharpgas, Inc., Diversified Energy, FPU and Flo-gas. We deliver to and bill our propane customers based on two primary customer types: bulk delivery customers and metered customers. Bulk delivery customers receive deliveries into tanks at their location. We invoice and record revenues for these customers at the time of delivery. Metered customers are either part of an underground propane distribution system or have a meter installed on the tank at their location. We invoice and recognize revenue for these customers based on their consumption as dictated by scheduled meter reads. As a member of AutoGas Alliance, we install and support propane vehicle conversion systems for vehicle fleets and provide on-site fueling infrastructure.

Propane Operations - Operational Highlights

For the year ended December 31, 2023, operating revenues, volumes sold and average number of customers by customer class for our propane operations were as follows:

	Operating Revenues (in thousands)		Volumes (in thousands of gallons)		Average Number of Customers [1]	
Residential bulk	$ 46,913	30 %	15,187	21 %	59,483	70 %
Residential metered	13,931	9 %	4,457	6 %	17,387	21 %
Commercial bulk	37,541	24 %	21,242	30 %	7,703	9 %
Commercial metered	1,809	%	574	1 %	202	<1%
Wholesale	25,073	16 %	24,876	35 %	35	<1%
AutoGas	7,045	5 %	4,949	7 %	76	<1%
Other [2]	22,436	15 %	—	— %	—	— %
Total	$ 154,748	100 %	71,285	100 %	84,886	100 %

[1] Average number of customers is based on a twelve-month average for the year ended December 31, 2023 Excludes customers from the propane acquisition that closed in December 2023 See Note 4 under *Item 8, Financial Statements and Supplementary Data*, for additional information on this acquisition
[2] Operating revenues from "Other" sources include revenues from customer loyalty programs, delivery, service and appliance fees, and unbilled revenues

Competition

Our propane operations compete with national and local independent companies primarily on the basis of price and service. Propane is generally a cheaper fuel for home heating than oil and electricity but more expensive than natural gas. Our propane operations are largely concentrated in areas that are not currently served by natural gas distribution systems.

Supplies, Transportation and Storage

We purchase propane from major oil companies and independent natural gas liquids producers. Propane is transported by truck and rail to our bulk storage facilities in Pennsylvania, Delaware, Maryland. Virginia, North Carolina, South Carolina and Florida which have a total storage capacity of 8.9 million gallons. Deliveries are made from these facilities by truck to tanks located on customers' premises or to central storage tanks that feed our underground propane distribution systems. While propane supply has traditionally been adequate, significant fluctuations in weather, closing of refineries and disruption in supply chains, could cause temporary reductions in available supplies.

Weather

Propane revenues are affected by seasonal variations in temperature and weather conditions, which directly influence the volume of propane used by our customers. Our propane revenues are typically highest during the winter months when propane is used for heating. Sustained warmer-than-normal temperatures will tend to reduce propane use, while sustained colder-than-normal temperatures will tend to increase consumption.

Unregulated Energy Transmission and Supply (Aspire Energy)

Aspire Energy owns approximately 2,800 miles of natural gas pipeline systems in 40 counties in Ohio. The majority of Aspire Energy's revenues are derived from long-term supply agreements with Columbia Gas of Ohio and Consumers Gas Cooperative ("CGC"), which together serve more than 22,000 end-use customers. Aspire Energy purchases natural gas to serve these customers from conventional producers in the Marcellus and Utica natural gas production areas. In October 2021, Aspire Energy completed construction of its Noble Road Landfill RNG pipeline project, which began transporting RNG generated from the landfill to Aspire Energy's pipeline system in January of 2022, displacing conventionally produced natural gas. In 2023, the RNG volumes represented approximately 10 percent of Aspire Energy's gas gathering volumes and are anticipated to continue at such rate in 2024 and beyond. In addition, Aspire Energy earns revenue by gathering and processing natural gas for customers.

For the twelve-month period ended December 31, 2023, Aspire Energy's operating revenues and deliveries by customer type were as follows:

	Operating revenues		Deliveries	
	(in thousands)	% of Total	*(in thousands Dts)*	% of Total
Supply to Columbia Gas of Ohio	$ 11,694	32 %	2,351	31 %
Supply to CGC	16,844	45 %	2,025	27 %
Supply to Marketers	6,287	17 %	3,141	41 %
Other (including natural gas gathering and processing)	2,314	6 %	64	1 %
Total	$ 37,139	100 %	7,581	100 %

Energy Generation (Eight Flags)

Eight Flags generates electricity and steam at its CHP plant located on Amelia Island. Florida. The plant is powered by natural gas transported by Peninsula Pipeline and our Florida Natural Gas distribution business and produces approximately 21 MW of electricity and 75,000 pounds per hour of steam. Eight Flags sells the electricity generated from the plant to our Florida electric distribution operation and sells the steam to the customer who owns the site on which the plant is located. both under separate 20-year contracts.

Marlin Gas Services

Marlin Gas Services is a supplier of mobile CNG and virtual pipeline solutions, primarily to utilities and pipelines. Marlin Gas Services provides temporary hold services, pipeline integrity services, emergency services for damaged pipelines and specialized gas services for customers who have unique requirements. These services are provided by a highly trained staff of drivers and maintenance technicians who safely perform these functions throughout the United States. Marlin Gas Services maintains a fleet of CNG trailers, mobile compression equipment. LNG tankers and vaporizers, and an internally developed

patented regulator system which allows for delivery of over 7,000 Dts/d of natural gas. Marlin Gas Services continues to actively expand the territories it serves, as well as leveraging its fleet of equipment and patented technologies to serve LNG and RNG market needs.

Sustainable Investments

Our sustainable investments are comprised primarily of our renewable natural gas projects that are in various stages of development. Included in these are the assets and intellectual property of Planet Found that we acquired during the fourth quarter of 2022, whose farm scale anaerobic digestion pilot system and technology produces biogas from poultry litter. In addition, we are constructing a dairy manure RNG facility that we will own and operate at Full Circle Dairy in Madison County, Florida. The project consists of a facility converting dairy manure to RNG and transportation assets to bring the gas to market. with capital expenditures totaling $19.3 million through December 31, 2023. The first injection of RNG is projected to occur in the first half of 2024.

Environmental Matters

See *Item 8, Financial Statements and Supplementary Data* (see Note 19, *Environmental Commitments and Contingencies,* in the consolidated financial statements).

Human Capital Initiatives

Our success is the direct result of our employees and our strong culture that fully engages our team and promotes equity, diversity, inclusion, integrity, accountability and reliability. We believe that a combination of diverse team members and an inclusive culture contributes to the success of our Company and to enhanced societal advancement. Each employee is a valued member of our team bringing a diverse perspective to help grow our business and achieve our goals.

Our tradition of serving employees, customers, investors, partners and communities is at the core of our special culture. Our unique culture is grounded in a solid foundation of regulated businesses, but enhanced by an entrepreneurial, innovative and competitive market mindset. Among the ongoing initiatives across our enterprise, we highlight below the importance of our team, our culture of safety, and our commitment to supporting a more sustainable future.

Our Team Drives Our Performance

Our employees are the key to our success. Our leadership and human resources teams are responsible for attracting and retaining top talent and as an equal opportunity employer committed to creating a diverse workforce, we consider all qualified applicants without regard to race, religion, color, sex, national origin. age, sexual orientation, gender identity, disability or veteran status, among other factors. Our senior management team includes a Chief Human Resources Officer, with expertise in diverse candidate recruitment, to ensure that we continue to expand our candidate pools to better reflect the diverse demographics of the communities we serve.

Throughout our organization, we seek to promote from within. reviewing strategic positions regularly and identifying potential internal candidates to fill those positions, evaluating critical job skill sets to identify competency gaps and creating developmental plans to facilitate employee professional growth. We provide training and development programs, including many forms of training on our internal learning platform, as well as tuition reimbursement to promote continued professional growth.

Subsequent to the acquisition of FCG, we had a total of 1.281 employees at December 31, 2023, 196 of whom are union employees represented by two labor unions: the International Brotherhood of Electrical Workers ("IBEW") and the United Food and Commercial Workers Union. The collective bargaining agreements covering our legacy employees with these labor unions expire in 2025. Negotiations began in January 2024 with IBEW for those union employees that joined our Company as part of our acquisition of FCG. We consider our relationships with employees, including those covered by collective bargaining agreements, to be in good standing. We provide a competitive Total Rewards package for our employees including health insurance coverage, wellness initiatives, retirement savings benefits, paid time off. employee assistance programs, educational and tuition reimbursement. competitive pay, career growth opportunities, paid volunteer time, and a culture of recognition.

We listen to our employees and actively seek their input and feedback. Many of the initiatives we have in place are driven by feedback from our employees during an annual survey process or through regular employee engagement. We have also been purposeful in wanting to provide adequate recognition of our employees and their many efforts. Our internal recognition platform was unveiled in 2023 and enables employees to be recognized in real-time for their contributions. Our employees are the backbone of our continued growth and success.

We have an established an equity, diversity and inclusion ("EDI") Council which recommends and promotes our EDI strategy, advises our employee resource groups ("ERGs") and works with our operating units and support teams on EDI initiatives. The EDI Council's charter includes the following objectives:

- Build a more diverse and inclusive workforce
- Promote a culture of understanding, equality and inclusion
- Educate employees about the benefits of diversity at Chesapeake Utilities
- Support community programs and organizations that are diverse and inclusive
- Provide guidance on EDI matters for the Company

The EDI Council includes members of our leadership team, the chairs of each of our ERGs and other individuals in key support roles. The CEO receives a regular report on the achievements of the EDI Council, strategic direction of initiatives, resource needs and issues that require policy decisions or other actions.

Our first ERG was established in 2019, and as of December 31, 2023, there were ten active ERGs meeting throughout the Company. ERGs are voluntary, employee-led groups that focus on shared identities, affinities and experiences and seek to apply those perspectives to initiatives that create value throughout the Company. The ERGs support their members' personal growth and professional development, and help develop learning programs and community service opportunities throughout the Company. ERGs also help foster a sense of belonging by creating a deep and intentional community that extends beyond an employee's day-to-day team and colleagues into a companywide network.

Workplace Health and Safety

We believe that there is nothing more important than the safety of our team, our customers and our communities. We are committed to ensuring safety is at the center of our culture and the way we do business. The importance of safety is exhibited throughout the entire organization, with the direction and tone set by both the Board of Directors and our President and CEO, and evidenced through required attendance at monthly safety meetings, routine safety training and the inclusion of safety moments at key team meetings. Additionally, we remain committed to providing products and services to our customers in a safe and reliable manner.

To maintain safety as a priority, our employees remain committed and work together to ensure that our plans, programs, policies and behaviors are aligned with our aspirations as a Company. The achievement of superior safety performance is both an important short-term and long-term strategic initiative in managing our operations. Our state-of-the art training facility, Safety Town, located in Dover, Delaware, now serves as a resource for training our employees who build, maintain and operate our natural gas infrastructure, offering hands-on training and fully immersive, on-the-job field experiences. First responders and other community partners also benefit from the simulated environment and conditions they could encounter as they enter homes in the community. Construction is underway for our second Safety Town facility in Florida, and we are excited to begin utilizing this facility in 2024.

Driving Sustainability across the Company

Consistent with our culture of teamwork, the focus on sustainability is supported and shared across our organization by the dedication and efforts of our Board of Directors and its Committees, as well as the entrepreneurship and dedication of our team. As stewards of long-term enterprise value, the Board of Directors is committed to overseeing the sustainability of the Company, its environmental stewardship initiatives, its safety and operational compliance practices, and to promoting equity, diversity and inclusion that reflects the diverse communities we serve. Our ESG Committee brings together a cross-functional team of leaders across the organization responsible for identifying, assessing, executing and advancing the Company's strategic sustainability initiatives. Our Environmental Sustainability Office identifies and manages emission-reducing projects both internally as well as those that support our customers' sustainability goals. Throughout the year, Chesapeake Utilities drove numerous initiatives in support of its sustainability focus, including but not limited to:

- Constructed an RNG injection point in Yulee, Florida, providing a pathway to market for produced RNG, and progressed on construction of our first RNG production facility in Lee, Florida;

- Completed an expansion of our intrastate transmission pipeline to Vero Beach, Florida, increasing the availability of natural gas to the area;
- Served as an industry anchor partner in the Mid-Atlantic Clean Hydrogen Hub (MACH2™), which was awarded federal funding of up to $750 million in October 2023; MACH2™ is a collaboration between Delaware, southern New Jersey and southeastern Pennsylvania;
- In Delaware, filed a first-of-its-kind energy efficiency program focused on natural gas; pending approval from the Delaware PSC, the program will be implemented in 2024;
- Our Florida Natural Gas distribution business received approval for its 10-year GUARD program to remove accessibility challenges and replace older problematic distribution lines and services, increasing employee, customer, and community safety; FCG received approval to extend its similar program, SAFE, for 10 more years;
- Provided Healthy Pantry Naming Sponsor-level support and donated several recycled benches from our Pipe Recycling Project for the new 70,000 square foot Food Bank of Delaware facility located in Milford, Delaware;
- Rolled out our "Chesapeake Connections Program," connecting new team members with a "connection buddy" outside of their department for the first few months of employment;
- Introduced two new ERGs in 2023 – "PRIDE," which is focused on providing a sense of acceptance and belonging for everyone in the Chesapeake Utilities family, and "GREEN," which is passionate about the environment and committed to reducing societal impacts on the planet; and
- Named a 2023 Champion of Board Diversity by The Forum of Executive Women.

Information About Executive Officers

Set forth below are the names, ages, and positions of our executive officers with their recent business experience. The age of each officer is as of the filing date of this Annual Report.

Name	Age	Executive Officer Since	Offices Held During the Past Five Years
Jeffry M. Householder	66	2010	Chairman of the Board of Directors (May 2023 - present) President (January 2019 - present) Chief Executive Officer (January 2019 - present) Director (January 2019 - present) President of FPU (June 2010 - February 2019)
Beth W. Cooper	57	2005	Executive Vice President (February 2019 - present) Chief Financial Officer (September 2008 - present) Senior Vice President (September 2008 - February 2019) Treasurer (January 2022 - present) Assistant Corporate Secretary (March 2015 - present)
James F. Moriarty	66	2015	Executive Vice President (February 2019 - present) General Counsel & Corporate Secretary (March 2015 - present) Chief Policy and Risk Officer (February 2019 - present) Senior Vice President (February 2017 - February 2019) Vice President (March 2015 - February 2017)
Kevin J. Webber	65	2010	Chief Development Officer (January 2022 - present) Senior Vice President (February 2019 - present) President FPU (February 2019 - December 2019) Vice President Gas Operations and Business Development Florida Business Units (July 2010 - February 2019)
Jeffrey S. Sylvester	54	2019	Chief Operating Officer (January 2022 - present) Senior Vice President (December 2019 - present) Vice President Black Hills Energy (October 2012 - December 2019)

Available Information on Corporate Governance Documents

Our Annual Reports on Form 10-K, Quarterly Reports on Form 10-Q, Current Reports on Form 8-K and other reports and amendments to these reports that we file with or furnish to the SEC at their website, *www.sec.gov,* are also available free of charge at our website, *www.chpk.com,* as soon as reasonably practicable after we electronically file these reports with, or furnish these reports to the SEC. The content of this website is not part of this Annual Report.

In addition, the following documents are available free of charge on our website, *www.chpk.com*:

- Business Code of Ethics and Conduct applicable to all employees, officers and directors;

- Code of Ethics for Financial Officers;
- Corporate Governance Guidelines; and
- Charters for the Audit Committee, Compensation Committee, Investment Committee, and Corporate Governance Committee of the Board of Directors.

Any of these reports or documents may also be obtained by writing to: Corporate Secretary; c/o Chesapeake Utilities Corporation, 500 Energy Lane Suite 100, Dover, DE 19901.

ITEM 1A. RISK FACTORS

The risks described below fall into three broad categories related to (1) financial risks, (2) operational risks, and (3) regulatory, legal and environmental risks, all of which may affect our operations and/or the financial performance of our regulated and unregulated energy businesses. These are not the only risks we face but are considered to be the most material. There may be other unknown or unpredictable risks or other factors that could have material adverse effects on our future results. Refer to the section entitled *Item 7, Management's Discussion and Analysis of Financial Condition and Results of Operations* of this Annual Report for an additional discussion of these and other related factors that affect our operations and/or financial performance.

FINANCIAL RISKS

Our financial results may fluctuate significantly and may not fully reflect the underlying performance of our business.

Our operating results, including our revenues, operating margin, profitability, and cash flow, may vary significantly in the future and period-to-period comparisons of our operating results may not be meaningful. Accordingly, the results of any one quarter or year should not be relied upon as an indication of future performance. Our financial results may fluctuate as a result of a variety of factors, many of which are outside of our control, and such fluctuations and related impacts to any capital or earnings guidance we may issue from time to time, or any modification or withdrawal thereof, may negatively impact the value of our securities.

Instability and volatility in the financial markets could negatively impact access to capital at competitive rates, which could affect our ability to implement our strategic plan, undertake improvements and make other investments required for our future growth.

Our business strategy includes the continued pursuit of growth and requires capital investment in excess of cash flow from operations. As a result, the successful execution of our strategy is dependent upon access to equity and debt at reasonable costs. Our ability to issue new debt and equity capital and the cost of equity and debt are greatly affected by our financial performance and the conditions of the financial markets. In addition, our ability to obtain adequate and cost-effective debt depends on our credit ratings. A downgrade in our current credit ratings could negatively impact our access to and cost of debt. If we are not able to access capital at competitive rates, our ability to implement our strategic plan, undertake improvements and make other investments required for our future growth may be limited.

Fluctuations in propane gas prices could negatively affect results of operations.

The combination of high demand and lower-than-average inventory is always a common driver for higher propane gas prices. We adjust the price of the propane we sell based on changes in our cost of purchasing propane. However, if the market does not allow us to increase propane sales prices to compensate fully for fluctuations in purchased propane costs, our results of operations and cash flows could be negatively affected.

If we fail to comply with our debt covenant obligations, we could experience adverse financial consequences that could affect our liquidity and ability to borrow funds.

Our long-term debt obligations and our Revolver contain financial covenants related to debt-to-capital ratios and interest-coverage ratios. Failure to comply with any of these covenants could result in an event of default which, if not cured or waived, could result in the acceleration of outstanding debt obligations, the inability to borrow under certain credit agreements and terms, or the inability to access capital from other sources. Any such default could cause a material adverse change in our financial condition, results of operations and cash flows. As of December 31, 2023, we were in compliance with all of our debt covenants.

Increases in interest rates may adversely affect our results of operations and cash flows.

Increases in interest rates could increase the cost of future debt issuances. To the extent we are not able to fully recover higher debt costs in the rates we charge our utility customers, or the timing of such recovery is not certain, our earnings could be adversely affected. Increases in short-term interest rates could negatively affect our results of operations, which depend on short-term debt to finance accounts receivable and storage gas inventories and to temporarily finance capital expenditures. Reference should be made to *Item 7A, Quantitative and Qualitative Disclosures about Market Risk* for additional information.

Continuing or worsening inflationary and/or supply chain issues may adversely impact our financial condition and results of operations.

Our business is dependent on the supply chain to ensure that equipment, materials and other resources are available to both expand and maintain our services in a safe and reliable manner. Pricing of equipment, materials and other resources have increased recently and may continue to do so in the future. Failure to secure equipment, materials and other resources on economically acceptable terms, including failure to eliminate or manage the constraints in the supply chain, may impact the availability of items that are necessary to support normal operations as well as materials that are required for continued infrastructure growth, and as a result, may adversely impact our financial condition and results of operations.

In addition, it may become more costly for us to recruit and retain key employees, particularly specialized/technical personnel, in the face of competitive market conditions and increased competition for specialized and experienced workers in our industry.

Disruptions, uncertainty or volatility in the credit and capital markets may exert downward pressure on the market price of the Company's common stock.

The market price and trading volume of the Company's common stock is subject to fluctuations as a result of, among other factors, general credit and capital market conditions and changes in market sentiment regarding the operations, business and financing strategies of the Company and its subsidiaries. As a result, disruptions, uncertainty or volatility in the credit and capital markets may, amongst other things, have a material adverse effect on the market price of the Company's common stock.

Current market conditions could adversely impact the return on plan assets for our Company sponsored defined benefit plans, which may require significant additional funding.

The Company's primary defined benefit pension plan, the FPU pension plan, is a funded plan that is closed to new employees and the future benefits are frozen. At December 31, 2023, the FPU pension plan benefit obligation was $49.4 million and was funded at approximately 100 percent. The costs of providing benefits and related funding requirements of the FPU plan is subject to changes in the market value of the assets that fund the plan and the discount rates used to estimate the pension benefit obligations. The funded status of the plans and the related costs reflected in our financial statements are affected by various factors that are subject to an inherent degree of uncertainty, particularly in the current economic environment. Future losses of asset values and further declines in discount rates may necessitate accelerated funding of the plans to meet minimum federal government requirements and may result in higher pension expense in future years. Adverse changes in the benefit obligation of the FPU pension plan may require us to record higher pension expense and fund obligations earlier than originally planned, which would have an adverse impact on our cash flows from operations, decrease borrowing capacity and increase interest expense.

OPERATIONAL RISKS

We are dependent upon construction of new facilities to support future growth in earnings in our natural gas and electric distribution and natural gas transmission operations.

Construction of new facilities required to support future growth is subject to various regulatory and developmental risks, including but not limited to: (i) our ability to obtain timely certificate authorizations, necessary approvals and permits from regulatory agencies and on terms that are acceptable to us; (ii) potential changes in federal, state and local statutes and regulations, including environmental requirements, that prevent a project from proceeding or increase the anticipated cost of the project; (iii) our inability to acquire rights-of-way or land rights on a timely basis on terms that are acceptable to us; (iv) lack of anticipated future growth in available natural gas and electricity supply and demand; (v) insufficient customer throughput commitments; and (vi) lack of available and qualified third-party contractors which could impact the timely construction of new facilities. Adverse outcomes and/or changes in these risks could limit the future growth of our business and cause a material adverse change in our financial condition, results of operations and cash flows.

We do not own all of the land on which our pipelines and facilities are located, which could result in disruptions to our operations.

Because we do not own all of the land on which our pipelines and facilities have been constructed, we are subject to the possibility of more onerous terms or increased costs to retain necessary land use if we do not have valid rights-of-way or if such rights-of-way lapse or terminate. We obtain the rights to construct and operate our pipelines on land owned by third parties and governmental agencies for a specific period of time. Our loss of these rights, through our inability to renew right-of-way contracts or otherwise, could have a material adverse effect on our business, financial condition and results of operations.

We operate in a competitive environment, and we may lose customers to competitors.

Natural Gas. Our natural gas transmission and distribution operations compete with interstate pipelines when our customers are located close enough to a competing pipeline to make direct connections economically feasible. Customers also have the option to switch to alternative fuels, including renewable energy sources. Failure to retain and grow our natural gas customer base would have an adverse effect on our financial condition, results of operations and cash flows.

Electric. Our Florida electric distribution business has remained substantially free from direct competition from other electric service providers but does face competition from other energy sources. Changes in the competitive environment caused by legislation, regulation, market conditions, or initiatives of other electric power providers, particularly with respect to retail electric competition, would adversely affect our financial condition, results of operations and cash flows.

Propane. Our propane operations compete with other propane distributors, primarily on the basis of service and price. Our ability to grow the propane operations business is contingent upon capturing additional market share, expanding into new markets, and successfully utilizing pricing programs that retain and grow our customer base. Failure to retain and grow our customer base in our propane operations would have an adverse effect on our financial condition, results of operations and cash flows.

Fluctuations in weather may cause a significant variance in our earnings.

Our natural gas distribution, propane operations and natural gas transmission operations, are sensitive to fluctuations in weather conditions, which directly influence the volume of natural gas and propane we transport, sell and deliver to our customers. A significant portion of our natural gas distribution, propane operations and natural gas transmission revenue is derived from the sales and deliveries to residential, commercial and industrial heating customers during the five-month peak heating season (November through March). Other than our Maryland natural gas distribution businesses (Maryland division, Sandpiper Energy and Elkton Gas) which have revenue normalization mechanisms, if the weather is warmer than normal, we generally sell and deliver less natural gas and propane to customers, and earn less revenue, which could adversely affect our results of operations, cash flows and financial condition. Conversely, if the weather is colder than normal, we generally sell and deliver more natural gas and propane to customers, and earn more revenue, which could positively affect our results of operations, cash flows and financial condition. Variations in weather from year to year can cause our results of operations, cash flows and financial condition to vary accordingly.

Our electric distribution operation is also affected by variations in weather conditions and unusually severe weather conditions. However, electricity consumption is generally less seasonal than natural gas and propane because it is used for both heating and cooling in our service areas.

Severe weather events (such as a major hurricane, flood or tornado), natural disasters and acts of terrorism could adversely impact earnings and access to insurance coverage.

Inherent in energy transmission and distribution activities are a variety of hazards and operational risks, such as leaks, ruptures, fires, uncontrollable flows of natural gas, explosions, release of contaminants into the environment, sabotage and mechanical problems. Severe weather events and natural disasters may damage our assets, cause operational interruptions and result in the loss of human life, all of which could negatively affect our earnings, financial condition and results of operations.

Acts of terrorism and the impact of retaliatory military and other action by the U.S. and its allies may lead to increased political, economic and financial market instability and volatility in the price of natural gas, electricity and propane that could negatively affect our operations. Companies in the energy industry may face a heightened risk of exposure to acts of terrorism, which could affect our financial condition, results of operations and cash flows.

The insurance industry may also be affected by severe weather events, natural disasters and acts of terrorism. As a result, the availability of insurance covering risks against which we and our competitors typically insure may be limited. In addition, the insurance we are able to obtain may have higher deductibles, higher premiums and more restrictive policy terms, which could adversely affect our financial condition, results of operations and cash flows.

Operating events affecting public safety and the reliability of our natural gas and electric distribution and transmission systems could adversely affect our operations and increase our costs.

Our natural gas and electric operations are exposed to operational events and risks, such as major leaks, outages, mechanical failures and breakdown, operations below the expected level of performance or efficiency, and accidents that could affect public safety and the reliability of our distribution and transmission systems, significantly increase costs and cause loss of customer confidence. If we are unable to recover all or some of these costs from insurance and/or customers through the regulatory process, our financial condition, results of operations and cash flows could be adversely affected.

A security breach disrupting our operating systems and facilities or exposing confidential information may adversely affect our reputation, disrupt our operations and increase our costs.

The cybersecurity risks associated with the protection of our infrastructure and facilities is evolving and increasingly complex. We continue to heavily rely on technological tools that support our business operations and corporate functions while enhancing our security. There are various risks associated with our information technology infrastructure, including hardware and software failure, communications failure, data distortion or destruction, unauthorized access to data, misuse of proprietary or confidential data, unauthorized control through electronic means, cyber-attacks, cyber-terrorism, data breaches, programming mistakes, and other inadvertent errors or deliberate human acts. Further, the U.S. government has issued public warnings that indicate energy assets might be specific targets of cybersecurity threats and/or attacks.

Many of our employees, service providers, and vendors have been working, and continue to work, from remote locations, where cybersecurity protections could be limited and cybersecurity procedures and safeguards could be less effective. As such, we could be subject to a higher risk of cybersecurity breaches than ever before. Therefore, we could be required to expend significant resources to continue to modify or enhance our procedures and controls or to upgrade our digital and operational systems, related infrastructure, technologies and network security.

Any such failure, attack, or security breach could adversely impact our ability to safely and reliably deliver services to our customers through our transmission, distribution, and generation systems, subjecting us to reputational and other harm, and subject us to legal and regulatory proceedings and claims and demands from third parties, any of which could adversely affect our business, our earnings, results of operation and financial condition. In addition, the protection of customer, employee and Company data is crucial to our operational security. A breach or breakdown of our systems that results in the unauthorized release of individually identifiable customer information or other sensitive data could have an adverse effect on our reputation, results of operations and financial condition and could also materially increase our costs of maintaining our system and protecting it against future breakdowns or breaches. We take reasonable precautions to safeguard our information systems from cyber-attacks and security breaches; however, there is no guarantee that the procedures implemented to protect against unauthorized access to our information systems are adequate to safeguard against all attacks and breaches. We also cannot assure that any redundancies built into our networks and technology, or the procedures we have implemented to protect against cyber-attacks and other unauthorized access to secured data, are adequate to safeguard against all failures of technology or security breaches.

The Company's business, results of operations, financial condition and cash flows could be adversely affected by interruption of the Company's information technology or network systems as well as the Company's implementation of its technology roadmap.

Currently, we rely on centralized and local information technology networks and systems, some of which are managed or accessible by third parties, to process, transmit and store electronic information, and to otherwise manage or support our business. Additionally, the Company collects and stores certain data, including proprietary business information, and has access to confidential or personal information that is subject to privacy and security laws, regulations and customer-imposed controls. The processing and storage of personal information is increasingly subject to privacy and data security regulations. The interpretation and application of data protection laws in the U.S. are continuing to evolve and may be different across jurisdictions. Violations of these laws could result in criminal or civil sanctions and even the mere allegation of such violations, could harm the Company's reputation.

Information technology system and/or network disruptions, whether caused by acts of sabotage, employee error, malfeasance or otherwise, could have an adverse impact on the Company's operations as well as the operations of the Company's customers and suppliers. As a result, the Company may be subject to legal claims or regulatory proceedings which could result in liability or penalties under privacy laws, disruption in the Company's operations, and damage to the Company's reputation, adversely affecting the Company's business, results of operations, financial condition and cash flows.

The Company is also implementing a technology roadmap that will significantly advance our technological capabilities. The implementation of new software in multiple phases is a complex process that involves several risks. Some of the common risks include:

- Expectations of what the software can do is not achieved and requires additional spending, resources and time;
- Inadequate planning, including changes in implementation plans, can lead to delays, cost overruns, and poor outcomes;
- Ensuring continued team engagement is critical as technology and systems projects are significant and involve many resources within the Company as well as the use of various third parties;
- Implementing new software can expose the organization to new security risks; and
- Integrating new software with existing systems can be challenging, as a result of compatibility issues, data migration and system downtime.

Concerns relating to the responsible use of new and evolving technologies, such as artificial intelligence (AI), may result in reputational or financial harm and liability.

While providing significant benefits, AI poses emerging legal, social, and ethical issues and presents risks and challenges. If we utilize AI solutions that have unintended consequences or may be deemed controversial, or if we are unable to develop effective internal policies and frameworks relating to the responsible use of AI, we may experience brand or reputational harm, competitive harm or legal liability. Complying with regulations related to AI could increase our cost of doing business, may change the way that we operate in certain jurisdictions, or may impede our ability to offer services in certain jurisdictions if we are unable to comply with regulations.

Failure to attract and retain an appropriately qualified employee workforce could adversely affect operations.

Our ability to implement our business strategy and serve our customers depends upon our continuing ability to attract, develop and retain talented professionals and a technically skilled workforce in a manner competitive with current market conditions, and transfer the knowledge and expertise of our workforce to new employees as our existing employees retire. Failure to hire and adequately train replacement employees, including the transfer of significant internal historical knowledge and expertise to new employees, or the future availability and cost of contract labor could adversely affect our ability to manage and operate our business. If we were unable to hire, train and retain appropriately qualified personnel, our results of operations could be adversely affected.

A strike, work stoppage or a labor dispute could adversely affect our operations.

We are party to collective bargaining agreements with labor unions at some of our Florida operations. A strike, work stoppage or a labor dispute with a union or employees represented by a union could cause interruption to our operations and our results could be adversely affected.

Our businesses are capital-intensive, and the increased costs and/or delays of capital projects may adversely affect our future earnings.

Our businesses are capital-intensive and require significant investments in ongoing infrastructure projects. These projects are subject to state and federal regulatory oversight and require certain property rights, such as easements and rights-of-way from public and private owners, as well as regulatory approvals, including environmental and other permits and licenses. There is no assurance that we will be able to obtain the necessary property rights, permits and licenses and approvals in a timely and cost-efficient manner, or at all, which may result in the delay or failure to complete a project. In addition, the availability of the necessary materials and qualified vendors could also impact our ability to complete such projects on a timely basis and manage the overall costs. Failure to complete any pending or future infrastructure projects could have a material adverse impact on our financial condition, results of operations and cash flows. Where we are able to successfully complete pending or future infrastructure projects, our revenues may not increase immediately upon the expenditure of funds on a particular project or as anticipated over the life of the project. As a result, there is the risk that new and expanded infrastructure may not achieve our expected investment returns, which could have a material adverse effect on our business, financial condition and results of operations.

Our regulated energy business may be at risk if franchise agreements are not renewed, or new franchise agreements are not obtained, which could adversely affect our future results or operating cash flows and financial condition.

Our regulated natural gas and electric distribution operations hold franchises in each of the incorporated municipalities that require franchise agreements in order to provide natural gas and electricity. Ongoing financial results would be adversely impacted in the event that franchise agreements were not renewed. If we are unable to obtain franchise agreements for new service areas, growth in our future earnings could be negatively impacted.

Slowdowns in customer growth may adversely affect earnings and cash flows.

Our ability to increase revenues in our natural gas, propane and electric distribution businesses is dependent upon growth in the residential construction market, adding new commercial and industrial customers and conversion of customers to natural gas, electricity or propane from other energy sources. Slowdowns in growth may adversely affect our financial condition, results of operations and cash flows.

Energy conservation could lower energy consumption, which would adversely affect our earnings.

Federal and state legislative and regulatory initiatives to promote energy efficiency, conservation and the use of alternative energy sources could lower consumption of natural gas and propane by our customers. For example, on August 16, 2022, the Inflation Reduction Act of 2022 was signed into law, with hundreds of billions of dollars in incentives for the development of renewable energy, clean hydrogen, and clean fuels, amongst other provisions. These incentives could further accelerate the transition of the U.S. economy away from the use of fossil fuels towards lower- or zero-carbon emissions alternatives and impact demand for our products and services. In addition, increasing attention to climate change, societal expectations on companies to address climate change, investor and societal expectations including mandatory climate related disclosures, and the aforementioned demand for alternative forms of energy, may result in increased costs and reduced demand for our products and services. While we cannot predict the ultimate effect that the development of alternative energy sources and related laws might have on our operations, we may be subject to reduced profits, increased investigations and litigation against us, and negative impacts on our stock price and access to capital markets.

In addition, higher costs of natural gas, propane and electricity may cause customers to conserve fuel. To the extent recovery through customer rates of higher costs or lower consumption from energy efficiency or conservation is not allowed, and our propane retail prices cannot be increased due to market conditions, our financial condition, results of operations and cash flows could be adversely affected.

Commodity price increases may adversely affect the operating costs and competitive positions of our natural gas, electric and propane operations, which may adversely affect our results of operations, cash flows and financial condition.

Natural Gas and Electricity. Higher natural gas prices can significantly increase the cost of gas billed to our natural gas customers. Increases in the cost of natural gas and other fuels used to generate electricity can significantly increase the cost of electricity billed to our electric customers. Damage to the production or transportation facilities of our suppliers, which decreases their supply of natural gas and electricity, could result in increased supply costs and higher prices for our customers. Such cost increases generally have no immediate effect on our revenues and net income because of our regulated fuel cost recovery mechanisms. However, our net income may be reduced by higher expenses that we may incur for uncollectible customer accounts and by lower volumes of natural gas and electricity deliveries when customers reduce their consumption. Therefore, increases in the price of natural gas and other fuels can adversely affect our financial condition, results of operations and cash flows, as well as the competitiveness of natural gas and electricity as energy sources.

Propane. Propane costs are subject to changes as a result of product supply or other market conditions, including weather, economic and political factors affecting crude oil and natural gas supply or pricing. For example, weather conditions could damage production or transportation facilities, which could result in decreased supplies of propane, increased supply costs and higher prices for customers. Such increases in costs can occur rapidly and can negatively affect profitability. There is no assurance that we will be able to pass on propane cost increases fully or immediately, particularly when propane costs increase rapidly. Therefore, average retail sales prices can vary significantly from year-to-year as product costs fluctuate in response to propane, fuel oil, crude oil and natural gas commodity market conditions. In addition, in periods of sustained higher commodity prices, declines in retail sales volumes due to reduced consumption and increased amounts of uncollectible accounts may adversely affect net income.

Refer to *Item 7A*, *Quantitative and Qualitative Disclosures about Market Risk* for additional information.

Our use of derivative instruments may adversely affect our results of operations.

Fluctuating commodity prices may affect our earnings and financing costs because our propane operations use derivative instruments, including forwards, futures, swaps, puts, and calls, to hedge price risk. While we have risk management policies and operating procedures in place to control our exposure to risk, if we purchase derivative instruments that are not properly matched to our exposure, our results of operations, cash flows, and financial condition may be adversely affected. In addition, fluctuations in market prices could result in significant unrealized gains or losses, which could require margins to be posted on unsettled positions and impact our financial position, results of operations and cash flows.

A substantial disruption or lack of growth in interstate natural gas pipeline transmission and storage capacity or electric transmission capacity may impair our ability to meet customers' existing and future requirements.

In order to meet existing and future customer demands for natural gas and electricity, we must acquire sufficient supplies of natural gas and electricity, interstate pipeline transmission and storage capacity, and electric transmission capacity to serve such requirements. We must contract for reliable and adequate upstream transmission capacity for our distribution systems while considering the dynamics of the interstate pipeline and storage and electric transmission markets, our own on-system resources, as well as the characteristics of our markets. Our financial condition and results of operations would be materially and adversely affected if the future availability of these capacities were insufficient to meet future customer demands for natural gas and electricity. Currently, our natural gas operations in Florida rely primarily on two pipeline systems, FGT and Peninsula Pipeline (our intrastate pipeline subsidiary), for most of their natural gas supply and transmission. Our Florida electric operation secures electricity from external parties. Any continued interruption of service from these suppliers could adversely affect our ability to meet the demands of our customers, which could negatively impact our financial condition, results of operations and cash flows.

Our ability to grow our businesses could be adversely affected if we are not successful in making acquisitions or integrating the acquisitions we have completed.

One of our strategies is to grow through acquisitions of complementary businesses. On November 30, 2023, we completed the acquisition of FCG, a regulated natural gas distribution utility serving approximately 120,000 residential and commercial natural gas customers in Florida, for $923.4 million in cash, pursuant to the previously disclosed stock purchase agreement with Florida Power & Light Company. Our acquisitions, including FCG as well as future acquisitions, involve a number of risks including, but not limited to, the following:

- We may fail to realize the benefits and growth prospects anticipated as a result of the acquisition;
- We may not identify all material facts, issues and/or liabilities in due diligence; accurately anticipate required capital expenditures; or design and implement an effective internal control environment with respect to acquired businesses;
- We may experience difficulty in integrating the technology, systems, policies, processes or operations and retaining the employees, including key personnel of the acquired business;
- The historical financial results of acquisitions may not be representative of our future financial condition, results of operations and cash flows, and may not deliver the expected strategic and operational benefits;
- An acquisition may divert management's attention to integration activities or disrupt ongoing operations; and
- We may overpay for assets, which could result in the recording of excess goodwill and other intangible assets at values that ultimately may be subject to impairment charges.

These factors, amongst others, could impact our ability to successfully grow our business which could have a material adverse effect on our financial condition, results of operations and cash flows.

An impairment of our assets including long-lived assets, goodwill and other intangible assets, could negatively impact our financial condition and results of operations.

In accordance with GAAP, goodwill, intangibles, and other long-lived assets are tested for impairment annually or whenever events or changes in circumstances indicate impairment may have occurred. The testing of assets for impairment requires us to make significant estimates about our future performance and cash flows, as well as other assumptions. These values may be impacted by significant negative industry or economic trends, changes in technology, regulatory or industry conditions, disruptions to our business, inability to effectively integrate acquired businesses, unexpected significant change or planned changes in use of our assets, changes in the structure of our business, divestitures, market capitalization declines or changes in economic conditions or interest rates. If the testing performed indicates that impairment has occurred, we are required to record an impairment charge for the difference between the carrying value of the applicable asset and the implied fair value in the period the determination is made. Any changes in key assumptions, or actual performance compared with key assumptions, about our business and its future prospects could affect the fair value of one or more of our assets, which may result in an impairment charge and could negatively affect our financial condition and results of operations.

REGULATORY, LEGAL AND ENVIRONMENTAL RISKS

Regulation of our businesses, including changes in the regulatory environment, may adversely affect our financial condition, results of operations and cash flows.

The Delaware, Maryland, Ohio and Florida PSCs regulate our utility operations in those states. Eastern Shore is regulated by the FERC. The PSCs and the FERC set the rates that we can charge customers for services subject to their regulatory jurisdiction. Our ability to obtain timely rate increases and rate supplements to maintain current rates of return depends on regulatory approvals, and there can be no assurance that our regulated operations will be able to obtain such approvals or maintain currently authorized rates of return. When earnings from our regulated utilities exceed the authorized rate of return, the respective regulatory authority may require us to reduce our rates charged to customers in the future.

We may face certain regulatory and financial risks related to pipeline safety legislation.

We are subject to a number of legislative proposals at the federal and state level to implement increased oversight over natural gas pipeline operations and facilities to inspect pipeline facilities, upgrade pipeline facilities, or control the impact of a breach of such facilities. Additional operating expenses and capital expenditures may be necessary to remain in compliance. If new legislation is adopted and we incur additional expenses and expenditures, our financial condition, results of operations and cash flows could be adversely affected, particularly if we are not authorized through the regulatory process to recover from customers some or all of these costs and earn at an authorized rate of return.

Pipeline integrity programs and repairs may impose significant costs and liabilities on the Company.

The PHMSA requires pipeline operators to develop integrity management programs to comprehensively evaluate their pipelines and to take additional measures to protect pipeline segments located in areas where a leak or rupture could potentially do the most harm. The PHMSA constantly updates its regulations to ensure the highest levels of pipeline safety. As the operator of pipelines, we are required to: perform ongoing assessments of pipeline integrity; identify and characterize applicable threats to pipelines; improve data collection, integration and analysis; repair and remediate the pipelines as necessary; and implement preventative and mitigating actions. These new and any future regulations adopted by the PHMSA may impose more stringent requirements applicable to integrity management programs and other pipeline safety aspects of our operations, which could cause us to incur increased capital and operating costs and operational delays. Moreover, should we fail to comply with the PHMSA rules and regulations, we could be subject to significant penalties and fines which may adversely affect our financial condition, results of operations and cash flows.

We are subject to operating and litigation risks that may not be fully covered by insurance.

Our operations are subject to the operating hazards and risks normally incidental to handling, storing, transporting, transmitting and delivering natural gas, electricity and propane to end users. From time to time, we are a defendant in legal proceedings arising in the ordinary course of business. We maintain insurance coverage for our general liabilities in the amount of $52 million, which we believe is reasonable and prudent. However, there can be no assurance that such insurance will be adequate to protect us from all material expenses related to potential future claims for personal injury and property damage or that such levels of insurance will be available in the future at economical prices.

Costs of compliance with environmental laws may be significant.

We are subject to federal, state and local laws and regulations governing environmental quality and pollution control. These evolving laws and regulations may require expenditures over a long period of time to control environmental effects at our current and former operating sites, especially former MGP sites. To date, we have been able to recover, through regulatory rate mechanisms, the costs associated with the remediation of former MGP sites. However, there is no guarantee that we will be able to recover future remediation costs in the same manner or at all. A change in our approved rate mechanisms for recovery of environmental remediation costs at former MGP sites could adversely affect our financial condition, results of operations and cash flows.

Further, existing environmental laws and regulations may be revised, or new laws and regulations seeking to protect the environment may be adopted and be applicable to us. Revised or additional laws and regulations could result in additional operating restrictions on our facilities or increased compliance costs, which may not be fully recoverable. Any such increase in compliance costs could adversely affect our financial condition, results of operations and cash flows. Compliance with these legal obligations requires us to commit capital. If we fail to comply with environmental laws and regulations, even if such failure is caused by factors beyond our control, we may be assessed administrative, civil, or criminal penalties and fines, imposed with investigatory and remedial obligations, or issued injunctions all of which could impact our financial condition, results of operations and cash flows. See *Item 8, Financial Statements and Supplementary Data* (see Note 19*, Environmental Commitments and Contingencies,* in the consolidated financial statements).

Unanticipated changes in our tax provisions or exposure to additional tax liabilities could affect our profitability and cash flow.

We are subject to income and other taxes in the U.S. and the states in which we operate. Changes in applicable state or U.S. tax laws and regulations, or their interpretation and application, including the possibility of retroactive effect, could affect our tax expense and profitability. In addition, the final determination of any tax audits or related litigation could be materially different from our historical income tax provisions and accruals. Changes in our tax provision or an increase in our tax liabilities, due to changes in applicable law and regulations, the interpretation or application thereof, future changes in the tax rate or a final determination of tax audits or litigation, could have a material adverse effect on our financial position, results of operations and cash flows.

Our business may be subject in the future to additional regulatory and financial risks associated with global warming and climate change.

There have been a number of federal and state legislative and regulatory initiatives proposed in recent years in an attempt to control or limit the effects of global warming and overall climate change, including greenhouse gas emissions. The direction of future U.S. climate change regulation is difficult to predict given the potential for policy changes under different Presidential administrations and Congressional leadership. The Environmental Protection Agency, or other Federal agencies, may or may not continue developing regulations to reduce greenhouse gas emissions. Even if federal efforts in this area slow, states, cities and local jurisdictions may continue pursuing climate regulations. Any laws or regulations that may be adopted to restrict or reduce emissions of greenhouse gases could require us to incur additional operating costs, such as costs to purchase and operate emissions controls, to obtain emission allowances or to pay emission taxes, and could reduce demand for our energy delivery services. Federal, state and local legislative initiatives to implement renewable portfolio standards or to further subsidize the cost of solar, wind and other renewable power sources may change the demand for natural gas. We cannot predict the potential impact that such laws or regulations, if adopted, may have on our future business, financial condition or financial results.

Climate changes may impact the demand for our services in the future and could result in more frequent and more severe weather events, which ultimately could adversely affect our financial results.

Significant climate change creates physical and financial risks for us. Our customers' energy needs vary with weather conditions, primarily temperature and humidity. For residential customers, heating and cooling represent their largest energy use. To the extent weather conditions may be affected by climate change, customers' energy use could increase or decrease depending on the duration and magnitude of any changes. To the extent that climate change adversely impacts the economic health or weather conditions of our service territories directly, it could adversely impact customer demand or our customers' ability to pay. Changes in energy use due to weather variations may affect our financial condition through volatility and/or decreased revenues and cash flows. Extreme weather conditions require more system backups and can increase costs and system stresses, including service interruptions. Severe weather impacts our operating territories primarily through thunderstorms, tornadoes, hurricanes, and snow or ice storms. Weather conditions outside of our operating territories could also have an impact on our revenues and cash flows by affecting natural gas prices. To the extent the frequency of extreme weather events increases, this could increase our costs of providing services. We may not be able to pass on the higher costs to our customers or recover all the costs related to mitigating these physical risks. To the extent financial markets view climate change and emissions of greenhouse gases as a financial risk, this could adversely affect our ability to access capital markets or cause us to receive less favorable terms and conditions in future financings. Our business could be affected by the potential for investigations and lawsuits related to or against greenhouse gas emitters based on the claimed connection between greenhouse gas emissions and climate change, which could impact adversely our business, results of operations and cash flows.

Our certificate of incorporation and bylaws may delay or prevent a transaction that stockholders would view as favorable.

Our certificate of incorporation and bylaws, as well as Delaware law, contain provisions that could delay, defer or prevent an unsolicited change in control of Chesapeake Utilities, which may negatively affect the market price of our common stock or the ability of stockholders to participate in a transaction in which they might otherwise receive a premium for their shares over the then current market price. These provisions may also prevent changes in management. In addition, our Board of Directors is authorized to issue preferred stock without stockholder approval on such terms as our Board of Directors may determine. Our common stockholders will be subject to, and may be negatively affected by, the rights of any preferred stock that may be issued in the future.

ITEM 1B. UNRESOLVED STAFF COMMENTS.

None.

ITEM 1C. CYBERSECURITY

We recognize the importance of assessing, identifying, and managing material risks associated with cybersecurity threats, as such term is defined in Item 106(a) of Regulation S-K. We face a multitude of increasing cybersecurity threats, including those that target the Nation's critical infrastructure sectors. Reliable service and operational continuity are critical to our success and the welfare of those we serve, including our ability to safely and reliably deliver energy to our customers through our transmission, distribution, and generation systems. We are committed to maintaining robust governance and oversight of these risks and to investing in the implementation of mechanisms, controls, technologies, and processes designed to help us assess, identify, and manage these risks in an everchanging landscape.

To mitigate the threat to our business, we take a comprehensive, cross-functional approach to cybersecurity risk management. Our management team is actively involved in the oversight and implementation of our risk management program, of which cybersecurity represents an important component. At least annually, we conduct a cybersecurity risk assessment that evaluates information from internal stakeholders and external sources. The results of the assessment inform our alignment and prioritization of initiatives to enhance our security controls. As described in more detail below, we have established policies, standards, processes and practices for assessing, identifying, and managing material risks from cybersecurity threats which follow frameworks established by the National Institute of Standards and Technology (NIST). These include, among other things: security awareness training for employees; mechanisms to detect and monitor unusual network activity; services that identify cybersecurity threats; conducting scans of the threat environment; evaluating our industry's risk profile; utilizing internal and external audits; conducting threat and vulnerability assessments; and containment and incident response tools. We also actively engage with industry groups for benchmarking and awareness of best practices. We maintain controls and procedures that are designed to ensure prompt escalation of certain cybersecurity incidents so that decisions regarding public disclosure and reporting of such incidents can be made in a timely manner.

Our approach to cybersecurity risk management includes the following key elements:

- Multi-Layered Defense and Continuous Monitoring: We work to protect our business from cybersecurity threats through multi-layered defenses and apply lessons learned from our defense and monitoring efforts to help prevent future attacks. We utilize data analytics to detect anomalies and review trends in the data. We regularly assess and deploy technical safeguards designed to protect our information systems from cybersecurity threats. Such safeguards are regularly evaluated and enhanced based on vulnerability assessments, cybersecurity threat intelligence and incident response experience.

- Information Sharing and Collaboration: We share and receive threat intelligence and best practices with industry peers, government agencies, information sharing and analysis centers, industry trade organizations, and cybersecurity forums. These relationships enable the rapid sharing of information around threat and vulnerability mitigation.

- Third-Party Risk Assessments: We engage third-party services to conduct assessments of our security controls, whether through penetration testing, independent audits or consulting on best practices to address new challenges. These assessments include testing both the design and operational effectiveness of security controls.

- Companywide Policies and Procedures: We have companywide cybersecurity policies and procedures, such as encryption standards, antivirus protection, remote access protocols, multi-factor authentication, protection of confidential information, and the use of the internet, social media, email, and wireless devices. These policies go through an internal review process and are approved by the appropriate members of management.

- Training and Awareness: We provide awareness training to our employees to help identify, avoid and mitigate cybersecurity threats. Our employees routinely participate in phishing campaigns, education that reinforces compliance with our policies, standards and practices, and other awareness training. We also periodically perform simulations and other exercises with management and incorporate external resources and advisors as needed. Our team of cybersecurity professionals collaborate with stakeholders across our business units to further analyze the risk to the Company, and form detection, mitigation and remediation strategies.

- Supplier Engagement: We work collectively with our suppliers to support cybersecurity resiliency in our supply chain. The Company uses a variety of processes to address third-party cybersecurity threats, including reviewing the cybersecurity practices of such provider(s), contractually imposing obligations on the provider(s), notifications in the event of any known or suspected cyber incident, conducting security assessments, and periodic reassessments during the course of the Company's engagement with such provider(s).

As of the date of this Form 10-K, there have not been any cybersecurity incidents that have materially affected our business strategy, results of operations or financial condition. There can be no guarantee that our policies and procedures will be followed or, if followed, will be effective. For more information regarding the risks we face from cybersecurity threats, please see *Item 1A*, *Risk Factors*, which should be read in conjunction with this Item 1C.

Cybersecurity Risk Governance and Oversight

The Company's Board, in conjunction with its Audit Committee, oversees management's approach to cybersecurity risk and its alignment with the Company's risk management program. The Board and Audit Committee receive reports from management about the prevention, detection, mitigation, and remediation of cybersecurity incidents, including material security risks and vulnerabilities. Additionally, management provides the Audit Committee with updates on cybersecurity risk assessments, risk mitigation strategies, and relevant external and industry cybersecurity matters. The Company's Chief Information Officer ("CIO") is responsible for developing and implementing our information security program and reporting on cybersecurity matters to the Board and Audit Committee. The Company's CIO has 25 years of experience in the information technology industry. The CIO reports to the Chief Executive Officer and is supported by a dedicated cybersecurity team within our information systems department, as well as a multidisciplinary incident response team. Employees across the organization also have a role in our cybersecurity defenses, which we believe improves our cybersecurity posture.

In addition, the Company's Risk Management Committee ("RMC") evaluates risks relating to cybersecurity, among other significant risks, and applicable mitigation plans to address such risks. The RMC is comprised of members of the executive leadership team. The RMC meets monthly and receives updates from the CIO or a member of our cybersecurity team. The RMC reviews security performance metrics, global security risks, security enhancements, and updates on our security posture.

ITEM 2. Properties.

Offices and other operational facilities

We own or lease offices and other operational facilities in our service territories located in Delaware, Maryland, Virginia. North Carolina, South Carolina, Florida. Pennsylvania and Ohio.

Regulated Energy Segment

The following table presents a summary of miles of assets operated by our natural gas distribution, natural gas transmission and electric business units as of December 31, 2023:

Operations	Miles
Natural Gas Distribution	
Delmarva Natural Gas (Natural gas pipelines)	2,075
Delmarva Natural Gas (Underground propane pipelines)	17
FPU (Natural gas pipelines)	3,154
Florida City Gas (Natural gas pipelines)	3,860
Natural Gas Transmission	
Eastern Shore	517
Florida City Gas	79
Peninsula Pipeline	177
Aspire Energy Express [(1)]	—
Electric Distribution	
FPU	906
Total	10,785

[(1)] Aspire Energy Express had less than 1 mile of natural gas pipeline at December 31, 2023

Peninsula Pipeline also has a 50 percent jointly owned intrastate transmission pipeline with Seacoast Gas Transmission. LLC ("Seacoast Gas Transmission") in Nassau County, Florida. The 26-mile pipeline serves demand in both Nassau and Duval Counties.

Unregulated Energy Segment

The following table presents propane storage capacity, miles of underground distribution mains and transmission for our Unregulated Energy Segment operations as of December 31, 2023:

Operations	Gallons or miles
Propane distribution	
Propane storage capacity (gallons in millions)	8.9
Underground propane distribution mains (miles)	153
Unregulated Energy Transmission and gathering (Aspire Energy)	
Natural gas pipelines (miles)	2,800

ITEM 3. Legal Proceedings.

See Note 20, *Other Commitments and Contingencies* in the Consolidated Financial Statements, which is incorporated into Item 3 by reference.

ITEM 4. Mine Safety Disclosures.

Not applicable.

PART II

ITEM 5. Market for the Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities.

Common Stock Dividends and Stockholder Information:

Chesapeake Utilities common stock is traded on the New York Stock Exchange ("NYSE") under the ticker symbol CPK. As of February 16, 2024, we had 1,974 holders of record of our common stock. We declared quarterly cash dividends on our common stock totaling $2.305 per share in 2023 and $2.085 per share in 2022, and have paid a cash dividend to holders of our common stock for 63 consecutive years. Future dividend payments and amounts are at the discretion of the Board of Directors and will depend on our financial condition. results of operations, capital requirements, and other factors.

Indentures to our long-term debt contain various restrictions which limit our ability to pay dividends. Refer to *Item 8, Financial Statements and Supplementary Data* (see Note 12, *Long-Term Debt*, in the consolidated financial statements) for additional information.

Purchases of Equity Securities by the Issuer

The following table sets forth information on purchases by us or on our behalf of shares of our common stock during the quarter ended December 31, 2023:

Period	Total Number of Shares Purchased		Average Price Paid per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs [2]	Maximum Number of Shares That May Yet Be Purchased Under the Plans or Programs [2]
October 1, 2023 through October 31, 2023 [1]	**663**	$	95 19	—	
November 1, 2023 through November 30, 2023	—		—	—	—
December 1, 2023 through December 31, 2023	—		—	—	—
Total	663	$	95 19	—	—

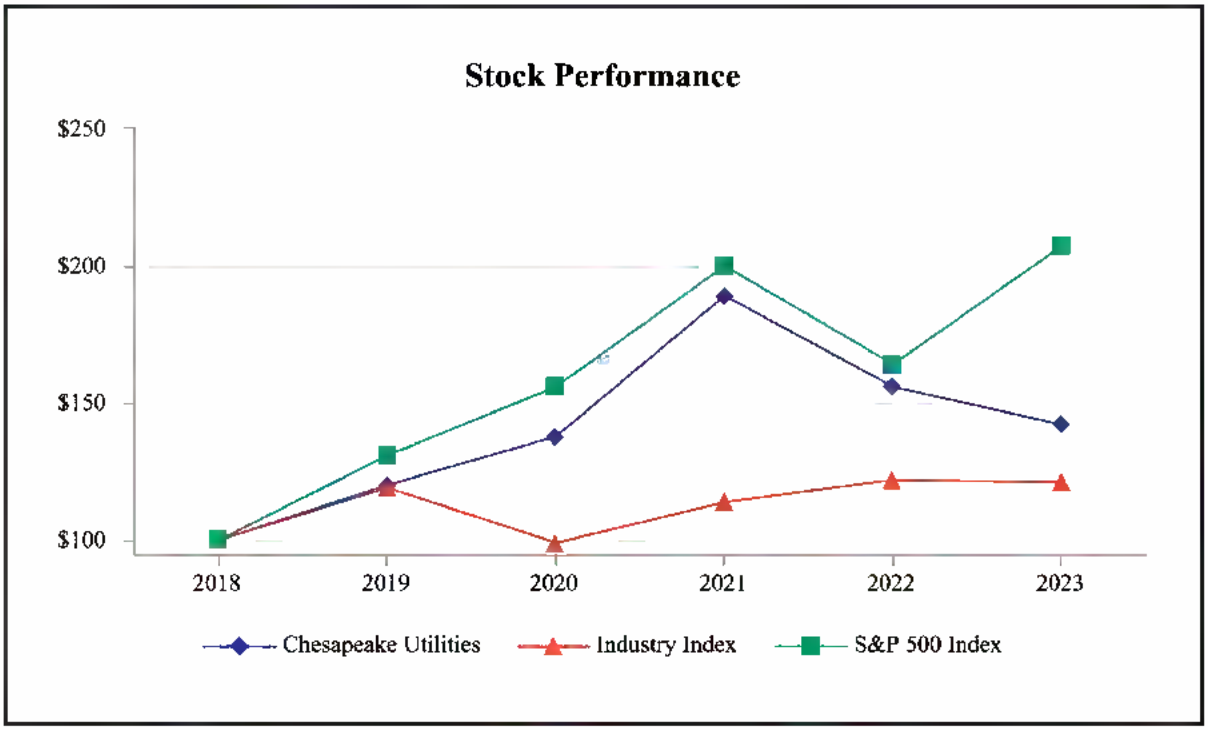
[1] In October 2023, we purchased 663 shares of common stock on the open market for the purpose of reinvesting the dividend on shares held in the Rabbi Trust accounts under the Non-Qualified Deferred Compensation Plan. The Non-Qualified Deferred Compensation Plan is discussed in detail in *Item 8, Financial Statements and Supplementary Data* (see Note 16, *Employee Benefit Plans*, in the consolidated financial statements)
[2] Except for the purpose described in footnote [1], we have no publicly announced plans or programs to repurchase our shares

Information on certain of our equity compensation plans, for which shares of our common stock are authorized for issuance, is included in the section of our Proxy Statement captioned "Equity Compensation Plan Information" and is incorporated herein by reference.

Common Stock Performance Graph

The stock performance graph and table below compares cumulative total stockholder return on our common stock during the five fiscal years ended December 31, 2023, with the cumulative total stockholder return of the Standard & Poor's 500 Index and the cumulative total stockholder return of select peers, which include the following companies: Atmos Energy Corporation; Black Hills Corporation; New Jersey Resources Corporation; NiSource; Northwest Natural Gas Company; Northwestern Corporation; ONE Gas, Inc.; RGC Resources, Inc.; Spire, Inc.; and Unitil Corporation.

The comparison assumes $100 was invested on December 31, 2018 in our common stock and in each of the foregoing indices and assumes reinvested dividends. The comparisons in the graph below are based on historical data and are not intended to forecast the possible future performance of our common stock.



	2018	2019	2020	2021	2022	2023
Chesapeake Utilities	$ 100	$ 120	$ 138	$ 189	$ 156	$ 142
Industry Index	$ 100	$ 119	$ 99	$ 114	$ 122	$ 121
S&P 500 Index	$ 100	$ 131	$ 156	$ 200	$ 164	$ 207

ITEM 6. RESERVED

ITEM 7. Management's Discussion and Analysis of Financial Condition and Results of Operations

This section provides management's discussion of Chesapeake Utilities and its consolidated subsidiaries, with specific information on results of operations, liquidity and capital resources, as well as discussion of how certain accounting principles affect our financial statements. It includes management's interpretation of our financial results and our operating segments, the factors affecting these results, the major factors expected to affect future operating results as well as investment and financing plans. This discussion should be read in conjunction with our consolidated financial statements and notes thereto in *Item 8, Financial Statements and Supplementary Data*.

Several factors exist that could influence our future financial performance, some of which are described in Item 1A*, Risk Factors*. They should be considered in connection with forward-looking statements contained in this Annual Report, or otherwise made by or on behalf of us, since these factors could cause actual results and conditions to differ materially from those set out in such forward-looking statements.

Earnings per share information is presented on a diluted basis, unless otherwise noted.

Acquisition of FCG

On November 30, 2023, we completed the acquisition of FCG for $923.4 million in cash, including working capital adjustments as defined in the agreement, pursuant to the previously disclosed stock purchase agreement with Florida Power & Light Company. Upon completion of the acquisition, FCG became a wholly-owned subsidiary of the Company and is included within our Regulated Energy segment. FCG serves approximately 120,000 residential and commercial natural gas customers across eight counties in Florida, including Miami-Dade, Broward, Brevard, Palm Beach, Hendry, Martin, St. Lucie and Indian River. Its natural gas system includes approximately 3,800 miles of distribution main and 80 miles of transmission pipe. Results for FCG are included within our consolidated results from the acquisition date.

In June 2023, FCG received approval from the Florida PSC for a $23.3 million total increase in base revenue in connection with its May 2022 rate case filing. The new rates, which became effective as of May 1, 2023, included the transfer of its SAFE program provisions from a rider clause to base rates, an increase in rates associated with a liquefied natural gas facility, and approval of FCG's proposed reserve surplus amortization mechanism ("RSAM") with a $25.0 million reserve amount. The RSAM is recorded as either an increase or decrease to accrued removal costs on the balance sheet, with a corresponding increase or decrease to depreciation and amortization expense.

The impact of FCG's results from the acquisition date and effects on our liquidity are discussed further below and throughout Item 7, *Management's Discussion and Analysis of Financial Condition and Results of Operations*.

Non-GAAP Financial Measures

This document, including the tables herein, include references to both Generally Accepted Accounting Principles ("GAAP") and non-GAAP financial measures, including Adjusted Gross Margin, Adjusted Net Income and Adjusted EPS. A "non-GAAP financial measure" is generally defined as a numerical measure of a company's historical or future performance that includes or excludes amounts, or that is subject to adjustments, so as to be different from the most directly comparable measure calculated or presented in accordance with GAAP. Our management believes certain non-GAAP financial measures, when considered together with GAAP financial measures, provide information that is useful to investors in understanding period-over-period operating results separate and apart from items that may, or could, have a disproportionately positive or negative impact on results in any particular period.

We calculate Adjusted Gross Margin by deducting the purchased cost of natural gas, propane and electricity and the cost of labor spent on direct revenue-producing activities from operating revenues. The costs included in Adjusted Gross Margin exclude depreciation and amortization and certain costs presented in operations and maintenance expenses in accordance with regulatory requirements. We calculate Adjusted Net Income and Adjusted EPS by deducting non-recurring costs and expenses associated with significant acquisitions that may affect the comparison of period-over-period results. These non-GAAP financial measures are not in accordance with, or an alternative to, GAAP and should be considered in addition to, and not as a substitute for, the comparable GAAP measures. We believe that these non-GAAP financial measures are useful and meaningful to investors as a basis for making investment decisions, and provide investors with information that demonstrates the profitability achieved by the Company under allowed rates for regulated energy operations and under the Company's competitive pricing structures for unregulated energy operations. The Company's management uses these non-GAAP financial measures in assessing a business unit's and the overall Company performance. Other companies may calculate these non-GAAP financial measures in a different manner.

The following tables reconcile Gross Margin, Net Income, and EPS, all as defined under GAAP, to our non-GAAP financial measures of Adjusted Gross Margin, Adjusted Net Income and Adjusted EPS for the years ended December 31, 2023, 2022 and 2021:

Adjusted Gross Margin

(in thousands)	For the Year Ended December 31, 2023 Regulated Energy	Unregulated Energy	Other and Eliminations	Total
Operating Revenues	**$ 473,595**	**$ 223,148**	**$ (26,139)**	**$ 670,604**
Cost of Sales:				
Natural gas, propane and electric costs	(140,008)	(102,492)	26,019	(216,481)
Depreciation & amortization	(48,162)	(17,347)	8	(65,501)
Operations & maintenance expenses (1)	(27,485)	(31,507)	343	(58,649)
Gross Margin (GAAP)	**257,940**	**71,802**	**231**	**329,973**
Operations & maintenance expenses (1)	27,485	31,507	(343)	58,649
Depreciation & amortization	48,162	17,347	(8)	65,501
Adjusted Gross Margin (Non-GAAP)	**$ 333,587**	**$ 120,656**	**$ (120)**	**$ 454,123**

(in thousands)	For the Year Ended December 31, 2022 Regulated Energy	Unregulated Energy	Other and Eliminations	Total
Operating Revenues	**$ 429,424**	**$ 280,750**	**$ (29,470)**	**$ 680,704**
Cost of Sales:				
Natural gas, propane and electric costs	(127,172)	(162,683)	29,349	(260,506)
Depreciation & amortization	(52,707)	(16.257)	(9)	(68,973)
Operations & maintenance expenses (1)	(35,472)	(29,825)	9	(65,288)
Gross Margin (GAAP)	**214,073**	**71,985**	**(121)**	**285,937**
Operations & maintenance expenses (1)	35,472	29,825	(9)	65,288
Depreciation & amortization	52,707	16,257	9	68,973
Adjusted Gross Margin (Non-GAAP)	**$ 302,252**	**$ 118,067**	**$ (121)**	**$ 420,198**

For the Year Ended December 31, 2021

(in thousands)	Regulated Energy	Unregulated Energy	Other and Eliminations	Total
Operating Revenues	**$ 383,920**	**$ 206,869**	**$ (20,821)**	**$ 569,968**
Cost of Sales:				
Natural gas, propane and electric costs	(100,737)	(106,900)	20,687	(186,950)
Depreciation & amortization	(48,748)	(13,869)	(44)	(62,661)
Operations & maintenance expenses [1]	(32,780)	(24,123)	179	(56,724)
Gross Margin (GAAP)	**201,655**	**61,977**	**1**	**263,633**
Operations & maintenance expenses [1]	32,780	24,123	(179)	56,724
Depreciation & amortization	48,748	13,869	44	62,661
Adjusted Gross Margin (Non-GAAP)	**$ 283,183**	**$ 99,969**	**$ (134)**	**$ 383,018**

[1] Operations & maintenance expenses within the Consolidated Statements of Income are presented in accordance with regulatory requirements and to provide comparability within the industry Operations & maintenance expenses which are deemed to be directly attributable to revenue producing activities have been separately presented above in order to calculate Gross Margin as defined under U S GAAP

2023 to 2022 Gross Margin (GAAP) Variance – Regulated Energy

Gross Margin (GAAP) for the Regulated Energy segment for 2023 was $257.9 million, an increase of $43.9 million. or 20.5 percent, compared to 2022. Higher gross margin reflects contributions from the Company's Florida Natural Gas base rate proceeding. organic growth in the Company's natural gas distribution businesses and continued pipeline expansion projects, and contributions attributable to the acquisition of FCG. These increases were partially offset by reduced customer consumption resulting from the significantly warmer temperatures in our northern service territories throughout the year and increased employee costs related to growth initiatives, the ongoing competitive labor market and higher benefits costs.

2022 to 2021 Gross Margin (GAAP) Variance – Regulated Energy

Gross Margin (GAAP) for the Regulated Energy segment for the year ended December 31, 2022 compared to 2021 is described in Item 7, *Management's Discussion and Analysis of Financial Condition and Results of Operations* in our Annual Report on Form 10-K for the year ended December 31, 2022, which is incorporated herein by reference.

2023 to 2022 Gross Margin (GAAP) Variance – Unregulated Energy

Gross Margin (GAAP) for the Unregulated Energy segment for 2023 was $71.8 million. which was largely consistent with gross margin for the prior year. The effects of changes in customer consumption due primarily to significantly warmer weather in our Mid-Atlantic and North Carolina service areas throughout the year and increased operating expenses and depreciation were largely offset by increased propane margins and fees and increased gathering charges and consumption for Aspire Energy.

2022 to 2021 Gross Margin (GAAP) Variance – Unregulated Energy

Gross Margin (GAAP) for the Unregulated Energy segment for the year ended December 31, 2022 compared to 2021 is described in Item 7, *Management's Discussion and Analysis of Financial Condition and Results of Operations* in our Annual Report on Form 10-K for the year ended December 31, 2022, which is incorporated herein by reference.

Adjusted Net Income and Adjusted EPS

(in thousands, except shares and per share data)	Year Ended December 31, 2023	2022	2021
Net Income (GAAP)	**$ 87,212**	$ 89,796	$ 83,466
FCG transaction-related expenses, net [1]	**10,625**	—	—
Adjusted Net Income (Non-GAAP)	**$ 97,837**	$ 89,796	$ 83,466
Weighted average common shares outstanding - diluted	**18,434,857**	17,804,294	17,633,029
Earnings Per Share - Diluted (GAAP)	**$ 4.73**	$ 5.04	$ 4.73
FCG transaction-related expenses, net [1]	**0.58**	—	—
Adjusted Earnings Per Share - Diluted (Non-GAAP)	**$ 5.31**	$ 5.04	$ 4.73

[1] Transaction-related expenses for the year ended December 31, 2023 represent costs incurred attributable to the acquisition of FCG, including pretax operating expenses of $10.4 million associated with legal, consulting and audit fees and $4.1 million of interest charges related to pretax fees and expenses associated with the Bridge Facility

2023 to 2022 Net Income (GAAP) Variance

Net income (GAAP) for the year ended December 31, 2023 was $87.2 million. or $4.73 per share, compared to $89.8 million, or $5.04 per share in 2022. Net income for the year ended December 31, 2023 included $10.6 million of transaction-related expenses in connection with the FCG acquisition. Excluding these costs, net income increased by $8.0 million or 9 percent compared to the prior year.

2022 to 2021 Net Income (GAAP) Variance

Net income (GAAP) for the year ended December 31, 2022 compared to 2021 is described in Item 7, *Management's Discussion and Analysis of Financial Condition and Results of Operations* in our Annual Report on Form 10-K for the year ended December 31, 2022, which is incorporated herein by reference.

(in thousands except shares and per share data)

For the Year Ended December 31,	2023	2022	Increase (Decrease)	2022	[illegible]	Increase (Decrease)
Operating Income						
Regulated Energy	$ **126,199**	$ 115,317	$ 10,882	$ 115,317	$ 106,174	$ 9,143
Unregulated Energy	**24,426**	27,350	(2,924)	27,350	24,427	2,923
Other businesses and eliminations	**178**	266	(88)	266	511	(245)
Operating Income	**150,803**	142,933	7,870	142,933	131,112	11,821
Other income, net	**1,438**	5,051	(3,613)	5,051	1,720	3,331
Interest charges	**36,951**	24,356	12,595	24,356	20,135	4,221
Income from Before Income Taxes	**115,290**	123,628	(8,338)	123,628	112,697	10,931
Income Taxes	**28,078**	33,832	(5,754)	33,832	29,231	4,601
Net Income	$ **87,212**	$ 89,796	$ (2,584)	$ 89,796	$ 83,466	$ 6,330
Basic Earnings Per Share of Common Stock	$ **4.75**	$ 5.07	$ (0.32)	$ 5.07	$ 4.75	$ 0.32
Diluted Earnings Per Share of Common Stock	$ **4.73**	$ 5.04	$ (0.31)	$ 5.04	$ 4.73	$ 0.31
Adjusted Net Income and Adjusted Earnings Per Share						
Net Income (GAAP)	$ **87,212**	$ 89,796	$ (2,584)	$ **89,796**	$ 83,466	$ 6,330
FCG transaction-related expenses, net [(1)]	**10,625**	—	10,625	—	—	—
Adjusted Net Income (Non-GAAP)	$ **97,837**	$ 89,796	$ 8,041	$ **89,796**	$ 83,466	$ 6,330
Weighted average common shares outstanding - diluted	**18,434,857**	17,804,294	630,563	**17,804,294**	17,633,029	171,265
Earnings Per Share - Diluted (GAAP)	$ **4.73**	$ 5.04	$ (0.31)	$ **5.04**	$ 4.73	$ 0.31
FCG transaction-related expenses, net [(1)]	**0.58**	—	0.58	—	—	—
Adjusted Earnings Per Share - Diluted (Non-GAAP)	$ **5.31**	$ 5.04	$ 0.27	$ **5.04**	$ 4.73	$ 0.31

[(1)] Transaction-related expenses for the year ended December 31, 2023 represent costs incurred attributable to the acquisition of FCG, including pretax operating expenses of $10.4 million associated with legal, consulting and audit fees and $4.1 million of interest charges related to pretax fees and expenses associated with the Bridge Facility.

2023 compared to 2022

Key variances in operations between 2023 and 2022 included:

(in thousands, except per share data)	Pre-tax Income	Net Income	Earnings Per Share
Year ended December 31, 2022 Adjusted Results**	**$ 123,628**	**$ 89,796**	**$ 5.04**
Non-recurring Items:			
One-time benefit associated with reduction in state tax rate	—	2,469	0 13
Absence of interest income from federal income tax refund	(826)	(600)	(0 03)
Absence of gain from sales of assets	(1,902)	(1,382)	(0 07)
	(2,728)	487	0 03
Increased (Decreased) Adjusted Gross Margins:			
Contribution from rate changes associated with Florida Natural Gas base rate proceeding*	13,361	9,820	0 53
Increased propane margins per gallon and fees	8,821	6,483	0 34
Contribution from the acquisition of FCG	8,687	6,385	0 35
Natural gas growth (excluding service expansions)	6,214	4,567	0 25
Natural gas transmission service expansions*	4,812	3,537	0 19
Contributions from regulated infrastructure programs*	2,597	1,909	0 10
Increased margins from Aspire Energy	1,141	839	0 05
Increased adjusted gross margin from off-system natural gas capacity sales	960	706	0 04
Customer consumption primarily resulting from weather	(13,627)	(10,016)	(0 54)
	32,966	24,230	1 31
(Increased) Decreased Other Operating Expenses (Excluding Natural Gas, Electricity and Propane Costs):			
Payroll, benefits and other employee-related expenses	(9,013)	(6,625)	(0 36)
FCG operating expenses	(4,190)	(3,080)	(0 17)
Facilities expenses, maintenance costs and outside services	(1,756)	(1,290)	(0 07)
Customer service related costs	(820)	(603)	(0 03)
Regulatory expenses	(658)	(484)	(0 03)
Depreciation, amortization and property tax costs	615	452	0 02
Decreased vehicle expenses	577	424	0 02
	(15,245)	(11,206)	(0 62)
Interest charges	(8,494)	(6,243)	(0 34)
Change in pension expense	(1,453)	(1,068)	(0 06)
Increase in shares outstanding due to 2023 and 2022 equity offerings	—	—	(0 17)
Net other changes	1,070	1,841	0 12
Year ended December 31, 2023 Adjusted Results**	**$ 129,744**	**$ 97,837**	**$ 5.31**

* See the Major Projects and Initiatives table

** Transaction-related expenses attributable to the acquisition of FCG have been excluded from the Company's non-GAAP measures of adjusted net income and adjusted EPS See previous tables for a reconciliation of these items against the related GAAP measures

SUMMARY OF KEY FACTORS

Recently Completed and Ongoing Major Projects and Initiatives

We constantly pursue and develop additional projects and initiatives to serve existing and new customers, further grow our businesses and earnings, and increase shareholder value. The following table includes the major projects and initiatives recently completed and currently underway. Major projects and initiatives that have generated consistent year-over-year adjusted gross margin contributions are removed from the table at the beginning of the next calendar year. Our practice is to add new projects and initiatives to this table once negotiations or details are substantially final and/or the associated earnings can be estimated.

	Adjusted Gross Margin				
	Year Ended December 31,			Estimate for Calendar Year	
(in thousands)	2021	2022	2023	2024	2025
Pipeline Expansions:					
Guernsey Power Station	$ 187	$ 1,377	$ 1,478	$ 1,482	$ 1,478
Southern Expansion	—	—	586	2,344	2,344
Winter Haven Expansion	—	260	637	626	626
Beachside Pipeline Expansions	—	—	1,810	2,451	2,414
North Ocean City Connector	—	—	—	—	494
St. Cloud / Twin Lakes Expansion	—	—	264	584	584
Clean Energy [1]	—	126	1,064	1,009	1,079
Wildlight	—	—	471	2,000	2,038
Lake Wales	—	—	265	454	454
Newberry	—	—	—	862	2,585
Total Pipeline Expansions	187	1,763	6,575	11,812	14,096
CNG/RNG/LNG Transportation and Infrastructure	7,566	11,100	11,181	12,500	13,969
Regulatory Initiatives:					
Florida GUARD Program	—	—	353	2,421	5,136
FCG SAFE Program	—	—	—	2,683	5,293
Capital Cost Surcharge Programs	1,199	2,001	2,829	3,979	4,374
Florida Rate Case Proceeding [2]	—	2,474	15,835	17,153	17,153
Maryland Rate Case [3]	—	—	—	TBD	TBD
Electric Storm Protection Plan	—	486	1,326	2,433	3,951
Total Regulatory Initiatives	1,199	4,961	20,343	28,669	35,907
Total	$ 8,952	$ 17,824	$ 38,099	$ 52,981	$ 63,972

[1] Includes adjusted gross margin generated from interim services through the project in-service date in September 2023.
[2] Includes adjusted gross margin during 2023 comprised of both interim rates and permanent base rates which became effective in March 2023.
[3] Rate case application filed with the Maryland PSC in January 2024. See additional information provided below.

Pipeline Expansions

Guernsey Power Station

Guernsey Power Station and our affiliate, Aspire Energy Express, are engaged in a firm transportation capacity agreement whereby Guernsey Power Station has constructed a power generation facility and Aspire Energy Express provides firm natural gas transportation service to this facility. Guernsey Power Station commenced construction of the project in October 2019, Aspire Energy Express completed construction of the gas transmission facilities in the fourth quarter of 2021, and the facility went into service during the first quarter of 2023. The project generated additional adjusted gross margin of $0.1 million for the year ended December 31, 2023, and is expected to produce adjusted gross margin of approximately $1.5 million in 2024 and beyond.

Southern Expansion

Eastern Shore installed a new natural gas driven compressor skid unit at its existing Bridgeville, Delaware compressor station that provides 7,300 Dts of incremental firm transportation pipeline capacity. The project was placed in service in the fourth quarter of 2023 and generated adjusted gross margin of $0.6 million for the year ended December 31, 2023 and is expected to produce adjusted gross margin of approximately $2.3 million in 2024 and beyond.

Winter Haven Expansion

In May 2021, Peninsula Pipeline filed a petition with the Florida PSC for approval of its Transportation Service Agreement with Florida Natural Gas for an incremental 6,800 Dts/d of firm service in the Winter Haven, Florida area. As part of this agreement, Peninsula Pipeline constructed a new interconnect with FGT and a new regulator station for Florida Natural Gas. Florida Natural Gas is using the additional firm service to support new incremental load due to growth in the area, including providing service, most immediately, to a new can manufacturing facility, as well as reliability and operational benefits to Florida Natural Gas's existing distribution system in the area. In connection with Peninsula Pipeline’s new regulator station, Florida Natural Gas also extended its distribution system to connect to the new station. This expansion was placed in service in the third quarter of 2022. The project generated additional adjusted gross margin of $0.4 million for the year ended December 31, 2023, and is expected to produce adjusted gross margin of approximately $0.6 million in 2024 and beyond.

Beachside Pipeline Expansion

In June 2021, Peninsula Pipeline and FCG entered into a Transportation Service Agreement for an incremental 10,176 Dts/d of firm service in Indian River County, Florida, to support Florida City Gas’ growth along the Indian River's barrier island. As part of this agreement, Peninsula Pipeline constructed approximately 11.3 miles of pipeline from its existing pipeline in the Sebastian, Florida, area east under the Intercoastal Waterway and southward on the barrier island. Construction was completed and the project went into service in April 2023. Subsequent to the acquisition of FCG, the agreement is now an affiliate agreement. The project generated additional adjusted gross margin of $1.8 million for the year ended December 31, 2023, and is expected to produce adjusted gross margin of approximately $2.5 million in 2024 and $2.4 million in 2025 and beyond.

North Ocean City Connector

During the second quarter of 2022, we began construction of an extension of service into North Ocean City, Maryland. Our Delaware natural gas division and Sandpiper installed approximately 5.4 miles of pipeline across southern Sussex County, Delaware to Fenwick Island, Delaware and Worcester County, Maryland. The project reinforces our existing system in Ocean City, Maryland and enables incremental growth along the pipeline. Construction of this project was completed in the second quarter of 2023. The Company filed a natural gas rate case application with the PSC for the state of Maryland in January 2024 as discussed below. Adjusted gross margin in connection with this project is contingent upon the completion of the rate case and inclusion of the project in rate base. As a result, we expect this expansion to generate annual adjusted gross margin of approximately $0.5 million beginning in 2025, with additional margin opportunities from incremental growth.

St. Cloud / Twin Lakes Expansion

In July 2022, Peninsula Pipeline filed a petition with the Florida PSC for approval of its Transportation Service Agreement with FPU for an additional 2,400 Dt/day of firm service in the St. Cloud, Florida area. As part of this agreement, Peninsula Pipeline constructed a pipeline extension and regulator station for FPU. The extension supports new incremental load due to growth in the area, including providing service, most immediately, to the residential development, Twin Lakes. The expansion also improves reliability and provides operational benefits to FPU’s existing distribution system in the area, supporting future growth. This project was placed into service in July 2023 and generated additional adjusted gross margin of $0.3 million for the year ended December 31, 2023. We expect this extension to generate additional annual adjusted gross margin of approximately $0.6 million in 2024 and beyond.

Clean Energy Expansion
During the fourth quarter of 2022, Clean Energy Fuels ("Clean Energy") and Florida Natural Gas entered into a precedent agreement for firm transportation services associated with a CNG fueling station Clean Energy is constructing. We installed approximately 2.2 miles of main extension in Davenport, Florida to support the filling station which was placed into service during September 2023. Our subsidiary, Marlin Gas Services, provided interim services to Clean Energy during the construction phase of the project. The project generated additional adjusted gross margin of $0.9 million for the year ended December 31, 2023, and is expected to contribute adjusted gross margin of approximately $1.0 million in 2024 and $1.1 million in 2025 and beyond.

Wildlight Expansion
In August 2022, Peninsula Pipeline and FPU filed a joint petition with the Florida PSC for approval of its Transportation Service Agreement associated with the Wildlight planned community located in Nassau County, Florida. The project enables us to meet the significant growing demand for service in Yulee, Florida. The agreement will enable us to build the project during the construction and build-out of the community, and charge the reservation rate as each phase of the project goes into service. Construction of the pipeline facilities will occur in two separate phases. Phase one consists of three extensions with associated facilities, and a gas injection interconnect with associated facilities. Phase two will consist of two additional pipeline extensions. Various phases of the project commenced in the first quarter of 2023, with construction on the overall project continuing through 2025. The project generated additional adjusted gross margin of $0.5 million for the year ended December 31, 2023, and is expected to contribute adjusted gross margin of approximately $2.0 million in 2024 and beyond.

Lake Wales Expansion
In February 2023, Peninsula Pipeline filed a petition with the Florida PSC for approval of its Transportation Service Agreement with our Florida Natural Gas distribution business, FPU, for an additional 9,000 Dt/d of firm service in the Lake Wales, Florida area. The PSC approved the petition in April 2023. Approval of the agreement enabled Peninsula Pipeline to complete the acquisition of an existing pipeline in May 2023 that is being utilized to serve both current and new natural gas customers. The project generated additional adjusted gross margin of $0.3 million for the year ended December 31, 2023, and is expected to contribute adjusted gross margin of approximately $0.5 million in 2024 and beyond.

Newberry Expansion
In April 2023, Peninsula Pipeline filed a petition with the Florida PSC for approval of its Transportation Service Agreement with FPU for an additional 8,000 Dt/d of firm service in the Newberry, Florida area. The petition was approved by the Florida PSC in the third quarter of 2023. Peninsula Pipeline will construct a pipeline extension, which will be used by FPU to support the development of a natural gas distribution system to provide gas service to the City of Newberry. A filing to address the acquisition and conversion of propane community gas systems in Newberry was made in November 2023, and the Florida PSC is scheduled to vote on this in March 2024. The project is expected to contribute adjusted gross margin of approximately $0.9 million in 2024 and $2.6 million in 2025 and beyond.

Worcester Resiliency Upgrade
In August 2023, Eastern Shore filed an application with the FERC requesting authorization to construct the Worcester Resiliency Upgrade, which consists of a mixture of storage and transmission facilities in Sussex County, DE and Wicomico, Worcester, and Somerset Counties in Maryland. The project will provide long-term incremental supply necessary to support the growing demand of the participating shippers. Eastern Shore has requested certificate authorization by December 2024, with a target in-service date by the third quarter of 2025.

East Coast Reinforcement Projects
In December 2023, Peninsula Pipeline filed a petition with the Florida PSC for approval of its Transportation Service Agreements with FPU for projects that will support additional supply to communities on the East Coast of Florida. The projects are driven by the need for increased supply to coastal portions of the state that have experienced an increase in population growth. Peninsula Pipeline will construct several pipeline extensions which will support FPU’s distribution system in the areas of Boynton Beach and New Smyrna Beach with an additional 15,000 Dts/day and 3,400 Dts/day, respectively. The Florida PSC is scheduled to vote on the projects in March 2024.

Central Florida Reinforcement Projects
In February 2024, Peninsula Pipeline filed a petition with the Florida PSC for approval of its Transportation Service Agreements with FPU for projects that will support additional supply to communities located in Central Florida. The projects are driven by the need for increased supply to communities in central Florida that have experienced an increase in population growth. Peninsula Pipeline will construct several pipeline extensions which will support FPU’s distribution system in the areas of Plant City and Lake Mattie with an additional 5,000 Dts/day and 8,700 Dts/day, respectively.

CNG/RNG/LNG Transportation and Infrastructure

We have made a commitment to meet customer demand for CNG, RNG and LNG in the markets we serve. This has included making investments within Marlin Gas Services to be able to transport these products through its virtual pipeline fleet to customers. To date, we have also made an infrastructure investment in Ohio, enabling RNG to fuel a third-party landfill fleet and to transport RNG to end use customers off our pipeline system. Similarly, we announced in March 2022, the opening of a high-capacity CNG truck and tube trailer fueling station in Port Wentworth, Georgia. As one of the largest public access CNG stations on the East Coast, it will offer a RNG option to customers in the near future. We constructed the station in partnership with Atlanta Gas Light, a subsidiary of Southern Company Gas.

We are also involved in various other projects, all at various stages and all with different opportunities to participate across the energy value chain. In many of these projects, Marlin will play a key role in ensuring the RNG is transported to one of our many pipeline systems where it will be injected. We include our RNG transportation service and infrastructure related adjusted gross margin from across the organization in combination with our CNG and LNG projects.

For the year ended December 31, 2023, we generated $0.1 million in additional adjusted gross margin associated with the transportation of CNG and RNG by Marlin's virtual pipeline and Aspire Energy's Noble Road RNG pipeline. We estimate annual adjusted gross margin of approximately $12.5 million in 2024, and $14.0 million in 2025 for these transportation related services, with potential for additional growth in future years.

Full Circle Dairy

In February 2023, we announced plans to construct, own and operate a dairy manure RNG facility at Full Circle Dairy in Madison County, Florida. The project consists of a facility converting dairy manure to RNG and transportation assets to bring the gas to market. The first injection of RNG is projected to occur in the first half of 2024.

Noble Road Landfill RNG Project

In October 2021, Aspire Energy completed construction of its Noble Road Landfill RNG pipeline project, a 33.1-mile pipeline, which transports RNG generated from the Noble Road landfill to Aspire Energy’s pipeline system, displacing conventionally produced natural gas. In conjunction with this expansion, Aspire Energy also upgraded an existing compressor station and installed two new metering and regulation sites. The RNG volume is expected to represent nearly 10 percent of Aspire Energy’s gas gathering volumes.

Regulatory Initiatives

Florida GUARD Program

In February 2023, FPU filed a petition with the Florida PSC for approval of the GUARD program. GUARD is a ten-year program to enhance the safety, reliability, and accessibility of portions of our natural gas distribution system. We identified various categories of projects to be included in GUARD, which include the relocation of mains and service lines located in rear easements and other difficult to access areas to the front of the street, the replacement of problematic distribution mains, service lines, and maintenance and repair equipment and system reliability projects. In August 2023, the Florida PSC approved the GUARD program, which included $205 million of capital expenditures projected to be spent over a 10-year period. For the year ended December 31, 2023, there was $0.4 million of incremental adjusted gross margin generated pursuant to the program. The program is expected to generate $2.4 million of adjusted gross margin in 2024 and $5.1 million in 2025.

FCG SAFE Program

In June 2023, the Florida PSC issued the approval order for the continuation of the SAFE program beyond its 2025 expiration date and inclusion of 150 miles of additional mains and services located in rear property easements. The SAFE program is designed to relocate certain mains and facilities associated with rear lot easements to street front locations to improve FCG's ability to inspect and maintain the facilities and reduce opportunities for damage and theft. In the same order, the Commission approved a replacement of 160 miles of pipe that was used in the 1970s and 1980s and shown through industry research to exhibit premature failure in the form of cracking. The program includes projected capital expenditures of $205 million over a 10-year period. The program is expected to generate $2.7 million of adjusted gross margin in 2024 and $5.3 million in 2025.

Capital Cost Surcharge Programs

In December 2019, the FERC approved Eastern Shore's capital cost surcharge to become effective January 1, 2020. The surcharge, an approved item in the settlement of Eastern Shore's last general rate case, allows Eastern Shore to recover capital costs associated with mandated highway or railroad relocation projects that required the replacement of existing Eastern Shore facilities. In 2023, there was $0.8 million of incremental adjusted gross margin generated pursuant to the program. Eastern Shore expects to produce adjusted gross margin of approximately $4.0 million in 2024 and $4.4 million in 2025 from relocation projects, which is ultimately dependent upon the timing of filings and the completion of construction.

Florida Natural Gas Rate Case Proceeding

In May 2022, our legacy natural gas distribution businesses in Florida filed a consolidated natural gas rate case with the Florida PSC. The application included a request for the following: (i) permanent rate relief of approximately $24.1 million, effective January 1, 2023, (ii) a depreciation study also submitted with the filing; (iii) authorization to make certain changes to tariffs to include the consolidation of rates and rate structure across the businesses and to unify the Florida Natural Gas distribution business under FPU; (iv) authorization to retain the acquisition adjustment recorded at the time of the FPU merger in our revenue requirement: and (v) authorization to establish an environmental remediation surcharge for the purposes of addressing future expected remediation costs for FPU MGP sites. In August 2022, interim rates were approved by the Florida PSC in the amount of approximately $7.7 million on an annualized basis, effective for all meter readings in September 2022. The discovery process and related hearings were concluded during the fourth quarter of 2022 and briefs were submitted in the same quarter of 2022. In January 2023, the Florida PSC approved the application for consolidation and permanent rate relief of approximately $17.2 million on an annual basis. Actual rates in connection with the rate relief were approved by the Florida PSC in February 2023 with an effective date of March 1, 2023. For the year ended December 31, 2023, there was $15.8 million of adjusted gross margin generated pursuant to this proceeding. and it is expected to generate $17.2 million of total adjusted gross margin in 2024 and 2025.

Maryland Natural Gas Rate Case

In January 2024, our natural gas distribution businesses in Maryland. CUC-Maryland Division, Sandpiper Energy, Inc., and Elkton Gas Company (collectively, "Maryland natural gas distribution businesses") filed a joint application for a natural gas rate case with the Maryland PSC. In connection with the application, we are seeking approval of the following: (i) permanent rate relief of approximately $6.9 million: (ii) authorization to make certain changes to tariffs to include a unified rate structure and to consolidate the Maryland natural gas distribution businesses under the new corporate entity which we anticipate will be called Chesapeake Utilities of Maryland, Inc.; and (iii) authorization to establish a rider for recovery of the costs associated with our new technology systems. The outcome of the application is subject to review and approval by the Maryland PSC.

Storm Protection Plan

In 2020, the Florida PSC implemented the Storm Protection Plan ("SPP") and Storm Protection Plan Cost Recovery Clause ("SPPCRC"), which require electric utilities to petition the Florida PSC for approval of a Transmission and Distribution Storm Protection Plan that covers the utility's immediate 10-year planning period with updates to the plan at least every 3 years. The SPPCRC rules allow the utility to file for recovery of associated costs related to its SPP. Our Florida electric distribution operation's SPP and SPPCRC were filed during the first quarter of 2022 and approved in the fourth quarter of 2022, with modifications, by the Florida PSC. For the year ended December 31, 2023, this initiative generated incremental adjusted gross margin of $0.8 million. and is expected to generate $2.4 million in 2024 and $4.0 million in 2025. We expect continued investment under the SPP going forward.

COVID-19 Regulatory Proceeding

In October 2020, the Florida PSC approved a joint petition of our natural gas and electric distribution utilities in Florida to establish a regulatory asset to record incremental expenses incurred due to COVID-19. The regulatory asset allows us to obtain recovery of these costs in the next base rate proceedings. Our Florida regulated business units reached a settlement with the Florida OPC in June 2021, enabling the business units to establish a regulatory asset of $2.1 million. This amount includes COVID-19 related incremental expenses for bad debt write-offs, personnel protective equipment, cleaning and business information services for remote work. Our Florida regulated business units are currently amortizing the amount over two years effective January 1, 2022 and recovering the regulatory asset through the Purchased Gas Adjustment and Swing Service mechanisms for the natural gas business units and through the Fuel Purchased Power Cost Recovery clause for the electric division. This resulted in additional adjusted gross margin of $1.0 million annually for both 2022 and 2023, which was offset by a corresponding amortization of regulatory asset expense in each year.

Other Major Factors Influencing Adjusted Gross Margin

Weather and Consumption

Weather had a significant impact on customer consumption during 2023, resulting in adjusted gross margin being negatively impacted by approximately $13.6 million compared to 2022 driven largely by significantly warmer weather in some of the Company's service territories resulting in reduced consumption. The following table summarizes heating degree day ("HDD") and cooling degree day ("CDD") variances from the 10-year average HDD/CDD ("Normal") for the years ended 2023 compared to 2022, and 2022 compared to 2021.

HDD and CDD Information

	For the Years Ended December 31,					
	2023	**2022**	**Variance**	**2022**	**2021**	**Variance**
Delmarva						
Actual HDD	**3,416**	4,088	(672)	4,088	3,849	239
10-Year Average HDD ("Normal")	**4,161**	4,147	14	4,147	4,182	(35)
Variance from Normal	**(745)**	(59)		(59)	(333)	
Florida						
Actual HDD	**664**	836	(172)	836	829	7
10-Year Average HDD ("Normal")	**826**	828	(2)	828	839	(11)
Variance from Normal	**(162)**	8		8	(10)	
Ohio						
Actual HDD	**5,043**	5,532	(489)	5,532	5,138	394
10-Year Average HDD ("Normal")	**5,594**	5,557	37	5,557	5,621	(64)
Variance from Normal	**(551)**	(25)		(25)	(483)	
Florida						
Actual CDD	**3,101**	2,826	275	2,826	2,687	139
10-Year Average CDD ("Normal")	**2,934**	2,929	5	2,929	2,952	(23)
Variance from Normal	**167**	(103)		(103)	(265)	

Natural Gas Distribution Growth

The average number of residential customers served on the Delmarva Peninsula and our legacy Florida Natural Gas distribution business increased by approximately 5.4 percent and 3.9 percent, respectively, during 2023.

On the Delmarva Peninsula, a larger percentage of the adjusted gross margin growth was generated from residential growth given the expansion of gas into new housing communities and conversions to natural gas as our distribution infrastructure continues to build out. In Florida, as new communities continue to build out due to population growth and the additional infrastructure to support the growth, there is increased load from both residential customers as well as new commercial and industrial customers. The details are provided in the following table:

(in thousands)	Adjusted Gross Margin Increase For the Year Ended December 31, 2023 Delmarva Peninsula	Florida
Customer growth:		
Residential	$ 1,895	$ 1,599
Commercial and industrial	589	2,131
Total customer growth [(1)]	$ 2,484	$ 3,730

[(1)] Customer growth amounts for our legacy Florida operations include the effects of revised rates associated with the Company's natural gas base rate proceeding, but exclude the effects of the FCG acquisition

REGULATED ENERGY

For the Year Ended December	2023	2022	Increase (Decrease)	2022	2021	Increase (Decrease)
(in thousands)						
Revenue	**$ 473,595**	$ 429,424	$ 44,171	$ 429,424	$ 383,920	$ 45,504
Natural gas and electric costs	**140,008**	127,172	12,836	127,172	100,737	26,435
Adjusted gross margin [(1)]	**333,587**	302,252	31,335	302,252	283,183	19,069
Operations & maintenance	**125,310**	112,963	12,347	112,963	108,190	4,773
Depreciation & amortization	**48,162**	52,707	(4,545)	52,707	48,748	3,959
FCG transaction-related expenses [(2)]	**10,355**	—	10,355	—	—	—
Other taxes	**23,561**	21,265	2,296	21,265	20,071	1,194
Other operating expenses	**207,388**	186,935	20,453	186,935	177,009	9,926
Operating Income	**$ 126,199**	$ 115,317	$ 10,882	$ 115,317	$ 106,174	$ 9,143

[(1)] Adjusted Gross Margin is a non-GAAP measure utilized by Management to review business unit performance For a more detailed discussion on the differences between Gross Margin (GAAP) and Adjusted Gross Margin, see the Reconciliation of GAAP to Non-GAAP Measures presented above

[(2)] Transaction-related expenses referred to in this table represent pretax operating expenses of $10 4 million associated with legal, consulting and audit fees incurred in connection with the acquisition of FCG

2023 compared to 2022

Operating income for the Regulated Energy segment for 2023 was $126.2 million, an increase of $10.9 million. or 9.4 percent, compared to 2022. Excluding transaction-related expenses associated with the acquisition of FCG, operating income increased $21.2 million or 18.4 percent compared to the prior year. Higher operating income reflects contributions from our regulatory initiatives, organic growth in our natural gas distribution businesses and continued pipeline expansion projects, and contributions from the acquisition of FCG. These increases were partially offset by changes in customer consumption resulting from the significantly warmer temperatures in our northern service territories throughout the year. Excluding the transaction-related expenses described above, operating expenses increased by $10.1 million compared to the prior year primarily attributable to increased employee costs driven by growth initiatives, the ongoing competitive labor market and higher benefits costs and higher property taxes compared to the prior year. Increases in depreciation and amortization expense attributable to growth projects that were placed into service during the current year were offset by reductions related to revised depreciation rates approved in the Company's Florida Natural Gas rate case and electric depreciation study filing, and a $5.1 million RSAM adjustment from FCG.

Items contributing to the year-over-year adjusted gross margin increase are listed in the following table:

(in thousands)		
Rate changes associated with the Florida Natural Gas base rate proceeding [1]	$	13,361
Contribution from the acquisition of FCG		8,687
Natural gas growth including conversions (excluding service expansions)		6,214
Natural gas transmission service expansions		4,812
Contributions from regulated infrastructure programs		2,597
Changes in customer consumption, driven by significantly warmer temperatures		(5,096)
Other variances		760
Year-over-year increase in adjusted gross margin	$	31,335

[1] Includes adjusted gross margin contributions from interim rates and permanent base rates that became effective in March 2023

The following narrative discussion provides further detail and analysis of the significant variances in adjusted gross margin detailed above.

Rate Changes Associated with the Florida Natural Gas Base Rate Proceeding
In August 2022, the Florida PSC approved interim rates starting in September 2022. In February 2023, we obtained a final rate order in connection with the Florida Natural Gas base rate proceeding with permanent rates effective on March 1, 2023. These interim and permanent rates contributed additional adjusted gross margin of $13.4 million. Refer to Note 18, *Rates and Other Regulatory Activities*, in the consolidated financial statements for additional information.

Contribution from Acquisition of FCG
FCG contributed adjusted gross margin of $8.7 million from the acquisition date.

Natural Gas Distribution Customer Growth
We generated additional adjusted gross margin of $6.2 million from natural gas customer growth. Adjusted gross margin increased by $3.7 million for our Florida Natural Gas distribution business and $2.5 million on the Delmarva Peninsula compared to 2022, due primarily to residential customer growth of 3.9 percent and 5.4 percent in Florida and on the Delmarva Peninsula, respectively.

Natural Gas Transmission Service Expansions
We generated increased adjusted gross margin of $4.8 million from natural gas transmission service expansions of Peninsula Pipeline, Eastern Shore and Aspire Energy Express.

Contributions from Regulated Infrastructure Programs
Contributions from regulated infrastructure programs generated incremental adjusted gross margin of $2.6 million for the year. The increase in adjusted gross margin was primarily related to FPU Electric's storm protection plan, Eastern Shore's capital surcharge program and Florida's GUARD program. Refer to Note 18, *Rates and Other Regulatory Activities*, in the consolidated financial statements for additional information.

Customer Consumption - Inclusive of Weather
We experienced reduced customer consumption for the year ended December 31, 2023, largely the result of significantly warmer weather experienced in the Delmarva service territory throughout the year resulting in reduced adjusted gross margin of $5.1 million compared to 2022.

The major components of the increase in other operating expenses are as follows:

(in thousands)		
FCG transaction-related expenses [1]	$	10,355
Payroll, benefits and other employee-related expenses		5,054
FCG operating expenses		4,190
Facilities expenses, maintenance costs and outside services		1,416
Customer service related costs		764
Regulatory expenses		658
Depreciation, amortization and property tax costs		(2,308)
Other variances		324
Year-over-year increase in other operating expenses	$	20,453

[1] Transaction-related expenses referred to in this table represent pretax operating expenses of $10.4 million associated with legal, consulting and audit fees incurred in connection with the acquisition of FCG

2022 compared to 2021
The results for the Regulated Energy segment for the year ended December 31, 2022 compared to 2021 are described in Item 7, *Management's Discussion and Analysis of Financial Condition and Results of Operations* in our Annual Report on Form 10-K for the year ended December 31, 2022, which is incorporated herein by reference.

UNREGULATED ENERGY

For the Year Ended December 31,	2023	2022	Increase (Decrease)	2022	2021	Increase (Decrease)
(in thousands)						
Revenue	$ 223,148	$ 280,750	$ (57,602)	$ 280,750	$ 206,869	$ 73,881
Propane and natural gas costs	102,492	162,683	(60,191)	162,683	106,900	55,783
Adjusted gross margin [1]	120,656	118,067	2,589	118,067	99,969	18,098
Operations & maintenance	74,168	70,489	3,679	70,489	57,905	12,584
Depreciation & amortization	17,347	16,257	1,090	16,257	13,869	2,388
Other taxes	4,715	3,971	744	3,971	3,768	203
Other operating expenses	96,230	90,717	5,513	90,717	75,542	15,175
Operating Income	$ 24,426	$ 27,350	$ (2,924)	$ 27,350	$ 24,427	$ 2,923

[1] Adjusted Gross Margin is a non-GAAP measure utilized by Management to review business unit performance. For a more detailed discussion on the differences between Gross Margin (GAAP) and Adjusted Gross Margin, see the Reconciliation of GAAP to Non-GAAP Measures presented above

2023 Compared to 2022
Operating income for the Unregulated Energy segment for 2023 decreased by $2.9 million compared to 2022. Operating results were impacted by changes in customer consumption due to significantly warmer weather in our Mid-Atlantic and North Carolina service areas throughout the year as well as conversion of propane customers to our natural gas distribution service. Additionally, we experienced increased operating expenses associated with increased payroll, benefits and employee related expenses driven by competition in the current labor market, depreciation, amortization and property taxes, as well as increased costs for facilities, maintenance and outside services. These factors were partially offset by increased propane margins and fees and increased gathering charges and customer consumption for Aspire.

Adjusted Gross Margin

Items contributing to the year-over-year increase in adjusted gross margin are listed in the following table:

(in thousands)		
Propane Operations		
Increased propane margins and fees	$	8,821
Propane customer consumption - primarily weather related		(8,235)
Decreased customer consumption due to conversion of customers to our natural gas system		(793)
Aspire Energy		
Increase in gathering margin		1,141
Increased customer consumption		496
Eight Flags		
Increased electric generation margin		1,018
Other variances		141
Year-over-year increase in adjusted gross margin	**$**	**2,589**

The following narrative discussion provides further detail and analysis of the significant items in the foregoing table.

Propane Operations

- *Increased propane margins and fees* - Adjusted gross margin increased by $8.8 million, mainly due to increased margins and customer service fees. These market conditions, which include market pricing and competition with other propane suppliers, as well as the availability and price of alternative energy sources, may fluctuate based on changes in demand, supply and other energy commodity prices.

- *Propane customer consumption* - Adjusted gross margin was negatively impacted by $8.2 million as a result of reduced customer consumption driven by significantly warmer weather that our Mid-Atlantic and North Carolina service areas experienced throughout 2023.

- *Reduced customer consumption due to conversion of customers to natural gas* - Adjusted gross margin was reduced by $0.8 million as more customers converted from propane to our natural gas distribution service.

Aspire Energy

- *Increase in gathering charges* - Adjusted gross margin increased by $1.1 million primarily due to increased gathering charges associated with a large commercial customer.

- *Increased customer consumption* - Adjusted gross margin increased by $0.5 million despite warmer temperatures due to increased customer consumption from agricultural customers compared to the prior year.

Eight Flags

- *Increased electric generation margin* - Adjusted gross margin increased by $1.0 million due to increased electric generation compared to the prior year.

Other Operating Expenses

Items contributing to the period-over-period increase in other operating expenses are listed in the following table:

(in thousands)		
Increased payroll, benefits and other employee-related expenses	$	3,959
Increased depreciation, amortization and property tax costs		1,717
Other variances		(163)
Period-over-period increase in other operating expenses	**$**	**5,513**

2022 compared to 2021

The results for the Unregulated Energy segment for the year ended December 31, 2022 compared to 2021 are described in Item 7, *Management's Discussion and Analysis of Financial Condition and Results of Operations* in our Annual Report on Form 10-K for the year ended December 31, 2022, which is incorporated by reference.

OTHER INCOME, NET

Other income, net was $1.4 million and $5.1 million for 2023 and 2022, respectively. Other income, net includes non-operating investment income (expense), interest income, late fees charged to customers, gains or losses from the sale of assets for our unregulated businesses and pension and other benefits expense. The decrease was primarily attributable to the absence of a one-time gain related to a building sale during 2022, the absence of interest income received in connection with a Federal Income Tax refund during 2022, and higher pension related expenses compared to the prior-year period.

INTEREST CHARGES

2023 Compared to 2022

Interest charges for 2023 increased by $12.6 million compared to the same period in 2022. This increase is primarily attributable to $6.2 million in interest expense as a result of long-term debt placements in 2023, including the November 2023 placement in connection with the FCG acquisition as well as $4.1 million related to bridge financing costs also attributable to the FCG acquisition. Higher interest expense on Revolver borrowings of $3.1 million driven by higher average interest rates compared to the prior year also contributed to the increase. The weighted-average interest rate on our Revolver borrowings was 5.4 percent for the year ended December 31, 2023 compared to 2.5 percent during the prior year as a result of the Federal Reserve actions in 2022 and 2023. These factors were partially offset by higher capitalized interest of $1.7 million during the current year associated with capital projects.

INCOME TAXES

2023 Compared to 2022

Income tax expense was $28.1 million for 2023 compared to $33.8 million for 2022. Our effective income tax rates were 24.4 percent and 27.4 percent for the years ended December 31, 2023 and 2022, respectively. Income tax expense for the year ended December 31, 2023 includes a $2.5 million benefit resulting from a reduction in the Pennsylvania state income tax rate. Excluding this change, our effective income tax rate was 26.5 percent in 2023.

LIQUIDITY AND CAPITAL RESOURCES

Our capital requirements reflect the capital-intensive and seasonal nature of our business and are principally attributable to investment in new plant and equipment, retirement of outstanding debt and seasonal variability in working capital. We rely on cash generated from operations, short-term borrowings, and other sources to meet normal working capital requirements and to temporarily finance capital expenditures. We may also issue long-term debt and equity to fund capital expenditures and to maintain our capital structure within our target capital structure range. We maintain effective shelf registration statements with the SEC, as applicable, for the issuance of shares of common stock under various types of equity offerings, including the DRIP and previously, shares of common stock under an ATM equity program. Depending on our capital needs and subject to market conditions, in addition to other possible debt and equity offerings, we may consider issuing additional shares under the direct share purchase component of the DRIP and/or under an ATM equity program.

Our energy businesses are weather-sensitive and seasonal. We normally generate a large portion of our annual net income and subsequent increases in our accounts receivable in the first and fourth quarters of each year due to significant volumes of natural gas, electricity, and propane delivered by our distribution operations, and our natural gas transmission operations to customers during the peak heating season. In addition, our natural gas and propane inventories, which usually peak in the fall months, are largely drawn down in the heating season and provide a source of cash as the inventory is used to satisfy winter sales demand.

Capital expenditures for investments in new or acquired plant and equipment are our largest capital requirements. Our capital expenditures were $1.1 billion in 2023, which includes $923.4 million attributable to the purchase of FCG and $3.9 million related to an acquisition in the propane distribution business.

The following table shows capital expenditures for the year ended December 31, 2023 by segment and by business line:

(in thousands)		For the Year Ended December 31, 2023
Regulated Energy:		
Natural gas distribution	$	109,245
Natural gas transmission		40,179
Electric distribution		19,745
Total Regulated Energy		169,169
Unregulated Energy:		
Propane distribution		14,287
Energy transmission		5,469
Other unregulated energy		20,508
Total Unregulated Energy		40.264
Other:		
Corporate and other businesses		1,762
Total Other		1,762
Legacy capital expenditures		**211,195**
FCG Acquisition (1)		**926,702**
Total 2023 Capital Expenditures	**$**	**1,137,897**

(1) Includes amounts for the acquisition of FCG net of cash acquired and their capital expenditures from the date of the acquisition through December 31, 2023. For additional information on the FCG acquisition, refer to Note 4, *Acquisitions*, in the consolidated financial statements.

In the table below, we have provided a range of our forecasted capital expenditures by segment and business line for 2024:

	Estimate for Fiscal 2024			
(in thousands)		Low		High
Regulated Energy:				
Natural gas distribution	$	150,000	$	170,000
Natural gas transmission		90,000		120,000
Electric distribution		25,000		28,000
Total Regulated Energy		265,000		318,000
Unregulated Energy:				
Propane distribution		13,000		15,000
Energy transmission		5,000		6,000
Other unregulated energy		13,000		15,000
Total Unregulated Energy		31,000		36,000
Other:				
Corporate and other businesses		4,000		6,000
Total 2024 Forecasted Capital Expenditures	**$**	**300,000**	**$**	**360,000**

The 2024 forecast excludes potential acquisitions due to their opportunistic nature.

As a result of the Company's most recent 5-year strategic plan review where we revisited growth projections over the next five years for our legacy businesses and with the increased scale and investment opportunities related to FCG, the Company previously announced new capital expenditure guidance for the five-year period ended 2028 that will range from $1.5 billion to $1.8 billion.

The capital expenditure projection is subject to continuous review and modification. Actual capital requirements may vary from the above estimates due to a number of factors, including changing economic conditions, supply chain disruptions, capital delays that are greater than currently anticipated, customer growth in existing areas, regulation, new growth or acquisition opportunities and availability of capital and other factors discussed in Item 1A, *Risk Factors*. Historically, actual capital expenditures have typically lagged behind the budgeted amounts. The timing of capital expenditures can vary based on delays in regulatory approvals, securing environmental approvals and other permits. The regulatory application and approval process has lengthened in the past few years, and we expect this trend to continue.

Capital Structure

We are committed to maintaining a sound capital structure and strong credit ratings. This commitment, along with adequate and timely rate relief for our regulated energy operations, is intended to ensure our ability to attract capital from outside sources at a reasonable cost, which will benefit our customers, creditors, employees and stockholders.

The following tables present our capitalization as of December 31, 2023 and 2022 and includes the impacts associated with financing the FCG acquisition:

(dollars in thousands)	December 31, 2023		December 31, 2022	
Long-term debt, net of current maturities	$ 1,187,075	49 %	$ 578,388	41 %
Stockholders' equity	1,246,104	51 %	832,801	59 %
Total capitalization, excluding short-term borrowings	$ 2,433,179	100 %	$ 1,411,189	100 %

(dollars in thousands)	December 31, 2023		December 31, 2022	
Short-term **debt**	$ 179,853	7 %	$ 202,157	12 %
Long-term debt, including current maturities	1,205,580	46 %	599,871	37 %
Stockholders' equity	1,246,104	47 %	832,801	51 %
Total capitalization. including short-term borrowings	$ 2,631,537	100 %	$ 1,634,829	100 %

Our target ratio of equity to total capitalization, including short-term borrowings, is between 50 and 60 percent. We seek to align permanent financing with the in-service dates of our capital projects. We may utilize more temporary short-term debt when the financing cost is attractive as a bridge to the permanent long-term financing or if the equity markets are volatile. We expect to move closer to our target capital structure over the next couple of years.

In November 2023, in connection with our acquisition of FCG, we completed an overnight offering resulting in the issuance of 4.4 million shares of our common stock at a price per share of $82.72 (net of underwriter discounts and commissions). We received net proceeds of $366.4 million which were used to partially finance the acquisition.

During 2023, there were no issuances under the DRIP. In 2022, we issued less than 0.1 million shares at an average price per share of $136.26 and received net proceeds of $4.5 million under the DRIP.

Shelf Agreements

We have entered into Shelf Agreements with Prudential and MetLife, whom are under no obligation to purchase any unsecured debt. In February 2023, we amended these Shelf Agreements, which expanded the total borrowing capacity and extended the term of the agreements for an additional three years from the effective dates to 2026. The following table summarizes our Shelf Agreements at December 31, 2023:

Shelf Agreement [1] *(in thousands)*	Total Borrowing Capacity	Less: Amount of Debt Issued	Less: Unfunded Commitments	Remaining Borrowing Capacity
Prudential Shelf Agreement	$ 405,000	$ (300,000)	—	$ 105,000
MetLife Shelf Agreement	200,000	(50,000)	—	150,000
Total	$ 605,000	$ (350,000)	$ —	$ 255,000

[1] The amended Prudential and MetLife Shelf Agreements both expire in February 2026.

Long-Term Debt

All of our outstanding Senior Notes set forth certain business covenants to which we are subject when any note is outstanding, including covenants that limit or restrict our ability, and the ability of our subsidiaries, to incur indebtedness, or place or permit liens and encumbrances on any of our property or the property of our subsidiaries.

In November 2023, we issued Senior Notes in the aggregate principal amount of $550.0 million at an average interest rate of 6.54 percent that were used to partially finance our acquisition of FCG which closed during the fourth quarter of 2023. These notes have varying maturity dates of between three and 15 years, and the outstanding principal balance of the notes will be due on their respective maturity dates with interest payments payable semiannually until the principal has been paid in full. These Senior Notes have similar covenants and default provisions as our other Senior Notes.

In March 2023, we issued 5.43 percent Senior Notes due March 14, 2038 in the aggregate principal amount of $80.0 million and used the proceeds received from the issuances of the Senior Notes to reduce short-term borrowings under our Revolver and to fund capital expenditures. These Senior Notes have similar covenants and default provisions as our other Senior Notes, and have an annual principal amortization payment beginning in the sixth year after the issuance.

Short-Term Borrowings

We are authorized by our Board of Directors to borrow up to $375.0 million of short-term debt, as required. At December 31, 2023 and 2022, we had $179.9 million and $202.2 million, respectively, of short-term borrowings outstanding at a weighted average interest rate of 5.83 percent and 5.04 percent, respectively. There were no borrowings outstanding under the sustainable investment sublimit of the 364-day tranche at December 31, 2023.

We have entered into several amendments to our Revolver which resulted in modifications to both tranches of the facility. The most recent amendment in October 2023 allowed for a change in our funded indebtedness ratio from 65 percent to 70 percent during the quarter in which the acquisition of FCG is consummated and the quarter subsequent to the closing of the acquisition. The amendment in August 2023 served to renew the 364-day tranche of the Revolver, providing for $175.0 million of short-term debt capacity. Additionally, the amendment for borrowings under the 364-day tranche shall now bear interest (i) based upon the SOFR, plus a 10-basis point credit spread adjustment, and an applicable margin of 1.05 percent or less, with such margin based on total indebtedness as a percentage of total capitalization or (ii) the base rate, solely at our discretion. Further, the amendment provided that borrowings under the 364-day green loan sublimit shall now bear interest at (i) the SOFR rate plus a 10-basis point credit spread adjustment and an applicable margin of 1.00 percent or less, with such margin based on total indebtedness as a percentage of total capitalization or (ii) the base rate plus 0.05 percent or less, solely at our discretion. The amendment entered into in 2022 served to reset the benchmark interest rate to SOFR and to eliminate a previous covenant which capped our investment limit to $150.0 million for investments where we maintain less than 50 percent ownership.

The 364-day tranche of the Revolver expires in August 2024 and the five-year tranche expires in August 2026. Borrowings under both tranches of the Revolver are subject to a pricing grid, including the commitment fee and the interest rate charged based upon our total indebtedness to total capitalization ratio for the prior quarter. As of December 31, 2023, the pricing under the 364-day tranche of the Revolver included a commitment fee of 9-basis points on undrawn amounts and an interest rate of 75-basis points over SOFR plus a 10-basis point SOFR adjustment on outstanding balances. As of December 31, 2023, the pricing under the five-year tranche of the Revolver included a commitment fee of 9-basis points on undrawn amounts and an interest rate of 95-basis points over SOFR plus a 10-basis point SOFR adjustment on outstanding balances.

The availability of funds under the Revolver is subject to conditions specified in the credit agreement, all of which we currently satisfy. These conditions include our compliance with financial covenants and the continued accuracy of representations and warranties contained in the Revolver's loan documents. We are required by the financial covenants in the Revolver to maintain, at the end of each fiscal year, a funded indebtedness ratio as described above. As of December 31, 2023, we are in compliance with this covenant.

Our total available credit under the Revolver at December 31, 2023 was $188.1 million. As of December 31, 2023, we had issued $7.0 million in letters of credit to various counterparties under the Revolver. These letters of credit are not included in the outstanding short-term borrowings and we do not anticipate that they will be drawn upon by the counterparties. The letters of credit reduce the available borrowings under the Revolver.

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In connection with our acquisition of FCG, we entered into a 364-day Bridge Facility commitment with Barclays Bank PLC [illegible]. Upon closing of the FCG acquisition in November 2023, and with the completion of other financing activities as defined in the lending agreement, this facility was terminated without any funds drawn to finance the transaction.

Key statistics regarding our unsecured short-term credit facilities (our Revolver and previous bilateral lines of credit and revolving credit facility) for the years ended December 31, 2023, 2022 and 2021 are as follows:

(in thousands)	2023	2022	2021
Average borrowings during the year	**$ 130,246**	$ 170,434	$ 182,305
Weighted average interest rate for the year	**5.41 %**	2.49 %	1.03 %
Maximum month-end borrowings	**$ 206,460**	$ 225,050	$ 226,097

Cash Flows

The following table provides a summary of our operating. investing and financing cash flows for the years ended December 31, 2023, 2022 and 2021:

	For the Year Ended December 31,		
(in thousands)	2023	2022	2021
Net cash provided by (used in):			
Operating activities	**$ 203,482**	$ 158,882	$ 150,504
Investing activities	**(1,111,391)**	(136,448)	(223,023)
Financing activities	**906,609**	(21,206)	73,996
Net (decrease) increase in cash and cash equivalents	**(1,300)**	1,228	1,477
Cash and cash equivalents—beginning of period	**6,204**	4,976	3,499
Cash and cash equivalents—end of period	**$ 4,904**	$ 6,204	$ 4,976

Cash Flows Provided by Operating Activities

Changes in our cash flows from operating activities are attributable primarily to changes in net income, adjusted for non-cash items, such as depreciation and changes in deferred income taxes, and changes in working capital. Working capital requirements are determined by a variety of factors, including weather, the prices of natural gas, electricity and propane, the timing of customer collections, payments for purchases of natural gas, electricity and propane, and deferred fuel cost recoveries.

We normally generate a large portion of our annual net income and related increases in our accounts receivable in the first and fourth quarters of each year due to significant volumes of natural gas and propane delivered to customers during the peak heating season by our natural gas and propane operations and our natural gas supply, gathering and processing operation. In addition. our natural gas and propane inventories, which usually peak in the fall months, are largely drawn down in the heating season and provide a source of cash as the inventory is used to satisfy winter sales demand.

During 2023, net cash provided by operating activities was $203.5 million. Operating cash flows were primarily impacted by the following:

- Net income, adjusted for non-cash adjustments, provided a $170.0 million source of cash;
- Changes in net regulatory assets and liabilities due primarily to the change in fuel costs collected through the various cost recovery mechanisms resulted in a $20.1 million source of cash; and
- Other working capital changes, as well as propane inventory and the related hedging activity, resulted in a $9.8 million source of cash.

Cash Flows Used in Investing Activities

Net cash used in investing activities totaled $1.1 billion during the year ended December 31, 2023. Key investing activities contributing to the cash flow change included:

- Net cash of $925.0 million was used in 2023 to acquire FCG and a propane distribution business; and
- Cash used to pay for capital expenditures amounted to $188.6 million for 2023.

Cash Flows Provided by Financing Activities

Net cash provided by financing activities totaled $906.6 million for the year ended December 31, 2023. This source of cash was largely related to financing activities in connection with the FCG acquisition and included:

- A net increase in long-term debt borrowings resulting in a net source of cash of $605.5 million, including $627.0 million from issuances, offset by long-term repayments of $21.5 million;
- Net proceeds of $366.4 million from the issuance of common stock: partially offset by
- A $40.0 million use of cash for dividend payments in 2023; and
- Net repayments under lines of credit resulting in a use of cash of $22.5 million.

CONTRACTUAL OBLIGATIONS

We have the following contractual obligations and other commercial commitments as of December 31, 2023:

Contractual Obligations *(in thousands)*	Payments Due by Period 2024	2025-2026	2027-2028	After 2028	Total
Long-term debt [(1)]	$ 18,505	$ 160,079	$ 268,373	$ 762,376	$ 1,209,333
Operating leases [(2)]	2,771	4,062	2,788	5,243	14,864
Purchase obligations [(3)]					
Transmission capacity	45,314	87,627	70,030	128,326	331.297
Storage capacity	3,312	4,519	860	—	8,691
Commodities	30,983	—	—	—	30,983
Electric supply	6,431	12,936	12,961	12,961	45,289
Unfunded benefits [(4)]	228	485	474	1,131	2,318
Funded benefits [(5)]	2,018	4,035	4,035	2,172	12,260
Total Contractual Obligations	**$ 109,562**	**$ 273,743**	**$ 359,521**	**$ 912,209**	**$ 1,655,035**

[(1)] This represents principal payments on long-term debt. See *Item 8, Financial Statements and Supplementary Data*, Note 12, *Long-Term Debt*, for additional information. The expected interest payments on long-term debt are $62.4 million, $116.4 million, $92.8 million and $160.6 million, respectively, for the periods indicated above. Expected interest payments for all periods total $432.2 million.
[(2)] See *Item 8, Financial Statements and Supplementary Data*, Note 14, *Leases*, for additional information.
[(3)] See *Item 8, Financial Statements and Supplementary Data*, Note 20, *Other Commitments and Contingencies*, for additional information.
[(4)] These amounts associated with our unfunded post-employment and post-retirement benefit plans are based on expected payments to current retirees and assume a retirement age of 62 for currently active employees. There are many factors that would cause actual payments to differ from these amounts, including early retirement, future health care costs that differ from past experience and discount rates implicit in calculations. See *Item 8, Financial Statements and Supplementary Data*, Note 16, *Employee Benefit Plans*, for additional information on the plans.
[(5)] We have recorded long-term liabilities of $0.2 million at December 31, 2023 for the FPU qualified, defined benefit pension plan. The assets funding this plan are in a separate trust and are not considered assets of ours or included in our balance sheets. We do not expect to make payments to the trust funds in 2024. Additional contributions may be required in future years based on the actual return earned by the plan assets and other actuarial assumptions, such as the discount rate and long-term expected rate of return on plan assets. See *Item 8, Financial Statements and Supplementary Data*, Note 16, *Employee Benefit Plans*, for further information on the plans. Additionally, the Contractual Obligations table above includes deferred compensation obligations totaling $12.3 million, funded with Rabbi Trust assets in the same amount. The Rabbi Trust assets are recorded under Investments on the consolidated balance sheets. We assume a retirement age of 65 for purposes of distribution from this trust.

OFF-BALANCE SHEET ARRANGEMENTS

Our Board of Directors has authorized us to issue corporate guarantees securing obligations of our subsidiaries and to obtain letters of credit securing our subsidiaries' obligations. The maximum authorized liability under such guarantees and letters of credit as of December 31, 2023 was $35.0 million. The aggregate amount guaranteed at December 31, 2023 was approximately $24.3 million with the guarantees expiring on various dates through December 2024. In addition, the Board has authorized us to issue specific purpose corporate guarantees. The amount of specific purpose guarantees outstanding at December 31, 2023 was $4.0 million.

As of December 31, 2023, we have issued letters of credit totaling approximately $7.0 million related to the electric transmission services for FPU's electric division, the firm transportation service agreement between TETLP and our Delaware and Maryland divisions, the capacity agreement between NEXUS and Aspire, and our current and previous primary insurance carriers. These letters of credit have various expiration dates through October 2024. There have been no draws on these letters of credit as of December 31, 2023. We do not anticipate that the counterparties will draw upon these letters of credit, and we expect that they will be renewed to the extent necessary in the future. Additional information is presented in *Item 8, Financial Statements and Supplementary Data*, Note 20, *Other Commitments and Contingencies* in the consolidated financial statements.

Critical Accounting Estimates

We prepare our financial statements in accordance with GAAP. Application of these accounting principles requires the use of estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses, and related disclosures of contingencies during the reporting period. We base our estimates on historical experience and on various assumptions that are believed to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying value of assets and liabilities that are not readily apparent from other sources. Since a significant portion of our businesses are regulated and the accounting methods used by these businesses must comply with the requirements of the regulatory bodies, the choices available are limited by these regulatory requirements. In the normal course of business, estimated amounts are subsequently adjusted to actual results that may differ from the estimates.

Regulatory Assets and Liabilities

As a result of the ratemaking process, we record certain assets and liabilities in accordance with ASC Topic 980, *Regulated Operations*, and consequently, the accounting principles applied by our regulated energy businesses differ in certain respects from those applied by the unregulated businesses. Amounts are deferred as regulatory assets and liabilities when there is a probable expectation that they will be recovered in future revenues or refunded to customers as a result of the regulatory process. This is more fully described in Item 8*, Financial Statements and Supplementary Data,* Note 2*, Summary of Significant Accounting Policies,* in the consolidated financial statements. If we were required to terminate the application of ASC Topic 980, we would be required to recognize all such deferred amounts as a charge or a credit to earnings, net of applicable income taxes. Such an adjustment could have a material effect on our results of operations.

Financial Instruments

We utilize financial instruments to mitigate commodity price risk associated with fluctuations of natural gas, electricity and propane and to mitigate interest rate risk. We continually monitor the use of these instruments to ensure compliance with our risk management policies and account for them in accordance with GAAP, such that every derivative instrument is recorded as either an asset or a liability measured at its fair value. It also requires that changes in the derivatives' fair value are recognized in the current period earnings unless specific hedge accounting criteria are met. If these instruments do not meet the definition of derivatives or are considered “normal purchases and normal sales,” they are accounted for on an accrual basis of accounting.

Additionally, GAAP also requires us to classify the derivative assets and liabilities based on the lowest level of input that is significant to the fair value measurement. Our assessment of the significance of a particular input to the fair value measurement requires judgment and may affect the fair value of the assets and liabilities and their placement within the fair value hierarchy.

We determined that certain propane put options, call options, swap agreements and interest rate swap agreements met the specific hedge accounting criteria. We also determined that most of our contracts for the purchase or sale of natural gas, electricity and propane either: (i) did not meet the definition of derivatives because they did not have a minimum purchase/sell requirement, or (ii) were considered “normal purchases and normal sales” because the contracts provided for the purchase or sale of natural gas, electricity or propane to be delivered in quantities that we expect to use or sell over a reasonable period of time in the normal course of business. Accordingly, these contracts were accounted for on an accrual basis of accounting.

Additional information about our derivative instruments is disclosed in Item 8, *Financial Statements and Supplementary Data,* Note 8, *Derivative Instruments,* in the consolidated financial statements.

Goodwill and Other Intangible Assets

We test goodwill for impairment at least annually in December, or more frequently if an event occurs or circumstances change that would more likely than not reduce the fair value of a reporting unit below its carrying value. We generally use a present value technique based on discounted cash flows to estimate the fair value of our reporting units. An impairment charge is recognized if the carrying value of a reporting unit’s goodwill exceeds its fair value. The annual impairment testing for 2023 indicated no impairment of goodwill. At December 31, 2023, our goodwill balance totaled $508.2 million including $461.2 million attributable to the acquisition of FCG. Additional information is presented in Item 8*, Financial Statements and Supplementary Data,* Note 4, *Acquisitions,* and Note 10*, Goodwill and Other Intangible Assets,* in the consolidated financial statements.

Other Assets Impairment Evaluations

We periodically evaluate whether events or circumstances have occurred which indicate that long-lived assets may not be recoverable. When events or circumstances indicate that an impairment is present, we record an impairment loss equal to the excess of the asset's carrying value over its fair value, if any.

Pension and Other Postretirement Benefits

Pension and other postretirement plan costs and liabilities are determined on an actuarial basis and are affected by numerous assumptions and estimates including the market value of plan assets, estimates of the expected returns on plan assets, assumed discount rates, the level of contributions made to the plans, and current demographic and actuarial mortality data. The assumed discount rates and the expected returns on plan assets are the assumptions that generally have the most significant impact on the pension costs and liabilities. The assumed discount rates, the assumed health care cost trend rates and the assumed rates of retirement generally have the most significant impact on our postretirement plan costs and liabilities. Additional information is presented in Item 8, *Financial Statements and Supplementary Data,* Note 16*, Employee Benefit Plans,* in the consolidated financial statements, including plan asset investment allocation, estimated future benefit payments, general descriptions of the plans, significant assumptions, the impact of certain changes in assumptions, and significant changes in estimates.

At December 31, 2023, actuarial assumptions include expected long-term rates of return on plan assets for FPU's pension plan of 6.00 percent and a discount rate of 5.00 percent. The discount rate was determined by management considering high-quality corporate bond rates, such as the Empower curve index and the FTSE Index, changes in those rates from the prior year and other pertinent factors, including the expected lives of the plans and the availability of the lump-sum payment option. A 0.25 percent increase or decrease in the discount rate would not have a material impact on our pension and postretirement liabilities and related costs.

Actual changes in the fair value of plan assets and the differences between the actual return on plan assets and the expected return on plan assets could have a material effect on the amount of pension benefit costs that we ultimately recognize for our funded pension plan. A 0.25 percent change in the rate of return would not have a material impact on our annual pension cost for the FPU pension plan.

ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK.

INTEREST RATE RISK

The fluctuation in interest rates expose us to potential increased cost we could incur when we issue debt instruments or to provide financing and liquidity for our business activities. We evaluate whether to refinance existing debt or permanently refinance existing short-term borrowings based in part on the fluctuation in interest rates. We utilize interest rate swap agreements to mitigate short-term borrowing rate risk. Additional information about our long-term debt and short-term borrowing is disclosed in Note 12, *Long-Term Debt,* and Note 13, *Short-Term Borrowings*, respectively, in the consolidated financial statements.

COMMODITY PRICE RISK

Regulated Energy Segment

We have entered into agreements with various wholesale suppliers to purchase natural gas and electricity for resale to our customers. Our regulated energy distribution businesses that sell natural gas or electricity to end-use customers have fuel cost recovery mechanisms authorized by the PSCs that allow us to recover all of the costs prudently incurred in purchasing natural gas and electricity for our customers. Therefore, our regulated energy distribution operations have limited commodity price risk exposure.

Unregulated Energy Segment

Our propane operations are exposed to commodity price risk as a result of the competitive nature of retail pricing offered to our customers. In order to mitigate this risk, we utilize propane storage activities and forward contracts for supply and sales activities.

We can store up to approximately 8.9 million gallons of propane (including leased storage and rail cars) during the winter season to meet our customers' peak requirements and to serve metered customers. Decreases in the wholesale price of propane may cause the value of stored propane to decline, particularly if we utilize fixed price forward contracts for supply. To mitigate the risk of propane commodity price fluctuations on the inventory valuation, we have adopted a Risk Management Policy that allows our propane distribution operation to enter into fair value hedges, cash flow hedges or other economic hedges of our inventory.

Aspire Energy is exposed to commodity price risk, primarily during the winter season, to the extent we are not successful in balancing our natural gas purchases and sales and have to secure natural gas from alternative sources at higher spot prices. In order to mitigate this risk, we procure firm capacity that meets our estimated volume requirements and we continue to seek out new producers in order to fulfill our natural gas purchase requirements.

The following table reflects the changes in the fair market value of financial derivatives contracts related to propane purchases and sales from December 31, 2022 to December 31, 2023:

(in thousands)	Balance at December 31, 2022	Increase (Decrease) in Fair Market Value	Less Amounts Settled	Balance at December 31, 2023
Sharp	$ 1,507	$ (1,822)	$ (61)	$ (376)

There were no changes in the methods of valuations during the year ended December 31, 2023.

The following is a summary of fair market value of financial derivatives as of December 31, 2023, by method of valuation and by maturity for each fiscal year period.

(in thousands)	2024	2025	2026	Total Fair Value
Price based on Mont Belvieu - Sharp	$ (264)	$ (75)	$ (37)	$ (376)

Wholesale Credit Risk

The Risk Management Committee reviews credit risks associated with counterparties to commodity derivative contracts prior to such contracts being approved.

Additional information about our derivative instruments is disclosed in Item 8, *Financial Statements and Supplementary Data,* Note 8, *Derivative Instruments,* in the consolidated financial statements.

Inflation

Inflation affects the cost of supply, labor, products and services required for operations, maintenance and capital improvements. To help cope with the effects of inflation on our capital investments and returns, we periodically seek rate increases from regulatory commissions for our regulated operations and closely monitor the returns of our unregulated energy business operations. To compensate for fluctuations in propane gas prices, we adjust propane sales prices to the extent allowed by the market.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and Stockholders of
Chesapeake Utilities Corporation

Opinions on the Consolidated Financial Statements and Internal Control over Financial Reporting

We have audited the accompanying consolidated balance sheets of Chesapeake Utilities Corporation and Subsidiaries (the "Company") as of December 31, 2023 and 2022, the related consolidated statements of income, comprehensive income, stockholders' equity, and cash flows, for each of the years in the three-year period ended December 31, 2023, and the related notes and financial statement schedule listed in Item 15(a)2 (collectively referred to as the "consolidated financial statements"). We also have audited the Company’s internal control over financial reporting as of December 31, 2023, based on criteria established in *Internal Control – Integrated Framework: (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2023 and 2022, and the results of their operations and their cash flows for each of the three years in the period ended December 31, 2023, in conformity with accounting principles generally accepted in the United States of America. Also in our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of December 31, 2023, based on criteria established in *Internal Control – Integrated Framework: (2013)* issued by COSO.

Basis for Opinion

The Company’s management is responsible for these consolidated financial statements, for maintaining effective internal control over financial reporting, and for their assessment of the effectiveness of internal control over financial reporting, included in the accompanying Management's Report on Internal Control Over Financial Reporting. Our responsibility is to express an opinion on the Company's consolidated financial statements and an opinion on the Company’s internal control over financial reporting based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) ("PCAOB") and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud, and whether effective internal control over financial reporting was maintained in all material respects.

Our audits of the financial statements included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. Our audit of internal control over financial reporting included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audits also included performing such other procedures as we considered necessary in the circumstances.

As indicated in the accompanying Management’s Report on Internal Control Over Financial Reporting, management has excluded Florida City Gas (“FCG”) from its assessment of internal control over financial reporting as of December 31, 2023, because it was acquired by the Company in a business combination during 2023. We have also excluded FCG from our audit of internal control over financial reporting. FCG is a wholly-owned subsidiary whose total assets and loss before taxes represented 31 percent and 4 percent, respectively, of the Company’s consolidated total assets and earnings before taxes as of December 31, 2023 and for the year then ended.

We believe that our audits provide a reasonable basis for our opinions.

Definition and Limitations of Internal Control Over Financial Reporting

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Critical Audit Matter

The critical audit matter communicated below is a matter arising from the current period audit of the consolidated financial statements that was communicated or required to be communicated to the audit committee and that: (1) relates to accounts or disclosures that are material to the consolidated financial statements and (2) involved our especially challenging, subjective, or complex judgments. The communication of the critical audit matter does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.

Goodwill Impairment Assessment - Energy Transmission and Supply Services (Aspire Energy) - Unregulated Energy Segment - Refer to Notes 2 and 10 to the consolidated financial statements

Critical Audit Matter Description

As described in Notes 2 and 10 to the consolidated financial statements, the Company has recorded goodwill associated with the Aspire Energy reporting unit within its Unregulated Energy reportable segment as of December 31, 2023. To test goodwill for impairment, the Company uses a present value technique based on discounted cash flows to estimate the fair value of its reporting units. Management’s testing of goodwill as of December 31, 2023 indicated no impairment.

We identified the goodwill impairment assessment of Aspire Energy as a critical audit matter because the fair value estimate requires significant estimates and assumptions by management, including those relating to future revenue and operating margin forecasts and discount rates. Testing these estimates involved especially challenging, subjective, or complex judgments and effort.

How the Critical Audit Matter was Addressed in the Audit

The primary procedures we performed to address this critical audit matter included:

- We obtained an understanding, evaluated the design, and tested the operating effectiveness of controls over management’s goodwill impairment evaluation, including those over the determination of the fair value of the Aspire Energy reporting unit.
- We evaluated the appropriateness of management’s valuation methodology, including testing the mathematical accuracy of the calculation.
- We assessed the historical accuracy of management’s revenue and operating margin forecasts.
- We compared the significant assumptions used by management to current industry and economic trends, current and historical performance of the reporting unit, and other relevant factors.
- We performed sensitivity analyses of the significant assumptions to evaluate the changes in the fair value of the reporting units that would result from changes in the assumptions.
- We evaluated whether the assumptions were consistent with evidence obtained in other areas of the audit, including testing the Company’s fair value of all reporting units within the Company's Regulated and Unregulated Energy segments, in relation to the market capitalization of the Company and assessed the results.

/s/ Baker Tilly US, LLP

We have served as the Company's auditor since 2007.

Lancaster, Pennsylvania
February 21, 2024

Chesapeake Utilities Corporation and Subsidiaries

Consolidated Statements of Income

(in thousands, except shares and per share data)	For the Year Ended December 31, 2023	2022	2021
Operating Revenues			
Regulated Energy	$ **473,595**	$ 429,424	$ 383,920
Unregulated Energy	**223,148**	280,750	206,869
Other businesses and eliminations	**(26,139)**	(29,470)	(20,821)
Total operating revenues	**670,604**	680,704	569,968
Operating Expenses			
Natural gas and electricity costs	**140,008**	127,172	100,737
Propane and natural gas costs	**76,474**	133,334	86,213
Operations	**178,437**	164,505	148,294
FCG transaction-related expenses	**10,355**	—	—
Maintenance	**20,401**	18,176	16,793
Depreciation and amortization	**65,501**	68,973	62,661
Other taxes	**28,625**	25,611	24,158
Total operating expenses	**519,801**	537,771	438,856
Operating Income	**150,803**	142,933	131,112
Other income, net	**1,438**	5,051	1,720
Interest charges	**36,951**	24,356	20,135
Income Before Income Taxes	**115,290**	123,628	112,697
Income taxes	**28,078**	33,832	29,231
Net Income	$ **87,212**	$ 89,796	$ 83,466
Weighted Average Common Shares Outstanding:			
Basic	**18,370,758**	17,722,227	17,558,078
Diluted	**18,434,857**	17,804,294	17,633,029
Earnings Per Share of Common Stock:			
Basic	$ **4.75**	$ 5.07	$ 4.75
Diluted	$ **4.73**	$ 5.04	$ 4.73

The accompanying notes are an integral part of the financial statements.

Chesapeake Utilities Corporation and Subsidiaries

Consolidated Statements of Comprehensive Income

	For the Year Ended December 31,		
(in thousands)	2023	2022	2021
Net Income	$ **87,212**	$ 89,796	$ 83,466
Other Comprehensive Income (Loss), net of tax:			
Employee Benefits, net of tax:			
Reclassifications of amortization of prior service credit and actuarial loss, net of tax of $11, $18 and $550, respectively	**32**	57	1,616
Net (loss) gain, net of tax of $(37), $243, and $93, respectively	**(110)**	705	262
Cash Flow Hedges, net of tax:			
Net (loss) gain on commodity contract cash flow hedges, net of tax of $(501), $(369) and $2,702, respectively	**(1,322)**	934)	7,075
Reclassifications of net gain on commodity contract cash flow hedges, net of tax of $(17), $(963) and $(1,838), respectively	**(44)**	(2,545)	(4,813)
Net gain on interest rate swap cash flow hedges, net of tax of $165, $0, and $0, respectively	**473**	—	—
Reclassifications of net (gain) loss on interest rate swap cash flow hedges, net of tax of $(135), $12 and $12, respectively	**(388)**	35	28
Total Other Comprehensive (Loss) Income	**(1,359)**	(2,682)	4,168
Comprehensive Income	$ **85,853**	$ 87,114	$ 87,634

The accompanying notes are an integral part of the financial statements.

Chesapeake Utilities Corporation and Subsidiaries

Consolidated Balance Sheets

Assets	As of December 31, 2023	2022
(in thousands, except shares and per share data)		
Property, Plant and Equipment		
Regulated Energy	$ 2,418,494	$ 1,802,999
Unregulated Energy	410,807	393,215
Other businesses and eliminations	30,310	29,890
Total property, plant and equipment	2,859,611	2,226,104
Less: Accumulated depreciation and amortization	(516,429)	(462,926)
Plus: Construction work in progress	113,192	47,295
Net property, plant and equipment	2,456,374	1,810,473
Current Assets		
Cash and cash equivalents	4,904	6,204
Trade and other receivables	74,485	65,758
Less: Allowance for credit losses	(2,699)	(2,877)
Trade receivables, net	71,786	62,881
Accrued revenue	32,597	29,206
Propane inventory, at average cost	9,313	9,365
Other inventory, at average cost	19,912	16,896
Regulatory assets	19,506	41,439
Storage gas prepayments	4,695	6,364
Income taxes receivable	3,829	2,541
Prepaid expenses	15,407	15,865
Derivative assets, at fair value	1,027	2,787
Other current assets	2,723	428
Total current assets	185,699	193,976
Deferred Charges and Other Assets		
Goodwill	508,174	46,213
Other intangible assets, net	16,865	17,859
Investments, at fair value	12,282	10,576
Derivative assets, at fair value	40	982
Operating lease right-of-use assets	12,426	14,421
Regulatory assets	96,396	108,214
Receivables and other deferred charges	16,448	12,323
Total deferred charges and other assets	662,631	210,588
Total Assets	$ 3,304,704	$ 2,215,037

The accompanying notes are an integral part of the financial statements.

Chesapeake Utilities Corporation and Subsidiaries

Consolidated Balance Sheets

	As of December 31,	
Capitalization and Liabilities	**2023**	**2022**
(in thousands, except shares and per share data)		
Capitalization		
Stockholders' equity		
Preferred stock, par value $0.01 per share (authorized 2,000,000 shares), no shares issued and outstanding	$ —	$ —
Common stock, par value $0.4867 per share (authorized 50,000,000 shares)	**10,823**	8,635
Additional paid-in capital	**749,356**	380,036
Retained earnings	**488,663**	445,509
Accumulated other comprehensive loss	**(2,738)**	(1,379)
Deferred compensation obligation	**9,050**	7,060
Treasury stock	**(9,050)**	(7,060)
Total stockholders' equity	**1,246,104**	832,801
Long-term debt, net of current maturities	**1,187,075**	578,388
Total capitalization	**2,433,179**	1,411,189
Current Liabilities		
Current portion of long-term debt	**18,505**	21,483
Short-term borrowing	**179,853**	202,157
Accounts payable	**77,481**	61,496
Customer deposits and refunds	**46,427**	37,152
Accrued interest	**7,020**	3,349
Dividends payable	**13,119**	9,492
Accrued compensation	**16,544**	14,660
Regulatory liabilities	**13,719**	5,031
Derivative liabilities, at fair value	**354**	585
Other accrued liabilities	**13,362**	13,618
Total current liabilities	**386,384**	369,023
Deferred Credits and Other Liabilities		
Deferred income taxes	**259,082**	256,167
Regulatory liabilities	**195,279**	142,989
Environmental liabilities	**2,607**	3,272
Other pension and benefit costs	**15,330**	16,965
Derivative liabilities at fair value	**927**	1,630
Operating lease - liabilities	**10,550**	12,392
Deferred investment tax credits and other liabilities	**1,366**	1,410
Total deferred credits and other liabilities	**485,141**	434,825
Environmental and other commitments and contingencies (Notes 19 and 20)		
Total Capitalization and Liabilities	**$ 3,304,704**	$ 2,215,037

The accompanying notes are an integral part of the financial statements.

Chesapeake Utilities Corporation and Subsidiaries

Consolidated Statements of Cash Flows

	For the Year Ended December 31,		
(in thousands)	2023	2022	2021
Operating Activities			
Net Income	$ 87,212	$ 89,796	$ 83,466
Adjustments to reconcile net income to net operating cash			
Depreciation and amortization	65,501	68,973	62,661
Depreciation and accretion included in operations expenses	11,934	11,044	10,228
Deferred income taxes, net	3,413	23,705	26,658
Realized (loss) on sale of assets/commodity contracts	(824)	(7,532)	(9,026)
Unrealized loss (gain) on investments/commodity contracts	(1,916)	1,817	(1,464)
Employee benefits and compensation	342	(1,111)	(53)
Share-based compensation	7,622	6,438	5,945
Other, net	170	—	—
Changes in assets and liabilities			
Accounts receivable and accrued revenue	2,270	(11,159)	(1,634)
Propane inventory, storage gas and other inventory	293	(7,847)	(9,517)
Regulatory assets/liabilities, net	20,102	(38,671)	(18,464)
Prepaid expenses and other current assets	18,689	9,124	(1,520)
Accounts payable and other accrued liabilities	(16,795)	2,724	8,285
Income taxes receivable	(1,288)	14,919	(4,575)
Customer deposits and refunds	3,928	664	3,176
Accrued compensation	1,462	(1,231)	1,198
Other assets and liabilities, net	1,367	(2,771)	(4,860)
Net cash provided by operating activities	203,482	158,882	150,504
Investing Activities			
Property, plant and equipment expenditures	(188,618)	(128,276)	(186,924)
Proceeds from sale of assets	2,926	3,860	1,033
Acquisitions, net of cash acquired	(925,034)	(11,766)	(36,371)
Environmental expenditures	(665)	(266)	(761)
Net cash used in investing activities	(1,111,391)	(136,448)	(223,023)
Financing Activities			
Common stock dividends	(40,009)	(35,147)	(31,537)
Issuance of stock for Dividend Reinvestment Plan	(28)	4,534	15,851
Proceeds from issuance of common stock, net of expenses	366,417	—	—
Tax withholding payments related to net settled stock compensation	(2,455)	(2,838)	(1,478)
Change in cash overdrafts due to outstanding checks	(301)	955	(1,154)
Net borrowings (repayments) under line of credit agreements	(22,544)	(20,608)	46,647
Proceeds from issuance of long-term debt	627,011	49,859	59,478
Repayment of long-term debt and finance lease obligation	(21,482)	(17,961)	(13,811)
Net cash provided by (used in) financing activities	906,609	(21,206)	73,996
Net (Decrease) Increase in Cash and Cash Equivalents	(1,300)	1,228	1,477
Cash and Cash Equivalents — Beginning of Period	6,204	4,976	3,499
Cash and Cash Equivalents — End of Period	$ 4,904	$ 6,204	$ 4,976

See Note 7 for Supplemental Cash Flow Disclosures.

The accompanying notes are an integral part of the financial statements.

Chesapeake Utilities Corporation and Subsidiaries

Consolidated Statements of Stockholders' Equity

(in thousands, except shares and per share data)	Common Stock [1] Number of Shares [2]	Common Stock [1] Par Value	Additional Paid-In Capital	Retained Earnings	Accumulated Other Comprehensive Income (Loss)	Deferred Compensation	Treasury Stock	Total
Balance at December 31, 2020	17,461,841	$ 8,499	$ 348,482	$ 342,969	$ (2,865)	$ 5,679	$ (5,679)	$ 697,085
Net Income	—	—	—	83,466	—	—	—	83,466
Other comprehensive income	—	—	—	—	4,168	—	—	4,168
Dividends declared ($1 880 per share)	—	—	—	(33,363)	—	—	—	(33,363)
Dividend reinvestment plan [5]	147,256	72	18,176	—	—	—	—	18,248
Share-based compensation and tax benefit [3] [4]	46,313	22	4,504	—	—	—	—	4,526
Treasury stock activities [2]	—	—	—	—	—	1,561	(1,561)	—
Balance at December 31, 2021	17,655,410	8,593	371,162	393,072	1,303	7,240	(7,240)	774,130
Net Income	—	—	—	89,796	—	—	—	89,796
Other comprehensive income	—	—	—	—	(2,682)	—	—	(2,682)
Dividends declared ($2 085 per share)	—	—	—	(37,359)	—	—	—	(37,359)
Issuance under various plans [5]	39,418	19	5,273	—	—	—	—	5,292
Share-based compensation and tax benefit [3] [4]	46,590	23	3,601		—	—	—	3,624
Treasury stock activities [2]	—	—	—	—	—	(180)	180	—
Balances at December 31, 2022	17,741,418	8,635	380,036	445,509	(1,379)	7,060	(7,060)	832,801
Net Income	—	—	—	87,212	—	—	—	87,212
Issuance of common stock in connection with acquisition of FCG	,438,596	2,160	364,257		—	—	—	366,417
Other comprehensive loss	—	—	—	—	(1,359)	—	—	(1,359)
Dividends declared ($2 305 per share)	—	—	—	(44,058)	—	—	—	(44,058)
Issuance under various plans [5]	—	—	(26)	—	—	—	—	(26)
Share-based compensation and tax benefit [3] [4]	55,323	28	5,089	—	—	—	—	5,117
Treasury stock activities [2]	—	—	—	—	—	1,990	(1,990)	—
Balances at December 31, 2023	22,235,337	$ 10,823	$ 749,356	$ 488,663	$ (2,738)	$ 9,050	$ (9,050)	$ 1,246,104

[1] 2,000,000 shares of preferred stock at $0 01 par value per share have been authorized No shares have been issued or are outstanding, accordingly, no information has been included in the Consolidated Statements of Stockholders' Equity

[2] Includes 107,623, 108,143 and 116,238 shares at December 31, 2023, 2022 and 2021, respectively, held in a Rabbi Trust related to our Non-Qualified Deferred Compensation Plan.

[3] Includes amounts for shares issued for directors' compensation.

[4] The shares issued under the SICP are net of shares withheld for employee taxes For 2023, 2022 and 2021, we withheld 19,859, 21,832 and 14,020 shares, respectively, for taxes

[5] Includes shares issued under the Retirement Savings Plan, DRIP and/or ATM equity issuances, as applicable

The accompanying notes are an integral part of the financial statements.

1. Organization and Basis of Presentation

Chesapeake Utilities, incorporated in 1947 in Delaware, is a diversified energy company engaged in regulated and unregulated energy businesses.

Our regulated energy businesses consist of: (a) regulated natural gas distribution operations in central and southern Delaware, Maryland's eastern shore and Florida; (b) regulated natural gas transmission operations on the Delmarva Peninsula, in Pennsylvania, Florida and in Ohio; and (c) regulated electric distribution operations serving customers in northeast and northwest Florida.

Our unregulated energy businesses primarily include: (a) propane operations in the Mid-Atlantic region, North Carolina, South Carolina, and Florida; (b) our unregulated natural gas transmission/supply operation in central and eastern Ohio; (c) our CHP plant in Florida that generates electricity and steam; (d) our subsidiary, based in Florida, that provides CNG, LNG and RNG transportation and pipeline solutions, primarily to utilities and pipelines throughout the United States; and (e) sustainable energy investments including renewable natural gas.

Our consolidated financial statements include the accounts of Chesapeake Utilities and its wholly-owned subsidiaries. We do not have any ownership interest in investments accounted for using the equity method or any interest in a variable interest entity. All intercompany accounts and transactions have been eliminated in consolidation. We have assessed and, if applicable, reported on subsequent events through the date of issuance of these consolidated financial statements. Where necessary to improve comparability, prior period amounts have been reclassified to conform to current period presentation.

2. Summary of Significant Accounting Policies

Use of Estimates

Preparing the consolidated financial statements to conform with GAAP requires management to make estimates in measuring assets and liabilities and related revenues and expenses. These estimates involve judgments about various future economic factors that are difficult to predict and are beyond our control; therefore, actual results could differ from these estimates. As additional information becomes available, or actual amounts are determined, recorded estimates are revised. Consequently, operating results can be affected by revisions to prior accounting estimates.

Property, Plant and Equipment

Property, plant and equipment are stated at original cost less accumulated depreciation or fair value, if impaired. Costs include direct labor, materials and third-party construction contractor costs, allowance for funds used during construction ("AFUDC"), and certain indirect costs related to equipment and employees engaged in construction. The costs of repairs and minor replacements are charged to expense as incurred, and the costs of major renewals and improvements are capitalized. Upon retirement or disposition of property within the regulated businesses, the gain or loss, net of salvage value, is charged to accumulated depreciation. Upon retirement or disposition of property owned by the unregulated businesses, the gain or loss, net of salvage value, is charged to income. A summary of property, plant and equipment by classification as of December 31, 2023 and 2022 is provided in the following table:

(in thousands)	As of December 31, 2023	2022
Property, plant and equipment		
Regulated Energy		
Natural gas distribution - Delmarva Peninsula and Florida [1]	$ 1,486,796	$ 925,501
Natural gas transmission - Delmarva Peninsula. Pennsylvania, Ohio and Florida	788,185	741,865
Electric distribution	143,513	135,633
Unregulated Energy		
Propane operations – Mid-Atlantic, North Carolina, South Carolina and Florida	194,918	185,090
Natural gas transmission and supply – Ohio	134,192	128,620
Electricity and steam generation	37,064	36,886
Mobile CNG and pipeline solutions	40,558	38,543
Sustainable energy investments, including renewable natural gas	4,076	4,076
Other	30,309	29,890
Total property, plant and equipment	2,859,611	2,226,104
Less: Accumulated depreciation and amortization	(516,429)	(462,926)
Plus: Construction work in progress	113,192	47,295
Net property, plant and equipment	$ 2,456,374	$ 1,810,473

[1] Includes amounts attributable to the acquisition of FCG See Note 4 for additional details on the acquisition.

Contributions or Advances in Aid of Construction

Customer contributions or advances in aid of construction reduce property, plant and equipment, unless the amounts are refundable to customers. Contributions or advances may be refundable to customers after a number of years based on the amount of revenues generated from the customers or the duration of the service provided to the customers. Refundable contributions or advances are recorded initially as liabilities. Non-refundable contributions reduce property, plant and equipment at the time of such determination. As of December 31, 2023 and 2022, the non-refundable contributions totaled $4.2 million and $7.6 million. respectively.

AFUDC

Some of the additions to our regulated property, plant and equipment include AFUDC, which represents the estimated cost of funds, from both debt and equity sources, used to finance the construction of major projects. AFUDC is capitalized in the applicable rate base for rate-making purposes when the completed projects are placed in service. During the years ended December 31, 2023, 2022 and 2021, AFUDC was immaterial and was reflected as a reduction of interest charges.

Leases

We have entered into lease arrangements for office space, land. equipment, pipeline facilities and warehouses. These leases enable us to conduct our business operations in the regions in which we operate. Our operating leases are included in operating lease right-of-use assets, other accrued liabilities, and operating lease - liabilities in our consolidated balance sheets.

Right-of-use assets represent our right to use an underlying asset for the lease term and lease liabilities represent our obligation to make lease payments arising from the lease. Operating lease right-of-use assets and liabilities are recognized at commencement date based on the present value of lease payments over the lease term. Leases with an initial term of 12 months or less are not recorded on our balance sheet; we recognize lease expense for these leases on a straight-line basis over the lease term. Our leases do not provide an implicit lease rate, therefore, we utilize our incremental borrowing rate, as the basis to calculate the present value of future lease payments, at lease commencement. Our incremental borrowing rate represents the rate that we would have to pay to borrow funds on a collateralized basis over a similar term and in a similar economic environment.

We have lease agreements with lease and non-lease components. At the adoption of ASC 842, we elected not to separate non-lease components from all classes of our existing leases. The non-lease components have been accounted for as part of the single lease component to which they are related. See Note 14, *Leases,* for additional information.

Jointly-owned Pipelines

Property, plant and equipment for our Florida natural gas transmission operation included $28.4 million of jointly owned assets at December 31, 2023, primarily comprised of the 26-mile Callahan intrastate transmission pipeline in Nassau County, Florida jointly-owned with Seacoast Gas Transmission. Peninsula Pipeline's ownership is 50 percent. Direct expenses for the jointly-owned pipeline are included in operating expenses within our consolidated statements of income. Accumulated depreciation for this pipeline totaled $2.2 million and $1.5 million at December 31, 2023 and 2022, respectively.

Impairment of Long-lived Assets

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

Depreciation and Accretion Included in Operations Expenses

We compute depreciation expense for our regulated operations by applying composite, annual rates, as approved by the respective regulatory bodies. Certain components of depreciation and accretion are reported in operations expenses, rather than as depreciation and amortization expense, in the accompanying consolidated statements of income in accordance with industry practice and regulatory requirements. Depreciation and accretion included in operations expenses consists of the accretion of the costs of removal for future retirements of utility assets, vehicle depreciation, computer software and hardware depreciation, and other minor amounts of depreciation expense. For the years ended December 31, 2023, 2022 and 2021, we reported $11.9 million, $11.0 million and $10.2 million, respectively, of depreciation and accretion in operations expenses.

The following table shows the average depreciation rates used for regulated operations during the years ended December 31, 2023, 2022 and 2021:

	2023	2022	2021
Natural gas distribution – Delmarva Peninsula	**2.5%**	2.5%	2.5%
Natural gas distribution – Florida [(1)] [(2)]	**2.2%**	2.5%	2.5%
Natural gas transmission – Delmarva Peninsula	**2.7%**	2.7%	2.7%
Natural gas transmission – Florida	**2.4%**	2.4%	2.3%
Natural gas transmission – Ohio	**5.0%**	5.0%	N/A
Electric distribution	**2.4%**	2.8%	2.8%

[(1)] Excludes the acquisition of FCG which was completed on November 30, 2023

[(2)] Average for 2023 includes the impact of the depreciation study that was approved by the Florida PSC in connection with the natural gas base rate proceeding

For our unregulated operations, we compute depreciation expense on a straight-line basis over the following estimated useful lives of the assets:

Asset Description	Useful Life
Propane distribution mains	10-37 years
Propane bulk plants and tanks	10-40 years
Propane equipment, meters and meter installations	5-33 years
Measuring and regulating station equipment	5-37 years
Natural gas pipelines	45 years
Natural gas right of ways	Perpetual
CHP plant	30 years
Natural gas processing equipment	20-25 years
Office furniture and equipment	3-10 years
Transportation equipment	4-20 years
Structures and improvements	5-45 years
Other	Various

Regulated Operations

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

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

Revenue Recognition

Revenues for our natural gas and electric distribution operations are based on rates approved by the PSC in each state in which they operate. Customers' base rates may not be changed without formal approval by these commissions. The PSCs, however, have authorized our regulated operations to negotiate rates, based on approved methodologies, with customers that have competitive alternatives. Eastern Shore's revenues are based on rates approved by the FERC. The FERC has also authorized Eastern Shore to negotiate rates above or below the FERC-approved maximum rates, which customers can elect as an alternative to FERC-approved maximum rates.

For regulated deliveries of natural gas and electricity, we read meters and bill customers on monthly cycles that do not coincide with the accounting periods used for financial reporting purposes. We accrue unbilled revenues for natural gas and electricity delivered, but not yet billed, at the end of an accounting period to the extent that they do not coincide. We estimate the amount of the unbilled revenue by jurisdiction and customer class.

All of our regulated natural gas and electric distribution operations have fuel cost recovery mechanisms. These mechanisms allow us to adjust billing rates, without further regulatory approvals, to reflect changes in the cost of purchased fuel. Differences between the cost of fuel purchased and delivered are deferred and accounted for as either unrecovered fuel cost or amounts payable to customers. Generally, these deferred amounts are recovered or refunded within one year.

We charge flexible rates to our natural gas distribution industrial interruptible customers who can use alternative fuels. Interruptible service imposes no contractual obligation to deliver or receive natural gas on a firm service basis.

Our unregulated propane distribution businesses record revenue in the period the products are delivered and/or services are rendered for their bulk delivery customers. For propane customers with meters whose billing cycles do not coincide with our accounting periods, we accrue unbilled revenue for product delivered but not yet billed and bill customers at the end of an accounting period, as we do in our regulated energy businesses.

Our Ohio natural gas transmission/supply operation recognizes revenues based on actual volumes of natural gas shipped using contractual rates based upon index prices that are published monthly.

Eight Flags records revenues based on the amount of electricity and steam generated and sold to its customers.

Our mobile compressed natural gas operation recognizes revenue for CNG services at the end of each calendar month for services provided during the month based on agreed upon rates for labor, equipment utilized, costs incurred for natural gas compression, miles driven, mobilization and demobilization fees.

We report revenue taxes, such as gross receipts taxes, franchise taxes, and sales taxes, on a net basis.

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

Natural Gas, Electric and Propane Costs

Natural gas, electric and propane costs include the direct costs attributable to the products sold or services provided to our customers. These costs include primarily the variable commodity cost of natural gas, electricity and propane, costs of pipeline capacity needed to transport and store natural gas, transmission costs for electricity, costs to gather and process natural gas, costs to transport propane to/from our storage facilities or our mobile CNG equipment to customer locations, and steam and electricity generation costs. Depreciation expense is not included in natural gas, electric and propane costs.

Operations and Maintenance Expenses

Operations and maintenance expenses include operations and maintenance salaries and benefits, materials and supplies, usage of vehicles, tools and equipment, payments to contractors, utility plant maintenance, customer service, professional fees and other outside services, insurance expense, minor amounts of depreciation, accretion of removal costs for future retirements of utility assets and other administrative expenses.

Cash and Cash Equivalents

Our policy is to invest cash in excess of operating requirements in overnight income-producing accounts. Such amounts are stated at cost, which approximates fair value. Investments with an original maturity of three months or less when purchased are considered cash equivalents.

Accounts Receivable and Allowance for Credit Losses

Accounts receivable consist primarily of amounts due for sales of natural gas, electricity and propane and transportation and distribution services to customers. An allowance for doubtful accounts is recorded against amounts due based upon our collections experiences and an assessment of our customers' inability or reluctance to pay. If circumstances change, our estimates of recoverable accounts receivable may also change. Circumstances which could affect such estimates include, but are not limited to, customer credit issues, natural gas, electricity and propane prices and impacts from general economic conditions. Accounts receivable are written off when they are deemed to be uncollectible.

Our estimate for expected credit losses has been developed by analyzing our portfolio of financial assets that present potential credit exposure risk. These assets consist solely of our trade receivables from customers and contract assets. The estimate is based on five years of historical collections experience, a review of current economic and operating conditions in our service territories, and an examination of economic indicators which provide a reasonable and supportable basis of potential future activity. Those indicators include metrics which we believe provide insight into the future collectability of our trade receivables such as unemployment rates and economic growth statistics in our service territories.

When determining estimated credit losses, we analyze the balance of our trade receivables based on the underlying line of business. This includes an examination of trade receivables from our energy distribution, energy transmission, energy delivery services and propane operations businesses. Our energy distribution business consists of all our regulated distribution utility (natural gas and electric) operations on the Delmarva Peninsula and in Florida. These business units have the ability to recover their costs through the rate-making process, which can include consideration for amounts historically written off to be included in rate base. Therefore, they possess a mechanism to recover credit losses which we believe reduces their exposure to credit risk. Our energy transmission and energy delivery services business units consist of our natural gas pipelines and our mobile CNG delivery operations. The majority of customers served by these business units are regulated distribution utilities who also have the ability to recover their costs. We believe this cost recovery mechanism significantly reduces the amount of credit risk associated with these customers. Our propane operations are unregulated and do not have the same ability to recover their costs as our regulated operations. However, historically our propane operations have not had material write offs relative to the amount of revenues generated.

Our estimate of expected credit losses reflects our anticipated losses associated with our trade receivables as a result of non-payment from our customers beginning the day the trade receivable is established. We believe the risk of loss associated with trade receivables classified as current presents the least amount of credit exposure risk and therefore, we assign a lower estimate to our current trade receivables. As our trade receivables age outside of their expected due date, our estimate increases. Our allowance for credit losses relative to the balance of our trade receivables has historically been immaterial as a result of on time payment activity from our customers. The table below illustrates the changes in the balance of our allowance for expected credit losses for the year ended December 31, 2023:

(in thousands)		
Balance at December 31, 2022	**$**	**2,877**
Additions:		
Provision for credit losses		**2,340**
Recoveries		**166**
Deductions:		
Write offs		**(2,684)**
Balance at December 31, 2023	**$**	**2,699**

Inventories

We use the average cost method to value propane, materials and supplies, and other merchandise inventory. If market prices drop below cost. inventory balances that are subject to price risk are adjusted to their net realizable value. There were no lower-of-cost-or-net realizable value adjustment for the years ended December 31, 2023, 2022 or 2021.

Goodwill and Other Intangible Assets

Goodwill is not amortized but is tested for impairment at least annually, or more frequently if an event occurs or circumstances change that would more likely than not reduce the fair value of a reporting unit below its carrying value. We generally use a present value technique based on discounted cash flows to estimate the fair value of our reporting units. An impairment charge is recognized if the carrying value of a reporting unit's goodwill exceeds its fair value. There were no goodwill impairments recognized during the years ended December 31, 2023, 2022 and 2021. Other intangible assets are amortized on a straight-line basis over their estimated economic useful lives.

Other Deferred Charges

Other deferred charges include issuance costs associated with short-term borrowings. These charges are amortized over the life of the related short-term debt borrowings.

Asset Removal Cost

As authorized by the appropriate regulatory body (state PSC or FERC), we accrue future asset removal costs associated with utility property, plant and equipment even if a legal obligation does not exist. Such accruals are provided for through depreciation expense and are recorded with corresponding credits to regulatory liabilities or assets. When we retire depreciable utility plant and equipment. we charge the associated original costs to accumulated depreciation and amortization, and any related removal costs incurred are charged to regulatory liabilities or assets. The difference between removal costs recognized in depreciation rates and the accretion and depreciation expense recognized for financial reporting purposes is a timing difference between recovery of these costs in rates and their recognition for financial reporting purposes. Accordingly, these differences are deferred as regulatory liabilities or assets. In the rate setting process, the regulatory liability or asset is excluded from the rate base upon which those utilities have the opportunity to earn their allowed rates of return. The costs associated with our asset retirement obligations are either currently being recovered in rates or are probable of recovery in future rates.

See Note 18, *Rates and Other Regulatory Actvities*, for information related to FCG's reserve surplus amortization mechanism ("RSAM") that was approved as part of its rate case effective as of May 1, 2023.

Pension and Other Postretirement Plans

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

The discount rates are utilized principally in calculating the actuarial present value of our pension and postretirement obligations and net pension and postretirement costs. When estimating our discount rates, we consider high-quality corporate bond rates, such as the Empower curve index and the FTSE Index, changes in those rates from the prior year and other pertinent factors, including the expected life of each of our plans and their respective payment options.

The expected long-term rates of return on assets are utilized in calculating the expected returns on the plan assets component of our annual pension plan costs. We estimate the expected returns on plan assets by evaluating expected bond returns, asset allocations, the effects of active plan management, the impact of periodic plan asset rebalancing and historical performance. We also consider the guidance from our investment advisors in making a final determination of our expected rates of return on plan assets.

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

The mortality assumption used for our pension and postretirement plans is reviewed periodically and is based on the actuarial table that best reflects the expected mortality of the plan participants.

Income Taxes, Investment Tax Credit Adjustments and Tax-Related Contingency

Deferred tax assets and liabilities are recorded for the income tax effect of temporary differences between the financial statement basis and tax basis of assets and liabilities and are measured using the enacted income tax rates in effect in the years in which the differences are expected to reverse. Deferred tax assets are recorded net of any valuation allowance when it is more likely than not that such income tax benefits will be realized. Investment tax credits on utility property have been deferred and are allocated to income ratably over the lives of the subject property.

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

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

Financial Instruments

We utilize financial instruments to mitigate commodity price risk associated with fluctuations of natural gas, electricity and propane and to mitigate interest rate risk. Our propane operations enter into derivative transactions, such as swaps, put options and call options in order to mitigate the impact of wholesale price fluctuations on inventory valuation and future purchase commitments. These transactions may be designated as fair value hedges or cash flow hedges, if they meet all of the accounting requirements pursuant to ASC Topic 815, *Derivatives and Hedging,* and we elect to designate the instruments as hedges. If designated as a fair value hedge, the value of the hedging instrument, such as a swap, future, or put option, is recorded at fair value, with the effective portion of the gain or loss of the hedging instrument effectively reducing or increasing the value of the hedged item. If designated as a cash flow hedge, the value of the hedging instrument, such as a swap or call option, is recorded at fair value with the effective portion of the gain or loss of the hedging instrument being initially recorded in accumulated other comprehensive income (loss) and reclassified to earnings when the associated hedged transaction settles. The ineffective portion of the gain or loss of a hedge is immediately recorded in earnings. If the instrument is not designated as a fair value or cash flow hedge, or it does not meet the accounting requirements of a hedge under ASC Topic 815, *Derivatives and Hedging*, it is recorded at fair value with all gains or losses being recorded directly in earnings.

Our natural gas, electric and propane operations enter into agreements with suppliers to purchase natural gas, electricity, and propane for resale to our respective customers. Purchases under these contracts, as well as distribution and sales agreements

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with counterparties or contracts that either do not meet the definition of a derivative, or qualify for "normal purchases and normal sales" treatment under ASC Topic 815 and are accounted for on an accrual basis.

We manage interest rate risk by entering into derivative contracts to hedge the variability in cash flows attributable to changes in the short-term borrowing rates. We designate and account for the interest rate swaps as cash flows hedges. Accordingly, unrealized gains and losses associated with the interest rate swaps are recorded as a component of accumulated other comprehensive income (loss). When the interest rate swaps settle, the realized gain or loss will be recorded in the income statement and recognized as a component of interest charges.

Recent Accounting Standards Yet to be Adopted

Segment Reporting (ASC 280) - In November 2023, the FASB issued ASU 2023-07, *Improvements to Reportable Segments Disclosures*, which modifies required disclosures about a public entity's reportable segments and addresses requests from investors for more detailed information about a reportable segment's expenses and a more comprehensive reconciliation of each segment's reported profit or loss. ASU 2023-07 will be effective for our annual financial statements beginning January 1, 2024 and our interim financial statements beginning January 1, 2025. ASU 2023-07 only impacts disclosures, and as a result, will not have a material impact on our financial position or results of operations.

Income Taxes (ASC 740) - In December 2023, the FASB issued ASU 2023-09, *Improvements to Income Tax Disclosures,* which modifies required income tax disclosures primarily related to an entity's rate reconciliation and information pertaining to income taxes paid. These enhancements have been made to address requests from investors related to transparency and usefulness of income tax disclosures. ASU 2023-09 will be effective for our annual financial statements beginning January 1, 2024. ASU 2023-09 only impacts disclosures, and as a result, will not have a material impact on our financial position or results of operations.

3. Earnings Per Share

The following table presents the calculation of our basic and diluted earnings per share:

	For the Year Ended December 31,		
	2023	2022	2021
(in thousands, except shares and per share data)			
Calculation of Basic Earnings Per Share:			
Net Income	$ **87,212**	$ 89,796	$ 83,466
Weighted average shares outstanding [(1)]	**18,370,758**	17,722,227	17,558,078
Basic Earnings Per Share	**$ 4.75**	$ 5.07	$ 4.75
Calculation of Diluted Earnings Per Share:			
Reconciliation of Denominator:			
Weighted average shares outstanding — Basic [(1)]	**18,370,758**	17,722,227	17,558,078
Effect of dilutive securities — Share-based compensation	**64,099**	82,067	74,951
Adjusted denominator — Diluted [(1)]	**18,434,857**	17,804,294	17,633,029
Diluted Earnings Per Share	$ **4.73**	$ 5.04	$ 4.73

[(1)] 2023 weighted average shares reflect the impact of 4.4 million common shares issued in November 2023 in connection with the acquisition of FCG. See Notes 4 and 15 for additional details on the acquisition and related equity offering

4. Acquisitions

Acquisition of Florida City Gas

On November 30, 2023, we completed the acquisition of FCG for $923.4 million in cash, including working capital adjustments as defined in the agreement. pursuant to the previously disclosed stock purchase agreement with Florida Power & Light Company. Upon completion of the acquisition, FCG became a wholly-owned subsidiary of the Company and is included within our Regulated Energy segment.

FCG, a regulated utility, serves approximately 120,000 residential and commercial natural gas customers across eight counties in Florida, including Miami-Dade, Broward, Brevard, Palm Beach, Hendry, Martin, St. Lucie and Indian River. Its natural gas system includes approximately 3,800 miles of distribution main and 80 miles of transmission pipe.

The purchase price of the acquisition was funded with $366.4 million of net proceeds from the issuance of 4.4 million shares of our common stock, the issuance of approximately $550.0 million principal amount of uncollateralized senior notes, and borrowings under the Company's Revolver. See Note 12, *Long-Term Debt*, and Note 15, *Stockholders' Equity,* for additional details on these financing activities.

We accounted for the acquisition of FCG using the acquisition method. At December 31, 2023, the allocation of the purchase price remains preliminary pending finalizing of certain working capital balances. As such. the fair value measurements presented below are subject to change within the measurement period not to exceed one year from the date of the acquisition. As FCG is a regulated utility, the measurement of the fair value of most of the assets acquired and liabilities assumed were determined using the predecessor's carrying value. In certain other instances where assets and liabilities are not subject to regulation. we determined the fair value in accordance with the principles of ASC Topic 820, *Fair Value Measurements.*

The excess of the purchase price for FCG over the fair value of the assets acquired and liabilities assumed has been reflected as goodwill within the Regulated Energy segment. Goodwill resulting from the acquisition is largely attributable to expansion opportunities provided within our existing regulated operations in Florida. including planned customer growth and growth in rate base through continued investment in our utility infrastructure, as well as natural gas transmission infrastructure supporting the distribution operations. The goodwill recognized in connection with the acquisition of FCG will be deductible for income tax purposes.

The components of the preliminary purchase price allocation are as follows:

(in thousands)

	Acquisition Date Fair Value
Assets acquired:	
Cash	$ 2,270
Accounts receivable, net	14,396
Regulatory assets - current	2,983
Other current assets	2,707
Property, plant and equipment	453,845
Goodwill	461,193
Regulatory assets - non-current	3,381
Other deferred charges and other assets,	18,309
Total assets acquired	**959,084**
Liabilities assumed:	
Current liabilities	(20,954)
Regulatory liabilities	(14,137)
Other deferred credits and other liabilities	(548)
Total liabilities assumed	**(35,639)**
Net purchase price	**$ 923,445**

Direct transaction costs of $10.4 million associated with the FCG acquisition are reflected in "FCG transaction-related expenses" on our consolidated statement of income for the year ended December 31, 2023. In addition, interest charges include $4.1 million related to fees and expenses associated with the Bridge Facility, which was terminated without any funds drawn, for the year ended December 31, 2023. Other transaction costs of $15.9 million related primarily to the debt and equity financings executed in connection with the acquisition have been deferred on the consolidated balance sheet or recorded in equity as an offset to proceeds received, as appropriate.

For the period from the acquisition date through December 31, 2023, the Company's consolidated results include $12.1 million of operating revenue and a $3.3 million net loss attributable to FCG which includes $7.5 million of the transaction-related expenses described above. For additional information on FCG's results, see discussion under Item 7, *Management's Discussion* *and Analysis of Financial Condition and Results of Operations*. The following unaudited financial information reflects pro forma operating revenues and net income assuming the FCG acquisition had occurred on January 1, 2022. The unaudited pro forma financial information has been presented for illustrative purposes only and is not necessarily indicative of the results of operations that would have been achieved or the future results of operations of FCG.

	For the Year Ended December 31,	
(in thousands)	**2023**	**2022**
Operating Revenue	$ **786,473**	$ 798,355
Net Income	$ **85,398**	$ 81,508

Acquisition of J.T. Lee and Son's

In December 2023, Sharp acquired the propane operating assets of J.T. Lee and Son's in Cape Fear, North Carolina for $3.9 million. In connection with this acquisition, we recorded a $0.3 million liability which is subject to the seller's adherence to various provisions contained in the purchase agreement through the first anniversary of the transaction closing. Through this acquisition. we expanded our operating footprint further in North Carolina, where customers are served by Sharp Energy's Diversified Energy division. Sharp added approximately 3,000 customers and distribution of approximately 800,000 gallons of propane annually. The transaction also includes a bulk plant with 60,000 gallons of propane storage, enabling the Company to realize efficiencies with additional storage capacity and overlapping delivery territories.

In connection with this acquisition. we recorded $2.7 million in property plant and equipment, $0.9 million in goodwill, $0.2 million in working capital, and less than $0.1 million in intangible assets associated primarily with non-compete agreements, all of which are deductible for income tax purposes. The amounts recorded in conjunction with the acquisition are preliminary, and subject to adjustment based on contractual provisions and finalization prior to the first anniversary of the transaction closing. The financial results associated with this acquisition are included within our propane distribution operations within our Unregulated Energy segment. The operating revenues and net income of this acquisition were not material to our consolidated results for the year ended December 31, 2023.

Acquisition of Planet Found Energy Development

In October 2022, we acquired Planet Found Energy Development, LLC ("Planet Found") for $9.5 million. In connection with this acquisition. we recorded a $0.9 million liability which was released after the first anniversary of the transaction closing. We accounted for this acquisition as a business combination within our Unregulated Energy segment beginning in the fourth quarter of 2022. Planet Found's farm scale anaerobic digestion pilot system and technology produces biogas from 1200 tons of poultry litter annually. The transaction accelerated our efforts in converting poultry waste to renewable, sustainable energy while simultaneously improving the local environments in our service territories.

In connection with this acquisition, we recorded $4.4 million in intangible assets associated primarily with intellectual property and non-compete agreements, $4.0 million in property plant and equipment, $1.1 million in goodwill, and less than $0.1 million in working capital, all of which are deductible for income tax purposes. The operating revenues and net income of Planet Found were not material to our consolidated results for the years ended December 31, 2023 and 2022.

Acquisition of Davenport Energy

In June 2022, Sharp acquired the propane operating assets of Davenport Energy's Siler City, North Carolina propane division for approximately $2.0 million. Through this acquisition. the Company expanded its operating footprint further into North Carolina, where customers are served by Sharp Energy's Diversified Energy division. Sharp added approximately 850 customers, and expected distribution of approximately 0.4 million gallons of propane annually. We recorded $1.5 million in property plant and equipment, $0.5 million in goodwill, and immaterial amounts associated with customer relationships and non-compete agreements, all of which are deductible for income tax purposes. The financial results associated with this acquisition are included within the Company's propane distribution operations within its Unregulated Energy segment. The operating revenues and net income of Davenport Energy were not material to our consolidated results for the years ended December 31, 2023 and 2022.

5. Revenue Recognition

We recognize revenue when our performance obligations under contracts with customers have been satisfied. which generally occurs when our businesses have delivered or transported natural gas, electricity or propane to customers. We exclude sales taxes and other similar taxes from the transaction price. Typically, our customers pay for the goods and/or services we provide in the month following the satisfaction of our performance obligation. The following table displays revenue by major source based on product and service type for the years ended December 31, 2023, 2022 and 2021:

	For the year ended December 31, 2023			
(in thousands)	Regulated Energy	Unregulated Energy	Other and Eliminations	Total
Energy distribution				
Delaware natural gas division	$ 83,882	$ —	$ —	$ 83,882
Florida Natural Gas distribution [1]	168,360	—	—	168,360
Florida City Gas [2]	12,073	—	—	12,073
FPU electric distribution	99,474	—	—	99,474
Maryland natural gas division	28,092	—	—	28,092
Sandpiper natural gas/propane operations	20,185	—	—	20,185
Elkton Gas	8,814	—	—	8,814
Total energy distribution	420,880	—	—	420,880
Energy transmission				
Aspire Energy	—	37,139	—	37,139
Aspire Energy Express	1,478	—	—	1,478
Eastern Shore	79,923	—	—	79,923
Peninsula Pipeline	30,400	—	—	30,400
Total energy transmission	111,801	37,139	—	148,940
Energy generation				
Eight Flags	—	19.207	—	19.207
Propane operations				
Propane distribution operations	—	154,748	—	154,748
Compressed Natural Gas Services				
Marlin Gas Services	—	12,300	—	12,300
Other and eliminations				
Eliminations	(59,086)	(246)	(26,321)	(85,653)
Other	—	—	182	182
Total other and eliminations	(59,086)	(246)	(26,139)	(85,471)
Total operating revenues [3]	**$ 473,595**	**$ 223,148**	**$ (26,139)**	**$ 670,604**

[1] In accordance with the Florida PSC approval of our natural gas base rate proceeding, effective March 1, 2023, our natural gas distribution businesses in Florida (FPU, FPU-Indiantown division, FPU-Fort Meade division and Chesapeake Utilities' CFG division) have been consolidated and amounts above are now being presented on a consolidated basis consistent with the final rate order

[2] Operating revenues for FCG include amounts from the acquisition date through December 31, 2023 For additional information on FCG's results, see Note 4, *Acquisitions*, and discussion under Item 7, Management's Discussion and Analysis of Financial Condition and Results of Operations

[3] Total operating revenues for the year ended December 31, 2023, include other revenue (revenues from sources other than contracts with customers) of $1 2 million and $0 4 million for our Regulated and Unregulated Energy segments, respectively The sources of other revenues include revenue from alternative revenue programs related to revenue normalization for Maryland division and Sandpiper and late fees

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(in thousands)	For the year ended December 31, 2022			
	Regulated Energy	Unregulated Energy	Other and Eliminations	Total
Energy distribution				
Delaware natural gas division [redacted]	$ 82,176	$ —	$ —	$ 82,176
Florida Natural Gas distribution [1]	155,870	—	—	155,870
FPU electric distribution	81,714	—	—	81,714
Maryland natural gas division	26,607	—	—	26,607
Sandpiper natural gas/propane operations	21,278	—	—	21,278
Elkton Gas	9,198	—	—	9,198
Total energy distribution	376,843	—	—	376,843
Energy transmission				
Aspire Energy	—	56,225	—	56.225
Aspire Energy Express	1,377	—	—	1,377
Eastern Shore	78,624	—	—	78,624
Peninsula Pipeline	27,263	—	—	27,263
Total energy transmission	107,264	56.225	—	163,489
Energy generation				
Eight Flags	—	25,318	—	25,318
Propane operations				
Propane distribution operations [redacted]	—	188,412	—	188,412
Compressed Natural Gas Services				
Marlin Gas Services	—	11,159	—	11,159
Other and eliminations				
Eliminations	(54,683)	(364)	(29,778)	(84,825)
Other	—	—	308	308
Total other and eliminations	(54,683)	(364)	(29,470)	(84,517)
Total operating revenues [2]	**$ 429,424**	**$ 280,750**	**$ (29,470)**	**$ 680,704**

[1] In accordance with the Florida PSC approval of our natural gas base rate proceeding, effective March 1, 2023, our natural gas distribution businesses in Florida (FPU, FPU-Indiantown division, FPU-Fort Meade division and Chesapeake Utilities' CFG division) have been consolidated and amounts above are now being presented on a consolidated basis consistent with the final rate order

[2] Total operating revenues for the year ended December 31, 2022, include other revenue (revenues from sources other than contracts with customers) of $0.5 million and $0.4 million for our Regulated and Unregulated Energy segments, respectively The sources of other revenues include revenue from alternative revenue programs related to revenue normalization for Maryland division and Sandpiper and late fees

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	For the year ended December 31, 2021							
(in thousands)	Regulated Energy		Unregulated Energy		Other and Eliminations		Total	
Energy distribution								
Delaware natural gas division	$	71,195	$	—	$	—	$	71,195
Florida Natural Gas distribution (1)		134,609		—		—		134,609
FPU electric distribution		78,300		—		—		78,300
Maryland natural gas division		22,449		—		—		22,449
Sandpiper natural gas/propane operations		20,746		—		—		20,746
Elkton Gas		7,105		—		—		7,105
Total energy distribution		334,404		—		—		334,404
Energy transmission								
Aspire Energy		—		38,163		—		38,163
Aspire Energy Express		187		—		—		187
Eastern Shore		76,911		—		—		76,911
Peninsula Pipeline		26,630		—		—		26,630
Total energy transmission		103,728		38,163		—		141,891
Energy generation								
Eight Flags		—		18,652		—		18,652
Propane operations								
Propane distribution operations		—		142,082		—		142,082
Compressed Natural Gas Services								
Marlin Gas Services		—		8,315		—		8,315
Other and eliminations								
Eliminations		(54.212)		(343)		(21,348)		(75,903)
Other		—		—		527		527
Total other and eliminations		(54.212)		(343)		(20,821)		(75,376)
Total operating revenues (2)	**$**	**383,920**	**$**	**206,869**	**$**	**(20,821)**	**$**	**569,968**

(1) In accordance with the Florida PSC approval of our natural gas base rate proceeding, effective March 1, 2023, our natural gas distribution businesses in Florida (FPU, FPU-Indiantown division, FPU-Fort Meade division and Chesapeake Utilities' CFG division) have been consolidated and amounts above are now being presented on a consolidated basis consistent with the final rate order

(2) Total operating revenues for the year ended December 31, 2021, include other revenue (revenues from sources other than contracts with customers) of $0 2 million and $0 4 million for our Regulated and Unregulated Energy segments, respectively The sources of other revenues include revenue from alternative revenue programs related to revenue normalization for Maryland division and Sandpiper and late fees

Regulated Energy Segment

The businesses within our Regulated Energy segment are regulated utilities whose operations and customer contracts are subject to rates approved by the respective state PSC or the FERC.

Our energy distribution operations deliver natural gas or electricity to customers, and we bill the customers for both the delivery of natural gas or electricity and the related commodity, where applicable. In most jurisdictions, our customers are also required to purchase the commodity from us, although certain customers in some jurisdictions may purchase the commodity from a third-party retailer (in which case we provide delivery service only). We consider the delivery of natural gas or electricity and/or the related commodity sale as one performance obligation because the commodity and its delivery are highly interrelated with two-way dependency on one another. Our performance obligation is satisfied over time as natural gas or electricity is delivered and consumed by the customer. We recognize revenues based on monthly meter readings, which are based on the quantity of natural gas or electricity used and the approved rates. We accrue unbilled revenues for natural gas and electricity that have been delivered. but not yet billed, at the end of an accounting period. to the extent that billing and delivery do not coincide.

Revenues for Eastern Shore are based on rates approved by the FERC. The FERC has also authorized Eastern Shore to negotiate rates above or below the FERC-approved maximum rates, which customers can elect as an alternative to the FERC-approved maximum rates. Eastern Shore's services can be firm or interruptible. Firm services are offered on a guaranteed basis and are available at all times unless prevented by force majeure or other permitted curtailments. Interruptible customers receive service only when there is available capacity or supply. Our performance obligation is satisfied over time as we deliver natural gas to the customers' locations. We recognize revenues based on capacity used or reserved and the fixed monthly charge.

Peninsula Pipeline is engaged in natural gas intrastate transmission to third-party customers and certain affiliates in the State of Florida. Our performance obligation is satisfied over time as the natural gas is transported to customers. We recognize revenue based on rates approved by the Florida PSC and the capacity used or reserved. We accrue unbilled revenues for transportation services provided and not yet billed at the end of an accounting period.

Aspire Energy Express is engaged in natural gas intrastate transmission in the State of Ohio. We currently serve the Guernsey power plant and our performance obligation is satisfied over time as the natural gas is transported to the plant. We recognize revenue based on rates approved by the Ohio PSC and the capacity used or reserved. We accrue unbilled revenues for transportation services provided and not yet billed at the end of an accounting period.

Unregulated Energy Segment

Revenues generated from the Unregulated Energy segment are not subject to any federal, state, or local pricing regulations. Aspire Energy primarily sources gas from hundreds of conventional producers and performs gathering and processing functions to maintain the quality and reliability of its gas for its wholesale customers. Aspire Energy's performance obligation is satisfied over time as natural gas is delivered to its customers. Aspire Energy recognizes revenue based on the deliveries of natural gas at contractually agreed upon rates (which are based upon an established monthly index price and a monthly operating fee, as applicable). For natural gas customers, we accrue unbilled revenues for natural gas that has been delivered, but not yet billed, at the end of an accounting period, to the extent that billing and delivery do not coincide with the end of the accounting period.

Eight Flags' CHP plant, which is located on land leased from a customer, produces three sources of energy: electricity, steam and heated water. This customer purchases the steam (unfired and fired) and heated water, which are used in the customer's production facility. Our electric distribution operation purchases the electricity generated by the CHP plant for distribution to its customers. Eight Flags' performance obligation is satisfied over time as deliveries of heated water, steam and electricity occur. Eight Flags recognizes revenues over time based on the amount of heated water, steam and electricity generated and delivered to its customers.

For our propane distribution operations, we recognize revenue based upon customer type and service offered. Generally, for propane bulk delivery customers (customers without meters) and wholesale sales, our performance obligation is satisfied when we deliver propane to the customers' locations (point-in-time basis). We recognize revenue from these customers based on the number of gallons delivered and the price per gallon at the point-in-time of delivery. For our propane distribution customers with meters, we satisfy our performance obligation over time. We recognize revenue over time based on the amount of propane consumed and the applicable price per unit. For propane distribution metered customers, we accrue unbilled revenues for propane that is estimated to have been consumed, but not yet billed, at the end of an accounting period, to the extent that billing and delivery do not coincide with the end of the accounting period.

Marlin Gas Services provides mobile CNG and pipeline solutions primarily to utilities and pipelines. Marlin Gas Services provides temporary hold services, pipeline integrity services, emergency services for damaged pipelines and specialized gas services for customers who have unique requirements. Marlin Gas Services' performance obligations are comprised of the compression of natural gas, mobilization of CNG equipment, utilization of equipment and on-site CNG support. Our performance obligations for the compression of natural gas, utilization of mobile CNG equipment and for the on-site CNG staff support are satisfied over time when the natural gas is compressed, equipment is utilized or as our staff provide support services to our customers. Our performance obligation for the mobilization of CNG equipment is satisfied at a point-in-time when the equipment is delivered to the customer project location. We recognize revenue for CNG services at the end of each calendar month for services provided during the month based on agreed upon rates for equipment utilized, costs incurred for natural gas compression, miles driven, mobilization and demobilization fees.

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Contract balances

The timing of revenue recognition, customer billings and cash collections results in trade receivables, unbilled receivables (contract assets), and customer advances (contract liabilities) in our consolidated balance sheets. The balances of our trade receivables, contract assets, and contract liabilities as of December 31, 2023 and 2022 were as follows:

(in thousands)	Trade Receivables	Contract Assets (Current)	Contract Assets (Noncurrent)	Contract Liabilities (Current)
Balance at 12/31/2022	$ 61,687	$ 18	$ 4,321	$ 983
Balance at 12/31/2023	**67,741**	**18**	**3,524**	**1,022**
Increase (decrease)	$ 6,054	$ —	$ (797)	$ 39

Our trade receivables are included in trade and other receivables in the consolidated balance sheets. Our non-current contract assets are included in receivables and other deferred charges in the consolidated balance sheet and relate to operations and maintenance costs incurred by Eight Flags that have not yet been recovered through rates for the sale of electricity to our electric distribution operation pursuant to a long-term service agreement.

At times, we receive advances or deposits from our customers before we satisfy our performance obligation, resulting in contract liabilities. Contract liabilities are included in other accrued liabilities in the consolidated balance sheets and relate to non-refundable prepaid fixed fees for our propane distribution operation's retail offerings. Our performance obligation is satisfied over the term of the respective retail offering plan on a ratable basis. For the years ended December 31, 2023 and 2022, the amounts recognized in revenue were not material.

Remaining performance obligations

Our businesses have long-term fixed fee contracts with customers in which revenues are recognized when performance obligations are satisfied over the contract term. Revenue for these businesses for the remaining performance obligations at December 31, 2023 are expected to be recognized as follows:

(in thousands)	2024	2025	2026	2027	2028	2029 and thereafter
Eastern Shore and Peninsula Pipeline	$ 36,657	$ 30,330	$ 26,547	$ 23,433	$ 22,559	$ 149,124
Natural gas distribution operations	9,680	9.216	8,501	6,472	5.252	28,428
FPU electric distribution	652	275	275	275	275	—
Total revenue contracts with remaining performance obligations	$ 46,989	$ 39,821	$ 35,323	$ 30,180	$ 28,086	$ 177,552

6. Segment Information

We use the management approach to identify operating segments. We organize our business around differences in regulatory environment and/or products or services, and the operating results of each segment are regularly reviewed by the chief decision maker (our Chief Executive Officer, or "CEO") in order to make decisions about resources and to assess performance.

Our operations are entirely domestic and are comprised of two reportable segments:

- *Regulated Energy*. Includes energy distribution and transmission services (natural gas distribution, natural gas transmission and electric distribution operations). All operations in this segment are regulated, as to their rates and services, by the PSC having jurisdiction in each operating territory or by the FERC in the case of Eastern Shore.
- *Unregulated Energy*. Includes energy transmission, energy generation (the operations of our Eight Flags' CHP plant), propane distribution operations, mobile compressed natural gas distribution and pipeline solutions operations, and sustainable energy investments including renewable natural gas. Also included in this segment are other unregulated energy services, such as energy-related merchandise sales and heating. ventilation and air conditioning. plumbing and electrical services. These operations are unregulated as to their rates and services.

The remainder of our operations are presented as "Other businesses and eliminations," which consists of unregulated subsidiaries that own real estate leased to Chesapeake Utilities, as well as certain corporate costs not allocated to other operations.

The following tables present information about our reportable segments:

(in thousands)	For the Year Ended December 31, 2023	2022	2021
Operating Revenues, Unaffiliated Customers			
Regulated Energy	$ **471,591**	$ 422,894	$ 381,879
Unregulated Energy	**199,013**	257,810	188,089
Total operating revenues, unaffiliated customers	$ **670,604**	$ 680,704	$ 569,968
Intersegment Revenues [1]			
Regulated Energy	$ **2,004**	$ 6,530	$ 2,041
Unregulated Energy	**24,135**	22,940	18,780
Other businesses	**182**	308	527
Total intersegment revenues	$ **26,321**	$ 29,778	$ 21,348
Operating Income			
Regulated Energy	$ **126,199**	$ 115,317	$ 106,174
Unregulated Energy	**24,426**	27,350	24,427
Other businesses and eliminations	**178**	266	511
Operating Income	**150,803**	142,933	131,112
Other income, net	**1,438**	5,051	1,720
Interest charges	**36,951**	24,356	20,135
Income before Income Taxes	**115,290**	123,628	112,697
Income Taxes	**28,078**	33,832	29,231
Net Income	$ **87,212**	$ 89,796	$ 83,466
Depreciation and Amortization			
Regulated Energy [2]	$ **48,162**	$ 52,707	$ 48,748
Unregulated Energy	**17,347**	16,257	13,869
Other businesses and eliminations	**(8)**	9	44
Total depreciation and amortization	$ **65,501**	$ 68,973	$ 62,661
Capital Expenditures			
Regulated Energy [3]	$ **1,095,871**	$ 97,554	$ 139,733
Unregulated Energy	**40,264**	40,773	81,651
Other businesses	**1,762**	2,355	6,425
Total capital expenditures	$ **1,137,897**	$ 140,682	$ 227,809

[1] All significant intersegment revenues are billed at market rates and have been eliminated from consolidated revenues
[2] Depreciation and amortization in 2023 includes a $5 1 million RSAM adjustment See Note 18 for additional details
[3] Capital expenditures in 2023 include our acquisition of FCG for $923 4 million. See Note 4 for additional details

(in thousands)	As of December 31, 2023	2022
Identifiable Assets		
Regulated Energy segment	$ **2,781,581**	$ 1,716,255
Unregulated Energy segment	**477,402**	463,239
Other businesses and eliminations	**45,721**	35,543
Total identifiable assets	$ **3,304,704**	$ 2,215,037

7. Supplemental Cash Flow Disclosures

Cash paid for interest and income taxes during the years ended December 31, 2023, 2022 and 2021 were as follows:

	For the Year Ended December 31,		
(in thousands)	2023	2022	2021
Cash paid for interest	$ **30,525**	$ 24,267	$ 20,809
Cash (received) paid for income taxes, net of refunds	$ **21,920**	$ (4,963)	$ 8,395

Non-cash investing and financing activities during the years ended December 31, 2023, 2022, and 2021 were as follows:

	For the Year Ended December 31,		
(in thousands)	2023	2022	2021
Capital property and equipment acquired on account, but not paid for as of December 31,	$ **33,334**	$ 13,211	$ 16,164
Common stock issued for the Retirement Savings Plan	$ —	$ —	$ 1,712
Common stock issued under the SICP	$ **3,740**	$ 2,868	$ 2,834

8. Derivative Instruments

We use derivative and non-derivative contracts to manage risks related to obtaining adequate supplies and the price fluctuations of natural gas, electricity and propane and to mitigate interest rate risk. Our natural gas, electric and propane distribution operations have entered into agreements with suppliers to purchase natural gas, electricity and propane for resale to our customers. Our natural gas gathering and transmission company has entered into contracts with producers to secure natural gas to meet its obligations. Purchases under these contracts typically either do not meet the definition of derivatives or are considered "normal purchases and normal sales" and are accounted for on an accrual basis. Our propane distribution operations may also enter into fair value hedges of their inventory or cash flow hedges of their future purchase commitments in order to mitigate the impact of wholesale price fluctuations. Occasionally, we may enter into interest rate swap agreements to mitigate risk associated with changes in short-term borrowing rates. As of December 31, 2023 and 2022, our natural gas and electric distribution operations did not have any outstanding derivative contracts.

Volume of Derivative Activity

As of December 31, 2023, the volume of our open commodity derivative contracts were as follows:

Business unit	Commodity	Contract Type	Quantity hedged (in millions)	Designation	Longest expiration date of hedge
Sharp	Propane (gallons)	Purchases	18.1	Cash flow hedges	June 2026
Sharp	Propane (gallons)	Sales	3.2	Cash flow hedges	March 2024

Sharp entered into futures and swap agreements to mitigate the risk of fluctuations in wholesale propane index prices associated with the propane volumes expected to be purchased and/or sold during the heating season. Under the futures and swap agreements, Sharp will receive or pay the difference between (i) the index prices (Mont Belvieu prices in December 2023 through June 2026) and (ii) the per gallon propane contracted prices, to the extent the index prices deviate from the contracted prices. We designated and accounted for the propane swaps as cash flows hedges. The change in the fair value of the swap agreements is initially recorded as a component of accumulated other comprehensive income (loss) and later recognized in our consolidated statement of income in the same period and in the same line item as the hedged transaction. We expect to reclassify approximately $0.3 million of unrealized losses from accumulated other comprehensive income (loss) to earnings during the next 12-month period.

Interest Rate Swap Activities

We manage interest rate risk by entering into derivative contracts to hedge the variability in cash flows attributable to changes in the short-term borrowing rates. In September 2022, we entered into an interest rate swap with a notional amount of $50.0 million through September 2025, with pricing of 3.98 percent.

In February 2021, we entered into an interest rate swap with a notional amount of $40.0 million through December 20[illegible] with pricing of [illegible] percent. In the fourth quarter of 2020, we entered into interest rate swaps with notional amounts totaling $60.0 million through December 2021 with pricing of approximately 0.20 percent for the period associated with our outstanding borrowing under the Revolver.

In August 2022, we amended and restated the Revolver and transitioned the benchmark interest rate to the 30-day SOFR as a result of the expiration of LIBOR. Accordingly, our current interest rate swap is cash settled monthly as the counter-party pays us the 30-day SOFR rate less the fixed rate. Prior to August 2022, our short-term borrowing interest rate was based on the 30-day LIBOR rate. Our pre-2022 interest rate swaps were cash settled monthly as the counter-party paid us the 30-day LIBOR rate less the fixed rate.

We designate and account for interest rate swaps as cash flows hedges. Accordingly, unrealized gains and losses associated with the interest rate swaps are initially recorded as a component of accumulated other comprehensive income (loss). As the interest rate swap settles each month, the realized gain or loss is recorded in the income statement and is recognized as a component of interest charges.

Broker Margin

Futures exchanges have contract specific margin requirements that require the posting of cash or cash equivalents relating to traded contracts. Margin requirements consist of initial margin that is posted upon the initiation of a position, maintenance margin that is usually expressed as a percent of initial margin, and variation margin that fluctuates based on the daily mark-to-market relative to maintenance margin requirements. We currently maintain a broker margin account for Sharp included within other current assets on the consolidated balance sheet with a balance of $2.1 million as of December 31, 2023 compared to a current liability of $0.1 million at December 31, 2022.

Financial Statements Presentation

The following tables present information about the fair value and related gains and losses of our derivative contracts. We did not have any derivative contracts with a credit-risk-related contingency. Fair values of the derivative contracts recorded in the consolidated balance sheets as of December 31, 2023 and 2022 are as follows:

	Derivative Assets		
		Fair Value as of	
(in thousands)	Balance Sheet Location	December 31, 2023	December 31, 2022
Derivatives designated as cash flow hedges			
Propane swap agreements	Derivative assets, at fair value (1)	$ 702	$ 3,317
Interest rate swap agreements	Derivative assets, at fair value (1)	365	452
Total Derivative Assets		$ 1,067	$ 3,769

(1) Derivative assets, at fair value include $1.0 million and $2.8 million in current assets in the consolidated balance sheet at December 31, 2023 and 2022, respectively, with the remainder of the balance classified as long-term.

	Derivative Liabilities		
		Fair Value as of	
(in thousands)	Balance Sheet Location	December 31, 2023	December 31, 2022
Derivatives designated as cash flow hedges			
Propane swap agreements	Derivative liabilities, at fair value (1)	$ 1,078	$ 1,810
Interest rate swap agreements	Derivative liabilities, at fair value (1)	203	405
Total Derivative Liabilities		$ 1,281	$ 2,215

(1) Derivative liabilities, at fair value include $0.4 million and $0.6 million in current liabilities in the consolidated balance sheet at December 31, 2023 and 2022, respectively, with the remainder of the balance classified as long-term.

The effects of gains and losses from derivative instruments and their location in the consolidated statements of income are as follows:

		Amount of Gain (Loss) on Derivatives:		
		For the Year Ended December 31,		
(in thousands)	Location of Gain (Loss) on Derivatives	2023	2022	2021
Derivatives not designated as hedging instruments				
Propane swap agreements	Propane and natural gas costs	$ —	$ 56	$ (1)
Derivatives designated as fair value hedges				
Put/Call option	Propane and natural gas costs	—	—	(24)
Derivatives designated as cash flow hedges				
Propane swap agreements	Revenues	1,221	(373)	(536)
Propane swap agreements	Propane and natural gas costs	(1,160)	3,881	7,187
Interest rate swap agreements	Interest expense	523	(47)	(40)
Total		$ 584	$ 3,517	$ 6,586

9. FAIR VALUE OF FINANCIAL INSTRUMENTS

GAAP establishes a fair value hierarchy that prioritizes the inputs to valuation methods used to measure fair value. The three levels of the fair value hierarchy are as follows:

Fair Value Hierarchy	Description of Fair Value Level	Fair Value Technique Utilized
Level 1	Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities	*Investments - equity securities* - The fair values of these trading securities are recorded at fair value based on unadjusted quoted prices in active markets for identical securities. *Investments - mutual funds and other* - The fair values of these investments, comprised of money market and mutual funds, are recorded at fair value based on quoted net asset values of the shares.
Level 2	Quoted prices in markets that are not active, or inputs which are observable, either directly or indirectly, for substantially the full term of the asset or liability	*Derivative assets and liabilities* - The fair value of the propane put/call options, propane and interest rate swap agreements are measured using market transactions for similar assets and liabilities in either the listed or over-the-counter markets.
Level 3	Prices or valuation techniques requiring inputs that are both significant to the fair value measurement and unobservable (i.e., supported by little or no market activity)	*Investments - guaranteed income fund* - The fair values of these investments are recorded at the contract value, which approximates their fair value.

Financial Assets and Liabilities Measured at Fair Value

The following tables summarize our financial assets and liabilities that are measured at fair value on a recurring basis and the fair value measurements, by level, within the fair value hierarchy as of December 31, 2023 and 2022, respectively:

		Fair Value Measurements Using:		
As of December 31, 2023 *(in thousands)*	**Fair Value**	**Quoted Prices in Active Markets (Level 1)**	**Significant Other Observable Inputs (Level 2)**	**Significant Unobservable Inputs (Level 3)**
Assets:				
Investments—equity securities	$ 21	$ 21	$ —	$ —
Investments—guaranteed income fund	1,489	—	—	1,489
Investments—mutual funds and other	10,772	10,772	—	—
Total investments	12,282	10,793	—	1,489
Derivative assets	1,067	—	1,067	—
Total assets	$ 13,349	$ 10,793	$ 1,067	$ 1,489
Liabilities:				
Derivative liabilities	$ 1,281	$ —	$ 1,281	$ —

		Fair Value Measurements Using:		
As of December 31, 2022 *(in thousands)*	**Fair Value**	**Quoted Prices in Active Markets (Level 1)**	**Significant Other Observable Inputs (Level 2)**	**Significant Unobservable Inputs (Level 3)**
Assets:				
Investments—equity securities	$ 24	$ 24	$ —	$ —
Investments—guaranteed income fund	1,853	—	—	1,853
Investments—mutual funds and other	8,699	8,699	—	—
Total investments	10,576	8,723	—	1,853
Derivative assets	3,769	—	3,769	—
Total assets	$ 14,345	$ 8,723	$ 3,769	$ 1,853
Liabilities:				
Derivative liabilities	$ 2,215	$ —	$ 2,215	$ —

The changes in the fair value of our Level 3 investments for the years ended December 31, 2023 and 2022 were immaterial. Investment income from our Level 3 investments is reflected in other income (expense), net in the consolidated statements of income.

At December 31, 2023 and 2022, there were no non-financial assets or liabilities required to be reported at fair value. We review our non-financial assets for impairment at least on an annual basis, as required.

Other Financial Assets and Liabilities

Financial assets with carrying values approximating fair value include cash and cash equivalents and accounts receivable. Financial liabilities with carrying values approximating fair value include accounts payable, other accrued liabilities and short-term debt. The fair value of cash and cash equivalents is measured using the comparable value in the active market (Level 1 measurement). The fair value of short-term debt approximates the carrying value due to its near-term maturities and because interest rates approximate current market rates (Level 2 measurement).

At December 31, 2023, long-term debt, which includes the current maturities but excludes debt issuance cost, had a carrying value of $1.2 billion, compared to the estimated fair value of $1.2 billion. At December 31, 2022, long-term debt. which includes the current maturities and excludes debt issuance costs, had a carrying value of $600.8 million, compared to a fair value of $505.0 million. The fair value was calculated using a discounted cash flow methodology that incorporates a market interest rate based on published corporate borrowing rates for debt instruments with similar terms and average maturities, and with adjustments for duration, optionality, and risk profile. The valuation technique used to estimate the fair value of long-term debt would be considered a Level 2 measurement.

See Note 16, *Employee Benefit Plans,* for fair value measurement information related to our pension plan assets.

10. Goodwill and Other Intangible Assets

The carrying value of goodwill as of December 31, 2023 and 2022 was as follows:

(in thousands)	Regulated Energy	Unregulated Energy	Total Goodwill
Balance at December 31, 2022	$ 7,689	$ 38,524	$ 46,213
Additions [1]	461,025	936	461,961
Balance at December 31, 2023	**$ 468,714**	**$ 39,460**	**$ 508,174**

[1] 2023 additions primarily attributable to goodwill from the November 2023 acquisition of FCG See Note 4 for additional details

There were no goodwill impairments recognized during the three-year period ended December 31, 2023.

The carrying value and accumulated amortization of intangible assets subject to amortization as of December 31, 2023 and 2022 was as follows:

	As of December 31,			
	2023		2022	
(in thousands)	Gross Carrying Amount	Accumulated Amortization	Gross Carrying Amount	Accumulated Amortization
Customer relationships	**$ 17,004**	**$ 7,146**	$ 16,965	$ 6,131
Non-Compete agreements	**3,125**	**1,855**	3,105	1,411
Patents [1]	**6,558**	**859**	5,819	533
Other	**270**	**232**	270	225
Total	**$ 26,957**	**$ 10,092**	$ 26,159	$ 8,300

[1] Includes amounts related to patented technology developed by Marlin Gas Services and the acquisition of Planet Found

The customer relationships, non-compete agreements, patents and other intangible assets acquired in the purchases of the operating assets of several companies are being amortized over a weighted average of 14 years. Amortization expense of intangible assets for the year ended December 31, 2023, 2022 and 2021 was $1.8 million. $1.5 million and $1.3 million, respectively. Amortization expense of intangible assets is expected to be $1.8 million for the years 2024 through 2025, $1.6 million for 2026, $1.5 million for 2027 and $1.3 million for 2028.

11. Income Taxes

We file a consolidated federal income tax return. Income tax expense allocated to our subsidiaries is based upon their respective taxable incomes and tax credits. State income tax returns are filed on a separate company basis in most states where we have operations and/or are required to file. Our state returns for tax years after 2017 are subject to examination. At December 31, 2023, the 2015 through 2019 federal income tax returns are no longer under examination.

For state income tax purposes, we had NOL in various states of $72.9 million and $67.7 million as of December 31, 2023 and 2022, respectively, almost all of which will expire in 2040. Excluding NOLs from discontinued operations, we have recorded deferred tax assets of $1.8 million and $1.5 million related to state NOL carry-forwards at December 31, 2023 and 2022, respectively. We have not recorded a valuation allowance to reduce the future benefit of the tax NOL because we believe they will be fully utilized.

Tax Law Changes

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In March 2020, the CARES Act was signed into law and included several significant changes to the Internal Revenue Code. The CARES Act includes certain tax relief provisions including the ability to carryback five years net operating losses arising in a tax year beginning in 2018, 2019, or 2020. This provision allows a taxpayer to recover taxes previously paid at a 35 percent federal income tax rate during tax years prior to 2018. In addition, the CARES Act removed the taxable income limitation to allow a tax NOL to fully offset taxable income for tax years beginning before January 1, 2021. As a result, our income tax expense for the year ended December 31, 2021 included a tax benefit $0.9 million. attributable to the tax NOL carryback provided under the CARES Act for losses generated in 2018 and 2019 and then applied back to our 2013 and 2015 tax years in which we paid federal income taxes at a 35 percent tax rate. Tax benefits associated with this legislation were not available for the year ended December 31, 2023.

On December 22, 2017, the TCJA was signed into law. Substantially all of the provisions of the TCJA were effective for taxable years beginning on or after January 1, 2018. The provisions that significantly impacted us include the reduction of the corporate federal income tax rate from 35 percent to 21 percent. Our federal income tax expense for periods beginning on January 1, 2018 are based on the new federal corporate income tax rate. The TCJA included changes to the Internal Revenue Code, which materially impacted our 2017 financial statements. ASC 740, *Income Taxes,* requires recognition of the effects of changes in tax laws in the period in which the law is enacted. ASC 740 requires deferred tax assets and liabilities to be measured at the enacted tax rate expected to apply when temporary differences are to be realized or settled. During 2018, we completed the assessment of the impact of accounting for certain effects of the TCJA. At the date of enactment in 2017, we re-measured deferred income taxes based upon the new corporate tax rate. See Note 18, *Rates and Other Regulatory Activities,* for further discussion of the TCJA's impact on our regulated businesses.

The following tables provide: (a) the components of income tax expense in 2023, 2022, and 2021; (b) the reconciliation between the statutory federal income tax rate and the effective income tax rate for 2023, 2022, and 2021; and (c) the components of accumulated deferred income tax assets and liabilities at December 31, 2023 and 2022.

	For the Year Ended December 31,		
(in thousands)	**2023**	**2022**	**2021**
Current Income Tax Expense			
Federal	**$ 14,736**	$ 8,284	$ 2,775
State	**5,496**	1,948	(96)
Other	**(47)**	(47)	47)
Total current income tax expense (benefit)	**20,185**	10,185	2,632
Deferred Income Tax Expense [1]			
Property, plant and equipment	**17,797**	14,968	24,074
Deferred gas costs	**(7,739)**	8,923	1,857
Pensions and other employee benefits	**(974)**	1,109	(655)
FPU merger-related premium cost and deferred gain	**(351)**	(351)	(351)
Net operating loss carryforwards	**(370)**	2	97
Other	**(470)**	(1,004)	1,577
Total deferred income tax expense	**7,893**	23,647	26,599
Total Income Tax	**$ 28,078**	$ 33,832	$ 29,231

[1] Includes less than $0 1 million, $7 8 million, and $8 2 million of deferred state income taxes for the years 2023, 2022 and 2021, respectively

(in thousands)	For the Year Ended December 31, 2023	2022	2021
Reconciliation of Effective Income Tax Rates			
Federal income tax expense [1]	$ **24,214**	$ 25,982	$ 23,666
State income taxes, net of federal benefit	**4,377**	7,714	6,371
ESOP dividend deduction	**(184)**	(177)	(180)
CARES Act Tax Benefit	—	—	(919)
Other	**(329)**	313	293
Total Income Tax Expense	$ **28,078**	$ 33,832	$ 29,231
Effective Income Tax Rate	**24.35 %**	27.34 %	25.94 %

[1] Federal income taxes were calculated at 21 percent for 2023, 2022, and 2021

(in thousands)	As of December 31, 2023	2022
Deferred Income Taxes		
Deferred income tax liabilities:		
Property, plant and equipment	$ **252,125**	$ 238,687
Acquisition adjustment	**5,564**	5,915
Loss on reacquired debt	**145**	164
Deferred gas costs	**3,550**	11,288
Natural gas conversion costs	**4,824**	5,026
Storm reserve liability	**5,797**	5,791
Other	**9,655**	8,236
Total deferred income tax liabilities	$ **281,660**	$ 275,107
Deferred income tax assets:		
Pension and other employee benefits	$ **4,993**	$ 3,985
Environmental costs	**951**	1,052
Net operating loss carryforwards	**1,847**	1,488
Storm reserve liability	**213**	453
Accrued expenses	**3,335**	9,007
Other	**11,239**	2,955
Total deferred income tax assets	$ **22,578**	$ 18,940
Deferred Income Taxes Per Consolidated Balance Sheets	$ **259,082**	$ 256,167

12. Long-term Debt

Our outstanding long-term debt is shown below:

(in thousands)	As of December 31, 2023	2022
Uncollateralized Senior Notes:		
5.93% notes, due October 31, 2023	$ —	$ 3,000
5.68% notes, due June 30, 2026	8,700	11,600
6.43% notes, due May 2, 2028	3,500	4,200
3.73% notes, due December 16, 2028	10,000	12,000
3.88% notes, due May 15, 2029	30,000	35,000
3.25% notes, due April 30, 2032	59,500	66,500
3.48% notes, due May 31, 2038	50,000	50,000
3.58% notes, due November 30, 2038	50,000	50,000
3.98% notes, due August 20, 2039	100,000	100,000
2.98% notes, due December 20, 2034	70,000	70,000
3.00% notes, due July 15, 2035	50,000	50,000
2.96% notes, due August 15, 2035	40,000	40,000
2.49% notes, due January 25, 2037	50,000	50,000
2.95% notes, due March 15, 2042	50,000	50,000
5.43% notes, due March 14, 2038	80,000	—
6.39% notes, due December 2026	100,000	—
6.44% notes, due December 2027	100,000	—
6.45% notes, due December 2028	100,000	—
6.62% notes, due December 2030	100,000	—
6.71% notes, due December 2033	100,000	—
6.73% notes, due December 2038	50,000	—
Equipment security note		
2.46% note, due September 24, 2031	7,633	8,517
Less: debt issuance costs	(3,753)	(946)
Total long-term debt	1,205,580	599,871
Less: current maturities	(18,505)	(21,483)
Total long-term debt, net of current maturities	$ 1,187,075	$ 578,388

Terms of the Senior Notes

All of our outstanding Senior Notes set forth certain business covenants to which we are subject when any note is outstanding. including covenants that limit or restrict our ability, and the ability of our subsidiaries, to incur indebtedness, or place or permit liens and encumbrances on any of our property or the property of our subsidiaries.

Senior Notes

On November 20, 2023, we issued Senior Notes in the aggregate principal amount of $550.0 million at an average interest rate of 6.54 percent that were used to partially finance our acquisition of FCG which closed during the fourth quarter of 2023. These notes have varying maturity dates of between three and 15 years, and the outstanding principal balance of the notes will be due on their respective maturity dates with interest payments payable semiannually until the principal has been paid in full. These Senior Notes have similar covenants and default provisions as our other Senior Notes.

On March 14, 2023 we issued 5.43 percent Senior Notes due March 14, 2038 in the aggregate principal amount of $80.0 million and used the proceeds received from the issuances of the Senior Notes to reduce short-term borrowings under our Revolver and to fund capital expenditures. These Senior Notes have similar covenants and default provisions as our other Senior Notes, and have an annual principal amortization payment beginning in the sixth year after the issuance.

Annual Maturities

Annual maturities and principal repayments of long-term debt are as follows:

Year	2024	2025	2026	2027	2028	Thereafter	Total
(in thousands)							
Payments	$ 18,505	$ 25,528	$ 134,551	$ 131,674	$ 136,699	$ 762,376	$ 1,209,333

Shelf Agreements

We have entered into Shelf Agreements with Prudential and MetLife, whom are under no obligation to purchase any unsecured debt. In February 2023, we amended these Shelf Agreements, which expanded the total borrowing capacity and extended the term of the agreements for an additional three years to 2026. The following table summarizes the current available capacity under our Shelf Agreements at December 31, 2023:

(in thousands)	Total Borrowing Capacity	Less Amount of Debt Issued	Less Unfunded Commitments	Remaining Borrowing Capacity
Shelf Agreements [(1)]				
Prudential Shelf Agreement	$ 405,000	$ (300,000)	$ —	$ 105,000
MetLife Shelf Agreement	200,000	(50,000)	—	150,000
Total	$ 605,000	$ (350,000)	$ —	$ 255,000

13. SHORT-TERM BORROWINGS

We are authorized by our Board of Directors to borrow up to $375.0 million of short-term debt, as required. At December 31, 2023 and 2022, we had $179.9 million and $202.2 million, respectively, of short-term borrowings outstanding at a weighted average interest rate of 5.83 percent and 5.04 percent, respectively. There were no borrowings outstanding under the sustainable investment sublimit of the 364-day tranche at December 31, 2023.

We have entered into several amendments to our Revolver which resulted in modifications to both tranches of the facility. The most recent amendment in October 2023 allowed for a change in our funded indebtedness ratio from 65 percent to 70 percent during the quarter in which the acquisition of FCG is consummated and the quarter subsequent to the closing of the acquisition. The amendment in August 2023 served to renew the 364-day tranche of the Revolver, providing for $175.0 million of short-term debt capacity. Additionally, the amendment for borrowings under the 364-day tranche shall now bear interest (i) based upon the SOFR, plus a 10-basis point credit spread adjustment, and an applicable margin of 1.05 percent or less, with such margin based on total indebtedness as a percentage of total capitalization or (ii) the base rate, solely at our discretion. Further, the amendment provided that borrowings under the 364-day green loan sublimit shall now bear interest at (i) the SOFR rate plus a 10-basis point credit spread adjustment and an applicable margin of 1.00 percent or less, with such margin based on total indebtedness as a percentage of total capitalization or (ii) the base rate plus 0.05 percent or less, solely at our discretion. The amendment entered into in 2022 served to reset the benchmark interest rate to SOFR and to eliminate a previous covenant which capped our investment limit to $150.0 million for investments where we maintain less than 50 percent ownership.

The 364-day tranche of the Revolver expires in August 2024 and the five-year tranche expires in August 2026. Borrowings under both tranches of the Revolver are subject to a pricing grid, including the commitment fee and the interest rate charged based upon our total indebtedness to total capitalization ratio for the prior quarter. As of December 31, 2023, the pricing under the 364-day tranche of the Revolver included a commitment fee of 9-basis points on undrawn amounts and an interest rate of 75-basis points over SOFR plus a 10-basis point SOFR adjustment on outstanding balances. As of December 31, 2023, the pricing under the five-year tranche of the Revolver included a commitment fee of 9-basis points on undrawn amounts and an interest rate of 95-basis points over SOFR plus a 10-basis point SOFR adjustment on outstanding balances.

The availability of funds under the Revolver is subject to conditions specified in the credit agreement, all of which we currently satisfy. These conditions include our compliance with financial covenants and the continued accuracy of representations and warranties contained in the Revolver's loan documents. We are required by the financial covenants in the Revolver to maintain, at the end of each fiscal year, a funded indebtedness ratio as described above. As of December 31, 2023, we are in compliance with this covenant.

Our total available credit under the Revolver at December 31, 2023 was $188.1 million. As of December 31, 2023, we had issued $7.0 million in letters of credit to various counterparties under the Revolver. These letters of credit are not included in the outstanding short-term borrowings and we do not anticipate that they will be drawn upon by the counterparties. The letters of credit reduce the available borrowings under the Revolver.

In connection with our acquisition of FCG, we entered into a 364-day Bridge Facility commitment with Barclays Bank PLC and other lending parties for up to $965.0 million. Upon closing of the FCG acquisition in November 2023, and with the completion of other financing activities as defined in the lending agreement, this facility was terminated with no funds drawn to finance the transaction. For additional information regarding the acquisition and related financing, see Note 4, *Acquisitions,* Note 12, *Long-Term Debt* and Note 15, *Stockholders Equity*.

For additional information on interest rate swaps related to our short-term borrowings, see Note 8, *Derivative Instruments*.

14. Leases

We have entered into lease arrangements for office space, land, equipment, pipeline facilities and warehouses. These lease arrangements enable us to better conduct business operations in the regions in which we operate. Office space is leased to provide adequate workspace for our employees in several locations throughout our service territories. We lease land at various locations throughout our service territories to enable us to inject natural gas into underground storage and distribution systems, for bulk storage capacity, for our propane operations and for storage of equipment used in repairs and maintenance of our infrastructure. We lease natural gas compressors to ensure timely and reliable transportation of natural gas to our customers. We also lease warehouses to store equipment and materials used in repairs and maintenance for our businesses.

Some of our leases are subject to annual changes in the Consumer Price Index ("CPI"). While lease liabilities are not re-measured as a result of changes to the CPI. changes to the CPI are treated as variable lease payments and recognized in the period in which the obligation for those payments was incurred. A 100-basis-point increase in CPI would not have resulted in material additional annual lease costs. Most of our leases include options to renew, with renewal terms that can extend the lease term from one to 25 years or more. The exercise of lease renewal options is at our sole discretion. The amounts disclosed in our consolidated balance sheet at December 31, 2023, pertaining to the right-of-use assets and lease liabilities, are measured based on our current expectations of exercising our available renewal options. Our existing leases are not subject to any restrictions or covenants that would preclude our ability to pay dividends, obtain financing or enter into additional leases. As of December 31, 2023, we have not entered into any leases, which have not yet commenced. that would entitle us to significant rights or create additional obligations. The following table presents information related to our total lease cost included in our consolidated statements of income:

		Year Ended December 31,	
(in thousands)	**Classification**	**2023**	**2022**
Operating lease cost [1]	Operations expense	$ 3,040	$ 2,883

[1] Includes short-term leases and variable lease costs, which are immaterial

The following table presents the balance and classifications of our right of use assets and lease liabilities included in our consolidated balance sheets at December 31, 2023 and 2022:

(in thousands)	Balance sheet classification		December 31, 2023		December 31, 2022
Assets					
Operating lease assets	Operating lease right-of-use assets	$	12,426	$	14,421
Liabilities					
Current					
Operating lease liabilities	Other accrued liabilities	$	2,454	$	2,552
Noncurrent					
Operating lease liabilities	Operating lease - liabilities		10,550		12,392
Total lease liabilities		$	13,004	$	14,944

The following table presents our weighted-average remaining lease term and weighted-average discount rate for our operating leases at December 31, 2023 and 2022:

	December 31, 2023	December 31, 2022
Weighted-average remaining lease term (*in years*)		
Operating leases	8.1	8.5
Weighted-average discount rate		
Operating leases	3.5 %	3.4 %

The following table presents additional information related to cash paid for amounts included in the measurement of lease liabilities included in our consolidated statements of cash flows at December 31, 2023 and 2022:

	Year Ended December 31,			
(in thousands)		2023		2022
Operating cash flows from operating leases	$	2,906	$	2,931

The following table presents the future undiscounted maturities of our operating and financing leases at December 31, 2023 and for each of the next five years and thereafter:

(in thousands)		Operating Leases [(1)]
2024	$	2,771
2025		2,288
2026		1,774
2027		1,583
2028		1,205
Thereafter		5,243
Total lease payments		14,864
Less: Interest		(1,860)
Present value of lease liabilities	$	13,004

[(1)] Operating lease payments include $2.1 million related to options to extend lease terms that are reasonably certain of being exercised.

15. Stockholders' Equity

Common Stock Issuances

In November 2023, in connection with our acquisition of FCG, we completed an overnight offering resulting in the issuance of 4.4 million shares of our common stock at a price per share of $82.72 (net of underwriter discounts and commissions). We received net proceeds of $366.4 million which were used to partially finance the acquisition.

We maintain an effective shelf registration statement with the SEC for the issuance of shares under our DRIP and our previous ATM programs. Depending on our capital needs and subject to market conditions, in addition to other possible debt and equity offerings, we may issue additional shares under the direct stock purchase component of the DRIP. There were no issuances under the DRIP in 2023. In 2022, we issued less than 0.1 million shares at an average price per share of $136.26 and received net proceeds of $4.5 million under the DRIP. Our most recent ATM equity program, which allowed us to issue and sell shares of our common stock up to an aggregate offering price of $75 million, expired in June 2023.

Net proceeds from share issuances under our DRIP and ATM programs are used for general corporate purposes including, but not limited to, financing of capital expenditures, repayment of short-term debt. financing acquisitions, investing in subsidiaries, and general working capital purposes.

Accumulated Other Comprehensive Income (Loss)

Defined benefit pension and postretirement plan items, unrealized gains (losses) of our propane swap agreements designated as commodity contract cash flow hedges, and the unrealized gains (losses) of our interest rate swap agreements designated as cash flow hedges are the components of our accumulated other comprehensive income (loss). The following tables present the changes in the balances of accumulated other comprehensive income (loss) components for the years ended December 31, 2023 and 2022. All amounts in the following tables are presented net of tax.

(in thousands)	Defined Benefit Pension and Postretirement Plan Items	Commodity Contract Cash Flow Hedges	Interest Rate Swap Cash Flow Hedges	Total
As of December 31, 2021	**$ (3,268)**	**$ 4,571**	**$ —**	**$ 1,303**
Other comprehensive income (loss) before reclassifications	705	(934)	—	(229)
Amounts reclassified from accumulated other comprehensive income (loss)	57	(2,545)	35	(2,453)
Net current-period other comprehensive income (loss)	762	(3,479)	35	(2,682)
As of December 31, 2022	**(2,506)**	**1,092**	**35**	**(1,379)**
Other comprehensive income (loss) before reclassifications	(110)	(1,322)	473	(959)
Amounts reclassified from accumulated other comprehensive income (loss)	32	(44)	(388)	(400)
Net current-period other comprehensive income (loss)	(78)	(1,366)	85	(1,359)
As of December 31, 2023	**$ (2,584)**	**$ (274)**	**$ 120**	**$ (2,738)**

Deferred gains or losses for our commodity contract and interest rate swap cash flow hedges are recognized in earnings upon settlement and are included in the effects of gains and losses from derivative instruments. See Note 8, *Derivative Instruments*, for additional details. Amortization of the net loss related to the defined benefit pension plan and postretirement plans is included in the computation of net periodic costs (benefits). See Note 16, *Employee Benefit Plans*, for additional details.

16. Employee Benefit Plans

We measure the assets and obligations of the defined benefit pension plans and other postretirement benefits plans to determine the plans' funded status as of the end of the year. The changes in funded status that occurred during the year that are not recognized as part of net periodic benefit costs are recorded as a component of other comprehensive income (loss) or a regulatory asset.

Defined Benefit Pension Plans

At December 31, 2023 we sponsored two defined benefit pension plans: the FPU Pension Plan and the Chesapeake Supplemental Executive Retirement Plan ("SERP").

The FPU Pension Plan, a qualified plan, covers eligible FPU non-union employees hired before January 1, 2005 and union employees hired before the respective union contract expiration dates in 2005 and 2006. Prior to the FPU merger, the FPU Pension Plan was frozen with respect to additional years of service and compensation. effective December 31, 2009.

The Chesapeake SERP, a nonqualified plan, is comprised of two sub-plans. The first sub-plan was frozen with respect to additional years of service and additional compensation as of December 31, 2004. The second sub-plan provides fixed payments for several executives who joined the Company as a result of an acquisition and whose agreements with the Company provided for this benefit.

The unfunded liability for all plans at both December 31, 2023 and 2022, is included in the other pension and benefit costs liability in our consolidated balance sheets.

The following schedules set forth the funded status at December 31, 2023 and 2022 and the net periodic cost (benefit) for the years ended December 31, 2023, 2022 and 2021 for the FPU Pension Plan and the Chesapeake SERP:

	FPU Pension Plan		Chesapeake SERP	
At December 31,	**2023**	**2022**	**2023**	**2022**
(in thousands)				
Change in benefit obligation:				
Benefit obligation — beginning of year	$ **49,941**	$ 67,030	$ **1,659**	$ 2,096
Interest cost	**2,495**	1,781	**81**	50
Actuarial (gain) loss	**454**	(15,713)	**48**	(335)
Benefits paid	**(3,233)**	(3,157)	**(152)**	(152)
Benefit obligation — end of year	**49,657**	49,941	**1,636**	1,659
Change in plan assets:				
Fair value of plan assets — beginning of year	**46,203**	58,712	—	—
Actual return on plan assets	**6,462**	(9,552)	—	—
Employer contributions	—	200	**152**	152
Benefits paid	**(3,233)**	(3,157)	**(152)**	(152)
Fair value of plan assets — end of year	**49,432**	46,203	—	—
Accrued pension cost / funded status	$ **(225)**	$ (3,738)	$ **(1,636)**	$ (1,659)
Assumptions:				
Discount rate	**5.00 %**	5.25 %	**4.88 %**	5.00 %
Expected return on plan assets	**6.00 %**	6.00 %	**— %**	— %

	FPU Pension Plan			Chesapeake SERP		
For the Years Ended December 31,	**2023**	**2022**	**2021**	**2023**	**2022**	**2021**
(in thousands)						
Components of net periodic pension cost:						
Interest cost	$ **2,495**	$ 1,781	$ 1,714	$ **81**	$ 50	$ 48
Expected return on assets	**(2,670)**	(3,430)	(3,306)	—	—	—
Amortization of actuarial loss	**407**	466	612	**8**	28	28
Total periodic cost	$ **232**	$ (1,183)	$ (980)	$ **89**	$ 78	$ 76
Assumptions:						
Discount rate	**5.25 %**	2.75 %	2.50 %	**5.00 %**	2.50 %	2.25 %
Expected return on plan assets	**6.00 %**	6.00 %	6.00 %	**— %**	— %	— %

During the fourth quarter of 2021, we formally terminated the Chesapeake Pension Plan. Total periodic cost for the plan during that year was $2.0 million attributable to a settlement charge.

Our funding policy provides that payments to the trust of each qualified plan shall be equal to at least the minimum funding requirements of the Employee Retirement Income Security Act of 1974. The following schedule summarizes the assets of the FPU Pension Plan, by investment type, at December 31, 2023, 2022 and 2021:

	FPU Pension Plan		
At December 31,	**2023**	2022	2021
Asset Category			
Equity securities	**50 %**	53 %	52 %
Debt securities	**49 %**	38 %	38 %
Other	**1 %**	9 %	10 %
Total	**100 %**	100 %	100 %

The investment policy of the FPU Pension Plan is designed to provide the capital assets necessary to meet the financial obligations of the plan. The investment goals and objectives are to achieve investment returns that, together with contributions, will provide funds adequate to pay promised benefits to present and future beneficiaries of the plan, earn a competitive return to increasingly fund a large portion of the plan's retirement liabilities, minimize pension expense and cumulative contributions resulting from liability measurement and asset performance, and maintain the appropriate mix of investments to reduce the risk of large losses over the expected remaining life of the plan.

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

Asset Allocation Strategy

Asset Class	Minimum Allocation Percentage	Maximum Allocation Percentage
Domestic Equities (Large Cap, Mid Cap and Small Cap)	33 %	57 %
Fixed Income (Inflation Bond and Taxable Fixed)	38 %	58 %
Foreign Equities (Developed and Emerging Markets)	3 %	7 %
Cash	0 %	5 %

Due to periodic contributions and different asset classes producing varying returns, the actual asset values may temporarily move outside of the intended ranges. The investments are monitored on a quarterly basis, at a minimum. for asset allocation and performance. At December 31, 2023 and 2022, the assets of the FPU Pension Plan were comprised of the following investments:

Asset Category (in thousands)	Fair Value Measurement Hierarchy For Year Ended December 31, 2023	2022
Mutual Funds - Equity securities		
U.S. Large Cap (1)	$ 15,360	$ 3,413
U.S. Mid Cap (1)	4,271	1,425
U.S. Small Cap (1)	2,518	692
International (2)	2,499	9,352
Alternative Strategies (3)	—	4,824
	24,648	19,706
Mutual Funds - Debt securities		
Fixed income (4)	24,228	15,343
High Yield (4)	—	2,269
	24,228	17,612
Mutual Funds - Other		
Commodities (5)	—	1,832
Real Estate (6)	—	1,709
Guaranteed deposit (7)	556	398
	556	3,939
Total Pension Plan Assets in fair value hierarchy (8)	49,432	41,257
Investments measured at net asset value (9)	—	4,946
Total Pension Plan Assets	$ 49,432	$ 46,203

(1) Includes funds that invest primarily in United States common stocks
(2) Includes funds that invest primarily in foreign equities and emerging markets equities
(3) Includes funds that actively invest in both equity and debt securities, funds that sell short securities and funds that provide long-term capital appreciation. The funds may invest in debt securities below investment grade
(4) Includes funds that invest in investment grade and fixed income securities
(5) Includes funds that invest primarily in commodity-linked derivative instruments and fixed income securities
(6) Includes funds that invest primarily in real estate
(7) Includes investment in a group annuity product issued by an insurance company
(8) All investments in the FPU Pension Plan are classified as Level 1 within the Fair Value hierarchy exclusive of the Guaranteed Deposit Account which is classified as Level 3
(9) Certain investments that were measured at net asset value per share have not been classified in the fair value hierarchy. These amounts are presented to reconcile to total pension plan assets

At December 31, 2023 and 2022, our pension plan investments were classified under the same fair value measurement hierarchy (Level 1 through Level 3) described under Note 9, *Fair Value of Financial Instruments*. The Level 3 investments were recorded at fair value based on the contract value of annuity products underlying guaranteed deposit accounts, which was calculated using discounted cash flow models. The contract value of these products represented deposits made to the contract, plus earnings at guaranteed crediting rates, less withdrawals and fees. Certain investments that were measured at net asset value per share have not been classified in the fair value hierarchy and are presented in the table above to reconcile to total pension plan assets.

The changes in the fair value within our pension assets for Level 3 investments for the years ended December 31, 2023 and 2022 were immaterial.

Other Postretirement Benefits Plans

We sponsor two defined benefit postretirement health plans: the Chesapeake Utilities Postretirement Plan ("Chesapeake Postretirement Plan") and the FPU Medical Plan. At December 31, 2023 and 2022, the funded status of the Chesapeake Postretirement Plan was $1.1 million and $0.6 million, respectively. The funded status of the FPU Medical Plan was $0.4 million and $0.7 million as of December 31, 2023 and 2022, respectively.

Net periodic postretirement benefit costs for the Chesapeake Postretirement Plan and the FPU Medical Plan were not material for the years ended December 31, 2023, 2022, and 2021.

As of December 31, 2023, there was $12.8 million not yet reflected in net periodic postretirement benefit costs and included in accumulated other comprehensive income (loss) or as a regulatory asset. Net losses of $10.8 million and $1.2 million attributable to the FPU Pension Plan and Chesapeake Postretirement Plan, respectively, comprised most of this amount with $3.2 million recorded in accumulated other comprehensive income (loss) and $8.7 million recorded as a regulatory asset at December 31, 2023.

Pursuant to a Florida PSC order, FPU continues to record as a regulatory asset the portion of the unrecognized pension and postretirement benefit costs after the merger with Chesapeake Utilities related to its regulated operations.

Assumptions

The assumptions used for the discount rate to calculate the benefit obligations were based on the interest rates of high-quality bonds in 2023, considering the expected lives of each of the plans. In determining the average expected return on plan assets for the FPU Pension Plan, various factors, such as historical long-term return experience, investment policy and current and expected allocation, were considered. Since the FPU Pension Plan is frozen with respect to additional years of service and compensation, the rate of assumed compensation increases is not applicable.

The health care inflation rate for 2023 used to calculate the benefit obligation is 5 percent for medical and 6 percent for prescription drugs for the Chesapeake Postretirement Plan; and 5 percent for both medical and prescription drugs for the FPU Medical Plan.

Estimated Future Benefit Payments

In 2024, we do not expect to contribute to the FPU Pension Plan, and total payments of $0.2 million are expected for the Chesapeake SERP, Chesapeake Postretirement Plan and FPU Medical Plan combined.

The schedule below shows the estimated future benefit payments for each of the plans previously described:

(in thousands)	FPU Pension Plan[(1)]	Chesapeake SERP[(2)]	Chesapeake Postretirement Plan[(2)]	FPU Medical Plan[(2)]
2024	$ 3,528	$ 151	$ 42	$ 35
2025	$ 3,603	$ 164	$ 46	$ 35
2026	$ 3,617	$ 161	$ 45	$ 34
2027	$ 3,616	$ 158	$ 48	$ 33
2028	$ 3,651	$ 154	$ 49	$ 32
Years 2029 through 2033	$ 17,951	$ 689	$ 299	$ 143

(1) The pension plan is funded, therefore, benefit payments are expected to be paid out of the plan assets
(2) Benefit payments are expected to be paid out of our general funds

Retirement Savings Plan

We sponsor a 401(k) Retirement Savings Plan which is offered to all eligible employees who have completed three months of service. We match 100 percent of eligible participants' pre-tax contributions to the Retirement Savings Plan up to a maximum of six percent of eligible compensation. The employer matching contribution is made in cash and is invested based on a participant's investment directions. In addition, we may make a discretionary supplemental contribution to participants in the plan, without regard to whether or not they make pre-tax contributions. Any supplemental employer contribution is generally made in our common stock. With respect to the employer match and supplemental employer contribution, employees are 100 percent vested after two years of service or upon reaching 55 years of age while still employed by us. New employees who do not make an election to contribute and do not opt out of the Retirement Savings Plan will be automatically enrolled at a deferral rate of three percent. and the automatic deferral rate will increase by one percent per year up to a maximum of ten percent. All contributions and matched funds can be invested among the mutual funds available for investment.

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Employer contributions to our Retirement Savings Plan totaled $6.6 million, $6.2 million. and $5.9 million for the years ended December 31, 2023, 2022 and 2021, respectively. As of December 31, 2023, there were 798,586 shares of our common stock reserved to fund future contributions to the Retirement Savings Plan.

Non-Qualified Deferred Compensation Plan

Members of our Board of Directors and officers of the Company are eligible to participate in the Non-Qualified Deferred Compensation Plan. Directors can elect to defer any portion of their cash or stock compensation and officers can defer up to 80 percent of their base compensation, cash bonuses or any amount of their stock bonuses (net of required withholdings). Officers may receive a matching contribution on their cash compensation deferrals up to six percent of their compensation, provided it does not duplicate a match they receive in the Retirement Savings Plan. Stock bonuses are not eligible for matching contributions. Participants are able to elect the payment of deferred compensation to begin on a specified future date or upon separation from service. Additionally, participants can elect to receive payments upon the earlier or later of a fixed date or separation from service. The payments can be made in one lump sum or annual installments for up to 15 years.

All obligations arising under the Non-Qualified Deferred Compensation Plan are payable from our general assets, although we have established a Rabbi Trust to informally fund the plan. Deferrals of cash compensation may be invested by the participants in various mutual funds (the same options that are available in the Retirement Savings Plan). The participants are credited with gains or losses on those investments. Deferred stock compensation may not be diversified. The participants are credited with dividends on their deferred common stock units in the same amount that is received by all other stockholders. Such dividends are reinvested into additional deferred common stock units. Assets held in the Rabbi Trust, recorded as Investments on the consolidated balance sheet. had a fair value of $12.3 million and $10.6 million at December 31, 2023 and 2022, respectively. The assets of the Rabbi Trust are at all times subject to the claims of our general creditors.

Deferrals of officer base compensation and cash bonuses and directors' cash retainers are paid in cash. All deferrals of executive performance shares and directors' stock retainers are made in the form of deferred common stock units and are paid out in shares of our common stock, on a one-for-one basis, except that cash is paid in lieu of fractional shares. The value of our stock held in the Rabbi Trust is classified within the stockholders' equity section of the consolidated balance sheets and has been accounted for in a manner similar to treasury stock. The amounts recorded under the Non-Qualified Deferred Compensation Plan totaled $9.1 million and $7.1 million at December 31, 2023 and 2022, respectively, which are also shown as a deduction against stockholders' equity in the consolidated balance sheet.

17. Share-Based Compensation Plans

Our key employees and non-employee directors have been granted share-based awards through our SICP. We record these share-based awards as compensation costs over the respective service period for which services are received in exchange for an award of equity or equity-based compensation. The compensation cost is based primarily on the fair value of the shares awarded, using the estimated fair value of each share on the date it was granted, and the number of shares to be issued at the end of the service period. We have 561,115 shares of common stock reserved for issuance under the SICP.

The table below presents the amounts included in net income related to share-based compensation expense for the awards granted under the SICP for the years ended December 31, 2023, 2022 and 2021:

	For the Year Ended December 31,		
(in thousands)	**2023**	**2022**	**2021**
Awards to key employees	$ 6,716	$ 5,479	$ 5,163
Awards to non-employee directors	906	959	782
Total compensation expense	7,622	6,438	5,945
Less: tax benefit	(1,947)	(1,663)	(1,535)
Share-based compensation amounts included in net income	$ 5,675	$ 4,775	$ 4,410

Officers and Key Employees

Our Compensation Committee is authorized to grant our key employees the right to receive awards of shares of our common stock, contingent upon the achievement of established performance goals and subject to SEC transfer restrictions once awarded. Our President and CEO has the right to issue awards of shares of our common stock. to other officers and key employees of the Company, contingent upon various performance goals and subject to SEC transfer restrictions.

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We currently have several outstanding multi-year performance plans, which are based upon the successful achievement of long-term goals, growth and financial results and comprise both market-based and performance-based conditions and targets. The fair value per share, tied to a performance-based condition or target, is equal to the market price per share on the grant date. For the market-based conditions, we used a Monte Carlo valuation to estimate the fair value of each share granted.

The table below presents the summary of the stock activity for awards to all officers:

	Number of Shares	Weighted Average Fair Value
Outstanding — December 31, 2021	**197,398**	**$ 94.15**
Granted	69,620	117.61
Vested	(60,191)	90.60
Expired	(2,678)	91.42
Outstanding — December 31, 2022	**204,149**	**103.17**
Granted	80,820	126.06
Vested	(68,302)	91.59
Expired	(2,053)	94.64
Forfeited	(1,490)	113.44
Outstanding — December 31, 2023	**213,124**	**$ 117.74**

During the year ended December 31, 2023, we granted awards of 80,820 shares of common stock to officers and key employees under the SICP, including awards granted in February 2023 and to key employees appointed to officer positions. The shares granted are multi-year awards that will vest no later than the three-year service period ending December 31, 2025.

The aggregate intrinsic value of the SICP awards granted was $22.5 million, $24.1 million. and $28.8 million at December 31, 2023, 2022 and 2021, respectively. At December 31, 2023, there was $6.6 million of unrecognized compensation cost related to these awards, which is expected to be recognized through 2025.

In March 2023, 2022 and 2021, upon the election by certain of our executive officers, we withheld shares with a value at least equivalent to each such executive officer's minimum statutory obligation for applicable income and other employment taxes related to shares that vested and were paid in March 2023, 2022 and 2021 for the performance periods ended December 31, 2022, 2021, and 2020. We paid the balance of such awarded shares to each such executive officer and remitted the cash equivalent of the withheld shares to the appropriate taxing authorities. The below table presents the number of shares withheld and amounts remitted:

	For the Year Ended December 31,		
(amounts in thousands, except shares)	2023	2022	2021
Shares withheld to satisfy tax obligations	**19,859**	21,832	14,020
Amounts remitted to tax authorities to satisfy obligations	**$ 2,455**	$ 2,838	$ 1,478

Non-employee Directors

Shares granted to non-employee directors are issued in advance of the directors' service periods and are fully vested as of the grant date. We record a deferred expense equal to the fair value of the shares issued and amortize the expense equally over a service period of one year or less.

Our directors receive an annual retainer of shares of common stock under the SICP for services rendered through the subsequent Annual Meeting of Shareholders. Accordingly, our directors that served on the Board as of May 2023 and 2022 each received 765 and 652 shares of common stock. respectively, with a weighted average fair value of $124.12 and $130.36 per share, respectively.

At December 31, 2023, there was $0.3 million of unrecognized compensation expense related to shares granted to non-employee directors. This expense will be recognized over the remaining service period ending in May 2024.

18. Rates and Other Regulatory Activities

Our natural gas and electric distribution operations in Delaware, Maryland and Florida are subject to regulation by their respective PSC; Eastern Shore, our natural gas transmission subsidiary, is subject to regulation by the FERC; and Peninsula Pipeline and Aspire Energy Express, our intrastate pipeline subsidiaries, are subject to regulation (excluding cost of service) by the Florida PSC and Public Utilities Commission of Ohio, respectively.

Refer to the additional details below pertaining to the Customer Information System Regulatory Asset Petition and COVID-19 impact.

Delaware

The October 2, 2023, application for the issuance of common stock and long-term debt was unanimously approved on October 25, 2023, by the Delaware PSC.

In September 2023, the Delaware Division submitted the Energy Efficiency Rider application for natural gas with the Delaware PSC after obtaining an affirmative recommendation from the Delaware Energy Efficiency Advisory Council (“EEAC”). The application is the first in the state and applies to a portfolio of four programs including, Home Energy Counseling, Home Performance with Energy Star, Assisted Home Performance with Energy Star, and standard Offer Program in which customers can participate and allow for recovery. The evidentiary hearing on this matter is set for April 2024. If approved as filed, rates will be effective May 1, 2024.

Maryland

On October 2, 2023, Chesapeake filed a notification of the financing plans associated with the FCG acquisition with the Maryland PSC. The filing was successfully noted during the November 1, 2023, Maryland PSC administrative meeting.

Maryland Natural Gas Rate Case: In January 2024, our natural gas distribution businesses in Maryland, CUC-Maryland Division, Sandpiper Energy, Inc., and Elkton Gas Company (collectively, “Maryland natural gas distribution businesses”) filed a joint application for a natural gas rate case with the Maryland PSC. In connection with the application, we are seeking approval of the following: (i) permanent rate relief of approximately $6.9 million; (ii) authorization to make certain changes to tariffs to include a unified rate structure and to consolidate the Maryland natural gas distribution businesses under the new corporate entity which we anticipate will be called Chesapeake Utilities of Maryland, Inc.; and (iii) authorization to establish a rider for recovery of the costs associated with our new technology systems. The outcome of the application is subject to review and approval by the Maryland PSC.

Maryland Natural Gas Depreciation Study: In January 2024, our Maryland natural gas distribution businesses filed a joint petition for approval of their proposed unified depreciation rates with the Maryland PSC. If approved, new rates will become effective retroactively on January 1, 2023.

Ocean City Maryland Reinforcement: During the second quarter of 2022, we began construction of an extension of service into North Ocean City, Maryland. Our Delaware natural gas division and Sandpiper installed approximately 5.4 miles of pipeline across southern Sussex County, Delaware to Fenwick Island, Delaware and Worcester County, Maryland. The project reinforces our existing system in Ocean City, Maryland and enables incremental growth along the pipeline. Construction of this project was completed in the second quarter of 2023. The Company filed a natural gas rate case application with the PSC for the state of Maryland in January 2024 as discussed above.

Florida

Wildlight Expansion: In August 2022, Peninsula Pipeline and FPU filed a joint petition with the Florida PSC for approval of its Transportation Service Agreement associated with the Wildlight planned community located in Nassau County, Florida. The project enables us to meet the significant growing demand for service in Yulee, Florida. The agreement will enable us to construct the project during the build-out of the community, and charge the reservation rate as each phase of the project goes into service. Construction of the pipeline facilities will occur in two separate phases. Phase one consists of three extensions with associated facilities, and a gas injection interconnect with associated facilities. Phase two will consist of two additional pipeline extensions. The various phases of the project commenced in the first quarter of 2023, with construction on the overall project continuing through 2025. The petition was approved by the Florida PSC in November 2022.

Florida Natural Gas Rate Case: In May 2022, our legacy natural gas distribution businesses in Florida filed a consolidated natural gas rate case with the Florida PSC. The application included a request for the following: (i) permanent rate relief of approximately $24.1 million, effective January 1, 2023, (ii) a depreciation study also submitted with the filing; (iii) authorization to make certain changes to tariffs to include the consolidation of rates and rate structure across the businesses and to unify the Florida Natural Gas distribution businesses under FPU; (iv) authorization to retain the acquisition adjustment recorded at the time of the FPU merger in our revenue requirement; and (v) authorization to establish an environmental remediation surcharge for the purposes of addressing future expected remediation costs for FPU MGP sites. In August 2022, interim rates were approved by the Florida PSC in the amount of approximately $7.7 million on an annualized basis, effective for all meter readings in September 2022. The discovery process and subsequent hearings were concluded during the fourth quarter of 2022 and briefs were submitted during the same quarter of 2022. In January 2023, the Florida PSC approved the application for consolidation and permanent rate relief of approximately $17.2 million on an annual basis. Actual rates in connection with the rate relief were approved by the Florida PSC in February 2023 with an effective date of March 1, 2023.

FCG Natural Gas Rate Case: In May 2022, FCG filed a general base rate increase with the Florida PSC based on a projected 2023 test year. In June 2023, the Florida PSC issued an order approving a single total base revenue increase of $23.3 million (which included an incremental increase of $14.1 million, a previously approved increase of $3.8 million for a liquefied natural gas facility, and $5.3 million to transfer the SAFE investments from a rider clause to base rates), with new rates becoming effective as of May 1, 2023. The Commission also approved FCG's proposed RSAM with a $25.0 million reserve amount. continuation and expansion of the capital SAFE program, implementation of an automated metering infrastructure pilot, and continuation of the storm damage reserve with a target reserve of $0.8 million. On June 23, 2023, the Florida OPC filed a motion for reconsideration of the PSC's approval of RSAM, which was denied on September 12, 2023. On July 7, 2023, the Florida OPC filed a notice of appeal with the Florida Supreme Court, which is pending. The Florida OPC filed their initial brief on January 31, 2024.

The RSAM is recorded as either an increase or decrease to accrued removal costs which is reflected on the Company's balance sheets and a corresponding increase or decrease to depreciation and amortization expense. In order to earn the targeted regulatory ROE in each reporting period subject to the conditions of the effective rate agreement, RSAM is calculated using a trailing thirteen-month average of rate base and capital structure in conjunction with the trailing twelve months regulatory base net operating income, which primarily includes the base portion of rates and other revenues, net of operations and maintenance expenses, depreciation and amortization, interest and tax expenses. In general, the net impact of these income statement line items is adjusted. in part, by RSAM or its reversal to earn the targeted regulatory ROE. For the year ended December 31, 2023, the Company recorded decreases to asset removal costs and depreciation expense of $5.1 million as a result of the RSAM adjustment.

Beachside Pipeline Extension: In June 2021, Peninsula Pipeline and FCG entered into a Transportation Service Agreement for an incremental 10,176 Dts/d of firm service in Indian River County, Florida, to support FCG's growth along the Indian River's barrier island. As part of this agreement, Peninsula Pipeline constructed 11.3 miles of pipeline from its existing pipeline in the Sebastian, Florida area. traveling east under the Intercoastal Waterway and southward on the barrier island. The project was placed in-service during April 2023.

St. Cloud / Twin Lakes Expansion: In July 2022, Peninsula Pipeline filed a petition with the Florida PSC for approval of its Transportation Service Agreement with FPU for an additional 2,400 Dt/d of firm service in the St. Cloud, Florida area. As part of this agreement. Peninsula Pipeline constructed a pipeline extension and regulator station for FPU. The extension supports new incremental load due to growth in the area, including providing service, most immediately, to the residential development, Twin Lakes. The expansion also improves reliability and provides operational benefits to FPU's existing distribution system in the area, supporting future growth. The petition was approved by the Florida PSC in October 2022, and the expansion was placed into service during the third quarter of 2023.

Storm Protection Plan: In 2020, the Florida PSC implemented the Storm Protection Plan ("SPP") and Storm Protection Plan Cost Recovery Clause ("SPPCRC") rules, which require electric utilities to petition the Florida PSC for approval of a Transmission and Distribution Storm Protection Plan that covers the utility's immediate 10-year planning period with updates to the plan at least every 3 years. The SPPCRC rules allow the utility to file for recovery of associated costs for the SPP. Our Florida electric distribution operations' SPP was filed during the first quarter of 2022 and approved in the fourth quarter of 2022, with modifications, by the Florida PSC. Rates associated with this initiative were effective in January 2023. The Company filed 2024 SPPCRC projections on May 1, 2023. A hearing was held on September 12, 2023. The Commission voted to approve the projections on November 9, 2023. FPU projects to spend $13.6 million on the program in 2024.

Lake Wales Pipeline Acquisition: In February 2023, Peninsula Pipeline filed a petition with the Florida PSC for approval of its Transportation Service Agreement with FPU for an additional 9,000 Dt.d of firm service in the Lake Wales, Florida area. The Commission approved the petition in April 2023. Approval of the agreement allowed Peninsula Pipeline to complete the acquisition of the existing pipeline in May 2023 which is being utilized to serve both current and new natural gas customers.

GUARD: In February 2023, FPU filed a petition with the Florida PSC for approval of the GUARD program. GUARD is a ten-year program to enhance the safety, reliability, and accessibility of portions of our natural gas distribution system. We identified various categories of projects to be included in GUARD, which include the relocation of mains and service lines located in rear easements and other difficult to access areas to the front of the street, the replacement of problematic distribution mains, service

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lines, and maintenance and repair equipment and system reliability projects. In August 2023, the Florida PSC approved the GUARD program, which included $205.0 million of capital expenditures projected to be spent over a 10-year period.

Newberry Expansion: In April 2023, Peninsula Pipeline filed a petition with the Florida PSC for approval of its Transportation Service Agreement with FPU for an additional 8,000 Dt/d of firm service in the Newberry, Florida area. The petition was approved by the Florida PSC in the third quarter of 2023. Peninsula Pipeline will construct a pipeline extension. which will be used by FPU to support the development of a natural gas distribution system to provide gas service to the City of Newberry. A filing to address the acquisition and conversion of propane community gas systems in Newberry was made in November 2023, and the Florida PSC is scheduled to vote on this in March 2024. The Company anticipates beginning the conversions of the community gas systems in the second quarter of 2024.

Amendment to Escambia County Agreement: In April of 2023, Peninsula Pipeline filed a petition with the Florida PSC for approval of an amendment to an existing contract with FPU. This amendment will allow Peninsula Pipeline to construct an additional delivery point on a pipeline located in Escambia County. The additional delivery point comes at the request of an FPU customer and will be used to enhance natural gas service in the area. The amendment was approved by the Florida PSC in the third quarter of 2023.

Florida Electric Depreciation Study: The Florida PSC requires electric utilities to file a depreciation study every four years to reevaluate and set depreciation rates for the utility's plant assets. In June 2023, FPU filed a petition with the Florida PSC for approval of its proposed depreciation rates, which was approved in December 2023.

East Coast Reinforcement Projects: In December 2023, Peninsula Pipeline filed a petition with the Florida PSC for approval of its Transportation Service Agreements with FPU for projects that will support additional supply to communities on the East Coast of Florida. The projects are driven by the need for increased supply to coastal portions of the state that have experienced an increase in population growth. Peninsula Pipeline will construct several pipeline extensions which will support FPU's distribution system in the areas of Boynton Beach and New Smyrna Beach with an additional 15,000 Dts/day and 3,400 Dts/day, respectively.

Eastern Shore

Southern Expansion Project: In January 2022, Eastern Shore submitted a prior notice filing with the FERC pursuant to blanket certificate procedures, regarding its proposal to install an additional compressor unit and related facilities at Eastern Shore's compressor station in Bridgeville, Sussex County, Delaware. The project enables Eastern Shore to provide additional firm natural gas transportation service to an existing shipper on its pipeline system. The project obtained FERC approval in December 2022 and went into service in October 2023.

Capital Cost Surcharge: In December 2022, Eastern Shore submitted a filing with the FERC regarding a capital cost surcharge to recover capital costs associated with the replacement of existing Eastern Shore facilities as a result of mandated highway relocation projects as well as compliance with the PHMSA regulation. The capital cost surcharge mechanism was approved in Eastern Shore's last rate case. In conjunction with the filing of this surcharge, a cumulative adjustment to the existing surcharge to reflect additional depreciation was included. The FERC issued an order approving the surcharge as filed on December 19, 2022. The combined revised surcharge became effective January 1, 2023.

Worcester Resiliency Upgrade: In August 2023, Eastern Shore filed an application with the FERC requesting authorization to construct the Worcester Resiliency Upgrade, which consists of a mixture of storage and transmission facilities in Sussex County, DE and Wicomico, Worcester, and Somerset Counties in Maryland. The project will provide long-term incremental supply necessary to support the growing demand of the participating shippers. Eastern Shore has requested certificate authorization by December 2024, with a target in-service date by the third quarter of 2025.

Various Jurisdictional Activity Related to the Joint Customer Information System Project

In July 2022, we filed a joint petition for our natural gas divisions in Maryland (Maryland Division, Sandpiper, and Elkton Gas) for the approval to establish a regulatory asset for non-capitalizable expenses related to the initial development and implementation of our new Customer Information System ("CIS") system. The petition was approved by the Maryland PSC in August 2022. A similar petition for our Florida Regulated Energy businesses was filed during the same time frame, however, the Florida PSC approved capitalization of these expenses in lieu of establishment of regulatory assets. Additionally, our Delaware Division has the ability to defer these costs as a regulatory asset. We have completed the system selection process and the CIS implementation began during the first quarter of 2023.

COVID-19 Impact

In March 2020, the CDC declared a national emergency due to the rapidly growing outbreak of COVID-19. In response to the declaration and the rapid spread of COVID-19 within the United States, federal, state and local governments throughout the country imposed varying degrees of restrictions on social and commercial activity to promote social distancing in an effort to slow the spread of the illness. These restrictions significantly impacted economic conditions in the United States in 2020 and continued to impact economic conditions, to a lesser extent. through 2021 and 2022. Chesapeake Utilities is considered an "essential business," which allowed us to continue operational activities and construction projects with appropriate safety precautions and personal protective equipment. while being mindful of the social distancing restrictions that were in place.

In response to the COVID-19 pandemic and related restrictions, we experienced reduced consumption of energy largely in the commercial and industrial sectors, higher bad debt expenses and incremental expenses associated with COVID-19, including expenditures associated with personal protective equipment and premium pay for field personnel. The additional operating expenses we incurred support the ongoing delivery of our essential services during the height of the pandemic. In April and May 2020, we were authorized by the Maryland and Delaware PSCs, respectively, to record regulatory assets for COVID-19 related costs which offered us the ability to seek recovery of those costs. In July 2021, the Florida PSC issued an order that approved incremental expenses we incurred due to COVID-19. The order allowed us to establish a regulatory asset in a total amount of $2.1 million as of June 30, 2021 for natural gas and electric distribution operations. The regulatory asset is being amortized over two years and is recovered through the Purchased Gas Adjustment and Swing Service mechanisms for our natural gas distribution businesses and through the Fuel Purchased Power Cost Recovery clause for our electric division. As of December 31, 2023 and 2022, our total COVID-19 regulatory asset balance was $0.2 million and $1.2 million, respectively.

Summary TCJA Table

Customer rates for our regulated business were adjusted. as approved by the regulators, prior to 2020 except for Elkton Gas, which implemented a one-time bill credit in May 2020. The following table summarized the regulatory liabilities related to accumulated deferred taxes ("ADIT") associated with TCJA for our regulated businesses as of December 31, 2023 and 2022:

	Amount (in thousands)		
Operation and Regulatory Jurisdiction	**December 31, 2023**	**December 31, 2022**	**Status**
Eastern Shore (FERC)	$34,190	$34,190	Will be addressed in Eastern Shore's next rate case filing
Chesapeake Delaware natural gas division (Delaware PSC)	$12,038	$12,230	PSC approved amortization of ADIT in January 2019
Chesapeake Maryland natural gas division (Maryland PSC)	$3,585	$3,703	PSC approved amortization of ADIT in May 2018.
Sandpiper Energy (Maryland PSC)	$3,487	$3,597	PSC approved amortization of ADIT in May 2018.
Florida Natural Gas distribution (Florida PSC) [(1)]	$26,757	$27,179	PSC issued order authorizing amortization and retention of net ADIT liability by the Company in February 2019.
FPU electric division (Florida PSC)	$4,760	$4,993	In January 2019, PSC issued order approving amortization of ADIT through purchased power cost recovery, storm reserve and rates
Elkton Gas (Maryland PSC)	$1,027	$1,059	PSC approved amortization of ADIT in March 2018

(1) In accordance with the Florida PSC approval of our natural gas base rate proceeding, effective March 1, 2023, our natural gas distribution businesses in Florida have been consolidated and amounts above are now being presented on a consolidated basis consistent with the final rate order

Regulatory Assets and Liabilities

At December 31, 2023 and 2022, our regulated utility operations recorded the following regulatory assets and liabilities included in our consolidated balance sheets, including amounts attributable to FCG. These assets and liabilities will be recognized as revenues and expenses in future periods as they are reflected in customers' rates.

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(in thousands)	As of December 31, 2023	2022
Regulatory Assets		
Under-recovered purchased fuel, gas and conservation cost recovery [(1) (2)]	$ **13,696**	$ 43,583
Under-recovered GRIP revenue [(3)]	**1,777**	1,705
Deferred postretirement benefits [(4)]	**10,802**	13,927
Deferred conversion and development costs [(1)]	**21,466**	23,653
Acquisition adjustment [(5)]	**31,857**	25,609
Deferred costs associated with COVID-19 [(6)]	**190**	1,233
Deferred storm costs [(7)]	**19,370**	27,687
Deferred rate case expenses - current	**1,171**	—
Other	**15,573**	12,256
Total Regulatory Assets	$ **115,902**	$ 149,653
Regulatory Liabilities		
Self-insurance [(8)]	$ **521**	$ 339
Over-recovered purchased fuel and conservation cost recovery [(1)]	**12,340**	3,827
Over-recovered GRIP revenue [(3)]	**501**	—
Storm reserve [(8)]	**1,900**	2,845
Accrued asset removal cost [(9)]	**86,534**	50,261
Deferred income taxes due to rate change [(10)]	**105,055**	87,690
Interest related to storm recovery [(7)]	**536**	1,207
Other	**1,611**	1,851
Total Regulatory Liabilities	$ **208,998**	$ 148,020

(1) We are allowed to recover the asset or are required to pay the liability in rates We do not earn an overall rate of return on these assets

(2) At December 31, 2022, includes $21 2 million being recovered over a three year period primarily concentrated in our electric division Per Florida PSC approval, our electric division was allowed to recover these amounts over an extended period of time in an effort to reduce the impact of increased commodity prices to our customers Recovery of these costs began in January 2023

(3) The Florida PSC allowed us to recover through a surcharge, capital and other program-related-costs, inclusive of an appropriate return on investment, associated with accelerating the replacement of qualifying distribution mains and services (defined as any material other than coated steel or plastic) in FPU's natural gas distribution, Fort Meade division and Chesapeake Utilities' CFG division. We are allowed to recover the asset or are required to pay the liability in rates related to GRIP

(4) The Florida PSC allowed FPU to treat as a regulatory asset the portion of the unrecognized costs pursuant to ASC Topic 715, *Compensation - Retirement Benefits*, related to its regulated operations. This balance also includes the portion of pension settlement expense associated with the termination of the Chesapeake Pension Plan pursuant to an order from the FERC and the respective PSCs that allowed us to defer Eastern Shore, Delaware and Maryland Divisions' portion. See Note 16, *Employee Benefit Plans*, for additional information

(5) We are allowed to include the premiums paid in various natural gas utility acquisitions in Florida in our rate bases and recover them over a specific time period pursuant to the Florida PSC approvals. We paid $34 2 million of the premium in 2009, including a gross up for income tax, because it is not tax deductible, and $0 7 million of the premium paid by FPU in 2010 For additional information, see *Florida Natural Gas Rate Case* discussion above

(6) We deferred as regulatory assets the net incremental expense impact associated with the net expense impact of COVID-19 as authorized by the stated PSCs

(7) The Florida PSC authorized us to recover regulatory assets (including interest) associated with the recovery of Hurricanes Michael and Dorian storm costs which will be amortized between 6 and 10 years Recovery of these costs includes a component of an overall return on capital additions and regulatory assets

(8) We have storm reserves in our Florida regulated energy operations and self-insurance for our regulated energy operations that allow us to collect through rates amounts to be used against general claims, storm restoration costs and other losses as they are incurred

(9) See Note 2, *Summary of Significant Accounting Policies*, for additional information on our asset removal cost policies

(10) We recorded a regulatory liability for our regulated businesses related to the revaluation of accumulated deferred tax assets/liabilities as a result of the TCJA The liability will be amortized over a period between 5 to 80 years based on the remaining life of the associated property Based upon the regulatory proceedings, we will pass back the respective portion of the excess accumulated deferred taxes to rate payers See Note 11, *Income Taxes*, for additional information

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19. Environmental Commitments and Contingencies

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

MGP Sites

We have participated in the investigation, assessment or remediation of, and have exposures at, seven former MGP sites. We have received approval for recovery of clean-up costs in rates for sites located in Salisbury, Maryland; Seaford, Delaware; and Winter Haven, Key West, Pensacola, Sanford and West Palm Beach, Florida.

As of December 31, 2023 and 2022, we had approximately $3.6 million and $4.3 million, respectively, in environmental liabilities, related to the former MGP sites. As of December 31, 2023 and 2022, we have cumulative regulatory assets of $0.5 million and $0.8 million, respectively, for future recovery of environmental costs from customers. Specific to FPU's four MGP sites in Key West, Pensacola, Sanford and West Palm Beach, FPU has approval for and has recovered, through a combination of insurance and customer rates, $14.0 million of its environmental costs related to its MGP sites as of December 31, 2023.

Environmental liabilities for our MGP sites are recorded on an undiscounted basis based on the estimate of future costs provided by independent consultants. We continue to expect that all costs related to environmental remediation and related activities, including any potential future remediation costs for which we do not currently have approval for regulatory recovery, will be recoverable from customers through rates.

Remediation is ongoing for the MGP's in Winter Haven and Key West in Florida and in Seaford, Delaware and the remaining clean-up costs are estimated to be between $0.3 million to $0.9 million for these three sites. The Environmental Protection Agency has approved a "site-wide ready for anticipated use" status for the Sanford, Florida MGP site, which is the final step before delisting a site. The remaining remediation expenses for the Sanford MGP site are immaterial.

The remedial actions approved by the Florida Department of Environmental Protection have been implemented on the east parcel of our West Palm Beach Florida site. Similar remedial actions have been initiated on the site's west parcel, and construction of active remedial systems are expected to be completed in 2024. Remaining remedial costs for West Palm Beach, including completion of the construction of the system on the West Parcel, five to ten years of operation, maintenance and monitoring, and final site work for closeout of the property, is estimated to be between $1.9 million and $3.2 million.

20. Other Commitments and Contingencies

Natural Gas, Electric and Propane Supply

In March 2023, our Delmarva Peninsula natural gas distribution operations entered into asset management agreements with a third party to manage their natural gas transportation and storage capacity. The agreements were effective as of April 1, 2023 and expire in March 2026.

FPU natural gas distribution operations and Eight Flags have separate asset management agreements with Emera Energy Services, Inc. to manage their natural gas transportation capacity. These agreements commenced in November 2020 and expire in October 2030.

Florida Natural Gas has firm transportation service contracts with FGT and Gulfstream. Pursuant to a capacity release program approved by the Florida PSC, all of the capacity under these agreements has been released to various third parties. Under the terms of these capacity release agreements, Chesapeake Utilities is contingently liable to FGT and Gulfstream should any party, that acquired the capacity through release, fail to pay the capacity charge. To date, Chesapeake Utilities has not been required to make a payment resulting from this contingency.

FPU’s electric supply contracts require FPU to maintain an acceptable standard of creditworthiness based on specific financial ratios. FPU’s agreement with Florida Power & Light Company requires FPU to meet or exceed a debt service coverage ratio of 1.25 times based on the results of the prior 12 months. If FPU fails to meet this ratio, it must provide an irrevocable letter of credit or pay all amounts outstanding under the agreement within five business days. FPU’s electric supply agreement with Gulf Power requires FPU to meet the following ratios based on the average of the prior six quarters: (a) funds from operations interest coverage ratio (minimum of 2 times), and (b) total debt to total capital (maximum of 65 percent). If FPU fails to meet the requirements, it has to provide the supplier a written explanation of actions taken, or proposed to be taken, to become compliant. Failure to comply with the ratios specified in the Gulf Power agreement could also result in FPU having to provide an irrevocable letter of credit. As of December 31, 2023, FPU was in compliance with all of the requirements of its supply contracts.

FPSC EXH NO. 8

ADMITTED

Eight Flags provides electricity and steam generation services through its CHP plant located on Amelia Island, Florida. In June 2016, Eight Flags began selling power generated from the CHP plant to FPU pursuant to a 20-year power purchase agreement for distribution to our electric customers. In July 2016, Eight Flags also started selling steam pursuant to a separate 20-year contract, to the landowner on which the CHP plant is located. The CHP plant is powered by natural gas transported by FPU through its distribution system and Peninsula Pipeline through its intrastate pipeline.

The total purchase obligations for natural gas, electric and propane supplies are as follows:

Year *(in tho[redacted])*	**2024**	**2025-2026**	**2027-2028**	**Beyond 2028**	**Total**
Purchase Obligations	$ 86,040	$ 105,082	$ 83,851	$ 41,287	$ 416,260

Corporate Guarantees
The Board of Directors has authorized us to issue corporate guarantees securing obligations of our subsidiaries and to obtain letters of credit securing our subsidiaries' obligations. The maximum authorized liability under such guarantees and letters of credit as of December 31, 2023 was $35.0 million. The aggregate amount guaranteed related to our subsidiaries at December 31, 2023 was approximately $24.3 million with the guarantees expiring on various dates through December 2024. In addition. the Board has authorized us to issue specific purpose corporate guarantees. The amount of specific purpose guarantees outstanding at December 31, 2023 was $4.0 million.

As of December 31, 2023, we have issued letters of credit totaling approximately $7.0 million related to the electric transmission services for FPU's electric division, the firm transportation service agreement between TETLP and our Delaware and Maryland divisions, the capacity agreement between NEXUS and Aspire, and our current and previous primary insurance carriers. These letters of credit have various expiration dates through October 2024 and to date, none have been used. We do not anticipate that the counterparties will draw upon these letters of credit. and we expect that they will be renewed to the extent necessary in the future.

ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE.

None.

ITEM 9A. CONTROLS AND PROCEDURES.

EVALUATION OF DISCLOSURE CONTROLS AND PROCEDURES

Our Chief Executive Officer and Chief Financial Officer, with the participation of other Company officials, have evaluated our "disclosure controls and procedures" (as such term is defined under Rule 13a-15(e) and Rule 15d-15(e) promulgated under the Securities Exchange Act of 1934, as amended) as of December 31, 2023. Based upon their evaluation, our Chief Executive Officer and Chief Financial Officer concluded that our disclosure controls and procedures were effective as of December 31, 2023.

CHANGE IN INTERNAL CONTROLS

During the quarter ended December 31, 2023, other than the ongoing changes resulting from the FCG acquisition discussed below, there have been no changes in internal control over financial reporting (as such term is defined in Exchange Act Rule 13a-15(f)) that have materially affected, or are reasonably likely to materially affect, internal controls over financial reporting.

On November 30, 2023, we completed the acquisition of FCG. We are currently integrating processes, procedures, and internal controls related to the acquisition. See Note 4, *Acquisitions,* to the consolidated financial statements and Management's Report on Internal Control Over Financial Reporting for additional information related to the acquisition of FCG. The scope of that assessment excluded FCG, which we acquired on November 30, 2023. FCG's total assets and loss before taxes represented approximately 31 percent and 4 percent, respectively, of the Company's consolidated total assets and earnings before taxes as of December 31, 2023 and for the year then ended. This exclusion is permitted based upon current guidance of the U.S. Securities & Exchange Commission.

CEO AND CFO CERTIFICATIONS

Our Chief Executive Officer and Chief Financial Officer have filed with the SEC the certifications required by Section 302 of the Sarbanes-Oxley Act of 2002 as Exhibits 31.1 and 31.2 to our Annual Report on Form 10-K for the fiscal year ended December 31, 2023. In addition, on May 31, 2023 our Chief Executive Officer certified to the NYSE that he was not aware of any violation by us of the NYSE corporate governance listing standards.

MANAGEMENT'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING

Management is responsible for establishing and maintaining adequate internal control over financial reporting, as such term is defined in Rule 13a-15(f) of the Exchange Act. A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with GAAP. A company's internal control over financial reporting includes those policies and procedures that: (i) pertain to the maintenance of records which in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with GAAP and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Under the supervision and with the participation of management, including the Chief Executive Officer and Chief Financial Officer, our management conducted an evaluation of the effectiveness of its internal control over financial reporting based on the criteria established in an updated report entitled "Internal Control - Integrated Framework," issued in May 2013 by the Committee of Sponsoring Organizations of the Treadway Commission. The scope of that assessment excluded FCG, which we acquired on November 30, 2023. FCG's total assets and loss before taxes represented approximately 31 percent and 4 percent, respectively, of the Company's consolidated total assets and earnings before taxes as of December 31, 2023 and for the year then ended. This exclusion is permitted based upon current guidance of the U.S. Securities & Exchange Commission.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Our management has evaluated and concluded that our internal control over financial reporting was effective as of December 31, 2023.

Our independent registered public accounting firm, Baker Tilly US, LLP, has audited the effectiveness of our internal control over financial reporting as of December 31, 2023, as stated in its attestation report which appears under Part II, *Item 8. Financial Statements and Supplementary Data*.

Item 9B. Other Information.

None.

ITEM 9C. Disclosure Regarding Foreign Jurisdictions That Prevent Inspections

None.

Part III

Item 10. Directors, Executive Officers of the Registrant and Corporate Governance.

We have adopted a Code of Ethics that applies to our Principal Executive Officer, President, Principal Financial Officer, Principal Accounting Officer, Treasurer, Assistant Treasurer, Corporate Controller and persons performing similar functions, which is a "code of ethics" as defined by applicable rules of the SEC. This Code of Ethics is publicly available on our website at https://www.chpk.com. If we make any amendments to this code other than technical, administrative or other non-substantive amendments, or grant any waivers, including implicit waivers, from a provision of this code to the individuals and roles noted above, or persons performing similar functions, we intend to disclose the nature of the amendment or waiver, its effective date and to whom it applies by posting such information on our website at the address and location specified above.

The remaining information required by this Item is incorporated herein by reference to the sections of our Proxy Statement (which we intend to file with the SEC within 120 days after the close of our fiscal year) captioned "Election of Directors (Proposal 1)," "Governance Trends and Director Education," "Corporate Governance Practices," "Board of Directors and its Committees" and "Delinquent Section 16(a) Reports."

Item 11. Executive Compensation.

The information required by this Item is incorporated herein by reference to the sections of our Proxy Statement (which we intend to file with the SEC within 120 days after the close of our fiscal year) captioned "Director Compensation," "Executive Compensation" and "Compensation Discussion and Analysis".

Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters.

The information required by this Item is incorporated herein by reference to the sections of our Proxy Statement (which we intend to file with the SEC within 120 days after the close of our fiscal year) captioned "Security Ownership of Certain Beneficial Owners and Management" and "Equity Compensation Plan Information."

Item 13. Certain Relationships and Related Transactions, and Director Independence.

The information required by this Item is incorporated herein by reference to the section of our Proxy Statement (which we intend to file with the SEC within 120 days after the close of our fiscal year) captioned "Corporate Governance Practices" and "Director Independence."

Item 14. Principal Accounting Fees and Services.

The information required by this Item is incorporated herein by reference to the portion of the Proxy Statement (which we intend to file with the SEC within 120 days after the close of our fiscal year) captioned "Fees and Services of Independent Registered Public Accounting Firm." The Company's independent registered public accounting firm is Baker Tilly US, LLP, PCAOB ID: (23)

ITEM 15. EXHIBITS, FINANCIAL STATEMENT SCHEDULES.

The following documents are filed as part of this Annual Report:

(a)(1) All of the financial statements, reports and notes to the financial statements included in Item 8 of Part II of this Annual Report on Form 10-K.

(a)(2) Schedule II—Valuation and Qualifying Accounts.

(a)(3) The Exhibits below.

• Exhibit 2.1	Stock Purchase Agreement, dated September 26, 2023, by and among Florida Power & Light Company and Chesapeake Utilities Corporation (incorporated by reference to the Company's Current Report on Form 8-K filed with the SEC on September 27, 2023).
• Exhibit 3.1	Amended and Restated Certificate of Incorporation of Chesapeake Utilities Corporation is incorporated herein by reference to Exhibit 3.1 of our Quarterly Report on Form 10-Q for the period ended June 30, 2010, File No. 001-11590.
• Exhibit 3.2	Amended and Restated Bylaws of Chesapeake Utilities Corporation, effective May 3, 2023, are incorporated herein by reference to Exhibit 3.1 of our Current Report on Form 8-K, filed May 3, 2023, File No. 001-11590.
• Exhibit 3.3	Certificate of Amendment to the Amended and Restated Certificate of Incorporation of Chesapeake Utilities Corporation, is incorporated herein by reference to Exhibit 3.1 of our Current Report on Form 8-K, filed May 9, 2017, File No. 001-11590.
• Exhibit 3.4	Certificate of Elimination of Series A Participating Cumulative Preferred Stock of Chesapeake Utilities Corporation, is incorporated herein by reference to Exhibit 3.6 to our Annual Report on Form 10-K for the year ended December 31, 2017, File No. 001-11590.
• Exhibit 3.4	Note Purchase Agreement, dated November 20, 2023, by and among Chesapeake Utilities Corporation and the purchasers party thereto (incorporated by reference to the Company's Current Report on Form 8-K filed with the SEC on November 21, 2023).
• Exhibit 4.2	Note Agreement dated June 29, 2010, among Chesapeake Utilities Corporation, as issuer, Metropolitan Life Insurance Company and New England Life Insurance Company, relating to the private placement of Chesapeake Utilities Corporation's 5.68% Senior Notes due 2026 and Chesapeake Utilities Corporation's 6.43% Senior Notes due 2028.†
• Exhibit 4.3	Note Agreement dated September 5, 2013, among Chesapeake Utilities Corporation, as issuer, and certain note holders, relating to the private placement of Chesapeake Utilities Corporation's 3.73% Senior Notes due 2028 and Chesapeake Utilities Corporation's 3.88% Senior Notes due 2029.†
• Exhibit 4.4	Private Shelf Agreement dated October 8, 2015, between Chesapeake Utilities Corporation, as issuer, and Prudential Investment Management Inc., relating to the private placement of Chesapeake Utilities Corporation's 3.25% Senior Notes due 2032, 3.98% Senior Notes due 2039, 3.0% Senior Notes due 2035, and the sale of other Chesapeake Utilities Corporation unsecured Senior Notes from time to time, is incorporated herein by reference to Exhibit 4.1 of our Quarterly Report on Form 10-Q for the period ended September 30, 2015, File No. 001-11590.
• Exhibit 4.5	First Amendment to Private Shelf Agreement dated September 14, 2018, between Chesapeake Utilities Corporation, as issuer, and PGIM, Inc. (formerly known as Prudential Investment Management, Inc.), and other purchasers that may become party thereto. †
• Exhibit 4.6	Master Note Agreement dated March 2, 2017, among Chesapeake Utilities Corporation, as issuer, NYL Investors LLC, and other certain note holders that may become party thereto from time to time relating to the private placement of Chesapeake Utilities Corporation's 3.48% Senior Notes due 2038 and Chesapeake Utilities Corporation's 3.58% Senior Notes due 2038, and Chesapeake Utilities Corporation's 2.96% Senior Notes due 2035. †

- Exhibit 4.7 — Note Purchase Agreement, dated August 25, 2021, by and among Chesapeake Utilities Corporation, MetLife Insurance K.K., Thrivent Financial For Lutherans, CMFG Life Insurance Company, and American Memorial Life Insurance Company relating to the placement of Chesapeake Utilities Corporation's 2.49% Senior Notes due 2037. †
- Exhibit 4.8 — Private Shelf Agreement, dated March 2, 2017, by and among Chesapeake Utilities Corporation, Metropolitan Life Insurance Company, and MetLife Investment Management, LLC, relating to the private placement of Chesapeake Utilities Corporation's 2.95% Senior Notes due 2042.†
- Exhibit 4.9 — First Amendment to Private Shelf Agreement, dated May 14, 2020, by and among Chesapeake Utilities Corporation, Metropolitan Life Insurance Company, and MetLife Investment Management, LLC. †
- Exhibit 4.10 — Third Amendment to Private Shelf Agreement dated February 8, 2023, between Chesapeake Utilities Corporation, as issuer, and PGIM, Inc. (formerly known as Prudential Investment Management, Inc.), and other purchasers that may become party thereto is filed herewith.
- Exhibit 4.11 — Second Amendment to Private Shelf Agreement, dated February 21, 2023, by and among Chesapeake Utilities Corporation, Metropolitan Life Insurance Company, and MetLife Investment Management, LLC is filed herewith.
- Exhibit 4.12 — Description of Chesapeake Utilities Corporation's Securities Registered Pursuant to Section 12 of the Securities Exchange Act of 1934, as amended, is incorporated by reference to Exhibit 4.10 of our Annual Report on Form 10-K for the year ended December 31, 2021, File No. 001-11590.
- Exhibit 10.1* — Chesapeake Utilities Corporation Cash Bonus Incentive Plan, effective January 1, 2015, is incorporated herein by reference to our Proxy Statement dated March 31, 2015, in connection with our Annual Meeting held on May 6, 2015, File No. 001-11590.
- Exhibit 10.2* — Non-Qualified Deferred Compensation Plan, effective January 1, 2014, is incorporated herein by reference to Exhibit 10.8 of our Annual Report on Form 10-K for the year ended December 31, 2013, File No. 001-11590.
- Exhibit 10.3* — Chesapeake Utilities Corporation Supplemental Executive Retirement Plan, as amended and restated effective January 1, 2009, is incorporated herein by reference to Exhibit 10.27 of our Annual Report on Form 10-K for the year ended December 31, 2008, File No. 001-11590.
- Exhibit 10.4* — First Amendment to the Chesapeake Utilities Corporation Supplemental Executive Retirement Plan as amended and restated effective January 1, 2009, is incorporated herein by reference to Exhibit 10.30 of our Annual Report on Form 10-K for the year ended December 31, 2010, File No. 001-11590.
- Exhibit 10.5 — Revolving Credit Agreement dated October 8, 2015, between Chesapeake Utilities Corporation and PNC Bank, National Association, Bank of America, N.A., Citizens Bank N.A., Royal Bank of Canada and Wells Fargo Bank, National Association as lenders, is incorporated herein by reference to Exhibit 10.1 of our Quarterly Report on Form 10-Q for the period ended September 30, 2015, File No. 001-11590.
- Exhibit 10.6 — First Amendment dated February 25, 2016 to the Revolving Credit Agreement dated October 8, 2015, between Chesapeake Utilities Corporation and PNC Bank, National Association, Bank of America, N.A., Citizens Bank N.A., Royal Bank of Canada and Wells Fargo Bank, National Association as lenders, is incorporated herein by reference to Exhibit 10.24 of our Annual Report on Form 10-K for the year ended December 31, 2015, File No. 001-11590.
- Exhibit 10.7 — Credit Agreement, dated November 28, 2017, by and between Chesapeake Utilities Corporation and Branch Banking and Trust Company is incorporated herein by reference to Exhibit 10.20 of Annual Report on Form 10-K for the year ended December 31, 2018, File No. 001-11590.
- Exhibit 10.8* — Form of Performance Share Agreement, effective February 25, 2019 for the period January 1, 2019 to December 31, 2021, pursuant to Chesapeake Utilities Corporation 2013 Stock and Incentive Compensation Plan by and between Chesapeake Utilities Corporation and Jeffry M. Householder is incorporated herein by reference to Exhibit 10.24 of our Annual Report on Form 10-K for the year ended December 31, 2018, File No. 001-11590.

• Exhibit 10.9	Note Agreement dated September 28, 2022, among Chesapeake Utilities Corporation, as issuer, PGIM, Inc. (formerly known as Prudential Investment Management, Inc.) and each of its affiliates relating to the private placement of Chesapeake Utilities Corporation's 5.43% Senior Notes due 2038.†
• Exhibit 10.10*	Executive Retirement Agreement dated October 9, 2019, between Chesapeake Utilities Corporation and Stephen C. Thompson is incorporated herein by reference to Exhibit 10.1 of our Quarterly Report on Form 10-Q for the quarter ended September 30, 2019, File No. 001-11590.
• Exhibit 10.11	Note Purchase Agreement dated November 19, 2019, between Chesapeake Utilities Corporation, The Guardian Life Insurance Company of America, The Guardian Insurance & Annuity Company, Inc., Berkshire Life Insurance Company of America, Thrivent Financial for Lutherans, United of Omaha Life Insurance Company, and CMFG Life Insurance Company is incorporated herein by reference to our Current Report on Form 8-K filed on November 20, 2019, File No. 001-11590.
• Exhibit 10.12*	Form of Performance Share Agreement, effective December 3, 2019 for the period 2019 to 2021, pursuant to Chesapeake Utilities Corporation 2013 Stock and Incentive Compensation Plan by and between Chesapeake Utilities Corporation and each of Jeffry M. Householder, Beth W. Cooper, James F. Moriarty and Kevin Webber is incorporated herein by reference to Exhibit 10.26 to our Annual Report on Form 10-K for the year ended December 31, 2019, File No. 001-11590.
• Exhibit 10.13*	Form of Performance Share Agreement dated February 22, 2023 for the period 2023-2025, pursuant to Chesapeake Utilities Corporation 2013 Stock and Incentive Compensation Plan by and between Chesapeake Utilities Corporation and each of Jeffry M. Householder, Beth W. Cooper, James F. Moriarty, Kevin Webber and Jeffrey S. Sylvester is incorporated herein by reference to Exhibit 10.16 to our Annual Report on Form 10-K for the year ended December 31, 2022. File No. 001-11590
• Exhibit 10.14*	Form of Performance Share Agreement, effective February 25, 2020 for the period 2020 to 2022, pursuant to Chesapeake Utilities Corporation 2013 Stock and Incentive Compensation Plan by and between Chesapeake Utilities Corporation and each of Jeffry M. Householder, Beth W. Cooper, James F. Moriarty and Kevin Webber is incorporated herein by reference to Exhibit 10.28 to our Annual Report on Form 10-K for the year ended December 31, 2019, File No. 001-11590.
• Exhibit 10.15*	Form of Performance Share Agreement, effective February 24, 2021, for the period 2021 to 2023, pursuant to the Chesapeake Utilities Corporation 2013 Stock and Incentive Compensation Plan by and between Chesapeake Utilities Corporation and each of Jeffry M. Householder, Beth W. Cooper, James F. Moriarty, Kevin Webber, and Jeffrey S. Sylvester is incorporated herein by reference to Exhibit 10.18 to our Annual Report on Form 10-K for the year ended December31, 2021, File No. 001-11590.
• Exhibit 10.16	Loan Agreement dated April 24, 2020, between Chesapeake Utilities Corporation and PNC Bank, National Association is incorporated herein by reference to Exhibit 10.3 to our Quarterly Report on Form 10-Q for the quarter ended March 31, 2020, File No. 001-11590.
• Exhibit 10.17	Loan Agreement dated April 27, 2020, between Chesapeake Utilities Corporation and Bank of America, N.A. is incorporated herein by reference to Exhibit 10.4 to our Quarterly Report on Form 10-Q for the quarter ended March 31, 2020, File No. 001-11590.
• Exhibit 10.18	Revolving Line of Credit Note dated April 24, 2020 issued by Chesapeake Utilities Corporation in favor of PNC Bank, National Association is incorporated herein by reference to Exhibit 10.5 to our Quarterly Report on Form 10-Q for the quarter ended March 31, 2020, File No. 001-11590.
• Exhibit 10.19	Promissory Note dated April 22, 2020, issued by Chesapeake Utilities Corporation and in favor of Bank of America, N.A. is incorporated herein by reference to Exhibit 10.6 to our Quarterly Report on Form 10-Q for the quarter ended March 31, 2020, File No. 001-11590.
• Exhibit 10.20	Credit Agreement dated May 29, 2020, between Chesapeake Utilities Corporation and Citizens Bank National Association is incorporated herein by reference to Exhibit 10.1 to our Quarterly Report on Form 10-Q for the quarter ended June 30, 2020, File No. 001-11590.

• Exhibit 10.21	Loan Agreement dated May 6, 2020 between Chesapeake Utilities Corporation and Royal bank of Canada is incorporated herein by reference to Exhibit 10.2 to our Quarterly Report on Form 10-Q for the quarter ended June 30, 2020, File No. 001-11590.
• Exhibit 10.22	Form of Revolving Loan Note in favor of Citizens Bank National Association is incorporated herein by reference to Exhibit 10.3 to our Quarterly Report on Form 10-Q for the quarter ended June 30, 2020, File No. 001-11590.
• Exhibit 10.23	Form of Revolving Credit Note in favor of Royal Bank of Canada is incorporated herein by reference to Exhibit 10.4 to our Quarterly Report on Form 10-Q for the quarter ended June 30, 2020, File No. 001-11590.
• Exhibit 10.24	Credit Agreement, dated September 30, 2020, by and between Chesapeake Utilities Corporation, PNC Bank, National Association, and several other financial institutions named therein is incorporated herein by reference to Exhibit 10.1 to our Quarterly Report on Form 10-Q for the quarter ended September 30, 2020, File No. 001-11590.
• Exhibit 10.25	Amended and Restated Credit Agreement, dated August 12, 2021, by and between Chesapeake Utilities Corporation, PNC Bank, National Association, and several other financial institutions named therein is incorporated herein by reference to Exhibit 10.1 to our Quarterly Report on Form 10-Q for the quarter ended September 30, 2021, File No. 001-11590
• Exhibit 10.26*	Executive Employment Agreement, dated December 16, 2021, by and between Chesapeake Utilities Corporation and Jeffrey S. Sylvester is incorporated by reference to Exhibit 10.1 to our Current Report on Form 8-K filed on December 20, 2021, File No. 001-11590
• Exhibit 10.27*	Executive Employment Agreement, dated December 16, 2021, by and between Chesapeake Utilities Corporation and Jeffry M. Householder is incorporated by reference to Exhibit 10.2 to our Current Report on Form 8-K filed on December 20, 2021, File No. 001-11590
• Exhibit 10.28*	Executive Employment Agreement, dated December 16, 2021, by and between Chesapeake Utilities Corporation and Beth W. Cooper is incorporated by reference to Exhibit 10.3 to our Current Report on Form 8-K filed on December 20, 2021, File No. 001-11590
• Exhibit 10.29*	Executive Employment Agreement, dated December 16, 2021, by and between Chesapeake Utilities Corporation and James F. Moriarty is incorporated by reference to Exhibit 10.4 to our Current Report on Form 8-K filed on December 20, 2021, File No. 001-11590
• Exhibit 10.30*	Executive Employment Agreement, dated December 16, 2021, by and between Chesapeake Utilities Corporation and Kevin J. Webber is incorporated by reference to Exhibit 10.5 to our Current Report on Form 8-K filed on December 20, 2021, File No. 001-11590
• Exhibit 10.31*	Form of Performance Share Agreement, effective February 23, 2022, for the period 2022 to 2024, pursuant to the Chesapeake Utilities Corporation 2013 Stock and Incentive Compensation Plan by and between Chesapeake Utilities Corporation and each of Jeffry M. Householder, Beth W. Cooper, James F. Moriarty, Kevin J. Webber, and Jeffrey S. Sylvester is incorporated herein by reference to Exhibit 10.34 to our Annual Report on Form 10-K for the year ended December 31, 2021, File No. 001-11590.
• Exhibit 10.32*	Chesapeake Utilities Corporation 2023 Stock and Incentive Compensation Plan as approved by stockholders and effective on May 3, 2023 is incorporated herein by reference to Exhibit 10.1 to our Registration Statement on Form S-8 filed May 3, 2023, File No. 001-11590.
• Exhibit 10.33*	Second Amendment to the Non-Qualified Deferred Compensation Plan, effective October 2, 2023, is filed herewith.
• Exhibit 10.34*	Form of Amendment to the Executive Employment Agreement, effective October 2, 2023, for each of Jeffry M. Householder, Beth W. Cooper, James F. Moriarty, Kevin J. Webber and Jeffrey S. Sylvester is filed herewith.
• Exhibit 10.35	Second Amendment to Amended and Restated Credit Agreement, dated August 9, 2023, by and between Chesapeake Utilities Corporation and PNC Bank, National Association, and several other financial institutions is incorporated herein by reference to Exhibit 10.1 of our Quarterly Report on Form 10-Q for the period ended September 30, 2023, File No. 001-11590.

• Exhibit 10.36	Commitment Letter for Bridge Facility, dated September 26, 2023, by and between Chesapeake Utilities Corporation and Barclays Bank PLC is incorporated herein by reference to Exhibit 10.2 of our Quarterly Report on Form 10-Q for the period ended September 30, 2023, File No. 001-11590.
• Exhibit 10.37	Third Amendment to Amended and Restated Credit Agreement, dated October 13, 2023, by and between Chesapeake Utilities Corporation and PNC Bank, National Association is incorporated herein by reference to Exhibit 10.3 of our Quarterly Report on Form 10-Q for the period ended September 30, 2023, File No. 001-11590.
• Exhibit 21	Subsidiaries of the Registrant is filed herewith.
• Exhibit 23.1	Consent of Independent Registered Public Accounting Firm is filed herewith.
• Exhibit 31.1	Certificate of Chief Executive Officer of Chesapeake Utilities Corporation pursuant to Exchange Act Rule 13a-14(a) and 15d – 14(a), is filed herewith.
• Exhibit 31.2	Certificate of Chief Financial Officer of Chesapeake Utilities Corporation pursuant to Exchange Act Rule 13a-14(a) and 15d – 14(a), is filed herewith.
• Exhibit 32.1	Certificate of Chief Executive Officer of Chesapeake Utilities Corporation pursuant to 18 U.S.C. Section 1350, is filed herewith.
• Exhibit 32.2	Certificate of Chief Financial Officer of Chesapeake Utilities Corporation pursuant to 18 U.S.C. Section 1350, is filed herewith.
• Exhibit 97	Chesapeake Utilities Corporation Incentive-Based Compensation Clawback Policy effective October 2, 2023, is filed herewith.

- Exhibit 101.INS XBRL Instance Document is filed herewith.
- Exhibit 101.SCH XBRL Taxonomy Extension Schema Document is filed herewith.
- Exhibit 101.CAL XBRL Taxonomy Extension Calculation Linkbase Document is filed herewith.
- Exhibit 101.DEF XBRL Taxonomy Extension Definition Linkbase Document is filed herewith.
- Exhibit 101.LAB XBRL Taxonomy Extension Label Linkbase Document is filed herewith.
- Exhibit 101.PRE XBRL Taxonomy Extension Presentation Linkbase Document is filed herewith.

• Exhibit 104	Cover Page Interactive Data File - formatted in Inline XBRL and contained in Exhibit 101.

* Management contract or compensatory plan or agreement.

† These agreements have not been filed herewith pursuant to Item 601(b)(4)(v) of Regulation S-K under the Securities Act of 1933, as amended. We hereby agree to furnish copies to the SEC upon request.

ITEM 16. FORM 10-K SUMMARY.

None.

SIGNATURES

Pursuant to the requirements of Section 13 or 15 (d) of the Securities Exchange Act of 1934, Chesapeake Utilities Corporation has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

CHESAPEAKE UTILITIES CORPORATION

By: /s/ JEFFRY M. HOUSEHOLDER
Jeffry M. Householder
President, Chief Executive Officer and Director
February 21, 2024

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

/s/ JEFFRY M. HOUSEHOLDER
Jeffry M. Householder
President, Chief Executive Officer and Director
February 21, 2024

/s/ BETH W. COOPER
Beth W. Cooper, Executive Vice President,
Chief Financial Officer, Treasurer
and Assistant Corporate Secretary
(Principal Financial and Accounting Officer)
February 21, 2024

/S/ LISA G. BISACCIA
Lisa G. Bisaccia, Director
February 21, 2024

/S/ LILA A. JABER
Lila A. Jaber, Director
February 21, 2024

/S/ THOMAS J. BRESNAN
Thomas J. Bresnan, Lead Director
February 21, 2024

/S/ PAUL L. MADDOCK, JR.
Paul L. Maddock, Jr., Director
February 21, 2024

/S/ RONALD G. FORSYTHE, JR.
Dr. Ronald G. Forsythe, Jr., Director
February 21, 2024

/S/ SHEREE M. PETRONE
Sheree M. Petrone, Director
February 21, 2024

/S/ STEPHANIE N. GARY
Stephanie N. Gary, Director
February 21, 2024

/S/ THOMAS P. HILL, JR.
Thomas P. Hill, Jr., Director
February 21, 2024

/S/ DENNIS S. HUDSON, III
Dennis S. Hudson, III, Director
February 21, 2024

Chesapeake Utilities Corporation and Subsidiaries
Schedule II
Valuation and Qualifying Accounts

For the Year Ended December 31,	Balance at Beginning of Year	Additions: Charged to Income	Additions: Other Accounts [1]	Deductions [2]	Balance at End of Year
(in thousands)					
Reserve Deducted From Related Assets					
Reserve for Uncollectible Accounts					
2023	$ 2,877	$ 2,340	$ 166	$ (2,684)	$ 2,699
2022	$ 3,141	$ 1,550	$ 172	$ (1,986)	$ 2,877
2021	$ 4,785	$ 134	$ (125)	$ (1,653)	$ 3,141

[1] Recoveries and other allowance adjustments
[2] Uncollectible accounts charged off

SECOND AMENDMENT
TO THE
CHESAPEAKE UTILITIES CORPORATION
NON-QUALIFIED DEFERRED COMPENSATION PLAN
(As Amended and Restated Effective January 1, 2014)

Chesapeake Utilities Corporation (the "Company") hereby adopts this Second Amendment to the Chesapeake Utilities Corporation Non-Qualified Deferred Compensation Plan, as amended and restated effective January 1, 2014 (the "Plan"), as set forth herein.

BACKGROUND INFORMATION

A. The Company maintains the Plan for the benefit of its eligible officers, directors, and employees.

B. The Company desires to amend the Plan to implement the clawback rules found in Section 954 of the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010, Section 10D of the Securities Exchange Act of 1934, 17 C.F.R. §240.10D, and NYSE Listing Rule 303A.14, which will take effect on October 2, 2023.

C. Section 7.1 of the Plan permits the Company to amend the Plan at any time through action of the Board of Directors, the Compensation Committee of the Board of Directors, or the Employee Benefits Committee (to the extent the Board of Directors or Compensation Committee of the Board of Directors has delegated authority to amend the Plan to the Employee Benefits Committee).

AMENDMENT

The Plan is hereby amended as follows, effective October 2, 2023:

1. A new Section 8.12 is hereby added to the Plan to read as follows:

"8.12 Application of Clawback Policy. All benefits under the Plan shall be subject to reduction, cancellation, forfeiture, or recoupment to the extent necessary to comply with (a) any clawback, forfeiture, or other similar policy adopted by the Board or Committee and as in effect from time to time; and (b) applicable law. Further, to the extent that the Participant receives any amount in excess of the amount that the Participant should otherwise have received under the Plan for any reason (including, without limitation, by reason of a financial restatement, mistake in calculations, or other administrative error), the Participant shall be required to repay any such excess amount to the Company."

2. The Plan shall otherwise remain unchanged.

CHESAPEAKE UTILITIES CORPORATION

By: ___________

Title: ___________

Date: ___________

AMENDMENT TO EXECUTIVE EMPLOYMENT AGREEMENT

This Amendment to the Executive Employment Agreement is made and entered into by and between Chesapeake Utilities Corporation, a Delaware corporation (the "Company") and _______________ (the "Executive").

BACKGROUND INFORMATION

A. The Company is currently obtaining the benefit of the Executive's services as a full-time executive employee in the capacity of ____________________Officer.

B. The Company and the Executive entered into an Executive Employment Agreement effective _______________ (the "Agreement").

C. Effective as of October 2, 2023, the Company is required to comply with the clawback rules found in 17 C.F.R. §240.10D and associated Section 303A.14 of the NYSE Listed Company Manual (collectively, the "Rule"), which requires issuers to develop and implement a policy providing for the recovery of erroneously awarded incentive based compensation received by current or former executive officers.

D. Under Section 5(d) of the Agreement, the Company may unilaterally amend such Section at any time to comply with applicable law or securities exchange listing rules, as the same may be in effect from time to time, during the current term or the extended term of the Agreement.

E. The Company desires to amend the Agreement to reflect those changes required by the Rule.

AMENDMENT

1. The Company hereby amends and restates Section 5(d) of the Agreement in its entirety to provide as follows:

(d) Recovery of Compensation. The Executive acknowledges and agrees that all or any portion of an incentive award under the above described bonus and incentive compensation plans or any future arrangement established by the Company to provide incentive or bonus compensation, whether payable in cash, Company common stock or other property, ("Award") is subject to the clawback rules found in 17 C.F.R. §240.10D, Section 303A.14 of the NYSE Listed Company Manual, and any clawback, forfeiture, or other similar policy adopted by the Compensation Committee of the Board of Directors and as in effect from time to time (collectively, the "Rule"). The Executive acknowledges and agrees that, under the Rule, the Executive is subject to an obligation of repayment to the Company if the amount of the Award was calculated based upon the achievement of certain financial results (as reflected in the financial statement of the Company or otherwise) or other performance metrics that, in either case, were subsequently found to be materially inaccurate for any reason (including, without limitation, by reason of a financial restatement, mistake in calculations, or other administrative error). The amount that shall be repaid by the Executive to the Company shall be based on the excess amount paid or awarded to the Executive under the Award as compared to the amount that would have been paid or awarded had the material inaccuracy not occurred. If the Compensation Committee determines that the Executive engaged in misconduct, malfeasance or gross negligence in the performance of his or her duties that either caused or significantly contributed to the material inaccuracy in financial statements or other performance metrics, there shall be no time limit on this right of recovery, which shall apply to all future Awards as well as to any and all pre-existing Awards that have not yet been determined and paid as of the date of this Agreement. In all other circumstances, this right of recovery shall apply to all future Awards as well as to any and all pre-existing Awards that have not yet been determined and paid as of the date of this agreement for a period not exceeding three years after the date of receipt of each such Award. In addition, the Executive hereby agrees that, if he or she does not promptly repay the amount recoverable hereunder within thirty (30) days of a demand therefore, such amount may be withheld from compensation of any type not yet due and payable to the Executive, including, but not limited to, the cancellation of future Awards, as determined by the Compensation Committee in its sole discretion. In addition, to the extent permitted under the Rule, the Compensation Committee is granted the discretionary authority to interpret and enforce this provision as it determines to be in the best interest of the Company and equitable to the parties. Notwithstanding anything herein, this provision shall not be the Company's exclusive remedy with respect to such matters. In addition, the parties agree that the Company may unilaterally amend this provision at any time to comply with applicable law or securities exchange listing rules, as the same may be in effect from time to time, during the Current Term or the Extended Term of this Agreement.

2. This Amendment shall be deemed effective October 2, 2023 (the "Effective Date") and this Amendment shall govern the terms and conditions of the Agreement and the relations between the Parties as of the Effective Date.

3. Except as provided in this Amendment, all terms and conditions of the Agreement shall remain in effect and shall not be altered by this Amendment.

IN WITNESS WHEREOF*,* the parties hereto have executed this Amendment as of the date(s) indicated below.

CHESAPEAKE UTILITIES CORPORATION

By: ______________________________

Title: ______________________________

Date: ______________________________

Chesapeake Utilities Corporation
Subsidiaries of the Registrant

Subsidiaries	**State Incorporated**
Eastern Shore Natural Gas Company	Delaware
Sharp Energy, Inc.	Delaware
Chesapeake Service Company	Delaware
Chesapeake OnSight Services LLC	Delaware
Peninsula Energy Services Company, Inc.	Delaware
Peninsula Pipeline Company, Inc.	Delaware
Florida Public Utilities Company	Florida
Sandpiper Energy, Inc.	Delaware
Aspire Energy of Ohio, LLC	Delaware
Aspire Energy Express, LLC	Delaware
Marlin Gas Services, LLC	Delaware
CPK Elkton, LLC	Delaware
Elkton Gas Company	Maryland
OnSight Renewables, LLC	Delaware
Chesapeake Emergency Energy Recipient Program, Inc	Delaware
CUC Shared Services, Inc.	Delaware
Pivotal Utility Holdings, Inc.	New Jersey

Subsidiary of Sharp Energy, Inc.	**State Incorporated**
Sharpgas, Inc.	Delaware

Subsidiary of Florida Public Utilities Company	**State Incorporated**
Flo-Gas Corporation	Florida
FPU Renewables, LLC	Delaware

Subsidiaries of Chesapeake Service Company	**State Incorporated**
Skipjack, Inc.	Delaware
Chesapeake Investment Company	Delaware
Eastern Shore Real Estate, Inc.	Delaware

Subsidiaries of Chesapeake OnSight Services LLC	**State Incorporated**
Eight Flags Energy, LLC	Delaware
Amelia Island Energy, LLC	Delaware

Subsidiaries of OnSight Renewables, LLC	**State Incorporated**
Amelia Renewables, LLC	Delaware
Blue Peake LNG, LLC	Delaware
Marlin Compression, LLC	Delaware

Subsidiary of Amelia Renewables, LLC	**State Incorporated**
Planet Found Energy Development, LLC	Maryland

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We hereby consent to the incorporation by reference in the Registration Statements on Form S-3ASR (Nos. 333-274284 and 333-274203), Form S-8 (No. 333-271610) and Form S-4 (No. 333-201992) of Chesapeake Utilities Corporation of our report dated February 21, 2024, relating to the consolidated financial statements, financial statement schedule, and the effectiveness of internal control over financial reporting, which appears in this Form 10-K for the year ended December 31, 2023.

/s/ Baker Tilly US, LLP

Lancaster, Pennsylvania
February 21, 2024

CERTIFICATE PURSUANT TO RULE 13A-14(A)
UNDER THE SECURITIES EXCHANGE ACT OF 1934

I, Jeffry M. Householder, certify that:

1. I have reviewed this annual report on Form 10-K for the year ended December 31, 2023 of Chesapeake Utilities Corporation;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a–15(e) and 15d–15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a–15(f) and 15d–15(f)) for the registrant and have:

   a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 21, 2024

/s/ JEFFRY M. HOUSEHOLDER

Jeffry M. Householder
President and Chief Executive Officer

CERTIFICATE PURSUANT TO RULE 13A-14(A)
UNDER THE SECURITIES EXCHANGE ACT OF 1934

I, Beth W. Cooper, certify that:

1. I have reviewed this annual report on Form 10-K for the year ended December 31, 2023 of Chesapeake Utilities Corporation;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a–15(e) and 15d–15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a–15(f) and 15d–15(f)) for the registrant and have:

    a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

    b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

    c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

    d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

    a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

    b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 21, 2024

/S/ BETH W. COOPER

Beth W. Cooper
Executive Vice President, Chief Financial Officer,Treasurer, and Assistant Corporate Secretary

Certificate of Chief Executive Officer

of

Chesapeake Utilities Corporation

(pursuant to 18 U.S.C. Section 1350)

I, Jeffry M. Householder, President and Chief Executive Officer of Chesapeake Utilities Corporation, certify that, to the best of my knowledge, the Annual Report on Form 10-K of Chesapeake Utilities Corporation for the year ended December 31, 2023, filed with the Securities and Exchange Commission on the date hereof (i) fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended, and (ii) the information contained therein fairly presents, in all material respects, the financial condition and results of operations of Chesapeake Utilities Corporation.

/s/ JEFFRY M. HOUSEHOLDER
Jeffry M. Householder
February 21, 2024

A signed original of this written statement required by Section 906 of the Sarbanes-Oxley Act of 2002, or other document authenticating, acknowledging, or otherwise adopting the signature that appears in typed form within the electronic version of this written statement required by Section 906, has been provided to Chesapeake Utilities Corporation and will be retained by Chesapeake Utilities Corporation and furnished to the Securities and Exchange Commission or its staff upon request.

Certificate of Chief Financial Officer

of

Chesapeake Utilities Corporation

(pursuant to 18 U.S.C. Section 1350)

I, Beth W. Cooper, Executive Vice President, Chief Financial Officer, Treasurer and Assistant Corporate Secretary of Chesapeake Utilities Corporation, certify that, to the best of my knowledge, the Annual Report on Form 10-K of Chesapeake Utilities Corporation for the year ended December 31, 2023, filed with the Securities and Exchange Commission on the date hereof (i) fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended, and (ii) the information contained therein fairly presents, in all material respects, the financial condition and results of operations of Chesapeake Utilities Corporation.

/s/ Beth W. Cooper
Beth W. Cooper
February 21, 2024

A signed original of this written statement required by Section 906 of the Sarbanes-Oxley Act of 2002, or other document authenticating, acknowledging, or otherwise adopting the signature that appears in typed form within the electronic version of this written statement required by Section 906, has been provided to Chesapeake Utilities Corporation and will be retained by Chesapeake Utilities Corporation and furnished to the Securities and Exchange Commission or its staff upon request.

CHESAPEAKE UTILITIES CORPORATION
INCENTIVE-BASED COMPENSATION CLAWBACK POLICY

Chesapeake Utilities Corporation (the "Company") has adopted this Incentive-Based Compensation Clawback Policy (the "Policy") as a supplement to any other clawback policies in effect now or in the future at the Company. To the extent this Policy applies to compensation payable to a person covered by this Policy, it shall be the only clawback policy applicable to such compensation and no other clawback policy shall apply; provided that, if such other policy provides that a greater amount of such compensation shall be subject to clawback, such other policy shall apply to the amount in excess of the amount subject to clawback under this Policy.

This Policy shall be interpreted to comply with the clawback rules found in 17 C.F.R. §240.10D and NYSE Listing Rule 303A.14, which will take effect on October 2, 2023 (collectively, the "Rule"). To the extent this Policy is in any manner deemed inconsistent with the Rule, this Policy shall be treated as retroactively amended to be compliant with the Rule.

1. Definitions. As used in the Policy, the following capitalized terms shall have the meanings set forth in this Section 1. Terms used herein shall at all times be interpreted in accordance with 17 C.F.R. §240.10D-1(d) and any other guidance that may be issued under the Rule.

(a) "Executive Officer" shall mean the Company's president, principal financial officer, principal accounting officer, any vice president of the Company in charge of a principal business unit, division, or function (such as sales, administration, or finance), any other officer who performs a policy-making function, or any other person who performs similar policy-making functions for the Company. Executive Officers of the Company's subsidiaries are deemed Executive Officers of the Company if they perform such policy-making functions for the Company. Identification of an Executive Officer for purposes of this Policy includes, at a minimum, Executive Officers identified pursuant to 17 C.F.R. §229.401(b).

(b) "Financial Reporting Measure" means measures, including but not limited to stock price and total shareholder return, that are determined and presented in accordance with the accounting principles used in preparing the Company's financial statements, and any measures that are derived wholly or in part from such measures. A Financial Reporting Measure need not be presented within the financial statements or included in a filing with the Securities and Exchange Commission ("SEC").

(c) "Incentive-Based Compensation" means any compensation that is granted, earned, or vested based wholly or in part upon the attainment of a Financial Reporting Measure.

2. Application of the Policy. This Policy shall only apply in the event that the Company is required to prepare an accounting restatement due to the material noncompliance of the Company with any financial reporting requirement under the securities laws, including any required accounting restatement to correct an error in previously issued financial statements that is material to the previously issued financial statements, or that would result in a material misstatement if the error were corrected in the current period or left uncorrected in the current period.

3. Recovery Period. The Incentive-Based Compensation subject to clawback is the Incentive-Based Compensation Received during the three completed fiscal years immediately preceding the date that the Company is required to prepare an accounting restatement as described in Section 2, provided that the person served as an Executive Officer at any time during the performance period applicable to the Incentive-Based Compensation in question. The date that the Company is required to prepare an accounting restatement shall be determined pursuant to 17 C.F.R. §240.10D-1(b)(1)(ii).

(a) For purposes of this Policy, Incentive-Based Compensation is deemed "Received" in the Company's fiscal period during which the Financial Reporting Measure specified in the Incentive-Based Compensation award is attained, even if the payment or grant of the Incentive-Based Compensation occurs after the end of that period.

(b) Notwithstanding anything to the contrary, the Policy shall only apply if the Incentive-Based Compensation is Received (1) on or after October 2, 2023, and (2) while the Company has a class of securities listed on a national securities exchange or a national securities association.

(c) To the extent applicable, 17 C.F.R. §240.10D-1(b)(1)(i) shall govern certain circumstances under which the Policy will apply to Incentive-Based Compensation Received during a transition period arising due to a change in the Company's fiscal year.

4. Erroneously Awarded Compensation. The amount of Incentive-Based Compensation subject to the Policy ("Erroneously Awarded Compensation") is the amount of Incentive-Based Compensation Received that exceeds the amount of Incentive Based-Compensation that otherwise would have been Received had it been determined based on

the restated amounts and shall be computed without regard to any taxes paid. For Incentive-Based Compensation based on stock price or total shareholder return, where the amount of Erroneously Awarded Compensation is not subject to mathematical recalculation directly from the information in an accounting restatement:

(a) the amount shall be based on a reasonable estimate of the effect of the accounting restatement on the stock price or total shareholder return upon which the Incentive-Based Compensation was received; and

(b) the Company must maintain documentation of the determination of that reasonable estimate and provide such documentation to the New York Stock Exchange ("NYSE").

5. Recovery of Erroneously Awarded Compensation. The Company shall recover in a reasonably prompt manner any Erroneously Awarded Compensation except to the extent that the conditions of paragraphs (a), (b), or (c) below apply. The Compensation Committee of the Company's Board of Directors (the "Committee") shall determine the repayment schedule for each amount of Erroneously Awarded Compensation in a manner that complies with this "reasonably promptly" requirement. Such determination shall be consistent with any applicable legal guidance, by the SEC, judicial opinion, or otherwise. The determination of "reasonably promptly" may vary from case to case and the Committee is authorized to adopt additional requirements to further describe what repayment schedules satisfy this requirement.

(a) Erroneously Awarded Compensation need not be recovered if the direct expense paid to a third party to assist in enforcing the Policy (e.g., reasonable legal expenses and consulting fees) would exceed the amount to be recovered and the Committee makes a determination that recovery would be impracticable. Before concluding that it would be impracticable to recover any amount of Erroneously Awarded Compensation based on the expense of enforcement, the Company shall make a reasonable attempt to recover such Erroneously Awarded Compensation, establish that the direct costs of recovery exceed the recovery amounts, document such reasonable attempt(s) to recover the amounts, and provide that documentation to the NYSE.

(b) Erroneously Awarded Compensation need not be recovered if recovery would violate home country law where that law was adopted prior to November 28, 2022. Before concluding that it would be impracticable to recover any amount of Erroneously Awarded Compensation based on violation of home country law, the Company shall obtain an opinion of home country counsel, acceptable to the NYSE, that recovery would result in such a violation and shall provide the opinion to the NYSE.

(c) Erroneously Awarded Compensation need not be recovered if recovery would likely cause an otherwise tax-qualified retirement plan, under which benefits are broadly available to employees of the Company or its subsidiaries, to fail to meet the requirements of Sections 401(a)(13) or 411(a) of the Internal Revenue Code of 1986, as amended, and regulations thereunder.

6. Committee Decisions. Decisions of the Committee with respect to this Policy shall be final, conclusive, and binding on all Executive Officers subject to this Policy, unless determined to be an abuse of discretion.

7. No Indemnification. Notwithstanding anything to the contrary in any other policy of the Company or any agreement between the Company and an Executive Officer, no Executive Officer shall be indemnified by the Company against the loss of any Erroneously Awarded Compensation.

8. Agreement to Policy by Executive Officers. The Committee shall take reasonable steps to inform Executive Officers of this Policy and obtain their agreement to this Policy, which steps may constitute the inclusion of this Policy as an attachment to any award that is or has been accepted by the Executive Officer.

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-Q

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended: March 31, 2024

OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from __________ to __________

Commission File Number: 001-11590

CHESAPEAKE UTILITIES CORPORATION

(Exact name of registrant as specified in its charter)

Delaware	**51-0064146**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

500 Energy Lane, Dover, Delaware 19901
(Address of principal executive offices, including Zip Code)

(302) 734-6799
(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock - par value per share $0.4867	CPK	New York Stock Exchange, Inc.

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15 (d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☒	Accelerated filer	☐
Non-accelerated filer	☐	Smaller reporting company	☐
		Emerging growth company	☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.
☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

Common Stock, par value $0.4867 — 22,270,177 shares outstanding as of May 6, 2024.

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GLOSSARY OF DEFINITIONS

ASC: Accounting Standards Codification issued by the FASB

Adjusted Gross Margin: A non-GAAP measure calculated by deducting the purchased cost of natural gas, propane and electricity and the cost of labor spent on direct revenue-producing activities from operating revenues. The costs included in Adjusted Gross Margin exclude depreciation and amortization and certain costs presented in operations and maintenance expenses in accordance with regulatory requirements

Aspire Energy: Aspire Energy of Ohio, LLC, a wholly-owned subsidiary of Chesapeake Utilities

Aspire Energy Express: Aspire Energy Express, LLC, a wholly-owned subsidiary of Chesapeake Utilities

ASU: Accounting Standards Update issued by the FASB

ATM: At-the-market

CDD: Cooling Degree-Day

Chesapeake or Chesapeake Utilities: Chesapeake Utilities Corporation, its divisions and subsidiaries, as appropriate in the context of the disclosure

CHP: Combined Heat and Power Plant

Company: Chesapeake Utilities Corporation, and its divisions and subsidiaries, as appropriate in the context of the disclosure

CNG: Compressed natural gas

Degree-day: Measure of the variation in the weather based on the extent to which the average daily temperature (from 10:00 am to 10:00 am) falls above (CDD) or below (HDD) 65 degrees Fahrenheit

Delmarva Peninsula: A peninsula on the east coast of the U.S. comprised of Delaware and portions of Maryland and Virginia

Diversified Energy: An entity from whom we acquired certain propane operating assets in North Carolina, South Carolina, Virginia, and Pennsylvania

DRIP: Dividend Reinvestment and Direct Stock Purchase Plan

Dt(s): Dekatherm(s), which is a natural gas unit of measurement that includes a standard measure for heating value

Dts/d: Dekatherms per day

Eastern Shore: Eastern Shore Natural Gas Company, a wholly-owned subsidiary of Chesapeake Utilities

Eight Flags: Eight Flags Energy, LLC, a wholly-owned subsidiary of Chesapeake Utilities

Elkton Gas: Elkton Gas Company, a wholly-owned subsidiary of Chesapeake Utilities

FASB: Financial Accounting Standards Board

FCG or Florida City Gas: Pivotal Utility Holdings, Inc, doing business as Florida City Gas, a wholly-owned subsidiary of Chesapeake Utilities that was acquired from Florida Power & Light Company on November 30, 2023

FERC: Federal Energy Regulatory Commission

FGT: Florida Gas Transmission Company

Florida Natural Gas: Refers to the Company's legacy Florida natural gas distribution operations (excluding FCG) that were consolidated under FPU, for both rate-making and operations purposes

Florida OPC: The Office of Public Counsel, an agency established by the Florida legislature who advocates on behalf of Florida's utility consumers prior to actions or rule changes

FPU: Florida Public Utilities Company, a wholly-owned subsidiary of Chesapeake Utilities

GAAP: Generally Accepted Accounting Principles

Gross Margin: a term under U.S. GAAP which is the excess of sales over costs of goods sold

GUARD: Gas Utility Access and Replacement Directive a program to enhance the safety, reliability and accessibility of portions of the Company's natural gas distribution system in Florida

Gulfstream: Gulfstream Natural Gas System, LLC, an unaffiliated pipeline network that supplies natural gas to FPU

HDD: Heating Degree-Day

LNG: Liquefied Natural Gas

Marlin Gas Services: Marlin Gas Services, LLC, a wholly-owned subsidiary of Chesapeake Utilities

MetLife: MetLife Investment Advisors, an institutional debt investment management firm, with which we have previously issued Senior Notes and which is a party to the current MetLife Shelf Agreement, as amended

MGP: Manufactured gas plant, which is a site where coal was previously used to manufacture gaseous fuel for industrial, commercial and residential use

Peninsula Pipeline: Peninsula Pipeline Company, Inc., a wholly-owned subsidiary of Chesapeake Utilities

Prudential: Prudential Investment Management Inc., an institutional investment management firm, with which we have previously issued Senior Notes and which is a party to the current Prudential Shelf Agreement, as amended

PSC: Public Service Commission, which is the state agency that regulates utility rates and/or services in certain of our jurisdictions

Revolver: Our $375.0 million unsecured revolving credit facility with certain lenders

RNG: Renewable natural gas

RSAM: Reserve surplus amortization mechanism which has been approved by the Florida PSC and is applicable to FCG

Sandpiper Energy: Sandpiper Energy, Inc., a wholly-owned subsidiary of Chesapeake Utilities

SAFE: Safety, Access, and Facility Enhancement, a program to enhance the safety, reliability and accessibility of portions of the FCG's natural gas distribution system

SEC: Securities and Exchange Commission

Senior Notes: Our unsecured long-term debt issued primarily to insurance companies on various dates

Sharp: Sharp Energy, Inc., a wholly-owned subsidiary of Chesapeake Utilities

Shelf Agreement: An agreement entered into by Chesapeake Utilities and a counterparty pursuant to which Chesapeake Utilities may request that the counterparty purchase our unsecured senior debt with a fixed interest rate and a maturity date not to exceed 20 years from the date of issuance

Shelf Notes: Unsecured senior promissory notes issuable under the Shelf Agreement executed with various counterparties

SICP: Stock and Incentive Compensation Plan, which as used herein covers stock-based compensation awards issued under the current 2024 plan and the previous 2013 plan

SOFR: Secured Overnight Financing Rate, a secured interbank overnight interest rate established as an alternative to LIBOR

TCJA: Tax Cuts and Jobs Act enacted on December 22, 2017

TETLP: Texas Eastern Transmission, LP, an interstate pipeline interconnected with Eastern Shore's pipeline

Uncollateralized Senior Notes: Our unsecured long-term debt issued primarily to insurance companies on various dates

U.S.: The United States of America

J762

Chesapeake Utilities Corporation and Subsidiaries

Condensed Consolidated Statements of Income (Unaudited)

	Three Months Ended March 31,	
(in thousands, except per share data)	**2024**	**2023**
Operating Revenues		
Regulated Energy	$ 168,426	$ 142,270
Unregulated Energy	83,103	83,166
Other businesses and eliminations	(5,785)	(7,307)
Total Operating Revenues	245,744	218,129
Operating Expenses		
Natural gas and electric costs	49,918	55.288
Propane and natural gas costs	31,299	33,301
Operations	51,560	44,767
FCG transaction and transition-related expenses	921	—
Maintenance	5,903	5,104
Depreciation and amortization	17,016	17,183
Other taxes	9,542	7,571
Total Operating Expenses	166,159	163,214
Operating Income	79,585	54,915
Other income, net	195	276
Interest charges	17,026	7.232
Income Before Income Taxes	62,754	47,959
Income taxes	16,586	11,615
Net Income	$ 46,168	$ 36,344
Weighted Average Common Shares Outstanding:		
Basic	22,250	17,760
Diluted	22,306	17,832
Earnings Per Share of Common Stock:		
Basic	$ 2.07	$ 2.05
Diluted	$ 2.07	$ 2.04

The accompanying notes are an integral part of these condensed consolidated financial statements.

Chesapeake Utilities Corporation and Subsidiaries

Condensed Consolidated Statements of Comprehensive Income (Unaudited)

	Three Months Ended March 31,	
(in thousands)	2024	2023
Net Income	**$ 46,168**	$ 36,344
Other Comprehensive Income (Loss), net of tax:		
Employee Benefits, net of tax:		
Reclassifications of amortization of prior service credit and actuarial loss, net of tax of $4 and $3, respectively	**13**	10
Cash Flow Hedges, net of tax:		
Net gain on commodity contract cash flow hedges, net of tax of $534 and $7, respectively	**1,441**	22
Reclassifications of net gain on commodity contract cash flow hedges, net of tax $(293) and $(166), respectively	**(791)**	(440)
Net gain (loss) on interest rate swap cash flow hedges, net of tax of $143 and $(52), respectively	**417**	(148)
Reclassifications of net (gain) on interest rate swap cash flow hedges, net of tax of $(44) and $(17), respectively	**(128)**	(48)
Total Other Comprehensive Income (Loss), net of tax	**952**	(604)
Comprehensive Income	**$ 47,120**	$ 35,740

The accompanying notes are an integral part of these condensed consolidated financial statements.

Chesapeake Utilities Corporation and Subsidiaries

Condensed Consolidated Balance Sheets (Unaudited)

Assets *(in thousands, except per share data)*	March 31, 2024	December 31, 2023
Property, Plant and Equipment		
Regulated Energy	$ 2,470,135	$ 2,418,494
Unregulated Energy	416,833	410,807
Other businesses and eliminations	31,606	30,310
Total property, plant and equipment	2,918,574	2,859,611
Less: Accumulated depreciation and amortization	(530,832)	(516,429)
Plus: Construction work in progress	123,338	113,192
Net property, plant and equipment	2,511,080	2,456,374
Current Assets		
Cash and cash equivalents	1,695	4,904
Trade and other receivables	70,750	74,485
Less: Allowance for credit losses	(2,450)	(2,699)
Trade and other receivables, net	68,300	71,786
Accrued revenue	28,308	32,597
Propane inventory, at average cost	8,367	9,313
Other inventory, at average cost	19,638	19,912
Regulatory assets	24,289	19,506
Storage gas prepayments	1,147	4,695
Income taxes receivable		3,829
Prepaid expenses	13,681	15,407
Derivative assets, at fair value	1,012	1,027
Other current assets	3,228	2,723
Total current assets	169,665	185,699
Deferred Charges and Other Assets		
Goodwill	507,573	508,174
Other intangible assets, net	16,414	16,865
Investments, at fair value	13,221	12,282
Derivative assets, at fair value	126	40
Operating lease right-of-use assets	11,719	12,426
Regulatory assets	86,039	96,396
Receivables and other deferred charges	16,047	16,448
Total deferred charges and other assets	651,139	662,631
Total Assets	$ 3,331,884	$ 3,304,704

The accompanying notes are an integral part of these condensed consolidated financial statements.

Chesapeake Utilities Corporation and Subsidiaries

Condensed Consolidated Balance Sheets (Unaudited)

Capitalization and Liabilities *(in thousands, except per share data)*	**March 31, 2024**	**December 31, 2023**
Capitalization		
Stockholders' equity		
Preferred stock, par value $0.01 per share (authorized 2,000 shares), no shares issued and outstanding	**$ —**	$ —
Common stock, par value $0.4867 per share (authorized 50,000 shares)	**10,838**	10,823
Additional paid-in capital	**750,162**	749,356
Retained earnings	**521,689**	488,663
Accumulated other comprehensive income (loss)	**(1,786)**	(2,738)
Deferred compensation obligation	**9,562**	9,050
Treasury stock	**(9,562)**	(9,050)
Total stockholders' equity	**1,280,903**	1,246,104
Long-term debt, net of current maturities	**1,185,166**	1,187,075
Total capitalization	**2,466,069**	2,433,179
Current Liabilities		
Current portion of long-term debt	**18,511**	18,505
Short-term borrowing	**170,355**	179,853
Accounts payable	**63,058**	77,481
Customer deposits and refunds	**43,682**	46,427
Accrued interest	**17,148**	7,020
Dividends payable	**13,138**	13,119
Accrued compensation	**7,066**	16,544
Regulatory liabilities	**21,328**	13,719
Income taxes payable	**818**	—
Derivative liabilities, at fair value	**31**	354
Other accrued liabilities	**16,520**	13,362
Total current liabilities	**371,655**	386,384
Deferred Credits and Other Liabilities		
Deferred income taxes	**271,335**	259,082
Regulatory liabilities	**193,030**	195,279
Environmental liabilities	**2,546**	2,607
Other pension and benefit costs	**16,010**	15,330
Derivative liabilities, at fair value	**43**	927
Operating lease - liabilities	**9,832**	10,550
Deferred investment tax credits and other liabilities	**1,364**	1,366
Total deferred credits and other liabilities	**494,160**	485,141
Environmental and other commitments and contingencies (Notes 6 and 7)		
Total Capitalization and Liabilities	**$ 3,331,884**	$ 3,304,704

The accompanying notes are an integral part of these condensed consolidated financial statements.

Chesapeake Utilities Corporation and Subsidiaries

Condensed Consolidated Statements of Cash Flows (Unaudited)

(in thousands)	Three Months Ended March 31, 2024	2023
Operating Activities		
Net income	$ 46,168	$ 36,344
Adjustments to reconcile net income to net cash provided by operating activities		
Depreciation and amortization	16,909	17,183
Depreciation and accretion included in other costs	4,016	2,834
Deferred income taxes	11,905	2,453
Realized (loss) on commodity contracts and sale of assets	(1,811)	(284)
Unrealized (gain) loss on investments/commodity contracts	(830)	(551)
Employee benefits and compensation	(24)	119
Share-based compensation	2,113	2,408
Changes in assets and liabilities		
Accounts receivable and accrued revenue	7,806	5,641
Propane inventory, storage gas and other inventory	4,769	5,373
Regulatory assets/liabilities, net	10,059	24,607
Prepaid expenses and other current assets	2,572	3,985
Accounts payable and other accrued liabilities	(10,114)	(21,166)
Income taxes receivable/payable	4,647	10,095
Customer deposits and refunds	(2,745)	(476)
Accrued compensation	(9,480)	(8,436)
Accrued interest	10,127	1,500
Other assets and liabilities, net	1,195	38
Net cash provided by operating activities	97,282	81,667
Investing Activities		
Property, plant and equipment expenditures	(75,512)	(42,418)
Proceeds from sale of assets	250	506
Acquisitions, net of cash acquired	612	—
Environmental expenditures	(61)	(742)
Net cash used in investing activities	(74,711)	(42,654)
Financing Activities		
Common stock dividends	(12,884)	(9,492)
Issuance of stock under the Dividend Reinvestment Plan, net of offering fees	41	—
Tax withholding payments related to net settled stock compensation	(1,466)	(2,455)
Change in cash overdrafts due to outstanding checks	715	(323)
Net repayments under line of credit agreements	(10,213)	(107,755)
Proceeds from long-term debt, net of offering fees	—	79,840
Repayment of long-term debt	(1,973)	(1,967)
Net cash used in financing activities	(25,780)	(42,152)
Net Decrease in Cash and Cash Equivalents	(3,209)	(3,139)
Cash and Cash Equivalents—Beginning of Period	4,904	6,204
Cash and Cash Equivalents—End of Period	$ 1,695	$ 3,065

The accompanying notes are an integral part of these condensed consolidated financial statements.

Chesapeake Utilities Corporation and Subsidiaries

Condensed Consolidated Statements of Stockholders' Equity (Unaudited)

(in thousands, except per share data)	Common Stock [1] Number of Shares[2]	Common Stock [1] Par Value	Additional Paid-In Capital	Retained Earnings	Accumulated Other Comprehensive Income (Loss)	Deferred Compensation	Treasury Stock	Total
Balance at December 31, 2022	17,741	$ 8,635	$ 380,036	$ 445,509	$ (1,379)	$ 7,060	$ (7,060)	$ 832,801
Net income	—	—	—	36,344	—	—	—	36,344
Other comprehensive loss	—	—		—	(604)	—	—	(604)
Dividends declared ($0.535 per share)	—	—	—	(9,644)	—	—	—	(9,644)
Issuance under various plans [3]	—	—	(11)	—	—	—	—	(11)
Share-based compensation and tax benefit [4] [5]	48	24	(322)	—	—	—	—	(298)
Treasury stock activities [2]	—	—	—	—	—	1,756	(1,756)	—
Balance at March 31, 2023	17,789	$ 8,659	$ 379,703	$ 472,209	$ (1,983)	$ 8,816	$ (8,816)	$ 858,588
Balance at December 31, 2023 [6]	22,235	$ 10,823	$ 749,356	$ 488,663	$ (2,738)	$ 9,050	$ (9,050)	$ 1,246,104
Net income	—	—	—	46,168	—	—	—	46,168
Other comprehensive income	—	—	—	—	952	—	—	952
Dividends declared ($0.590 per share)	—	—	—	(13,142)	—	—	—	(13,142)
Issuance under various plans [3]	3	1	272	—	—	—	—	273
Share-based compensation and tax benefit [4] [5]	29	14	534	—	—	—	—	548
Treasury stock activities [2]	—	—	—	—	—	512	(512)	—
Balance at March 31, 2024	22,267	$ 10,838	$ 750,162	$ 521,689	$ (1,786)	$ 9,562	$ (9,562)	$ 1,280,903

(1) 2.0 million shares of preferred stock at $0.01 par value have been authorized. No shares have been issued or are outstanding; accordingly, no information has been included in the Condensed Consolidated Statements of Stockholders' Equity.

(2) Includes 111 thousand, 108 thousand, 110 thousand, and 108 thousand shares at March 31, 2024, December 31, 2023, March 31, 2023 and December 31, 2022, respectively, held in a Rabbi Trust related to our Non-Qualified Deferred Compensation Plan.

(3) Includes shares issued under the Retirement Savings Plan and DRIP and/or ATM as applicable.

(4) Includes amounts for shares issued for directors' compensation.

(5) The shares issued under the SICP are net of shares withheld for employee taxes. For the three months ended March 31, 2024 and 2023, we withheld 14 thousand and 20 thousand shares, respectively, for employee taxes.

(6) Includes 4.4 million shares issued during 2023 related to the acquisition of FCG. See Notes 3 and 9 for details associated with the FCG acquisition and related financing.

The accompanying notes are an integral part of these condensed consolidated financial statements.

1. Summary of Accounting Policies

Basis of Presentation

References in this document to the "Company," "Chesapeake Utilities," "we," "us" and "our" are intended to mean Chesapeake Utilities Corporation, its divisions and/or its subsidiaries, as appropriate in the context of the disclosure.

The accompanying unaudited condensed consolidated financial statements have been prepared in compliance with the rules and regulations of the SEC and GAAP. In accordance with these rules and regulations, certain information and disclosures normally required for audited financial statements have been condensed or omitted. These financial statements should be read in conjunction with the consolidated financial statements and notes thereto, included in our latest Annual Report on Form 10-K for the year ended December 31, 2023. In the opinion of management, these financial statements reflect all adjustments that are necessary for a fair presentation of our results of operations, financial position and cash flows for the interim periods presented.

Where necessary to improve comparability, prior period amounts have been changed to conform to current period presentation.

Due to the seasonality of our business, results for interim periods are not necessarily indicative of results for the entire fiscal year. Revenue and earnings are typically greater during the first and fourth quarters, when consumption of energy is highest due to colder temperatures.

Recent Accounting Standards Yet to be Adopted

FASB

Segment Reporting (ASC 280) - In November 2023, the FASB issued ASU 2023-07, *Improvements to Reportable Segments Disclosures*, which modifies required disclosures about a public entity's reportable segments and addresses requests from investors for more detailed information about a reportable segment's expenses and a more comprehensive reconciliation of each segment's reported profit or loss. ASU 2023-07 will be effective for our annual financial statements beginning January 1, 2024 and our interim financial statements beginning January 1, 2025. ASU 2023-07 only impacts disclosures, and as a result, will not have a material impact on our financial position or results of operations.

Income Taxes (ASC 740) - In December 2023, the FASB issued ASU 2023-09, *Improvements to Income Tax Disclosures,* which modifies required income tax disclosures primarily related to an entity's rate reconciliation and information pertaining to income taxes paid. These enhancements have been made to address requests from investors related to transparency and usefulness of income tax disclosures. ASU 2023-09 will be effective for our annual financial statements beginning January 1, 2024. ASU 2023-09 only impacts disclosures, and as a result, will not have a material impact on our financial position or results of operations.

SEC

Climate-Related Disclosures - In March 2024, the SEC issued a final rule that requires a public entity to provide disclosures surrounding material Scope 1 and Scope 2 emissions, climate-related risks and the material impact of those risks and material climate targets and goals. In April 2024, the SEC issued a stay on the final rule as a result of various petitions being filed and that sought review of the final ruling in multiple courts of appeals. At this time, it is uncertain when the review will be completed, the final outcome of the review, and the ultimate disclosure requirements.

2. Calculation of Earnings Per Share

(in thousands, except per share data)	Three Months Ended March 31, 2024	2023
Calculation of Basic Earnings Per Share:		
Net Income	$ **46,168**	$ 36,344
Weighted average shares outstanding [(1)]	**22,250**	17,760
Basic Earnings Per Share	$ **2.07**	$ 2.05
Calculation of Diluted Earnings Per Share:		
Net Income	$ **46,168**	$ 36,344
Reconciliation of Denominator:		
Weighted shares outstanding—Basic [(1)]	**22,250**	17,760
Effect of dilutive securities—Share-based compensation	**56**	72
Adjusted denominator—Diluted	**22,306**	17,832
Diluted Earnings Per Share	$ **2.07**	$ 2.04

[(1)] Weighted average shares for the quarter ended March 31, 2024 reflect the impact of 4 4 million common shares issued in November 2023 in connection with the acquisition of FCG See Notes 3 and 9 for additional details on the acquisition and related equity offering.

3. Acquisitions

Acquisition of Florida City Gas

On November 30, 2023, we completed the acquisition of FCG for $922.8 million in cash, which included working capital adjustments as defined in the agreement that were settled during the first quarter of 2024, pursuant to the stock purchase agreement with Florida Power & Light Company. Upon completion of the acquisition, FCG became a wholly-owned subsidiary of the Company and is included within our Regulated Energy segment.

FCG serves approximately 120,000 residential and commercial natural gas customers across eight counties in Florida. including Miami-Dade, Broward. Brevard, Palm Beach, Hendry, Martin, St. Lucie and Indian River. Its natural gas system includes approximately 3,800 miles of distribution main and 80 miles of transmission pipe.

The purchase price of the acquisition was funded with $366.4 million of net proceeds from the issuance of 4.4 million shares of our common stock. the issuance of approximately $550.0 million principal amount of uncollateralized senior notes, and borrowings under the Company's Revolver. See Note 14, *Long-Term Debt*, and Note 9, *Stockholders' Equity*, for additional details on these financing activities.
We accounted for the acquisition of FCG using the acquisition method. As FCG is a regulated utility, the measurement of the fair value of most of the assets acquired and liabilities assumed were determined using the predecessor's carrying value. In certain other instances where assets and liabilities are not subject to regulation. we determined the fair value in accordance with the principles of ASC Topic 820, *Fair Value Measurements.*

The excess of the purchase price for FCG over the fair value of the assets acquired and liabilities assumed has been reflected as goodwill within the Regulated Energy segment. Goodwill resulting from the acquisition is largely attributable to expansion opportunities provided within our existing regulated operations in Florida. including planned customer growth and growth in rate base through continued investment in our utility infrastructure, as well as natural gas transmission infrastructure supporting the distribution operations. The goodwill recognized in connection with the acquisition of FCG will be deductible for income tax purposes.

The components of the preliminary purchase price allocation are as follows:

(in thousands)

	Acquisition Date Fair Value
Assets acquired:	
Cash	$ 2,270
Accounts receivable, net	14,456
Regulatory assets - current	2,983
Other current assets	2,082
Property, plant and equipment	454,410
Goodwill	460,592
Regulatory assets - non-current	3,381
Other deferred charges and other assets	18,309
Total assets acquired	958,483
Liabilities assumed:	
Current liabilities	(20,978)
Regulatory liabilities	(14,137)
Other deferred credits and other liabilities	(548)
Total liabilities assumed	(35,663)
Net purchase price	$ 922,820

Direct transaction costs of $10.4 million associated with the FCG acquisition were reflected in "FCG transaction-related expenses" on our consolidated statement of income for the year ended December 31, 2023. In addition. interest charges included $4.1 million related to fees and expenses associated with the Bridge Facility, which was terminated without any funds drawn, for the year ended December 31, 2023. Other transaction costs of $15.9 million, related primarily to the debt and equity financings executed in connection with the acquisition, were deferred on the consolidated balance sheet or recorded in equity as an offset to proceeds received, as appropriate, as of December 31, 2023.
For the three months ended March 31, 2024, the Company's consolidated results include $35.9 million of operating revenue and net income of $4.2 million attributable to FCG which includes $0.9 million of transaction and transition-related expenses.

Acquisition of J.T. Lee and Son's

In December 2023, Sharp acquired the propane operating assets of J.T. Lee and Son's in Cape Fear, North Carolina for $3.9 million. In connection with this acquisition, we recorded a $0.3 million liability which is subject to the seller's adherence to various provisions contained in the purchase agreement through the first anniversary of the transaction closing. Through this acquisition. we expanded our operating footprint in North Carolina, where customers are served by Diversified Energy. Sharp added approximately 3,000 customers and distribution of approximately 800,000 gallons of propane annually. The transaction also includes a bulk plant with 60,000 gallons of propane storage, enabling the Company to realize efficiencies with additional storage capacity and overlapping delivery territories.

In connection with this acquisition, we recorded $2.7 million in property plant and equipment, $0.9 million in goodwill, $0.2 million in working capital, and less than $0.1 million in intangible assets associated primarily with non-compete agreements, all of which are deductible for income tax purposes. The amounts recorded in conjunction with the acquisition are preliminary, and subject to adjustment based on contractual provisions and finalization prior to the first anniversary of the transaction closing. The financial results associated with this acquisition are included within our propane distribution operations within our Unregulated Energy segment. The operating revenues and net income of this acquisition were not material to our consolidated results for the three months ended March 31, 2024.

4. **Revenue Recognition**

We recognize revenue when our performance obligations under contracts with customers have been satisfied, which generally occurs when our businesses have delivered or transported natural gas, electricity or propane to customers. We exclude sales taxes and other similar taxes from the transaction price. Typically, our customers pay for the goods and/or services we provide in the month following the satisfaction of our performance obligation. The following tables display our revenue by major source based on product and service type for the three months ended March 31, 2024 and 2023:

	Three Months Ended March 31, 2024				Three Months Ended March 31, 2023			
(in thousands)	Regulated Energy	Unregulated Energy	Other and Eliminations	Total	Regulated Energy	Unregulated Energy	Other and Eliminations	Total
Energy distribution								
Delaware natural gas division	$ 31,917	$ —	$ —	$ 31,917	$ 36,907	$ —	$ —	$ 36,907
Florida natural gas distribution	47,956	—	—	47,956	46,358	—	—	46,358
Florida City Gas	35,877	—	—	35,877	—	—	—	[redacted] —
FPU electric distribution	19,964	—	—	19,964	22,737	—	—	22,737
Maryland natural gas division	9,855	—	—	9,855	12,263	—	—	12,263
Sandpiper natural gas/propane operations	7,057	—	—	7,057	7,082	—	—	7,082
Elkton Gas	2,859	—	—	2,859	4,141	—	—	4,141
Total energy distribution	155,485	—	—	155,485	129,488	—	—	129,488
Energy transmission	[redacted]							
Aspire Energy	—	13,608	—	13,608	—	13,954	—	13,954
Aspire Energy Express	369	—	—	369	364	—	—	364
Eastern Shore	21,266	—	—	21,266	20,670	—	—	20,670
Peninsula Pipeline	7,992	—	—	7,992	6,911	—	—	6,911
Total energy transmission	29,627	13,608	—	43,235	27,945	13,954	—	41,899
Energy generation								
Eight Flags	—	4,555	—	4,555	—	5,300	—	5,300
Propane operations		[redacted]						
Propane delivery operations	—	61,572	—	61,572	—	59,980	—	59,980
Compressed Natural Gas Services								
Marlin Gas Services	—	3,428	—	3,428	—	4,001	—	4,001
Other and eliminations								
Eliminations	(16,686)	(60)	(5,830)	(22,576)	(15,163)	(69)	(7,352)	(22,584)
Other	—		45 [redacted]	45	—	—	45	45
Total other and eliminations	(16,686)	(60)	(5,785)	(22,531)	(15,163)	(69)	(7,307)	(22,539)
Total operating revenues [(1)]	$ 168,426	$ 83,103	$ (5,785)	$ 245,744	$ 142,270	$ 83,166	$ (7,307)	$ 218,129

[(1)] Total operating revenues for the three months ended March 31, 2024 and 2023 both include other revenue (revenues from sources other than contracts with customers) of $0.6 million and $0.1 million for our Regulated and Unregulated Energy segments, respectively. The sources of other revenues include revenue from alternative revenue programs related to revenue normalization for the Maryland division and Sandpiper Energy and late fees.

Contract Balances

The timing of revenue recognition. customer billings and cash collections results in trade receivables, unbilled receivables (contract assets) and customer advances (contract liabilities) in our condensed consolidated balance sheets. The balances of our trade receivables, contract assets, and contract liabilities as of March 31, 2024 and December 31, 2023 were as follows:

(in thousands)	Trade Receivables	Contract Assets (Current)	Contract Assets (Non-current)	Contract Liabilities (Current)
Balance at 12/31/2023	$ 67,741	$ 18	$ 3,524	$ 1,022
Balance at 3/31/2024	61,497	18	3,370	710
Increase (Decrease)	$ (6,244)	$ —	$ (154)	$ (312)

Our trade receivables are included in trade and other receivables in the condensed consolidated balance sheets. Our current contract assets are included in other current assets in the condensed consolidated balance sheet. Our non-current contract assets are included in other assets in the condensed consolidated balance sheet and primarily relate to operations and maintenance costs incurred by Eight Flags that have not yet been recovered through rates for the sale of electricity to our electric distribution operation pursuant to a long-term service agreement.

At times, we receive advances or deposits from our customers before we satisfy our performance obligation, resulting in contract liabilities. Contract liabilities are included in other accrued liabilities in the condensed consolidated balance sheets and relate to non-refundable prepaid fixed fees for our propane distribution operation's retail offerings. Our performance obligation is satisfied over the term of the respective customer retail program on a ratable basis. For the three months ended March 31, 2024 and 2023, the amounts recognized in revenue were not material.

Remaining Performance Obligations

Certain of our businesses have long-term fixed fee contracts with customers in which revenues are recognized when performance obligations are satisfied over the contract term. Revenue for these businesses for the remaining performance obligations, at March 31, 2024, are expected to be recognized as follows:

(in thousands)	2024	2025	2026	2027	2028	2029	2030 and thereafter
Eastern Shore and Peninsula Pipeline	$ 27,404	$ 30,520	$ 26,668	$ 23,535	$ 22,657	$ 20,733	$ 128,891
Natural gas distribution operations	7,284	9,310	8,596	6,567	5,346	4,802	23,744
FPU electric distribution	562	749	364	364	364	—	—
Total revenue contracts with remaining performance obligations	$ 35,250	$ 40,579	$ 35,628	$ 30,466	$ 28,367	$ 25,535	$ 152,635

5. Rates and Other Regulatory Activities

Our natural gas and electric distribution operations in Delaware, Maryland and Florida are subject to regulation by their respective PSC; Eastern Shore, our natural gas transmission subsidiary, is subject to regulation by the FERC; and Peninsula Pipeline and Aspire Energy Express, our intrastate pipeline subsidiaries, are subject to regulation (excluding cost of service) by the Florida PSC and Public Utilities Commission of Ohio, respectively.

Delaware

In September 2023, the Delaware Division submitted the Energy Efficiency Rider application for natural gas with the Delaware PSC after obtaining an affirmative recommendation from the Delaware Energy Efficiency Advisory Council ("EEAC"). The application was the first in the state and included four programs including, Home Energy Counseling, Home Performance with Energy Star, Assisted Home Performance with Energy Star, and a standard Offer Program in which customers can participate and allow for recovery. The evidentiary hearing on this matter was held in April 2024 with all programs, with the exception of the Offer Program, approved by the PSC and rates became effective May 1, 2024.

Maryland

Maryland Natural Gas Rate Case: In January 2024, our natural gas distribution businesses in Maryland, CUC-Maryland Division, Sandpiper Energy, Inc., and Elkton Gas Company (collectively, "Maryland natural gas distribution businesses"), filed a joint application for a natural gas rate case with the Maryland PSC. In connection with the application, we are seeking approval of the following: (i) permanent rate relief of approximately $6.9 million; (ii) authorization to make certain changes to tariffs to include a unified rate structure and to consolidate the Maryland natural gas distribution businesses which we anticipate will be called Chesapeake Utilities of Maryland. Inc.; and (iii) authorization to establish a rider for recovery of the costs associated with our new technology systems. The outcome of the application is subject to review and approval by the Maryland PSC. Rate changes are suspended until December 2024.

Maryland Natural Gas Depreciation Study: In January 2024, our Maryland natural gas distribution businesses filed a joint petition for approval of their proposed unified depreciation rates with the Maryland PSC. The outcome of the filing is subject to review by the Maryland PSC which is expected to be completed in the third quarter of 2024.

Florida

Wildlight Expansion: In August 2022, Peninsula Pipeline and FPU filed a joint petition with the Florida PSC for approval of its Transportation Service Agreement associated with the Wildlight planned community located in Nassau County, Florida. The project enables us to meet the significant growing demand for service in Yulee, Florida. The agreement will enable us to construct the project during the build-out of the community and charge the reservation rate as each phase of the project goes into service. Construction of the pipeline facilities will occur in two separate phases. Phase one consists of three extensions with associated facilities, and a gas injection interconnect with associated facilities. Phase two will consist of two additional pipeline extensions. The various phases of the project commenced in the first quarter of 2023, with construction on the overall project continuing through 2025. The petition was approved by the Florida PSC in November 2022.

FCG Natural Gas Rate Case: In May 2022, FCG filed a general base rate increase with the Florida PSC based on a projected 2023 test year. In June 2023, the Florida PSC issued an order approving a single total base revenue increase of $23.3 million (which included an incremental increase of $14.1 million. a previously approved increase of $3.8 million for a liquefied natural gas facility, and $5.3 million to transfer the SAFE investments from a rider clause to base rates), with new rates becoming effective as of May 1, 2023. The Commission also approved FCG's proposed RSAM with a $25.0 million reserve amount, continuation and expansion of the capital SAFE program, implementation of an automated metering infrastructure pilot, and continuation of the storm damage reserve with a target reserve of $0.8 million. On June 23, 2023, the Florida OPC filed a motion for reconsideration of the PSC's approval of RSAM. which was denied on September 12, 2023. On July 7, 2023, the Florida OPC filed a notice of appeal with the Florida Supreme Court, which is pending. The Florida OPC filed their initial brief on January 31, 2024.

The RSAM is recorded as either an increase or decrease to accrued removal costs which is reflected on the Company's balance sheets and a corresponding increase or decrease to depreciation and amortization expense. In order to earn the targeted regulatory return on equity ("ROE") in each reporting period subject to the conditions of the effective rate agreement, RSAM is calculated using a trailing thirteen-month average of rate base and capital structure in conjunction with the trailing twelve-month regulatory base net operating income, which primarily includes the base portion of rates and other revenues, net of operations and maintenance expenses, depreciation and amortization, interest and tax expenses. In general. the net impact of these income statement line items is adjusted, in part. by RSAM or its reversal to earn the targeted regulatory ROE. For the three months ended March 31, 2024, the Company recorded decreases to asset removal costs and depreciation expense of $3.4 million as a result of the RSAM adjustment.

Storm Protection Plan: In 2020, the Florida PSC implemented the Storm Protection Plan ("SPP") and Storm Protection Plan Cost Recovery Clause ("SPPCRC") rules, which require electric utilities to petition the Florida PSC for approval of a Transmission and Distribution Storm Protection Plan that covers the utility's immediate 10-year planning period with updates to the plan at least every 3 years. The SPPCRC rules allow the utility to file for recovery of associated costs for the SPP. Our Florida electric distribution operation's SPP plan was filed during the first quarter of 2022 and approved in the fourth quarter of 2022 with modifications, by the Florida PSC. Rates associated with this initiative were effective in January 2023. The Commission voted to approve the projections in November 2023. FPU projects to spend $13.6 million on the program in 2024.

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GUARD Program: In February 2023, FPU filed a petition with the Florida PSC for approval of the GUARD program. GUARD is a ten-year program to enhance the safety, reliability, and accessibility of portions of our natural gas distribution system. We identified various categories of projects to be included in GUARD, which include the relocation of mains and service lines located in rear easements and other difficult to access areas to the front of the street, the replacement of problematic distribution mains, service lines, and maintenance and repair equipment and system reliability projects. In August 2023, the Florida PSC approved the GUARD program, which included $205.0 million of capital expenditures projected to be spent over a 10-year period.

SAFE Program: In June 2023, the Florida PSC issued the approval order for the continuation of the SAFE program beyond its 2025 expiration date and inclusion of 150 miles of additional mains and services located in rear property easements. The SAFE program is designed to relocate certain mains and facilities associated with rear lot easements to street front locations to improve FCG's ability to inspect and maintain the facilities and reduce opportunities for damage and theft. In the same order, the Commission approved a replacement of 160 miles of pipe that was used in the 1970s and 1980s and shown through industry research to exhibit premature failure in the form of cracking. The program includes projected capital expenditures of $205.0 million over a 10-year period.

In April 2024, FCG filed a petition with the Florida PSC to more closely align the SAFE Program with FPU's GUARD program. Specifically, the requested modifications will enable FCG to accelerate remediation related to problematic pipe and facilities consisting of obsolete and exposed pipe. If approved, these efforts will serve to improve the safety and reliability of service to FCG's customers. These modifications, if approved, result in an estimated additional $50.0 million in capital expenditures associated with the SAFE Program which would increase the total projected capital expenditures to $255.0 million over a 10-year period.

Newberry Expansion: In April 2023, Peninsula Pipeline filed a petition with the Florida PSC for approval of its Transportation Service Agreement with FPU for an additional 8,000 Dts/d of firm service in the Newberry, Florida area. The petition was approved by the Florida PSC in the third quarter of 2023. Peninsula Pipeline will construct a pipeline extension, which will be used by FPU to support the development of a natural gas distribution system to provide gas service to the City of Newberry. A filing to address the acquisition and conversion of existing Company owned propane community gas systems in Newberry was made in November 2023. The Florida PSC approved it in April 2024. The Company anticipates beginning the conversions of the community gas systems in the second quarter of 2024.

East Coast Reinforcement Projects: In December 2023, Peninsula Pipeline filed a petition with the Florida PSC for approval of its Transportation Service Agreements with FPU for projects that will support additional supply to communities on the East Coast of Florida. The projects are driven by the need for increased supply to coastal portions of the state that are experiencing significant population growth. Peninsula Pipeline will construct several pipeline extensions which will support FPU’s distribution system in the areas of Boynton Beach and New Smyrna Beach with an additional 15,000 Dts/d and 3,400 Dts/d, respectively. The Florida PSC approved the projects in March 2024.

Central Florida Reinforcement Projects: In February 2024, Peninsula Pipeline filed a petition with the Florida PSC for its Transportation Service Agreements with FPU for projects that will support additional supply to communities located in Central Florida. The projects are driven by the need for increased supply to communities in central Florida that are experiencing significant population growth. Peninsula Pipeline will construct several pipeline extensions which will support FPU's distribution system around Plant City and Lake Mattie with an additional 5,000 Dts/d and 8,700 Dts/d, respectively. The Florida PSC approved the projects in May 2024.

Alternative Natural Gas Projects: In February 2024, Peninsula Pipeline filed a petition with the Florida PSC for its approval of its Transportation Service Agreements with FCG for projects that will support the transportation of additional supply into FCG’s distribution system. The projects are driven by continued growth in the regions and will facilitate additional transportation capacity, including the transportation of pipeline quality gas produced from landfills through FCG's system. Peninsula Pipeline will construct several pipeline extensions which will support FCG's distribution system in Brevard County, Indian-River County, and Miami-Dade County.

St. Cloud Project Amendment: In February 2024, Peninsula Pipeline filed a petition with the Florida PSC for its approval of an amendment to its Transportation Service Agreement with FPU for a project that will support additional supply to communities in St. Cloud Florida. The project is driven by the need to expand gas service to future communities that are expected in that area. Peninsula Pipeline will construct pipeline expansions that will allow FPU to serve the expected new growth. The expansion will provide FPU with an additional 10,000 Dts/d. The Florida PSC approved the projects in May 2024.

Pioneer Supply Header Pipeline Project: In March 2024, Peninsula Pipeline filed a petition with the Florida PSC for its approval of Firm Transportation Service Agreements with both FCG and FPU for a project that will support greater supply growth of natural gas service in southeast Florida. The project consists of the transfer of a pipeline asset from FCG to Peninsula Pipeline. Peninsula Pipeline will proceed to provide transportation service to both FCG and FPU using the pipeline asset, which provides opportunities for additional project development.

Eastern Shore

Worcester Resiliency Upgrade: In August 2023, Eastern Shore filed an application with the FERC requesting authorization to construct the Worcester Resiliency Upgrade, which consists of a mixture of storage and transmission facilities in Sussex County, DE and Wicomico, Worcester, and Somerset Counties in Maryland. The project will provide long-term incremental supply necessary to support the growing demand of the participating shippers. Eastern Shore has requested certificate authorization by December 2024, with a target in-service date by the third quarter of 2025. In December 2023, FERC issued its schedule for preparation of the Environmental Assessment. In April 2024, the FERC issued their environmental assessment with no significant impacts noted.

TCJA

In connection with the TCJA, which was signed into law in December 2017, our customer rates for our regulated businesses were adjusted as applicable as approved by the regulators. Regulatory liabilities related to accumulated deferred income taxes ("ADIT") associated with the TCJA amounted to \$85.5 million and \$85.8 million at March 31, 2024 and December 31, 2023, respectively. With the exception of the ADIT balance of \$34.2 million attributable to Eastern Shore, such amounts are being amortized in accordance with approvals received from the Delaware, Maryland, and Florida PSCs in 2018 and 2019. The ADIT balance attributable to Eastern Shore will be addressed in its next rate case filing.

6. Environmental Commitments and Contingencies

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

MGP Sites

We have participated in the investigation, assessment or remediation of, and have exposures at, seven former MGP sites. We have received approval for recovery of clean-up costs in rates for sites located in Salisbury, Maryland; Seaford, Delaware; and Winter Haven, Key West, Pensacola, Sanford and West Palm Beach, Florida.

As of March 31, 2024 and December 31, 2023, we had approximately \$3.5 million and \$3.6 million, respectively, in environmental liabilities related to the former MGP sites, and related regulatory assets of approximately \$0.5 million at the respective balance sheet dates for future recovery of environmental costs from customers.

Environmental liabilities for our MGP sites are recorded on an undiscounted basis based on the estimate of future costs provided by independent consultants. We continue to expect that all costs related to environmental remediation and related activities, including any potential future remediation costs for which we do not currently have approval for regulatory recovery, will be recoverable from customers through rates.

Remediation is ongoing for the MGPs in Winter Haven and Key West in Florida and in Seaford, Delaware. The remaining clean-up costs are estimated to range from \$0.3 million to \$0.8 million for these three sites. The Environmental Protection Agency has approved a "site-wide ready for anticipated use" status for the Sanford, Florida MGP site, which is the final step before delisting a site. The remaining remediation expenses for the Sanford MGP site are immaterial.

The remedial actions approved by the Florida Department of Environmental Protection have been implemented on the east parcel of our West Palm Beach Florida site. Similar remedial actions have been initiated on the site's west parcel, and construction of active remedial systems are expected to be completed in 2024. Remaining remedial costs for West Palm Beach, including completion of the construction of the system on the West Parcel, are estimated to take between five and fifteen years of operation, maintenance and monitoring, and final site work for closeout of the property is estimated to be between \$3.3 million and \$5.7 million.

7. Other Commitments and Contingencies

Natural Gas, Electric and Propane Supply

In March 2023, our Delmarva Peninsula natural gas distribution operations entered into asset management agreements with a third party to manage their natural gas transportation and storage capacity. The agreements were effective as of April 1, 2023 and expire in March 2026.

FPU natural gas distribution operations and Eight Flags have separate asset management agreements with Emera Energy Services, Inc. to manage their natural gas transportation capacity. These agreements commenced in November 2020 and expire in October 2030.

Florida Natural Gas has firm transportation service contracts with FGT and Gulfstream. Pursuant to a capacity release program approved by the Florida PSC, all of the capacity under these agreements has been released to various third parties. Under the terms of these capacity release agreements, Chesapeake Utilities is contingently liable to FGT and Gulfstream should any party, that acquired the capacity through release, fail to pay the capacity charge. To date, Chesapeake Utilities has not been required to make a payment resulting from this contingency.

FPU's electric supply contracts require FPU to maintain an acceptable standard of creditworthiness based on specific financial ratios. FPU's agreement with Florida Power & Light Company requires FPU to meet or exceed a debt service coverage ratio of 1.25 times based on the results of the prior 12 months. If FPU fails to meet this ratio, it must provide an irrevocable letter of credit or pay all amounts outstanding under the agreement within five business days. FPU's electric supply agreement with Gulf Power requires FPU to meet the following ratios based on the average of the prior six quarters: (a) funds from operations interest coverage ratio (minimum of two times), and (b) total debt to total capital (maximum of 65 percent). If FPU fails to meet the requirements, it has to provide the supplier a written explanation of actions taken, or proposed to be taken, to become compliant. Failure to comply with the ratios specified in the Gulf Power agreement could also result in FPU having to provide an irrevocable letter of credit. As of March 31, 2024, FPU was in compliance with all of the requirements of its fuel supply contracts.

Eight Flags provides electricity and steam generation services through its CHP plant located on Amelia Island, Florida. In June 2016, Eight Flags began selling power generated from the CHP plant to FPU pursuant to a 20-year power purchase agreement for distribution to our electric customers. In July 2016, Eight Flags also started selling steam, pursuant to a separate 20-year contract, to the landowner on which the CHP plant is located. The CHP plant is powered by natural gas transported by FPU through its distribution system and Peninsula Pipeline through its intrastate pipeline.

Corporate Guarantees

The Board of Directors has authorized us to issue corporate guarantees securing obligations of our subsidiaries and to obtain letters of credit securing our subsidiaries' obligations. The maximum authorized liability under such guarantees and letters of credit as of March 31, 2024 was $35.0 million. The aggregate amount guaranteed related to our subsidiaries at March 31, 2024 was approximately $24.4 million with the guarantees expiring on various dates through March 2025. In addition, the Board has authorized us to issue specific purpose corporate guarantees. The amount of specific purpose guarantees outstanding at March 31, 2024 was $4.0 million.

As of March 31, 2024, we have issued letters of credit totaling approximately $7.0 million related to the electric transmission services for FPU's electric division, the firm transportation service agreement between TETLP and our Delaware and Maryland divisions, the capacity agreement between NEXUS and Aspire, the storage agreement between Bay Gas Storage Company and FCG as well as our primary insurance carriers. These letters of credit have various expiration dates through February 2025 and to date, none have been used. We do not anticipate that the counterparties will draw upon these letters of credit, and we expect that they will be renewed to the extent necessary in the future.

8. Segment Information

We use the management approach to identify operating segments. We organize our business around differences in regulatory environment and/or products or services, and the operating results of each segment are regularly reviewed by the chief operating decision maker, our President and Chief Executive Officer, in order to make decisions about resources and to assess performance.

Our operations are entirely domestic and are comprised of two reportable segments:

- *Regulated Energy*. Includes energy distribution and transmission services (natural gas distribution, natural gas transmission and electric distribution operations). All operations in this segment are regulated, as to their rates and services, by the PSC having jurisdiction in each operating territory or by the FERC in the case of Eastern Shore.
- *Unregulated Energy*. Includes energy transmission, energy generation (the operations of our Eight Flags' CHP plant), propane distribution operations, mobile compressed natural gas distribution and pipeline solutions operations, and sustainable energy investments including renewable natural gas. Also included in this segment are other unregulated energy services, such as energy-related merchandise sales and heating, ventilation and air conditioning, plumbing and electrical services. These operations are unregulated as to their rates and services.

The remainder of our operations are presented as "Other businesses and eliminations," which consists of unregulated subsidiaries that own real estate leased to Chesapeake Utilities, as well as certain corporate costs not allocated to other operations.

The following table presents financial information about our reportable segments:

	Three Months Ended March 31,	
(in thousands)	**2024**	**2023**
Operating Revenues, Unaffiliated Customers		
Regulated Energy	**$ 167,927**	$ 141,621
Unregulated Energy	**77,817**	76,508
Total operating revenues, unaffiliated customers	**$ 245,744**	$ 218,129
Intersegment Revenues [1]		
Regulated Energy	**$ 499**	$ 649
Unregulated Energy	**5,286**	6,657
Other businesses	**45**	45
Total intersegment revenues	**$ 5,830**	$ 7,351
Operating Income		
Regulated Energy	**$ 58,109**	$ 37,625
Unregulated Energy	**21,429**	17,245
Other businesses and eliminations	**47**	45
Operating income	**79,585**	54,915
Other income, net	**195**	276
Interest charges	**17,026**	7,232
Income Before Income Taxes	**62,754**	47,959
Income taxes	**16,586**	11,615
Net Income	**$ 46,168**	$ 36,344

[1] All significant intersegment revenues are billed at market rates and have been eliminated from consolidated operating revenues

(in thousands)	**March 31, 2024**	**December 31, 2023**
Identifiable Assets		
Regulated Energy segment	**$ 2,830,632**	$ 2,781,581
Unregulated Energy segment	**459,825**	477,402
Other businesses and eliminations	**41,427**	45,721
Total Identifiable Assets	**$ 3,331,884**	$ 3,304,704

9. Stockholders' Equity

Common Stock Issuances

In November 2023, in connection with our acquisition of FCG, we completed an equity offering resulting in the issuance of approximately 4.4 million shares of our common stock at a price per share of $82.72 (net of underwriter discounts and commissions). We received net proceeds of $366.4 million which were used to partially finance the acquisition.

We maintain an effective shelf registration statement with the SEC for the issuance of shares under our DRIP and other plans. Depending on our capital needs and subject to market conditions, in addition to other possible debt and equity offerings, we may issue additional shares under the direct stock purchase component of the DRIP. For the three months ended March 31, 2024, we received net proceeds of $0.1 million under the DRIP. There were no issuances under DRIP during 2023. Our most recent ATM equity program. which allowed us to issue and sell shares of our common stock up to an aggregate offering price of $75.0 million. expired in June 2023.

Accumulated Other Comprehensive Loss

Defined benefit pension and postretirement plan items, unrealized gains (losses) of our propane swap agreements designated as commodity contract cash flow hedges, and the unrealized gains (losses) of our interest rate swap agreements designated as cash flow hedges are the components of our accumulated other comprehensive loss. The following tables present the changes in the balances of accumulated other comprehensive loss components as of March 31, 2024 and 2023. All amounts in the following tables are presented net of tax.

(in thousands)	Defined Benefit Pension and Postretirement Plan Items	Commodity Contract Cash Flow Hedges	Interest Rate Swap Cash Flow Hedges	Total
As of December 31, 2023	$ (2,584)	$ (274)	$ 120	$ (2,738)
Other comprehensive income before reclassifications	—	1,441	417	1,858
Amounts reclassified from accumulated other comprehensive income (loss)	13	(791)	(128)	(906)
Net current-period other comprehensive income (loss)	13	650	289	952
As of March 31, 2024	$ (2,571)	$ 376	$ 409	$ (1,786)
As of December 31, 2022	$ (2,506)	$ 1,092	$ 35	$ (1,379)
Other comprehensive income (loss) before reclassifications	—	22	(148)	(126)
Amounts reclassified from accumulated other comprehensive income (loss)	10	(440)	48)	(478)
Net prior-period other comprehensive income (loss)	10	(418)	(196)	(604)
As of March 31, 2023	$ (2,496)	$ 674	$ (161)	$ (1,983)

Deferred gains or losses for our commodity contract and interest rate swap cash flow hedges are recognized in earnings upon settlement and are included in the effects of gains and losses from derivative instruments. See Note 12, *Derivative Instruments*, for additional details. Amortization of the net loss related to the defined benefit pension plan and postretirement plans is included in the computation of net periodic cost (benefit). See Note 10, *Employee Benefit Plans*, for additional details.

10. Employee Benefit Plans

Net periodic (benefit) cost for the FPU Pension Plan for the three months ended March 31, 2024 and 2023 is set forth in the following table:

(in thousands)	Three Months Ended March 31, 2024	Three Months Ended March 31, 2023
Interest cost	$ 599	$ 633
Expected return on plan assets	(724)	(668)
Amortization of net loss	69	110
Total periodic (benefit) cost	$ (56)	$ 75

Amounts reclassified from accumulated other comprehensive income (loss) and regulatory assets were not material during the three months ended March 31, 2024 and 2023.

Net periodic benefit costs for our other pension and postretirement benefit plans were not material for the three months ended March 31, 2024 and 2023.

The components of our net periodic costs have been recorded or reclassified to other expense, net in the condensed consolidated statements of income. Pursuant to their respective regulatory orders, FPU and Chesapeake Utilities continue to record. as a regulatory asset, a portion of their unrecognized postretirement benefit costs related to their regulated operations. The portion of the unrecognized pension and postretirement benefit costs related to FPU's unregulated operations and Chesapeake Utilities' operations is recorded to accumulated other comprehensive income (loss).

During the three months ended March 31, 2024, there were no contributions to the FPU Pension Plan and we do not expect to contribute to the FPU Pension Plan during 2024. The Chesapeake SERP, the Chesapeake Postretirement Plan and the FPU Medical Plan are unfunded and are expected to be paid out of our general funds. Cash benefits paid under these other postretirement benefit plans for the three months ended March 31, 2024 were immaterial. We expect to pay total cash benefits of less than $1.0 million for these other postretirement benefit plans in 2024.

Non-Qualified Deferred Compensation Plan

Members of our Board of Directors and officers of the Company are eligible to participate in the Non-Qualified Deferred Compensation Plan. Directors can elect to defer any portion of their cash or stock compensation and officers can defer up to 80 percent of their base compensation, cash bonuses or any amount of their stock bonuses (net of required withholdings). Officers may receive a matching contribution on their cash compensation deferrals up to 6 percent of their compensation, provided it does not duplicate a match they receive in the Retirement Savings Plan.

All obligations arising under the Non-Qualified Deferred Compensation Plan are payable from our general assets, although we have established a Rabbi Trust to informally fund the plan. Deferrals of cash compensation may be invested by the participants in various mutual funds (the same options that are available in the Retirement Savings Plan). The participants are credited with gains or losses on those investments. Assets held in the Rabbi Trust. recorded as Investments on the condensed consolidated balance sheet, had a fair value of $13.2 million at March 31, 2024 and $12.3 million at December 31, 2023. The assets of the Rabbi Trust are at all times subject to the claims of our general creditors.

11. Share-Based Compensation

Our key employees and non-employee directors have been granted share-based awards through our SICP. We record these share-based awards as compensation costs over the respective service period for which services are received in exchange for an award of equity or equity-based compensation. The compensation cost is based primarily on the fair value of the shares awarded. using the estimated fair value of each share on the date it was granted. and the number of shares to be issued at the end of the service period.

The table below presents the amounts included in net income related to share-based compensation expense for the three months ended March 31, 2024 and 2023:

	Three Months Ended March 31, 2024	Three Months Ended March 31, 2023
(in thousands)		
Awards to key employees	$ **1,899**	$ 2,156
Awards to non-employee directors	**214**	252
Total compensation expense	**2,113**	2,408
Less: tax benefit	**(540)**	(622)
Share-based compensation amounts included in net income	$ **1,573**	$ 1,786

Officers and Key Employees

Our Compensation Committee is authorized to grant our key employees the right to receive awards of shares of our common stock, contingent upon the achievement of established performance goals and subject to SEC transfer restrictions once awarded. Our President and CEO has the right to issue awards of shares of our common stock. to other officers and key employees of the Company, contingent upon various performance goals and subject to SEC transfer restrictions.

We currently have several outstanding multi-year performance plans, which are based upon the successful achievement of long-term goals, growth and financial results and comprise both market-based and performance-based conditions and targets. The fair value per share, tied to a performance-based condition or target, is equal to the market price per share on the grant date. For the market-based conditions, we used the Monte Carlo valuation to estimate the fair value of each share granted.

The table below presents the summary of the stock activity for awards to key employees for the three months ended March 31, 2024:

(in thousands, except per share data)	Number of Shares	Weighted Average Fair Value
Outstanding—December 31, 2023	213	$ 117.74
Granted	110	$ 105.02
Vested	(43)	$ 103.95
Expired	(27)	$ 86.24
Forfeited	—	$ —
Outstanding—March 31, 2024	253	$ 117.89

During the three months ended March 31, 2024, we granted awards of 110 thousand shares of common stock to officers and key employees under the SICP, including awards granted in February 2024. The shares granted are multi-year awards that will vest no later than the three-year service period ending December 31, 2026.

In March 2024, upon the election by certain of our executive officers and key employees, we withheld shares with a value at least equivalent to each such executive officer's minimum statutory obligation for applicable income and other employment taxes related to shares that vested and were paid in March 2024 for the performance period ended December 31, 2023. We paid the balance of such awarded shares to each such executive officer and remitted cash equivalent to the withheld shares to the appropriate taxing authorities. We withheld 14 thousand shares, based on the value of the shares on their award date. Total combined payments for the employees' tax obligations to the taxing authorities were approximately $1.5 million.

At March 31, 2024, the aggregate intrinsic value of the SICP awards granted to key employees was approximately $27.2 million. At March 31, 2024, there was approximately $14.2 million of unrecognized compensation cost related to these awards, which will be recognized through 2026.

Non-employee Directors

Shares granted to non-employee directors are issued in advance of the directors' service periods and are fully vested as of the grant date. We record a deferred expense equal to the fair value of the shares issued and amortize the expense equally over a service period of one year or less.

Our directors receive an annual retainer of shares of common stock under the SICP for services rendered through the subsequent Annual Meeting of Shareholders. Accordingly, our directors that served on the Board as of May 2023 each received approximately 1 thousand shares of common stock. respectively, with a weighted average fair value of $124.12 per share.

At March 31, 2024, there was less than $0.1 million of unrecognized compensation expense related to shares granted to non-employee directors. This expense will be recognized over the remaining service period ending in May 2024.

12. Derivative Instruments

We use derivative and non-derivative contracts to manage risks related to obtaining adequate supplies and the price fluctuations of natural gas, electricity and propane and to mitigate interest rate risk. Our natural gas, electric and propane distribution operations have entered into agreements with suppliers to purchase natural gas, electricity and propane for resale to our customers. Our natural gas gathering and transmission company has entered into contracts with producers to secure natural gas to meet its obligations. Purchases under these contracts typically either do not meet the definition of derivatives or are considered "normal purchases and normal sales" and are accounted for on an accrual basis. Our propane distribution operations may also enter into fair value hedges of their inventory or cash flow hedges of their future purchase commitments in order to mitigate the impact of wholesale price fluctuations. Occasionally, we may enter into interest rate swap agreements to mitigate risk associated with changes in short-term borrowing rates. As of March 31, 2024, our natural gas and electric distribution operations did not have any outstanding derivative contracts.

Volume of Derivative Activity

As of March 31, 2024, the volume of our commodity derivative contracts were as follows:

Business unit	Commodity	Contract Type	Quantity hedged (in millions)	Designation	Longest Expiration date of hedge
Sharp	Propane (gallons)	Purchases	8.8	Cash flow hedges	June 2026

Sharp entered into futures and swap agreements to mitigate the risk of fluctuations in wholesale propane index prices associated with the propane volumes that are expected to be purchased and/or sold during the heating season. Under the futures and swap agreements, Sharp will receive the difference between (i) the index prices (Mont Belvieu prices in March 2024 through June 2026) and (ii) the per gallon propane swap prices, to the extent the index prices exceed the contracted prices. If the index prices are lower than the contract prices, Sharp will pay the difference. We designated and accounted for the propane swaps as cash flow hedges. The change in the fair value of the swap agreements is recorded as unrealized gain (loss) in other comprehensive income (loss) and later recognized in the statement of income in the same period and in the same line item as the hedged transaction. We expect to reclassify unrealized gains of approximately $0.5 million from accumulated other comprehensive income (loss) related to our commodity cash flow hedges to earnings during the 12-month period ended March 31, 2025.

Interest Rate Swap Activities

We manage interest rate risk by entering into derivative contracts to hedge the variability in cash flows attributable to changes in the short-term borrowing rates. In September 2022, we entered into an interest rate swap with a notional amount of $50.0 million through September 2025, with pricing of 3.98 percent. Our interest rate swap is cash settled monthly as the counter-party pays us the 30-day SOFR rate less the fixed rate.

We designate and account for interest rate swaps as cash flow hedges. Accordingly, unrealized gains and losses associated with the interest rate swap are recorded as a component of accumulated other comprehensive income (loss). When the interest rate swap settles, the realized gain or loss is recorded in the income statement and is recognized as a component of interest charges.

Broker Margin

Futures exchanges have contract specific margin requirements that require the posting of cash or cash equivalents relating to traded contracts. Margin requirements consist of initial margin that is posted upon the initiation of a position, maintenance margin that is usually expressed as a percent of initial margin, and variation margin that fluctuates based on the daily mark-to-market relative to maintenance margin requirements. We currently maintain a broker margin account for Sharp included within other current assets on the consolidated balance sheet with a balance of $2.8 million and $2.1 million as of March 31, 2024 and December 31, 2023, respectively.

Financial Statements Presentation

The following tables present information about the fair value and related gains and losses of our derivative contracts. We did not have any derivative contracts with a credit-risk related contingency. Fair values of the derivative contracts recorded in the condensed consolidated balance sheets as of March 31, 2024 and December 31, 2023, are as follows:

	Derivative Assets				
		Fair Value As Of			
(in thousands)	Balance Sheet Location	March 31, 2024		December 31, 2023	
Derivatives designated as cash flow hedges					
Propane swap agreements	Derivative assets, at fair value	$	**589**	$	702
Interest rate swap agreements	Derivative assets, at fair value		**549**	[redacted]	365
Total Derivative Assets [(1)]		$	**1,138**	$	1,067

[(1)] Derivative assets, at fair value, include $1.0 million in current assets in the condensed consolidated balance sheet at both March 31, 2024 and December 31, 2023, with the remainder of the balance classified as long-term

	Derivative Liabilities				
		Fair Value As Of			
(in thousands)	Balance Sheet Location	March 31, 2024		December 31, 2023	
Derivatives designated as cash flow hedges					
Propane swap agreements	Derivative liabilities, at fair value	$	74	$	1,078
Interest rate swap agreements	Derivative liabilities, at fair value		—		203
Total Derivative Liabilities [(1)]		$	74	$	1,281

[(1)] Derivative liabilities, at fair value, were not material at March 31, 2024, and included $0.4 million in current liabilities in the condensed consolidated balance sheet at December 31, 2023, with the remainder of the balance classified as long-term

The effects of gains and losses from derivative instruments on the condensed consolidated financial statements are as follows:

		Amount of Gain (Loss) on Derivatives			
	Location of Gain	For the Three Months Ended March 31,			
(in thousands)	(Loss) on Derivatives	2024		2023	
Derivatives designated as cash flow hedges					
Propane swap agreements	Revenues	$	**(307)**	$	733
Propane swap agreements	Unregulated propane and natural gas costs		**1,391**		(127)
Interest rate swap agreements	Interest expense		**172**		65
Total		$	**1,256**	$	671

13. Fair Value of Financial Instruments

GAAP establishes a fair value hierarchy that prioritizes the inputs to valuation methods used to measure fair value. The three levels of the fair value hierarchy are the following:

Fair Value Hierarchy	Description of Fair Value Level	Fair Value Technique Utilized
Level 1	Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities.	*Investments - equity securities* - The fair values of these trading securities are recorded at fair value based on unadjusted quoted prices in active markets for identical securities. *Investments - mutual funds and other* - The fair values of these investments, comprised of money market and mutual funds, are recorded at fair value based on quoted net asset values of the shares.
Level 2	Quoted prices in markets that are not active, or inputs which are observable, either directly or indirectly, for substantially the full term of the asset or liability.	*Derivative assets and liabilities* - The fair value of the propane put/call options, propane and interest rate swap agreements are measured using market transactions for similar assets and liabilities in either the listed or over-the-counter markets.
Level 3	Prices or valuation techniques requiring inputs that are both significant to the fair value measurement and unobservable (i.e. supported by little or no market activity).	*Investments - guaranteed income fund* - The fair values of these investments are recorded at the contract value, which approximates their fair value.

Financial Assets and Liabilities Measured at Fair Value

The following tables summarize our financial assets and liabilities that are measured at fair value on a recurring basis and the fair value measurements, by level, within the fair value hierarchy as of March 31, 2024 and December 31, 2023:

		Fair Value Measurements Using:		
As of March 31, 2024 *(in thousands)*	**Fair Value**	**Quoted Prices in Active Markets (Level 1)**	**Significant Other Observable Inputs (Level 2)**	**Significant Unobservable Inputs (Level 3)**
Assets:				
Investments—equity securities	$ 20	$ 20	$ —	$ —
Investments—guaranteed income fund	1,415	—	—	1,415
Investments—mutual funds and other	11,786	11,786	—	—
Total investments	13,221	11,806	—	1,415
Derivative assets	1,138	—	1,138	—
Total assets	$ 14,359	$ 11,806	$ 1,138	$ 1,415
Liabilities:				
Derivative liabilities	$ 74	$ —	$ 74	$ —

As of December 31, 2023 (in thousands)	Fair Value	Fair Value Measurements Using: Quoted Prices in Active Markets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Assets:				
Investments—equity securities	$ 21	$ 21	$ —	$ —
Investments—guaranteed income fund	1,489	—	—	1,489
Investments—mutual funds and other	10,772	10,772	—	—
Total investments	12,282	10,793	—	1,489
Derivative assets	1,067	—	1,067	—
Total assets	$ 13,349	$ 10,793	$ 1,067	$ 1,489
Liabilities:				
Derivative liabilities	$ 1,281	$ —	$ 1,281	$ —

The changes in the fair value of Level 3 investments for the three months ended March 31, 2024 and 2023 were immaterial. Investment income from the Level 3 investments is reflected in other income, net in the condensed consolidated statements of income.

At March 31, 2024, there were no non-financial assets or liabilities required to be reported at fair value. We review our non-financial assets for impairment at least on an annual basis, as required.

Other Financial Assets and Liabilities

Financial assets with carrying values approximating fair value include cash and cash equivalents and accounts receivable. Financial liabilities with carrying values approximating fair value include accounts payable and other accrued liabilities and short-term debt. The fair value of cash and cash equivalents is measured using the comparable value in the active market and approximates its carrying value (Level 1 measurement). The fair value of short-term debt approximates the carrying value due to its near-term maturities and because interest rates approximate current market rates (Level 2 measurement).

At March 31, 2024, long-term debt, which includes current maturities but excludes debt issuance costs, had a carrying value of approximately $1.2 billion. compared to the estimated fair value of $1.1 billion. At December 31, 2023, long-term debt, which includes the current maturities but excludes debt issuance costs, had a carrying value of approximately $1.2 billion. compared to a fair value of approximately $1.2 billion. The fair value was calculated using a discounted cash flow methodology that incorporates a market interest rate based on published corporate borrowing rates for debt instruments with similar terms and average maturities, and with adjustments for duration. optionality, and risk profile. The valuation technique used to estimate the fair value of long-term debt would be considered a Level 2 measurement.

14. Long-Term Debt

Our outstanding long-term debt is shown below:

(in thousands)	March 31, 2024	December 31, 2023
Uncollateralized senior notes:		
5.68% notes, due June 30, 2026	$ 8,700	$ 8,700
6.43% notes, due May 2, 2028	3,500	3,500
3.73% notes, due December 16, 2028	10,000	10,000
3.88% notes, due May 15, 2029	30,000	30,000
3.25% notes, due April 30, 2032	57,750	59,500
3.48% notes, due May 31, 2038	50,000	50,000
3.58% notes, due November 30, 2038	50,000	50,000
3.98% notes, due August 20, 2039	100,000	100,000
2.98% notes, due December 20, 2034	70,000	70,000
3.00% notes, due July 15, 2035	50,000	50,000
2.96% notes, due August 15, 2035	40,000	40,000
2.49% notes, due January 25, 2037	50,000	50,000
2.95% notes, due March 15, 2042	50,000	50,000
5.43% notes, due March 14, 2038	80,000	80,000
6.39% notes, due December 2026	100,000	100,000
6.44% notes, due December 2027	100,000	100,000
6.45% notes, due December 2028	100,000	100,000
6.62% notes, due December 2030	100,000	100,000
6.71% notes, due December 2033	100,000	100,000
6.73% notes, due December 2038	50,000	50,000
Equipment security note		
2.46% note, due September 24, 2031	7,409	7,633
Less: debt issuance costs	(3,682)	(3,753)
Total long-term debt	1,203,677	1,205,580
Less: current maturities	(18,511)	(18,505)
Total long-term debt, net of current maturities	$ 1,185,166	$ 1,187,075

Terms of the Senior Notes

All of our outstanding Senior Notes set forth certain business covenants to which we are subject when any note is outstanding, including covenants that limit or restrict our ability, and the ability of our subsidiaries, to incur indebtedness, or place or permit liens and encumbrances on any of our property or the property of our subsidiaries.

Senior Notes

On November 20, 2023, we issued Senior Notes in the aggregate principal amount of $550.0 million at an average interest rate of 6.54 percent that were used to partially finance our acquisition of FCG which closed during the fourth quarter of 2023. These notes have varying maturity dates of between three and 15 years, and the outstanding principal balance of the notes will be due on their respective maturity dates with interest payments payable semiannually until the principal has been paid in full. These Senior Notes have similar covenants and default provisions as our other Senior Notes.

On March 14, 2023 we issued 5.43 percent Senior Notes due in March 2038 in the aggregate principal amount of $80.0 million and used the proceeds received from the issuances of the Senior Notes to reduce short-term borrowings under our Revolver credit facility and to fund capital expenditures. These Senior Notes have similar covenants and default provisions as our other Senior Notes, and have an annual principal payment beginning in the sixth year after the issuance.

Shelf Agreements

We have entered into Shelf Agreements with Prudential and MetLife, whom are under no obligation to purchase any unsecured debt with terms that extend through February 2026. At March 31, 2024, a total of $255.0 million of borrowing capacity was available under these agreements.

15. Short-Term Borrowings

We are authorized by our Board of Directors to borrow up to $375.0 million of short-term debt, as required. At March 31, 2024 and December 31, 2023, we had $170.4 million and $179.9 million, respectively, of short-term borrowings outstanding at a weighted average interest rate of 5.83 percent during each period. There were no borrowings outstanding under the sustainable investment sublimit of the 364-day tranche at March 31, 2024.

We have entered into several amendments to our Revolver which resulted in modifications to both tranches of the facility. The most recent amendment in October 2023 increased our funded indebtedness ratio from 65 percent to 70 percent during the quarter in which the acquisition of FCG was consummated and the quarter subsequent to the closing of the acquisition. The amendment in August 2023 renewed the 364-day tranche of the Revolver providing for $175.0 million of short-term debt capacity. Additionally, the amendment under the 364-day tranche prescribed that borrowings would bear interest (i) based upon the SOFR, plus a 10-basis point credit spread adjustment, and an applicable margin of 1.05 percent or less, with such margin based on total indebtedness as a percentage of total capitalization or (ii) the base rate, solely at our discretion. Further, the amendment provided that borrowings under the 364-day green loan sublimit would bear interest at (i) the SOFR rate plus a 10-basis point credit spread adjustment and an applicable margin of 1.00 percent or less, with such margin based on total indebtedness as a percentage of total capitalization or (ii) the base rate plus 0.05 percent or less, solely at our discretion. The amendment entered into in 2022 reset the benchmark interest rate to SOFR and eliminated a previous covenant which capped our investment limit to $150.0 million for investments where we maintain less than 50 percent ownership.

The 364-day tranche of the Revolver expires in August 2024 and the five-year tranche expires in August 2026. Borrowings under both tranches of the Revolver are subject to a pricing grid, including the commitment fee and the interest rate charged based upon our total indebtedness to total capitalization ratio for the prior quarter. As of March 31, 2024, the pricing under the 364-day tranche of the Revolver included a commitment fee of 10 basis points on undrawn amounts and an interest rate of 80 basis points over SOFR plus a 10-basis point SOFR adjustment on outstanding balances. As of March 31, 2024, the pricing under the five-year tranche of the Revolver included a commitment fee of 10-basis points on undrawn amounts and an interest rate of 100-basis points over SOFR plus a 10-basis point SOFR adjustment on outstanding balances.

The availability of funds under the Revolver is subject to conditions specified in the credit agreement, all of which we currently satisfy. These conditions include our compliance with financial covenants and the continued accuracy of representations and warranties contained in the Revolver's loan documents. We are required by the financial covenants in the Revolver to maintain, at the end of each fiscal year, a funded indebtedness ratio as described above. As of March 31, 2024, we were in compliance with this covenant.

Our total available credit under the Revolver at March 31, 2024 was $197.6 million. As of March 31, 2024, we had issued $7.0 million in letters of credit to various counterparties under the Revolver. These letters of credit are not included in the outstanding short-term borrowings and we do not anticipate that they will be drawn upon by the counterparties. The letters of credit reduce the available borrowings under the Revolver.

In connection with our acquisition of FCG, we entered into a 364-day Bridge Facility commitment with Barclays Bank PLC and other lending parties for up to $965.0 million. Upon closing of the FCG acquisition in November 2023, and with the completion of other financing activities as defined in the lending agreement, this facility was terminated with no funds drawn to finance the transaction. For additional information regarding the acquisition and related financing, see Note 3, *Acquisitions,* Note 9, *Stockholders Equity*, and Note 14, *Long-Term Debt*.

For additional information on interest rate swaps related to our short-term borrowings, see Note 12, *Derivative Instruments*.

16. Leases

We have entered into lease arrangements for office space, land, equipment, pipeline facilities and warehouses. These lease arrangements enable us to better conduct business operations in the regions in which we operate. Office space is leased to provide adequate workspace for our employees in several locations throughout our service territories. We lease land at various locations throughout our service territories to enable us to inject natural gas into underground storage and distribution systems, for bulk storage capacity, for our propane operations and for storage of equipment used in repairs and maintenance of our infrastructure. We lease natural gas compressors to ensure timely and reliable transportation of natural gas to our customers. We also lease warehouses to store equipment and materials used in repairs and maintenance for our businesses.

Some of our leases are subject to annual changes in the Consumer Price Index ("CPI"). While lease liabilities are not re-measured as a result of changes to the CPI, changes to the CPI are treated as variable lease payments and recognized in the period in which the obligation for those payments was incurred. A 100-basis-point increase in CPI would not have resulted in material additional annual lease costs. Most of our leases include options to renew, with renewal terms that can extend the lease term from one to 25 years or more. The exercise of lease renewal options is at our sole discretion. The amounts disclosed in our consolidated balance sheet at March 31, 2024, pertaining to the right-of-use assets and lease liabilities, are measured based on our current expectations of exercising our available renewal options. Our existing leases are not subject to any restrictions or covenants that would preclude our ability to pay dividends, obtain financing or enter into additional leases. As of March 31, 2024, we have not entered into any leases, which have not yet commenced, that would entitle us to significant rights or create additional obligations. The following table presents information related to our total lease cost included in our condensed consolidated statements of income:

		Three Months Ended March 31,	
(in thousands)	**Classification**	**2024**	**2023**
Operating lease cost [1]	Operations expense	$ 736	$ 788

[1] Includes short-term leases and variable lease costs, which are immaterial

The following table presents the balance and classifications of our right of use assets and lease liabilities included in our condensed consolidated balance sheet at March 31, 2024 and December 31, 2023:

(in thousands)	**Balance sheet classification**	**March 31, 2024**	**December 31, 2023**
Assets			
Operating lease assets	Operating lease right-of-use assets	$ 11,719	$ 12,426
Liabilities			
Current			
Operating lease liabilities	Other accrued liabilities	$ 2,479	$ 2,454
Noncurrent			
Operating lease liabilities	Operating lease - liabilities	9,832	10,550
Total lease liabilities		$ 12,311	$ 13,004

The following table presents our weighted-average remaining lease terms and weighted-average discount rates for our operating leases at March 31, 2024 and December 31, 2023:

	March 31, 2024	December 31, 2023
Weighted-average remaining lease term (*in years*)		
Operating leases	**8.0**	8.1
Weighted-average discount rate		
Operating leases	**3.5 %**	3.5 %

The following table presents additional information related to cash paid for amounts included in the measurement of lease liabilities included in our condensed consolidated statements of cash flows as of March 31, 2024 and 2023:

	Three Months Ended March 31,	
(in thousands)	2024	2023
Operating cash flows from operating leases	$ 724	$ 722

The following table presents the future undiscounted maturities of our operating and financing leases at March 31, 2024 and for each of the next five years and thereafter:

(in thousands)	Operating Leases [(1)]
Remainder of 2024	**$ 2,128**
2025	**2,302**
2026	**1,767**
2027	**1,531**
2028	**1,152**
2029	**1,092**
Thereafter	**4,066**
Total lease payments	**14,038**
Less: Interest	**(1,727)**
Present value of lease liabilities	**$ 12,311**

(1) Operating lease payments include $2 1 million related to options to extend lease terms that are reasonably certain of being exercised

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

Management's Discussion and Analysis of Financial Condition and Results of Operations is designed to provide a reader of the financial statements with a narrative report on our financial condition, results of operations and liquidity. This discussion and analysis should be read in conjunction with the attached unaudited condensed consolidated financial statements and notes thereto and our Annual Report on Form 10-K for the year ended December 31, 2023, including the audited consolidated financial statements and notes thereto.

Safe Harbor for Forward-Looking Statements

We make statements in this Quarterly Report on Form 10-Q (this "Quarterly Report") that do not directly or exclusively relate to historical facts. Such statements are "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, Section 21E of the Securities Exchange Act of 1934, as amended, and the Private Securities Litigation Reform Act of 1995. One can typically identify forward-looking statements by the use of forward-looking words, such as "project," "believe," "expect," "anticipate," "intend," "plan," "estimate," "continue," "potential," "forecast" or other similar words, or future or conditional verbs such as "may," "will," "should," "would" or "could." These statements represent our intentions, plans, expectations, assumptions and beliefs about future financial performance, business strategy, projected plans and objectives of the Company. Forward-looking statements speak only as of the date they are made or as of the date indicated and we do not undertake any obligation to update forward-looking statements as a result of new information, future events or otherwise. These statements are subject to many risks and uncertainties. In addition to the risk factors described under Item 1A., Risk Factors in our 2023 Annual Report on Form 10-K, the following important factors, among others, could cause actual future results to differ materially from those expressed in the forward-looking statements:

- state and federal legislative and regulatory initiatives that affect cost and investment recovery, have an impact on rate structures, and affect the speed and the degree to which competition enters the electric and natural gas industries;
- the outcomes of regulatory, environmental and legal matters, including whether pending matters are resolved within current estimates and whether the related costs are adequately covered by insurance or recoverable in rates;
- the impact of climate change, including the impact of greenhouse gas emissions or other legislation or regulations intended to address climate change;
- the impact of significant changes to current tax regulations and rates;
- the timing of certification authorizations associated with new capital projects and the ability to construct facilities at or below estimated costs;
- changes in environmental and other laws and regulations to which we are subject and environmental conditions of property that we now, or may in the future, own or operate;
- possible increased federal, state and local regulation of the safety of our operations;
- the availability and reliability of adequate technology, including our ability to adapt to technological advances, effectively implement new technologies and manage the related costs;
- the inherent hazards and risks involved in transporting and distributing natural gas, electricity and propane;
- the economy in our service territories or markets, the nation, and worldwide, including the impact of economic conditions (which we do not control) on demand for natural gas, electricity, propane or other fuels;
- risks related to cyber-attacks or cyber-terrorism that could disrupt our business operations or result in failure of information technology systems or result in the loss or exposure of confidential or sensitive customer, employee or Company information;
- adverse weather conditions, including the effects of hurricanes, ice storms and other damaging weather events;
- customers' preferred energy sources;
- industrial, commercial and residential growth or contraction in our markets or service territories;
- the effect of competition on our businesses from other energy suppliers and alternative forms of energy;
- the timing and extent of changes in commodity prices and interest rates;
- the effect of spot, forward and future market prices on our various energy businesses;
- the extent of our success in connecting natural gas and electric supplies to our transmission systems, establishing and maintaining key supply sources, and expanding natural gas and electric markets;
- the creditworthiness of counterparties with which we are engaged in transactions;
- the capital-intensive nature of our regulated energy businesses;
- our ability to access the credit and capital markets to execute our business strategy, including our ability to obtain financing on favorable terms, which can be affected by various factors, including credit ratings and general economic conditions;
- the ability to successfully execute, manage and integrate a merger, acquisition or divestiture of assets or businesses and the related regulatory or other conditions associated with the merger, acquisition or divestiture;
- the impact on our costs and funding obligations, under our pension and other postretirement benefit plans, of potential downturns in the financial markets, lower discount rates, and costs associated with health care legislation and regulation;
- the ability to continue to hire, train and retain appropriately qualified personnel;

- the availability of, and competition for, qualified personnel supporting our natural gas, electricity and propane businesses;
- the effect of accounting pronouncements issued periodically by accounting standard-setting bodies; and
- the impacts associated with a pandemic, including the duration and scope of the pandemic the corresponding impact on our supply chain, our personnel, our contract counterparties, general economic conditions and growth, the financial markets and any costs to comply with governmental mandates.

Introduction

Chesapeake Utilities is a Delaware corporation formed in 1947. We are a diversified energy company engaged, through our operating divisions and subsidiaries, in regulated energy, unregulated energy and other businesses. We operate primarily on the east coast of the United States and provide natural gas distribution and transmission; electric distribution and generation; propane gas distribution: mobile compressed natural gas services; steam generation: and other energy-related services.

Our strategy is focused on growing earnings from a stable regulated energy delivery foundation and investing in related businesses and services that provide opportunities for returns greater than traditional utility returns. We seek to identify and develop opportunities across the energy value chain. with emphasis on midstream and downstream investments that are accretive to earnings per share, consistent with our long-term growth strategy and create opportunities to continue our record of top tier returns on equity relative to our peer group. Our growth strategy includes the continued investment and expansion of our regulated operations that provide a stable base of earnings, as well as investments in other related non-regulated businesses and services including sustainable energy initiatives. By investing in these related business and services, we create opportunities to sustain our track record of higher returns, as compared to a traditional utility.

Currently, our growth strategy is focused on the following platforms, including:

- Optimizing the earnings growth in our existing businesses, which includes organic growth, territory expansions, and new products and services as well as increased opportunities to transform the Company with a focus on people, process, technology and organizational structure.
- Identification and pursuit of additional pipeline expansions, including new interstate and intrastate transmission projects.
- Growth of Marlin Gas Services' CNG transport business and expansion into LNG and RNG transport services as well as methane capture.
- Identifying and undertaking additional strategic propane acquisitions that provide a larger foundation in current markets and expand our brand and presence into new strategic growth markets.
- Pursuit of growth opportunities that enable us to utilize our integrated set of energy delivery businesses to participate in sustainable energy opportunities.

Due to the seasonality of our business, results for interim periods are not necessarily indicative of results for the entire fiscal year. Revenue and earnings are typically greater during the first and fourth quarters, when consumption of energy is normally highest due to colder temperatures.

Sustainability Initiatives

We continue to remain steadfast in regards to our sustainability commitments, including the following:

- Maintaining a leading role in the journey to a lower carbon future in our service areas.
- Continuing to promote a diverse and inclusive workplace and further the sustainability of the communities we serve.
- Operating our businesses with integrity and the highest ethical standards.

These commitments guide our mission to deliver energy that makes life better for the people and communities we serve. They impact every aspect of the relationships we have with our stakeholders. In April of 2024, we unveiled our first in a series of sustainability micro-reports, with the first report focused on Safety and Reliability. The Safety and Reliability Report will be followed by at least two additional micro-reports. The second report, expected to be published this summer, will focus on the Company's environmental stewardship, including progress on environmental sustainability initiatives and mitigation of greenhouse gas emissions. The third micro-report. planned for distribution in the fall, will focus on community impact, reporting on Diversity, Equity and Inclusion ("DEI") initiatives and investments in people, communities and customers.

Transitioning from a single large sustainability report to these micro-reports will provide a steadier release of information throughout the year, including progress updates and new or expanded initiatives and programs. In addition to the micro-reports, the Company will publish investor-focused tables later this year.

We encourage our investors to review the Safety and Reliability micro-report, as well as prior sustainability reports, which can be accessed on our website, and welcome feedback as we continue to enhance our sustainability disclosures.

Acquisition of Florida City Gas

On November 30, 2023, we completed the acquisition of FCG for $922.8 million in cash, which included working capital adjustments as defined in the agreement that were settled during the first quarter of 2024, pursuant to the previously disclosed stock purchase agreement with Florida Power & Light Company. Upon completion of the acquisition, FCG became a wholly-owned subsidiary of the Company and is included within our Regulated Energy segment. FCG serves approximately 120,000 residential and commercial natural gas customers across eight counties in Florida, including Miami-Dade, Broward, Brevard, Palm Beach, Hendry, Martin, St. Lucie and Indian River. Its natural gas system includes approximately 3,800 miles of distribution main and 80 miles of transmission pipe.

In June 2023, FCG received approval from the Florida PSC for a $23.3 million total increase in base revenue in connection with its May 2022 rate case filing. The new rates, which became effective as of May 1, 2023, included the transfer of its SAFE program provisions from a rider clause to base rates, an increase in rates associated with a liquefied natural gas facility, and approval of FCG's proposed RSAM with a $25.0 million reserve amount. The RSAM is recorded as either an increase or decrease to accrued removal costs on the balance sheet, with a corresponding increase or decrease to depreciation and amortization expense. The impact of FCG's results from the acquisition date and effects on our liquidity are discussed further below and throughout Item 7, Management's Discussion and Analysis of Financial Condition and Results of Operations.

Unless otherwise noted, EPS and Adjusted EPS information are presented on a diluted basis.

Non-GAAP Financial Measures

This document, including the tables herein, include references to both Generally Accepted Accounting Principles ("GAAP") and non-GAAP financial measures, including Adjusted Gross Margin, Adjusted Net Income and Adjusted EPS. A "non-GAAP financial measure" is generally defined as a numerical measure of a company's historical or future performance that includes or excludes amounts, or that is subject to adjustments, so as to be different from the most directly comparable measure calculated or presented in accordance with GAAP. Our management believes certain non-GAAP financial measures, when considered together with GAAP financial measures, provide information that is useful to investors in understanding period-over-period operating results separate and apart from items that may, or could, have a disproportionately positive or negative impact on results in any particular period.

We calculate Adjusted Gross Margin by deducting the purchased cost of natural gas, propane and electricity and the cost of labor spent on direct revenue-producing activities from operating revenues. The costs included in Adjusted Gross Margin exclude depreciation and amortization and certain costs presented in operations and maintenance expenses in accordance with regulatory requirements. We calculate Adjusted Net Income and Adjusted EPS by deducting non-recurring costs and expenses associated with significant acquisitions that may affect the comparison of period-over-period results. These non-GAAP financial measures are not in accordance with, or an alternative to, GAAP and should be considered in addition to, and not as a substitute for, the comparable GAAP measures. The Company believes that these non-GAAP financial measures are useful and meaningful to investors as a basis for making investment decisions, and provide investors with information that demonstrates the profitability achieved by the Company under allowed rates for regulated energy operations and under the Company's competitive pricing structures for unregulated energy operations. The Company's management uses these non-GAAP financial measures in assessing a business unit's and the overall Company performance. Other companies may calculate these non-GAAP financial measures in a different manner.

The following tables reconcile Gross Margin, Net Income, and EPS, all as defined under GAAP, to our non-GAAP financial measures of Adjusted Gross Margin, Adjusted Net Income and Adjusted EPS for the three months ended March 31, 2024 and 2023:

(in thousands)	For the Three Months Ended March 31, 2024 Regulated Energy	Unregulated Energy	Other and Eliminations	Total
Operating Revenues	**$ 168,426**	**$ 83,103**	**$ (5,785)**	**$ 245,744**
Cost of Sales:				
Natural gas, propane and electric costs	(49,918)	(37,054)	5,755	(81,217)
Depreciation & amortization	(12,537)	(4,481)	2	(17,016)
Operations & maintenance expenses (1)	(12,736)	(8,422)	(2)	(21,160)
Gross Margin (GAAP)	**93,235**	**33,146**	**(30)**	**126,351**
Operations & maintenance expenses (1)	12,736	8,422	2	21,160
Depreciation & amortization	12,537	4,481	(2)	17,016
Adjusted Gross Margin (Non-GAAP)	**$ 118,508**	**$ 46,049**	**$ (30)**	**$ 164,527**

(in thousands)	For the Three Months Ended March 31, 2023 Regulated Energy	Unregulated Energy	Other and Eliminations	Total
Operating Revenues	**$ 142,270**	**$ 83,165**	**$ (7,306)**	**$ 218,129**
Cost of Sales:				
Natural gas, propane and electric costs	(55,288)	(40,571)	7,270	(88,589)
Depreciation & amortization	(12,952)	(4,234)	3	(17,183)
Operations & maintenance expenses (1)	(9,287)	(8,476)	5	(17,758)
Gross Margin (GAAP)	**64,743**	**29,884**	**(28)**	**94,599**
Operations & maintenance expenses (1)	9,287	8,476	(5)	17,758
Depreciation & amortization	12,952	4,234	(3)	17,183
Adjusted Gross Margin (Non-GAAP)	**$ 86,982**	**$ 42,594**	**$ (36)**	**$ 129,540**

(1) Operations & maintenance expenses within the condensed consolidated statements of income are presented in accordance with regulatory requirements and to provide comparability within the industry. Operations & maintenance expenses which are deemed to be directly attributable to revenue producing activities have been separately presented above in order to calculate Gross Margin as defined under U.S. GAAP.

2024 to 2023 Gross Margin (GAAP) Variance – Regulated Energy

Gross Margin (GAAP) for the Regulated Energy segment for the quarter ended March 31, 2024 was $93.2 million, an increase of $28.5 million, or 44.0 percent, compared to the same period in 2023. Higher gross margin reflects incremental margin attributable to FCG, organic growth in our natural gas distribution businesses and continued pipeline expansion projects, and incremental contributions associated with regulated infrastructure programs. These contributors were partially offset by non-recurring FCG transaction and transition-related expenses.

2024 to 2023 Gross Margin (GAAP) Variance – Unregulated Energy

Gross Margin (GAAP) for the Unregulated Energy segment for the quarter ended March 31, 2024 was $33.1 million, an increase of $3.3 million, or 10.9 percent, compared to the same period in 2023. Higher gross margin related primarily to contributions from increased propane margins and fees as well as increased customer margins and improved customer consumption at Aspire.

Adjusted Net Income and Adjusted EPS

(in thousands, except per share data)	Three Months Ended March 31, 2024	2023
Net Income (GAAP)	$ 46,168	$ 36,344
FCG transaction and transition-related expenses, net (1)	677	—
Adjusted Net Income (Non-GAAP)	$ 46,845	$ 36,344
Weighted average common shares outstanding - diluted (2)	22,306	17,832
Earnings Per Share - Diluted (GAAP)	$ 2.07	$ 2.04
FCG transaction and transition-related expenses, net (1)	0.03	—
Adjusted Earnings Per Share - Diluted (Non-GAAP)	$ 2.10	$ 2.04

(1) Transition-related expenses represent non-recurring costs incurred attributable to the acquisition and integration of FCG including, but not limited to, transition services, consulting, system integration, rebranding, and legal fees

(2) Weighted average shares for the quarter ended March 31, 2024 reflect the impact of 4 4 million common shares issued in November 2023 in connection with the acquisition of FCG See Notes 3 and 9 for additional details on the acquisition and related equity offering

2024 to 2023 Net Income (GAAP) Variance

Net income (GAAP) for the quarter ended March 31, 2024 was $46.2 million. or $2.07 per share, compared to $36.3 million, or $2.04 per share, for the same quarter of 2023. Net income for the three months ended March 31, 2024 included $0.7 million of transaction and transition-related expenses in connection with the acquisition and integration of FCG. Excluding these costs, net income increased by $10.5 million or 28.9 percent compared to the same period in the prior year.

Results of Operations for the Three Months Ended March 31, 2024

Operational Highlights

Our adjusted net income for the three months ended March 31, 2024 was $46.8 million, or $2.10 per share, compared to $36.3 million, or $2.04 per share, for the same quarter of 2023. Adjusted net income for the first quarter of 2023 included a non-recurring gain of $1.3 million related to a reduction in the Pennsylvania state tax rate. Operating income for the first quarter of 2024 was $79.6 million, an increase of $24.7 million or 44.9 percent compared to the same period in 2023. Excluding transaction and transition-related expenses associated with the acquisition and integration of FCG, operating income increased $25.6 million or 46.6 percent compared to the prior-year period. Adjusted gross margin in the first quarter of 2024 was positively impacted by incremental margin from FCG, natural gas organic growth and continued pipeline expansion projects, higher customer consumption, incremental contributions associated with regulatory initiatives, and increased propane margins and fees compared to the prior-year period. Higher operating expenses in the first quarter of 2024 largely associated with FCG were partially offset by lower employee benefits and incentive compensation costs compared to the same quarter of 2023. Increases in depreciation and amortization expense attributable to growth projects and FCG were partially offset by lower depreciation in our electric operations due to revised rates in the electric depreciation study filing approved in December 2023 and a $3.4 million RSAM adjustment from FCG.

(in thousands, except per share data)	Three Months Ended March 31, 2024	2023	Increase (Decrease)
Adjusted Gross Margin			
Regulated Energy segment	$ **118,508**	$ 86,982	$ 31,526
Unregulated Energy segment	**46,049**	42,594	3,455
Other businesses and eliminations	**(30)**	(36)	6
Total Adjusted Gross Margin	$ **164,527**	$ **129,540**	$ 34,987
Operating Income			
Regulated Energy segment	$ **58,109**	$ 37,625	$ 20,484
Unregulated Energy segment	**21,429**	17,245	4,184
Other businesses and eliminations	**47**	**45**	2
Total Operating Income	**79,585**	**54,915**	24,670
Other income, net	**195**	276	(81)
Interest charges	**17,026**	7,232	9,794
Income Before Income Taxes	**62,754**	47,959	14,795
Income taxes	**16,586**	11,615	4,971
Net Income	$ **46,168**	$ 36,344	$ 9,824
Weighted Average Common Shares Outstanding: [1]			
Basic	**22,250**	17,760	4,490
Diluted	**22,306**	17,832	4,474
Earnings Per Share of Common Stock			
Basic	$ **2.07**	$ 2.05	$ 0.02
Diluted	$ **2.07**	$ 2.04	$ 0.03
Adjusted Net Income and Adjusted Earnings Per Share			
Net Income (GAAP)	$ **46,168**	$ 36,344	$ 9,824
FCG transaction and transition-related expenses, net [2]	**677**	—	677
Adjusted Net Income (Non-GAAP)	$ **46,845**	$ 36,344	$ 10,501
Earnings Per Share - Diluted (GAAP)	$ **2.07**	$ 2.04	$ 0.03
FCG transaction and transition-related expenses, net [2]	**0.03**	—	0.03
Adjusted Earnings Per Share - Diluted (Non-GAAP)	$ **2.10**	$ 2.04	$ 0.06

[1] Weighted average shares for the quarter ended March 31, 2024 reflect the impact of 4.4 million common shares issued in November 2023 in connection with the acquisition of FCG
[2] Transaction and transition-related expenses represent costs incurred attributable to the acquisition and integration of FCG including, but not limited to, transition services, consulting, system integration, rebranding and legal fees

Key variances between the first quarter of 2023 and the first quarter of 2024 included:

(in thousands, except per share data)	Pre-tax Income	Net Income	Earnings Per Share
First Quarter of 2023 Adjusted Results	**$ 47,959**	**$ 36,344**	**$ 2.04**
Non-recurring Items:			
Absence of the one-time benefit associated with a reduction in the PA state tax rate	—	(1,284)	(0.06)
	—	(1,284)	(0.06)
Increased Adjusted Gross Margins:			
Contribution from recent acquisitions	25,397	18,685	0.84
Natural gas growth including conversions (excluding service expansions)	1,916	1,409	0.07
Changes in customer consumption	1,906	1,402	0.06
Natural gas transmission service expansions*	1,622	1,193	0.05
Contribution from rates associated with the Florida natural gas base rate proceeding*	1,498	1,102	0.05
Contributions from regulated infrastructure programs*	1,278	941	0.04
Higher performance from Aspire Energy	938	690	0.03
Increased propane margins and service fees	559	411	0.02
	35,114	25,833	1.16
(Increased) Decreased Operating Expenses (Excluding Natural Gas, Propane, and Electric Costs):			
FCG operating expenses	(10,413)	(7,661)	(0.34)
Depreciation. amortization and property tax costs	(1,498)	(1,102)	(0.05)
Insurance related costs	(525)	(386)	(0.02)
Payroll, benefits and other employee-related expenses	2,964	2,181	0.10
	(9,472)	(6,968)	(0.31)
Interest charges	(9,794)	(7,206)	(0.32)
Increase in shares outstanding due to 2023 and 2024 equity offerings	—	—	(0.41)
Net other changes	(132)	126	—
	(9,926)	(7,080)	(0.73)
First Quarter of 2024 Adjusted Results**	**$ 63,675**	**$ 46,845**	**$ 2.10**

* See the Major Projects and Initiatives table

** Transaction and transition-related expenses attributable to the acquisition and integration of FCG have been excluded from the Company's non-GAAP measures of adjusted net income and adjusted EPS See reconciliations above for a detailed comparison to the related GAAP measures

Summary of Key Factors

Recently Completed and Ongoing Major Projects and Initiatives

We continuously pursue and develop additional projects and initiatives to serve existing and new customers, further grow our businesses and earnings, and increase shareholder value. The following table includes all major projects and initiatives that are currently underway or recently completed. Our practice is to add new projects and initiatives to this table once negotiations or details are substantially final and/or the associated earnings can be estimated. Major projects and initiatives that have generated consistent year-over-year adjusted gross margin contributions are removed from the table at the beginning of the next calendar year.

	Adjusted Gross Margin				
	Three Months Ended March 31,		Year Ended December 31,	Estimate for Fiscal	
(in thousands)	2024	2023	2023	2024	2025
Pipeline Expansions:					
Southern Expansion	$ 586	$ —	$ 586	$ 2,344	$ 2,344
Beachside Pipeline Expansion	603	—	1,810	2,451	2,414
North Ocean City Connector	—	—	—	—	494
St. Cloud / Twin Lakes Expansion	146	—	264	584	584
Wildlight	199	26	471	2,000	2,038
Lake Wales	114	—	265	454	454
Newberry	—	—	—	862	2,585
Boynton Beach	—	—	—	—	3,342
New Smyrna Beach	—	—	—	—	1,710
Total Pipeline Expansions	1,648	26	3,396	8,695	15,965
CNG/RNG/LNG Transportation and Infrastructure	3,435	3,521	11,181	12,500	13,969
Regulatory Initiatives:					
Florida GUARD program	589	—	353	3,231	5,602
FCG SAFE Program	412	—	—	2,683	5,293
Capital Cost Surcharge Programs	831	720	2,829	3,979	4,374
Florida Rate Case Proceeding [(1)]	5,595	4,097	15,835	17,153	17,153
Maryland Rate Case [(2)]	—	—	—	TBD	TBD
Electric Storm Protection Plan	630	206	1,326	2,433	3,951
Total Regulatory Initiatives	8,057	5,023	20,343	29,479	36,373
Total	$ 13,140	$ 8,570	$ 34,920	$ 50,674	$ 66,307

[(1)] Includes adjusted gross margin during 2023 comprised of both interim rates and permanent base rates which became effective in March 2023

[(2)] Rate case application and depreciation study filed with the Maryland PSC in January 2024 See additional information provided below

Detailed Discussion of Major Projects and Initiatives

Pipeline Expansions

Southern Expansion

Eastern Shore installed a new natural gas driven compressor skid unit at its existing Bridgeville, Delaware compressor station that provides 7,300 Dts of incremental firm transportation pipeline capacity. The project was placed in service in the fourth quarter of 2023. The project generated additional adjusted gross margin of $0.6 million for the three months ended March 31, 2024, and is expected to produce adjusted gross margin of $2.3 million in 2024 and thereafter.

Beachside Pipeline Expansion

In June 2021, Peninsula Pipeline and FCG entered into a Transportation Service Agreement for an incremental 10,176 Dts/d of firm service in Indian River County, Florida, to support Florida City Gas' growth along the Indian River's barrier island. As part of this agreement, Peninsula Pipeline constructed approximately 11.3 miles of pipeline from its existing pipeline in Sebastian, Florida. The project went into service in April 2023. Subsequent to the acquisition of FCG, the agreement is now an affiliate agreement. The project generated additional adjusted gross margin of $0.6 million for the three months ended March 31, 2024, and is expected to produce adjusted gross margin of approximately $2.5 million in 2024 and $2.4 million in 2025 and thereafter.

North Ocean City Connector
Our Delaware natural gas division and Sandpiper installed approximately 5.4 miles of pipeline across southern Sussex County, Delaware to Fenwick Island, Delaware and Worcester County, Maryland. The project reinforces our existing system in Ocean City, Maryland and enables incremental growth along the pipeline. Construction of this project was completed in the second quarter of 2023. The Company filed a natural gas rate case application with the PSC for the state of Maryland in January 2024 as discussed below. Adjusted gross margin in connection with this project is contingent upon the completion of the rate case and inclusion of the project in rate base. As a result, we expect this expansion to generate annual adjusted gross margin of approximately $0.5 million beginning in 2025, with additional margin opportunities from incremental growth.

St. Cloud / Twin Lakes Expansion
In July 2022, Peninsula Pipeline filed a petition with the Florida PSC for approval of its Transportation Service Agreement with FPU for an additional 2,400 Dts/d of firm service in the St. Cloud, Florida area. As part of this agreement, Peninsula Pipeline constructed a pipeline extension and regulator station for FPU. The extension supports new incremental load due to growth in the area, including providing service, most immediately, to the residential development, Twin Lakes. The expansion also improves reliability and provides operational benefits to FPU's existing distribution system in the area, supporting future growth. This project was placed into service during July 2023 and generated additional adjusted gross margin of $0.1 million for the three months ended March 31, 2024. We expect this extension to generate additional annual adjusted gross margin of $0.6 million in 2024 and thereafter.

In February 2024, Peninsula Pipeline filed a petition with the Florida PSC for approval of an amendment to its Transportation Service Agreement with FPU for an additional 10,000 Dts/d of firm service in the St. Cloud, Florida area. Peninsula Pipeline will construct pipeline expansions that will allow FPU to serve the future communities that are expected in that area. The Florida PSC approved the projects in May 2024.

Wildlight Expansion
In August 2022, Peninsula Pipeline and FPU filed a joint petition with the Florida PSC for approval of its Transportation Service Agreement associated with the Wildlight planned community located in Nassau County, Florida. The project enables us to meet the significant growing demand for service in Yulee, Florida. The agreement will enable us to build the project during the construction and build-out of the community, and charge the reservation rate as each phase of the project goes into service. Construction of the pipeline facilities will occur in two separate phases. Phase one consists of three extensions with associated facilities, and a gas injection interconnect with associated facilities. Phase two will consist of two additional pipeline extensions. Various phases of the project commenced in the first quarter of 2023, with construction on the overall project continuing through 2025. The project generated additional adjusted gross margin of $0.2 million for the three months ended March 31, 2024, and is expected to contribute adjusted gross margin of approximately $2.0 million in 2024 and beyond.

Lake Wales Expansion
In February 2023, Peninsula Pipeline filed a petition with the Florida PSC for approval of its Transportation Service Agreement with our Florida Natural Gas distribution business, FPU, for an additional 9,000 Dts/d of firm service in the Lake Wales, Florida area. The PSC approved the petition in April 2023 and Peninsula Pipeline completed the acquisition of an existing pipeline in May 2023 that is being utilized to serve both current and new natural gas customers. The project generated additional adjusted gross margin of $0.1 million for the three months ended March 31, 2024, and is expected to contribute adjusted gross margin of approximately $0.5 million in 2024 and beyond.

Newberry Expansion
In April 2023, Peninsula Pipeline filed a petition with the Florida PSC for approval of its Transportation Service Agreement with FPU for an additional 8,000 Dts/d of firm service in the Newberry, Florida area. The petition was approved by the Florida PSC in the third quarter of 2023. Peninsula Pipeline will construct a pipeline extension, which will be used by FPU to support the development of a natural gas distribution system to provide gas service to the City of Newberry. A filing to address the acquisition and conversion of existing Company owned propane community gas systems in Newberry was made in November 2023. The Florida PSC approved it in April 2024. Conversions are anticipated to begin during the second quarter of 2024. The project is expected to contribute adjusted gross margin of approximately $0.9 million in 2024 and $2.6 million in 2025 and beyond.

Worcester Resiliency Upgrade
In August 2023, Eastern Shore filed an application with the FERC requesting authorization to construct the Worcester Resiliency Upgrade, which consists of a mixture of storage and transmission facilities in Sussex County, DE and Wicomico, Worcester, and Somerset Counties in Maryland. The project will provide long-term incremental supply necessary to support the growing demand of the participating shippers. Eastern Shore has requested certificate authorization by December 2024, with a target in-service date by the third quarter of 2025. In December 2023, FERC issued its schedule for preparation of the Environmental Assessment. In April 2024, the FERC issued their environmental assessment with no significant impacts noted.

East Coast Reinforcement Projects
In December 2023, Peninsula Pipeline filed a petition with the Florida PSC for approval of its Transportation Service Agreements with FPU for projects that will support additional supply to communities on the East Coast of Florida. The projects are driven by the need for increased supply to coastal portions of the state that are experiencing significant population growth. Peninsula Pipeline will construct several pipeline extensions which will support FPU's distribution system in the areas of Boynton Beach and New Smyrna Beach with an additional 15,000 Dts/d and 3,400 Dts/d, respectively. The Florida PSC approved the projects in March 2024. The projects are expected to contribute adjusted gross margin of approximately $5.1 million in 2025 and $6.3 million in 2026 and beyond.

Central Florida Reinforcement Projects
In February 2024, Peninsula Pipeline filed a petition with the Florida PSC for approval of its Transportation Service Agreements with FPU for projects that will support additional supply to communities located in Central Florida. The projects are driven by the need for increased supply to communities in central Florida that are experiencing significant population growth. Peninsula Pipeline will construct several pipeline extensions which will support FPU's distribution system in the areas of Plant City and Lake Mattie with an additional 5,000 Dts/d and 8,700 Dts/d, respectively. The Florida PSC approved the projects in May 2024.

Pioneer Supply Header Pipeline Project
In March 2024, Peninsula Pipeline filed a petition with the Florida PSC for its approval of Firm Transportation Service Agreements with both FCG and FPU for a project that will support greater supply growth of natural gas service in southeast Florida. The project consists of the transfer of a pipeline asset from FCG to Peninsula Pipeline. Peninsula Pipeline will proceed to provide transportation service to both FCG and FPU using the pipeline asset, which provides opportunities for additional project development.

Alternative Natural Gas Projects
In February 2024, Peninsula Pipeline filed a petition with the Florida PSC for its approval of its Transportation Service Agreements with FCG for projects that will support the transportation of additional supply into FCG's distribution system. The projects are driven by continued growth in the regions and will facilitate additional transportation capacity, including the transportation of pipeline quality gas produced from landfills through FCG's system. Peninsula Pipeline will construct several pipeline extensions which will support FCG's distribution system in Brevard County, Indian-River County, and Miami-Dade County.

CNG/RNG/LNG Transportation and Infrastructure

We have made a commitment to meet customer demand for CNG, RNG and LNG in the markets we serve. This has included making investments within Marlin Gas Services to be able to transport these products through its virtual pipeline fleet to customers. To date, we have also made an infrastructure investment in Ohio, enabling RNG to fuel a third party landfill fleet and to transport RNG to end use customers off our pipeline system.

We are also involved in various other projects, all at various stages and all with different opportunities to participate across the energy value chain. In many of these projects, Marlin will play a key role in ensuring the RNG is transported to one of our many pipeline systems where it will be injected. We include our RNG transportation services and infrastructure related adjusted gross margin from across the organization in combination with our CNG and LNG projects.

We estimate annual adjusted gross margin of approximately $12.5 million in 2024 and $14.0 million in 2025 for these transportation related services, with potential for additional growth in future years.

Full Circle Dairy
In February 2023, we announced plans to construct, own and operate a dairy manure RNG facility at Full Circle Dairy in Madison County, Florida. The project consists of a facility converting dairy manure to RNG and transportation assets to bring the gas to market. The first injection of RNG is projected to occur in the first half of 2024.

Noble Road Landfill RNG Project
In October 2021, Aspire Energy completed construction of its Noble Road Landfill RNG pipeline project, a 33.1-mile pipeline, which transports RNG generated from the Noble Road landfill to Aspire Energy's pipeline system, displacing conventionally produced natural gas. In conjunction with this expansion, Aspire Energy also upgraded an existing compressor station and installed two new metering and regulation sites. The RNG volume is expected to represent nearly 10 percent of Aspire Energy's gas gathering volumes.

Regulatory Initiatives

Florida GUARD Program
In February 2023, FPU filed a petition with the Florida PSC for approval of the GUARD program. GUARD is a ten-year program to enhance the safety, reliability, and accessibility of portions of our natural gas distribution system. We identified various categories of projects to be included in GUARD, which include the relocation of mains and service lines located in rear easements and other difficult to access areas to the front of the street, the replacement of problematic distribution mains, service lines, and maintenance and repair equipment and system reliability projects. In August 2023, the Florida PSC approved the GUARD program, which included $205.0 million of capital expenditures projected to be spent over a 10-year period. For the three months ended March 31, 2024, there was $0.6 million of incremental adjusted gross margin generated pursuant to the program. The program is expected to generate $3.2 million of adjusted gross margin in 2024 and $5.6 million in 2025.

FCG SAFE Program
In June 2023, the Florida PSC issued the approval order for the continuation of the SAFE program beyond its 2025 expiration date and inclusion of 150 miles of additional mains and services located in rear property easements. The SAFE program is designed to relocate certain mains and facilities associated with rear lot easements to street front locations to improve FCG's ability to inspect and maintain the facilities and reduce opportunities for damage and theft. In the same order, the Commission approved a replacement of 160 miles of pipe that was used in the 1970s and 1980s and shown through industry research to exhibit premature failure in the form of cracking. The program includes projected capital expenditures of $205 million over a 10-year period. For the three months ended March 31, 2024, there was $0.4 million of incremental adjusted gross margin generated pursuant to the program. The program is expected to generate $2.7 million of adjusted gross margin in 2024 and $5.3 million in 2025.

In April 2024, FCG filed a petition with the Florida PSC to more closely align the SAFE Program with FPU's GUARD program. Specifically, the requested modifications will enable FCG to accelerate remediation related to problematic pipe and facilities consisting of obsolete and exposed pipe. If approved, these efforts will serve to improve the safety and reliability of service to FCG's customers. These modifications, if approved, result in an estimated additional $50.0 million in capital expenditures associated with the SAFE Program which would increase the total projected capital expenditures to $255.0 million over a 10-year period.

Capital Cost Surcharge Programs
In December 2019, the FERC approved Eastern Shore's capital cost surcharge to become effective January 1, 2020. The surcharge, an approved item in the settlement of Eastern Shore's last general rate case, allows Eastern Shore to recover capital costs associated with mandated highway or railroad relocation projects that required the replacement of existing Eastern Shore facilities. For the three months ended March 31, 2024, there was $0.1 million of incremental adjusted gross margin generated pursuant to the program. Eastern Shore expects to produce adjusted gross margin of approximately $4.0 million in 2024 and $4.4 million in 2025 from relocation projects, which is ultimately dependent upon the timing of filings and the completion of construction.

Florida Natural Gas Base Rate Proceeding

In May 2022, our legacy natural gas distribution businesses in Florida filed a consolidated natural gas rate case with the Florida PSC. The application included a request for the following: (i) permanent rate relief of approximately $24.1 million, effective January 1, 2023, (ii) a depreciation study also submitted with the filing; (iii) authorization to make certain changes to tariffs to include the consolidation of rates and rate structure across the businesses and to unify the Florida Natural Gas distribution business under FPU; (iv) authorization to retain the acquisition adjustment recorded at the time of the FPU merger in our revenue requirement: and (v) authorization to establish an environmental remediation surcharge for the purposes of addressing future expected remediation costs for FPU MGP sites. In August 2022, interim rates were approved by the Florida PSC in the amount of approximately $7.7 million on an annualized basis, effective for all meter readings in September 2022. The discovery process and related hearings were concluded during the fourth quarter of 2022 and briefs were submitted in the same quarter of 2022. In January 2023, the Florida PSC approved the application for consolidation and permanent rate relief of approximately $17.2 million on an annual basis. Actual rates in connection with the rate relief were approved by the Florida PSC in February 2023 with an effective date of March 1, 2023. For the three months ended March 31, 2024, there was $1.5 million of incremental adjusted gross margin generated pursuant to this proceeding, and it is expected to generate $17.2 million of total adjusted gross margin in 2024 and 2025.

Maryland Natural Gas Rate Case

In January 2024, our natural gas distribution businesses in Maryland. CUC-Maryland Division, Sandpiper Energy, Inc., and Elkton Gas Company (collectively, "Maryland natural gas distribution businesses") filed a joint application for a natural gas rate case with the Maryland PSC. In connection with the application, we are seeking approval of the following: (i) permanent rate relief of approximately $6.9 million: (ii) authorization to make certain changes to tariffs to include a unified rate structure and to consolidate the Maryland natural gas distribution businesses which we anticipate will be called Chesapeake Utilities of Maryland, Inc.; and (iii) authorization to establish a rider for recovery of the costs associated with our new technology systems. The outcome of the application is subject to review and approval by the Maryland PSC. Rate changes are suspended until December 2024.

Maryland Natural Gas Depreciation Study

In January 2024, our Maryland natural gas distribution businesses filed a joint petition for approval of their proposed unified depreciation rates with the Maryland PSC. The outcome of the filing is subject to review by the Maryland PSC which is expected to be completed in the third quarter of 2024.

Storm Protection Plan

In 2020, the Florida PSC implemented the Storm Protection Plan ("SPP") and Storm Protection Plan Cost Recovery Clause ("SPPCRC"), which require electric utilities to petition the Florida PSC for approval of a Transmission and Distribution Storm Protection Plan that covers the utility's immediate 10-year planning period with updates to the plan at least every 3 years. The SPPCRC rules allow the utility to file for recovery of associated costs related to its SPP. Our Florida electric distribution operation's SPP and SPPCRC were filed during the first quarter of 2022 and approved in the fourth quarter of 2022, with modifications, by the Florida PSC. For the three months ended March 31, 2024, this initiative generated additional adjusted gross margin of $0.4 million, and is expected to generate $2.4 million of adjusted gross margin in 2024 and $4.0 million in 2025. We expect continued investment under the SPP going forward.

Other Major Factors Influencing Adjusted Gross Margin

Weather Impact

For the first quarter of 2024, higher consumption driven primarily by weather resulted in a $1.9 million increase in adjusted gross margin compared to the same period in 2023. While temperatures were colder than the prior-year period. they were approximately 11.7 percent and 10.3 percent warmer, respectively, compared to normal temperatures in our Delmarva and Ohio service territories. Assuming normal temperatures, as detailed below, we estimate that operating income would have been higher by approximately $1.5 million, or $0.05 per share. The following table summarizes HDD and CDD variances from the 10-year average HDD/CDD ("Normal") for the three months ended March 31, 2024 and 2023.

	Three Months Ended March 31, 2024	Three Months Ended March 31, 2023	Variance
Delmarva Peninsula			
Actual HDD	**1,962**	1,774	188
10-Year Average HDD ("Normal")	**2,221**	2,285	(64)
Variance from Normal	**(259)**	(511)	
Florida			
Actual HDD	**470**	344	126
10-Year Average HDD ("Normal")	**470**	505	(35)
Variance from Normal	—	(161)	
Ohio			
Actual HDD	**2,659**	2,384	275
10-Year Average HDD ("Normal")	**2,965**	2,965	—
Variance from Normal	**(306)**	(581)	
Florida			
Actual CDD	**181**	323	(142)
10-Year Average CDD ("Normal")	**217**	192	25
Variance from Normal	**(36)**	131	

Natural Gas Distribution Growth

The average number of residential customers served on the Delmarva Peninsula and our legacy Florida Natural Gas distribution business increased by approximately 4.2 percent and 3.6 percent, respectively, for the three months ended March 31, 2024.

The details of the adjusted gross margin increase are provided in the following table:

(in thousands)	Adjusted Gross Margin For the Three Months Ended March 31, 2024: Delmarva Peninsula	Florida
Customer Growth:		
Residential	$ 490	$ 880
Commercial and industrial	156	390
Total Customer Growth [1]	**$ 646**	**$ 1,270**

[1] Customer growth amounts for our legacy Florida operations include the effects of revised rates associated with the Company's natural gas base rate proceeding, but exclude the effects of FCG

Regulated Energy Segment

For the quarter ended March 31, 2024 compared to the quarter ended March 31, 2023:

(in thousands)	Three Months Ended March 31, 2024	2023	Increase (Decrease)
Revenue	**$ 168,426**	$ 142,270	$ 26,156
Regulated natural gas and electric costs	**49,918**	55,288	(5,370)
Adjusted gross margin [1]	**118,508**	86,982	31,526
Operations & maintenance	**38,959**	30,336	8,623
Depreciation & amortization	**12,537**	12,952	(415)
FCG transaction and transition-related expenses [2]	**921**	—	921
Other taxes	**7,982**	6,069	1,913
Total operating expenses	**60,399**	49,357	11,042
Operating income	**$ 58,109**	$ 37,625	$ 20,484

[1] Adjusted Gross Margin is a non-GAAP measure utilized by Management to review business unit performance. For a more detailed discussion on the differences between Gross Margin (GAAP) and Adjusted Gross Margin, see the Reconciliation of GAAP to Non-GAAP Measures presented above.
[2] Transaction and transition-related expenses represent costs incurred attributable to the acquisition and integration of FCG including, but not limited to, transition services, consulting, system integration, rebranding and legal fees.

Operating income for the Regulated Energy segment for the first quarter of 2024 was $58.1 million, an increase of $20.5 million, or 54.4 percent, over the same period in 2023. Excluding transaction and transition-related expenses associated with the acquisition and integration of FCG, operating income increased $21.4 million or 56.9 percent compared to the same period in 2023. Higher operating income reflects incremental contributions from FCG, organic growth in our natural gas distribution businesses and continued pipeline expansion projects, and incremental contributions associated with regulatory initiatives. Excluding the transaction and transition-related expenses described above, operating expenses increased by $10.1 million. Increases in depreciation and amortization expense attributable to growth projects and FCG were partially offset by reductions related to revised depreciation rates in the Company's electric depreciation study filing and a $3.4 million RSAM adjustment from FCG.

Items contributing to the quarter-over-quarter increase in adjusted gross margin are listed in the following table:

(in thousands)	
Contribution from FCG	$ 24,959
Natural gas growth including conversions (excluding service expansions)	1,916
Natural gas transmission service expansions	1,622
Rate changes associated with the Florida natural gas base rate proceeding [1]	1,498
Contributions from regulated infrastructure programs	1,278
Other variances	253
Quarter-over-quarter increase in adjusted gross margin	**$ 31,526**

[1] Includes adjusted gross margin contributions from permanent base rates that became effective in March 2023

The following narrative discussion provides further detail and analysis of the significant items in the foregoing table.

Contribution from Acquisition of FCG
FCG contributed adjusted gross margin of $25.0 million for the three months ended March 31, 2024.

Natural Gas Distribution Customer Growth
We generated additional adjusted gross margin of $1.9 million from natural gas customer growth. Adjusted gross margin increased by $1.3 million for our Florida Natural Gas distribution business and $0.6 million on the Delmarva Peninsula for the three months ended March 31, 2024, as compared to the same period in 2023, due primarily to residential customer growth of 3.6 percent and 4.2 percent in Florida and on the Delmarva Peninsula, respectively, as well as commercial and industrial growth in Florida.

Natural Gas Transmission Service Expansions
We generated increased adjusted gross margin of $1.6 million for the three months ended March 31, 2024 from natural gas transmission service expansions of Peninsula Pipeline and Eastern Shore.

Rate Changes Associated with the Florida Natural Gas Base Rate Proceeding
Permanent rates associated with the Florida Natural Gas base rate proceeding, effective on March 1, 2023, contributed additional adjusted gross margin of $1.5 million for the three months ended March 31, 2024. Refer to Note 5, *Rates and Other Regulatory Activities*, in the condensed consolidated financial statements for additional information.

Contributions from Regulated Infrastructure Programs
Contributions from regulated infrastructure programs generated incremental adjusted gross margin of $1.3 million in the first quarter of 2024. The increase in adjusted gross margin was primarily related to FPU Electric's storm protection plan, Florida's GUARD program and Eastern Shore's capital surcharge program. Refer to Note 5, *Rates and Other Regulatory Activities*, in the condensed consolidated financial statements for additional information.

Operating Expenses
Items contributing to the quarter-over-quarter increase in operating expenses are listed in the following table:

(in thousands)		
FCG operating expenses	$	10,413
FCG transaction and transition-related expenses [1]		921
Other variances		(292)
Quarter-over-quarter increase in operating expenses	**$**	**11,042**

[1] Transaction and transition-related expenses represent costs incurred attributable to the acquisition and integration of FCG including, but not limited to, transition services, consulting, system integration, rebranding and legal fees

Unregulated Energy Segment

For the quarter ended March 31, 2024 compared to the quarter ended March 31, 2023:

(in thousands)	Three Months Ended March 31, 2024	Three Months Ended March 31, 2023	Increase (Decrease)
Revenue	$ **83,103**	$ 83,165	$ (62)
Unregulated propane and natural gas costs	**37,054**	40,571	(3,517)
Adjusted gross margin [1]	**46,049**	42,594	3,455
Operations & maintenance	**18,578**	19,614	(1,036)
Depreciation & amortization	**4,481**	4,234	247
Other taxes	**1,561**	1,501	60
Total operating expenses	**24,620**	25,349	(729)
Operating Income	$ **21,429**	$ 17,245	$ 4,184

[1] Adjusted Gross Margin is a non-GAAP measure utilized by Management to review business unit performance For a more detailed discussion on the differences between Gross Margin (GAAP) and Adjusted Gross Margin, see the Reconciliation of GAAP to Non-GAAP Measures presented above

Operating results for the Unregulated Energy segment for the first quarter of 2024 reflect a $4.2 million improvement compared to the same period in 2023. Adjusted gross margin in the Unregulated Energy segment during the first quarter increased due to increased propane usage and higher propane margins and fees, as well as increased rate margins and customer consumption at Aspire. Additionally, we experienced decreased operating expenses associated with lower employee costs, which was partially offset by increased depreciation and property taxes.

Items contributing to the quarter-over-quarter increase in adjusted gross margin are listed in the following table:

(in thousands)	
Propane Operations	
Increased propane customer consumption	$ 1,388
Increased propane margins and service fees	559
Contributions from acquisition	438
Aspire Energy	
Increased margins - rate changes and gathering fees	938
Increased customer consumption	309
Other variances	(177)
Quarter-over-quarter increase in adjusted gross margin	**$ 3,455**

The following narrative discussion provides further detail and analysis of the significant items in the foregoing table.

Propane Operations

- *Propane customer consumption* - Adjusted gross margin increased by $1.4 million due to increased customer consumption due to colder weather during the first three months of the year compared to the first quarter 2023.
- *Increased propane margins and service fees* - Adjusted gross margin increased by $0.6 million for the three months ended March 31, 2024, mainly due to increased margins and customer service fees. These market conditions, which include market pricing and competition with other propane suppliers, as well as the availability and price of alternative energy sources, may fluctuate based on changes in demand, supply and other energy commodity prices.
- *Contributions from acquisition* - Adjusted gross margin increased by $0.4 million from the acquisition of J.T. Lee and Son's that was completed in December 2023.

Aspire Energy

- *Increased rate margins* - Adjusted gross margin increased by $0.9 million primarily due to favorable rate changes and increased gathering charges associated with a large commercial customer.
- *Increased Customer Consumption* - Adjusted gross margin increased by $0.3 million due to increased customer

consumption compared to the same period in the prior year primarily related to colder weather in the Ohio region during the first quarter of 2024.

Operating Expenses

Items contributing to the quarter-over-quarter decrease in operating expenses are listed in the following table:

(in thousands)		
Decreased payroll, benefits and other employee-related expenses	$	(1,177)
Increased depreciation, amortization and property tax costs		333
Other variances		115
Quarter-over-quarter decrease in operating expenses	**$**	**(729)**

OTHER INCOME, NET

For the quarter ended March 31, 2024 compared to the quarter ended March 31, 2023

Other income, net, which includes non-operating investment income, interest income, late fees charged to customers, gains or losses from the sale of assets and pension and other benefits expense, was $0.2 million in the first quarter of 2024 compared to $0.3 million during the prior-year period.

INTEREST CHARGES

For the quarter ended March 31, 2024 compared to the quarter ended March 31, 2023

Interest charges for the three months ended March 31, 2024 increased by $9.8 million compared to the same period in 2023, attributable primarily to the Senior Notes issued in November 2023 in connection with the FCG acquisition. These factors were partially offset by higher capitalized interest during the current period of $0.5 million associated with capital projects. The weighted-average interest rate on our Revolver borrowings was 5.8 percent during the quarter ended March 31, 2024 compared to 5.2 percent during the prior-year period as a result of the Federal Reserve raising interest rates throughout 2023.

INCOME TAXES

For the quarter ended March 31, 2024 compared to the quarter ended March 31, 2023

Income tax expense was $16.6 million and $11.6 million for the quarters ended March 31, 2024 and March 31, 2023, respectively, resulting in an effective income tax rate of 26.4 percent and 24.2 percent, respectively, during the periods then ended. Income tax expense for the quarter ended March 31, 2023 included a $1.3 million benefit in deferred tax expense resulting from a reduction in the Pennsylvania state income tax rate. Excluding this change, our effective income tax rate was 26.9 percent for the quarter ended March 31, 2023.

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Our capital requirements reflect the capital-intensive and seasonal nature of our business and are principally attributable to investment in new plant and equipment, retirement of outstanding debt and seasonal variability in working capital. We rely on cash generated from operations, short-term borrowings, and other sources to meet normal working capital requirements and to temporarily finance capital expenditures. We may also issue long-term debt and equity to fund capital expenditures and to maintain our capital structure within our target capital structure range. We maintain an effective shelf registration statements with the SEC for the issuance of shares of common stock in various types of equity offerings, including the DRIP and previously, shares of common stock under an ATM equity program. Depending on our capital needs and subject to market conditions, in addition to other possible debt and equity offerings, we may consider issuing additional shares under the direct share purchase component of the DRIP and/or under an ATM equity program.

Our energy businesses are weather-sensitive and seasonal. We normally generate a large portion of our annual net income and subsequent increases in our accounts receivable in the first and fourth quarters of each year due to significant volumes of natural gas, electricity, and propane delivered by our distribution operations, and our natural gas transmission operations to customers during the peak-heating season. In addition, our natural gas and propane inventories, which usually peak in the fall months, are largely drawn down in the heating season and provide a source of cash as the inventory is used to satisfy winter sales demand.

Capital expenditures for investments in new or acquired plant and equipment are our largest capital requirements. Our capital expenditures were $70.6 million for the three months ended March 31, 2024. In the table below, we have provided the range of our forecasted capital expenditures for 2024:

(in thousands)	2024 Low	2024 High
Regulated Energy:		
Natural gas distribution	$ 150,000	$ 170,000
Natural gas transmission	90,000	120,000
Electric distribution	25,000	28,000
Total Regulated Energy	265,000	318,000
Unregulated Energy:		
Propane distribution	13,000	15,000
Energy transmission	5,000	6,000
Other unregulated energy	13,000	15,000
Total Unregulated Energy	31,000	36,000
Other		
Corporate and other businesses	4,000	6,000
Total 2024 Forecasted Capital Expenditures	$ 300,000	$ 360,000

The capital expenditure projection is subject to continuous review and modification. Actual capital requirements may vary from the above estimates due to a number of factors, including changing economic conditions, supply chain disruptions, capital delays that are greater than currently anticipated, customer growth in existing areas, regulation, new growth or acquisition opportunities and availability of capital and other factors discussed in Item 1A., Risk Factors, in our 2023 Annual Report on Form 10-K. Historically, actual capital expenditures have typically lagged behind the budgeted amounts. The timing of capital expenditures can vary based on delays in regulatory approvals, securing environmental approvals and other permits. The regulatory application and approval process has lengthened in the past few years, and we expect this trend to continue.

Capital Structure

We are committed to maintaining a sound capital structure and strong credit ratings. This commitment, along with adequate and timely rate relief for our regulated energy operations, is intended to ensure our ability to attract capital from outside sources at a reasonable cost, which will benefit our customers, creditors, employees and stockholders.

The following table presents our capitalization, excluding and including short-term borrowings, as of March 31, 2024 and December 31, 2023:

(in thousands)	March 31, 2024		December 31, 2023	
Long-term debt, net of current maturities	**$ 1,185,166**	**48 %**	$ 1,187,075	49 %
Stockholders' equity	**1,280,903**	**52 %**	1,246,104	51 %
Total capitalization, excluding short-term debt	**$ 2,466,069**	**100 %**	$ 2,433,179	100 %

(in thousands)	March 31, 2024		December 31, 2023	
Short-term debt	**$ 170,355**	**6 %**	$ 179,853	7 %
Long-term debt, including current maturities	**1,203,677**	**46 %**	1,205,580	46 %
Stockholders' equity	**1,280,903**	**48 %**	1,246,104	47 %
Total capitalization. including short-term debt	**$ 2,654,935**	**100 %**	$ 2,631,537	100 %

Our target ratio of equity to total capitalization. including short-term borrowings, is between 50 and 60 percent. Our equity to total capitalization ratio, including short-term borrowings, was 48 percent as of March 31, 2024. We seek to align permanent financing with the in-service dates of our capital projects. We may utilize more temporary short-term debt when the financing cost is attractive as a bridge to the permanent long-term financing or if the equity markets are volatile.

In November 2023, in connection with our acquisition of FCG, we completed an equity offering resulting in the issuance of approximately 4.4 million shares of our common stock at a price per share of $82.72 (net of underwriter discounts and commissions). We received net proceeds of $366.4 million which were used to partially finance the acquisition.

During the first three months of 2024, we received net proceeds of $0.1 million under the DRIP. In 2023, there were no issuances under the DRIP.

Shelf Agreements

We have entered into Shelf Agreements with Prudential and MetLife, whom are under no obligation to purchase any unsecured debt, with terms that extend through February 2026. At March 31, 2024, a total of $255.0 million of borrowing capacity was available under these agreements.

The Uncollateralized Senior Notes set forth certain business covenants to which we are subject when any note is outstanding. including covenants that limit or restrict our ability, and the ability of our subsidiaries, to incur indebtedness, or place or permit liens and encumbrances on any of our property or the property of our subsidiaries.

Short-term Borrowings

We are authorized by our Board of Directors to borrow up to $375.0 million of short-term debt, as required. At March 31, 2024 and December 31, 2023, we had $170.4 million and $179.9 million, respectively, of short-term borrowings outstanding at a weighted average interest rate of 5.83 percent during each period. There were no borrowings outstanding under the sustainable investment sublimit of the 364-day tranche at March 31, 2024.

We have entered into several amendments to our Revolver which resulted in modifications to both tranches of the facility. The amendment in October 2023, increased our funded indebtedness ratio from 65 percent to 70 percent during the quarter in which the acquisition of FCG was consummated and the quarter subsequent to the closing of the acquisition. The amendment in August 2023 renewed the 364-day tranche of the Revolver, providing for $175.0 million of short-term debt capacity. Additionally, the amendment under the 364-day tranche prescribed that borrowings would bear interest (i) based upon SOFR, plus a 10-basis point credit spread adjustment, and an applicable margin of 1.05 percent or less, with such margin based on total indebtedness as a percentage of total capitalization or (ii) the base rate, solely at our discretion. Further, this amendment provided that borrowings under the 364-day green loan sublimit would bear interest at (i) SOFR rate plus a 10-basis point credit spread adjustment and an applicable margin of 1.00 percent or less, with such margin based on total indebtedness as a percentage of total capitalization or (ii) the base rate plus 0.05 percent or less, solely at our discretion. The amendment entered into in 2022 reset the benchmark interest rate to SOFR and eliminated a previous covenant which capped our investment limit to $150.0 million for investments where we maintain less than 50 percent ownership.

The 364-day tranche of the Revolver expires in August 2024 and the five-year tranche expires in August 2026. Borrowings under both tranches of the Revolver are subject to a pricing grid, including the commitment fee and the interest rate charged based upon our total indebtedness to total capitalization ratio for the prior quarter. As of March 31, 2024, the pricing under the 364-day tranche of the Revolver included an unused commitment fee of 10 basis points and maintains an interest rate of 80 basis points over SOFR plus a 10-basis point SOFR adjustment. As of March 31, 2024, the pricing under the five-year tranche of the Revolver included a commitment fee of 10-basis points on undrawn amounts and an interest rate of 100 basis points over SOFR plus a 10-basis point SOFR adjustment.

The availability of funds under the Revolver is subject to conditions specified in the credit agreement, all of which we currently satisfy. These conditions include our compliance with financial covenants and the continued accuracy of representations and warranties contained in the Revolver's loan documents. We are required by the financial covenants in the Revolver to maintain, at the end of each fiscal year, a funded indebtedness ratio as described above. As of March 31, 2024, we were in compliance with this covenant.

Our total available credit under the Revolver at March 31, 2024 was $197.6 million. As of March 31, 2024, we had issued $7.0 million in letters of credit to various counterparties under the Revolver. These letters of credit are not included in the outstanding short-term borrowings and we do not anticipate that they will be drawn upon by the counterparties. The letters of credit reduce the available borrowings under the Revolver.

In connection with our acquisition of FCG, we entered into a 364-day Bridge Facility commitment with Barclays Bank PLC and other lending parties for up to $965.0 million. Upon closing of the FCG acquisition in November 2023, and with the completion of other financing activities as defined in the lending agreement, this facility was terminated with no funds drawn to finance the transaction. For additional information regarding the acquisition and related financing, see Note 3, *Acquisitions,* Note 9, *Stockholders Equity*, and Note 14, *Long-Term Debt.*

For additional information on interest rate swaps related to our short-term borrowings, see Note 12, *Derivative Instruments*.

Long-Term Debt

On November 20, 2023, we issued Senior Notes in the aggregate principal amount of $550.0 million at an average interest rate of 6.54 percent that were used to partially finance our acquisition of FCG which closed during the fourth quarter of 2023. These notes have varying maturity dates of between three and 15 years, and the outstanding principal balance of the notes will be due on their respective maturity dates with interest payments payable semiannually until the principal has been paid in full. These Senior Notes have similar covenants and default provisions as our other Senior Notes.

On March 14, 2023 we issued 5.43 percent Senior Notes due in March 2038 in the aggregate principal amount of $80.0 million and used the proceeds received from the issuances of the Senior Notes to reduce short-term borrowings under our Revolver credit facility and to fund capital expenditures. These Senior Notes have similar covenants and default provisions as our other Senior Notes, and have an annual principal payment beginning in the sixth year after the issuance.

Cash Flows

The following table provides a summary of our operating. investing and financing cash flows for the three months ended March 31, 2024 and 2023:

(in thousands)	Three Months Ended March 31, 2024	Three Months Ended March 31, 2023
Net cash provided by (used in):		
Operating activities	**$ 97,282**	$ 81,667
Investing activities	**(74,711)**	(42,654)
Financing activities	**(25,780)**	(42,152)
Net (decrease) increase in cash and cash equivalents	**(3,209)**	(3,139)
Cash and cash equivalents—beginning of period	**4,904**	6,204
Cash and cash equivalents—end of period	**$ 1,695**	$ 3,065

Cash Flows Provided by Operating Activities

Changes in our cash flows from operating activities are attributable primarily to changes in net income, adjusted for non-cash items such as depreciation and amortization. changes in deferred income taxes, share-based compensation expense and working capital. Working capital requirements are determined by a variety of factors, including weather, the prices of natural gas, electricity and propane, the timing of customer collections, payments for purchases of natural gas, electricity and propane, and deferred fuel cost recoveries.

During the three months ended March 31, 2024, net cash provided by operating activities was $97.3 million. Operating cash flows were primarily impacted by the following:

- Net income, adjusted for non-cash adjustments, provided a $66.5 million source of cash;
- Changes in net regulatory assets and liabilities due primarily to the change in fuel costs collected through the various cost recovery mechanisms resulted in a $10.1 million source of cash;
- An increased level of deferred taxes associated with incremental tax depreciation from growth investments resulted in a source of cash of $11.9 million; and
- Other working capital changes, impacted primarily by a reduction in net receivables and propane inventory levels, resulted in a $8.8 million source of cash.

Cash Flows Used in Investing Activities

Net cash used in investing activities totaled $74.7 million during the three months ended March 31, 2024, largely driven by $75.5 million for new capital expenditures.

Cash Flows Used in Financing Activities

Net cash used in financing activities totaled $25.8 million during the three months ended March 31, 2024 and included the following:

- A $12.9 million use of cash for dividend payments in 2024;
- Net repayments under lines of credit resulting in a use of cash of $10.2 million: and
- Long-term debt repayments of $2.0 million.

Off-Balance Sheet Arrangements

The Board of Directors has authorized us to issue corporate guarantees securing obligations of our subsidiaries and to obtain letters of credit securing our subsidiaries' obligations. The maximum authorized liability under such guarantees and letters of credit as of March 31, 2024 was $35.0 million. The aggregate amount guaranteed related to our subsidiaries at March 31, 2024 was $24.4 million, with the guarantees expiring on various dates through March 2025. In addition, the Board has authorized us to issue specific purpose corporate guarantees. The amount of specific purpose guarantees outstanding at March 31, 2024 was $4.0 million.

As of March 31, 2024, we have issued letters of credit totaling approximately $7.0 million related to the electric transmission services for FPU's electric division. the firm transportation service agreement between TETLP and our Delaware and Maryland divisions, the capacity agreement between NEXUS and Aspire, the storage agreement between Bay Gas Storage Company and

FCG as well as our primary insurance carriers. These letters of credit have various expiration dates through February 2025 and to date, none have been used. We do not anticipate that the counterparties will draw upon these letters of credit and we expect that they will be renewed to the extent necessary in the future. Additional information is presented in Note 7, *Other Commitments and Contingencies,* in the condensed consolidated financial statements.

Contractual Obligations

There has been no material change in the contractual obligations presented in our 2023 Annual Report on Form 10-K.

Rates and Regulatory Matters

Our natural gas distribution operations in Delaware, Maryland and Florida and electric distribution operation in Florida are subject to regulation by the respective state PSC; Eastern Shore is subject to regulation by the FERC; and Peninsula Pipeline and Aspire Energy Express, our intrastate pipeline subsidiaries, are subject to regulation (excluding cost of service) by the Florida PSC and Public Utilities Commission of Ohio, respectively. We regularly are involved in regulatory matters in each of the jurisdictions in which we operate. Our significant regulatory matters are fully described in Note 5, *Rates and Other Regulatory Activities*, to the condensed consolidated financial statements in this Quarterly Report on Form 10-Q.

Recent Authoritative Pronouncements on Financial Reporting and Accounting

Recent accounting developments, applicable to us, and their expected impact on our financial position, results of operations and cash flows, are described in Note 1, *Summary of Accounting Policies*, to the condensed consolidated financial statements in this Quarterly Report on Form 10-Q.

Item 3. Quantitative and Qualitative Disclosures about Market Risk

INTEREST RATE RISK

Long-term debt is subject to potential losses based on changes in interest rates. We evaluate whether to refinance existing debt or permanently refinance existing short-term borrowings based in part on the fluctuation in interest rates. Increases in interest rates expose us to potential increased costs we could incur when we (i) issue new debt instruments or (ii) provide financing and liquidity for our business activities. We utilize interest rate swap agreements to mitigate short-term borrowing rate risk. Additional information about our long-term debt and short-term borrowing is disclosed in Note 14, *Long-Term Debt,* and Note 15, *Short-Term Borrowings*, respectively, in the condensed consolidated financial statements.

COMMODITY PRICE RISK

Regulated Energy Segment

We have entered into agreements with various wholesale suppliers to purchase natural gas and electricity for resale to our customers. Our regulated energy distribution businesses that sell natural gas or electricity to end-use customers have fuel cost recovery mechanisms authorized by the respective PSCs that allow us to recover all of the costs prudently incurred in purchasing natural gas and electricity for our customers. Therefore, our regulated energy distribution operations have limited commodity price risk exposure.

Unregulated Energy Segment

Our propane operations are exposed to commodity price risk as a result of the competitive nature of retail pricing offered to our customers. In order to mitigate this risk. we utilize propane storage activities and forward contracts for supply.

We can store up to approximately 8.8 million gallons of propane (including leased storage and rail cars) during the winter season to meet our customers' peak requirements and to serve metered customers. Decreases in the wholesale price of propane may cause the value of stored propane to decline, particularly if we utilize fixed price forward contracts for supply. To mitigate the risk of propane commodity price fluctuations on the inventory valuation. we have adopted a Risk Management Policy that allows our propane distribution operation to enter into fair value hedges, cash flow hedges or other economic hedges of our inventory.

Aspire Energy is exposed to commodity price risk, primarily during the winter season, to the extent we are not successful in balancing our natural gas purchases and sales and have to secure natural gas from alternative sources at higher spot prices. In order to mitigate this risk, we procure firm capacity that meets our estimated volume requirements and we continue to seek out new producers in order to fulfill our natural gas purchase requirements.

The following table reflects the changes in the fair market value of financial derivatives contracts related to propane purchases and sales from December 31, 2023 to March 31, 2024:

(in thousands)	Balance at December 31, 2023	Increase in Fair Market Value	Less Amounts Settled	Balance at March 31, 2024
Sharp	$ (376)	$ 1,975	$ (1,084)	$ **515**

There were no changes in methods of valuations during the three months ended March 31, 2024.

The following is a summary of fair market value of financial derivatives as of March 31, 2024, by method of valuation and by maturity for each fiscal year period.

(in thousands)	2024	2025	2026	Total Fair Value
Price based on Mont Belvieu - Sharp	$ 291	$ 194	$ 30	$ 515

Wholesale Credit Risk

The Risk Management Committee reviews credit risks associated with counterparties to commodity derivative contracts prior to such contracts being approved.

Additional information about our derivative instruments is disclosed in Note 12, *Derivative Instruments,* in the condensed consolidated financial statements.

Inflation

Inflation affects the cost of supply, labor, products and services required for operations, maintenance and capital improvements. To help cope with the effects of inflation on our capital investments and returns, we periodically seek rate increases from regulatory commissions for our regulated operations and closely monitor the returns of our unregulated energy business operations. To compensate for fluctuations in propane gas prices, we adjust propane sales prices to the extent allowed by the market.

Item 4. Controls and Procedures

Evaluation of Disclosure Controls and Procedures

The Chief Executive Officer and Chief Financial Officer of Chesapeake Utilities, with the participation of other Company officials, have evaluated our “disclosure controls and procedures” (as such term is defined under Rules 13a-15(e) and 15d-15(e), promulgated under the Securities Exchange Act of 1934, as amended) as of March 31, 2024. Based upon their evaluation, the Chief Executive Officer and Chief Financial Officer concluded that our disclosure controls and procedures were effective as of March 31, 2024.

Changes in Internal Control over Financial Reporting

During the quarter ended March 31, 2024, other than the ongoing changes resulting from the FCG acquisition discussed below, there have been no changes in our internal control over financial reporting that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

On November 30, 2023, we completed the acquisition of FCG. We are currently integrating processes, procedures, and internal controls related to the acquisition. FCG's total assets and income before taxes represented approximately 30.8 percent and 8.9 percent, respectively, of the Company’s consolidated total assets and earnings before taxes as of March 31, 2024 and for the quarter then ended. See Note 4, *Acquisitions*, to the consolidated financial statements and Management's Report on Internal Control Over Financial Reporting in the Company's 2023 Annual Report on Form 10-K for additional information related to the acquisition of FCG. This exclusion is permitted based upon current guidance of the U.S. Securities & Exchange Commission.

PART II—OTHER INFORMATION

Item 1. Legal Proceedings

As disclosed in Note 7, *Other Commitments and Contingencies*, of the condensed consolidated financial statements in this Quarterly Report on Form 10-Q, we are involved in certain legal actions and claims arising in the normal course of business. We are also involved in certain legal and administrative proceedings before various governmental or regulatory agencies concerning rates and other regulatory actions. In the opinion of management, the ultimate disposition of these proceedings and claims will not have a material effect on our condensed consolidated financial position, results of operations or cash flows.

Item 1A. Risk Factors

Our business, operations, and financial condition are subject to various risks and uncertainties. The risk factors described in Part I, Item 1A., Risk Factors, in our Annual Report on Form 10-K, for the year ended December 31, 2023, should be carefully considered, together with the other information contained or incorporated by reference in this Quarterly Report on Form 10-Q and in our other filings with the SEC in connection with evaluating Chesapeake Utilities, our business and the forward-looking statements contained in this Quarterly Report on Form 10-Q.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

Company Purchases of Equity Securities

Share repurchases during the three months ended March 31, 2024 were as follows:

Period	Total Number of Shares Purchased	Average Price Paid per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs [2]	Maximum Number of Shares That May Yet Be Purchased Under the Plans or Programs [2]
January 1, 2024 through January 31, 2024 [1]	**600**	**$ 105.84**	—	—
February 1, 2024 through February 29, 2024	—	—	—	—
March 1, 2024 through March 31, 2024	—	—	—	—
Total	**600**	**$ 105.84**	—	—

[1] Chesapeake Utilities purchased shares of common stock on the open market for the purpose of reinvesting the dividend on shares held in the Rabbi Trust accounts for certain directors and senior executives under the Non-Qualified Deferred Compensation Plan. The Non-Qualified Deferred Compensation Plan is discussed in detail in Item 8 under the heading "Notes to the Consolidated Financial Statements—Note 16, *Employee Benefit Plans,*" in our latest Annual Report on Form 10-K for the year ended December 31, 2023.

[2] Except for the purposes described in Footnote (1), Chesapeake Utilities has no publicly announced plans or programs to repurchase its shares.

Item 3. Defaults upon Senior Securities

None.

Item 5. Other Information

During the three months ended March 31, 2024, no director or officer of the Company adopted or terminated a "Rule 10b5-1 trading arrangement" or "non-Rule 10b5-1 trading arrangement," as each term is defined in Item 408(a) of Regulation S-K.

10.1*	Form of Performance Share Agreement dated February 20, 2024 for the period 2024-2026, pursuant to Chesapeake Utilities Corporation 2023 Stock and Incentive Compensation Plan by and between Chesapeake Utilities Corporation and each of Jeffry M. Householder, Beth W. Cooper, James F. Moriarty, Kevin Webber and Jeffrey S. Sylvester is filed herewith.
31.1*	Certificate of Chief Executive Officer of Chesapeake Utilities Corporation pursuant to Rule 13a-14(a) under the Securities Exchange Act of 1934.
31.2*	Certificate of Chief Financial Officer of Chesapeake Utilities Corporation pursuant to Rule 13a-14(a) under the Securities Exchange Act of 1934.
32.1*	Certificate of Chief Executive Officer of Chesapeake Utilities Corporation pursuant to 18 U.S.C. Section 1350.
32.2*	Certificate of Chief Financial Officer of Chesapeake Utilities Corporation pursuant to 18 U.S.C. Section 1350.
101.INS*	XBRL Instance Document.
101.SCH*	XBRL Taxonomy Extension Schema Document.
101.CAL*	XBRL Taxonomy Extension Calculation Linkbase Document.
101.DEF*	XBRL Taxonomy Extension Definition Linkbase Document.
101.LAB*	XBRL Taxonomy Extension Label Linkbase Document.
101.PRE*	XBRL Taxonomy Extension Presentation Linkbase Document.
104	Cover Page Interactive Data File - formatted in Inline XBRL and contained in Exhibit 101

*Filed herewith

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

CHESAPEAKE UTILITIES CORPORATION

/S/ BETH W. COOPER

Beth W. Cooper
Executive Vice President, Chief Financial Officer, Treasurer and Assistant Corporate Secretary

Date: May 8, 2024

PERFORMANCE STOCK AWARD AGREEMENT

pursuant to the

CHESAPEAKE UTILITIES CORPORATION
2023 STOCK AND INCENTIVE COMPENSATION PLAN

On February 20, 2024 (the "Grant Date"), Chesapeake Utilities Corporation, a Delaware corporation (the "Company"), has granted to __________ (the "Grantee"), who resides at ______________, a Performance Stock Award on the terms and subject to the conditions of this Performance Stock Award Agreement.

Recitals

WHEREAS, the Chesapeake Utilities Corporation 2023 Stock and Incentive Compensation Plan (the "Plan") has been duly adopted by action of the Company's Board of Directors (the "Board") on February 22, 2023, subject to the approval by the Company's stockholders at a meeting held on May 3, 2023; and

WHEREAS, the Committee of the Board of Directors of the Company referred to in the Plan (the "Committee") has determined that it is in the best interests of the Company to grant the Performance Stock Award described herein pursuant to the Plan; and

WHEREAS, the shares of the Common Stock of the Company ("Shares") that are subject to this Agreement, when added to the other shares of Common Stock that are subject to awards granted under the Plan, do not exceed the total number of shares of Common Stock with respect to which awards are authorized to be granted under the Plan or the total number of shares of Common Stock that may be granted to an individual in a single calendar year.

Agreement

It is hereby covenanted and agreed by and between the Company and the Grantee as follows:

Section 1. Performance Stock Award and Performance Period

The Company hereby grants to the Grantee a Performance Stock Award as of the Grant Date. As more fully described herein, the Grantee may earn up to ______ Shares upon the Company's achievement of the performance criteria set forth in Section 2 (the "Performance Shares") over the performance period from **January 1, 2024 to December 31, 2026** (the "Performance Period"). This Award has been granted pursuant to the Plan; capitalized terms used in this agreement which are not specifically defined herein shall have the meanings ascribed to such terms in the Plan.

Section 2. Performance Criteria and Terms of Stock Award

(1) The Committee selected and established in writing performance criteria for the Performance Period, which, if met, may entitle the Grantee to some or all of the Performance Shares under this Award. As soon as practicable after the Company's independent auditors have certified the Company's financial statements for each fiscal year of the Company in the Performance Period, the Committee shall determine for purposes of this Agreement the Company's (1) growth in long-term earnings, defined as the growth in total capital expenditures as a percentage

Exhibit 10.1

of total capitalization ("Growth"), and (2) earnings performance, defined as average return on equity ("RoE") and calculated as net income as a percentage of stockholders' equity, in accordance with procedures established by the Committee. The Growth and RoE (each a "Performance Metric" and collectively, the "Performance Metrics") shall be determined by the Committee in accordance with the terms of the Plan and this Agreement based on financial results reported to stockholders in the Company's annual reports and may be subject to adjustment by the Committee for extraordinary events during the Performance Period, as applicable. Both the Growth and RoE Performance Metrics will be compared to the performance of the **2024-2026** Performance Peer Group, shown at Attachment A hereto, and to the **2024-2026** Long-Term Award Resolution (collectively referred to as the "Peer Group"), for the Performance Period. The Company's performance shall be compared to the Performance Peer Group to determine the percentile ranking and level of payout as shown at Attachment B. For the RoE Performance Metric, the Company is required to achieve a RoE of at least eight (8) percent. Additionally, once the Performance Metrics are calculated, such results are subject to the Total Stockholder Return Modifier, set forth at Attachment B hereto, to determine the final Performance Shares to be issued. In no event can the Modifier result in the final Performance Shares exceeding the Performance Shares set forth in Section 1 above. For the Total Stockholder Return Modifier, the calculation of total stockholder return will utilize the average closing stock price of the Common Stock of the Company from November 1 through December 31 immediately preceding the beginning and at the end of the Performance Period. At the end of the Performance Period, the Committee shall certify the extent to which the Performance Metrics were met during the Performance Period, considering the schedule in subsection (b) below.

(2) The Grantee may earn 50% percent or more of the target award of _________ Performance Shares (the "Target Award") up to a maximum number of Performance Shares set forth in Section 1 above (the "Maximum Award") based upon achievement of threshold and target levels of performance against the Performance Metrics established for the Performance Period and factoring in any impact of the Modifier. The Committee shall confirm the Performance Shares earned for the Performance Period after the Company's independent auditors have certified the Company's financial statements for each fiscal year of the Company in the Performance Period. If the Performance Metrics for the Performance Period are met, the Grantee shall be entitled to the associated Performance Shares, subject, however, to the Committee's exercise of discretion to adjust this Award (either up or down) based on business outcomes and objectives established for the Grantee or any other factors, all as determined by the Committee in its sole discretion. The Committee shall promptly notify the Grantee of its determination.

(c) Once established, the Performance Metrics identified above normally shall not be changed during the Performance Period. However, if any of the companies in the Peer Group cease to be publicly traded, they will automatically be deleted from the Peer Group. In addition, the Committee reserves the right, in its discretion, to approve any such other adjustments to this Award and the Performance Shares, including, but not limited to, the establishment and evaluation of the Performance Criteria, the Target Award, or the Maximum Award as provided in the Plan..

(d) Performance Shares that are awarded to the Grantee pursuant to this Section 2 shall be issued promptly, without payment of consideration by the Grantee, within 2½ months of the end of the Performance Period. The Grantee shall have the right to vote the Performance Shares and to receive the dividends distributable with respect to such Shares on and after, but not before, the date on which the Grantee is recorded on the Company's ledger as holder of record of the Performance Shares (the "Issue Date"). If, however, the Grantee receives Shares as part of any dividend or other distribution with respect to the Performance Shares, such Shares shall be treated as if they are Performance Shares, and such Shares shall be subject to all of the terms and conditions imposed by this Section 2. Notwithstanding the foregoing, the Grantee shall be entitled to receive an amount in cash, equivalent to the dividends that would have been paid on the awarded

Performance Shares from the Grant Date to the Issue Date for those Performance Shares actually earned by the Grantee during the applicable Performance Period. Such dividend equivalents shall be payable at the time such Performance Shares are issued.

(e) The Performance Shares will not be registered for resale under the Securities Act of 1933 or the laws of any state except when and to the extent determined by the Board pursuant to a resolution. Until a registration statement is filed and becomes effective, however, transfer of the Performance Shares shall require the availability of an exemption from such registration, and prior to the issuance of new certificates, the Company shall be entitled to take such measures as it deems appropriate (including but not limited to obtaining from the Grantee an investment representation letter and/or further legending the new certificates) to ensure that the Performance Shares are not transferred in the absence of such exemption.

(f) In the event of a Change in Control[1], as defined in the Plan, during the Performance Period, the Grantee shall earn the Target Award of Performance Shares set forth in this Section 2, as if all performance criteria were satisfied, without any pro ration based on the portion of the Performance Period that has expired as of the date of such Change in Control.

(g) If, during the Performance Period, the Grantee has a Termination of Employment, Performance Shares shall be deemed earned or forfeited as follows:

(1) Except as provided in Section (2), below, upon voluntary Termination of Employment by the Grantee or termination by the Company for any reason, all unearned Performance Shares shall be forfeited immediately; and

(2) If the Grantee has a Termination of Employment by reason of death or Disability or Retirement (as such terms are defined in the Plan), the number of Performance Shares that would otherwise have been earned at the end of the Performance Period shall be reduced by pro rating such Performance Shares based on the proportion of the Performance Period during which the Grantee was employed by the Company (based upon the full months of the Performance Period elapsed as of the end of the month in which the Termination of Employment occurred over the total number of months in the Performance Period), unless the Committee determines that the Performance Shares shall not be so reduced.

(8) The Grantee shall be solely responsible for any federal, state and local taxes of any kind imposed in connection with the vesting or delivery of the Performance Shares. Prior to the transfer of any Performance Shares to the Grantee, the Grantee shall remit to the Company an amount sufficient to satisfy any federal, state, local and other withholding tax requirements. The Grantee may elect to have all or part of any withholding tax obligation satisfied by having the Company withhold Shares otherwise deliverable to the Grantee as Performance Shares, unless the Committee determines otherwise by resolution. If the Grantee fails to make such payments or election, the Company and its subsidiaries shall, to the extent permitted by law, have the right to deduct from any payments of any kind otherwise due to the Grantee any taxes required by law to be withheld with respect to the Performance Shares. In the case of any amounts withheld for taxes pursuant to this provision in the form of Shares, the amount withheld shall not exceed the maximum required by applicable law and regulations.

(i) Notwithstanding any other provision of this Agreement, if any payment or distribution (a "Payment") by the Company or any other person or entity to or for the benefit of the Grantee is

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determined to be an "excess parachute payment" (within the meaning of Code Section 280G(b)(1) or any successor provision of similar effect), whether paid or payable or distributed or distributable pursuant to this Agreement or otherwise, then the Grantee's benefits under this Agreement may, unless the Grantee elects otherwise pursuant to Grantee's employment agreement, be reduced by the amount necessary so that the Grantee's total "parachute payment" as defined in Code Section 280G(b)(2)(A) under this and all other agreements will be $1.00 less than the amount that would be a "parachute payment". The payment of any "excess parachute payment" pursuant to this paragraph shall also comply with the terms of the Grantee's employment agreement, if any.

Section 3. Additional Conditions to Issuance of Shares

Each transfer of Performance Shares shall be subject to the condition that if at any time the Committee shall determine, in its sole discretion, that it is necessary or desirable as a condition of, or in connection with, the transfer of Performance Shares (i) to satisfy withholding tax or other withholding liabilities, (ii) to effect the listing, registration or qualification on any securities exchange or under any state or federal law of any Shares deliverable in connection with such exercise, or (iii) to obtain the consent or approval of any regulatory body, then in any such event such transfer shall not be effective unless such withholding, listing, registration, qualification, consent or approval shall have been effected or obtained free of any conditions not acceptable to the Company.

Section 4. Adjustment of Shares

(a) If the Company shall become involved in a merger, consolidation or other reorganization, whether or not the Company is the surviving corporation, any right to earn Performance Shares shall be deemed a right to earn or to elect to receive the consideration into which the Shares represented by the Performance Shares would have been converted under the terms of the merger, consolidation or other reorganization. If the Company is not the surviving corporation, the surviving corporation (the "Successor") shall succeed to the rights and obligations of the Company under this Agreement.

(b) If any subdivision or combination of Shares or any stock dividend, capital reorganization or recapitalization occurs after the adoption of the Plan, the Committee shall make such proportionate adjustments as are appropriate to the number of Performance Shares to be earned in order to prevent the dilution or enlargement of the rights of the Grantee.

Section 5. No Right to Employment

Nothing contained in this Agreement shall be deemed by implication or otherwise to confer upon the Grantee any right to continued employment by the Company or any affiliate of the Company or to limit the right of the Company to terminate the Grantee's employment for any reason or for no reason.

Section 6. Notice

Any notice to be given hereunder by the Grantee shall be sent by mail addressed to Chesapeake Utilities Corporation, 500 Energy Lane, Dover, Delaware 19901, for the attention of the Committee, c/o the Corporate Secretary, and any notice by the Company to the Grantee shall be sent by mail addressed to the Grantee at the address of the Grantee shown on the first page hereof. Either party may, by notice given to the other in accordance with the provisions of this Section, change the address to which subsequent notices shall be sent.

Section 7. Beneficiary Designation

Grantee may designate a beneficiary to receive any Performance Shares to which Grantee is entitled which vest as a result of Grantee's death. Grantee acknowledges that the Company may exercise all rights under this Agreement and the Plan against Grantee and Grantee's estate, heirs, lineal descendants and personal representatives and shall not be limited to exercising its rights against Grantee's beneficiary.

Section 8. Assumption of Risk

It is expressly understood and agreed that the Grantee assumes all risks incident to any change hereafter in the applicable laws or regulations or incident to any change in the market value of the Performance Shares.

Section 9. Terms of Plan and Employment Agreement

This Agreement is entered into pursuant to the Plan (a summary of which has been delivered to the Grantee). This Agreement is subject to all of the terms and provisions of the Plan, which are incorporated into this Agreement by reference, and the actions taken by the Committee pursuant to the Plan. In the event of a conflict between this Agreement and the Plan, the provisions of the Plan shall govern. In addition, this Award is subject to applicable provisions of the Grantee's employment agreement, including provisions requiring the Company to recover some or all of the Performance Shares awarded hereunder in the circumstances described in such agreement or as otherwise required by applicable law. All determinations by the Committee shall be in its sole discretion and shall be binding on the Company and the Grantee.

Section 10. Governing Law; Amendment

This Agreement shall be governed by, and shall be construed and administered in accordance with, the laws of the State of Delaware (without regard to its choice of law rules) and the requirements of any applicable federal law. This Agreement may be modified or amended only by a writing signed by the parties hereto.

Section 11. Action by the Committee

The parties agree that the interpretation of this Agreement shall rest exclusively and completely within the sole discretion of the Committee. The parties agree to be bound by the decisions of the Committee with regard to the interpretation of this Agreement and with regard to any and all matters set forth in this Agreement. The Committee may delegate its functions under this Agreement to an officer of the Company designated by the Committee (hereinafter the "Designee"). In fulfilling its responsibilities hereunder, the Committee or its Designee may rely upon documents, written statements of the parties or such other material as the Committee or its Designee deems appropriate. The parties agree that there is no right to be heard or to appear before the Committee or its Designee and that any decision of the Committee or its Designee relating to this Agreement shall be final and binding unless such decision is arbitrary and capricious.

Section 12. Terms of Agreement

This Agreement shall remain in full force and effect and shall be binding on the parties hereto for so long as any Performance Shares issued to the Grantee under this Agreement continue to be held by the Grantee.

IN WITNESS WHEREOF, the Company has caused this Agreement to be executed in its corporate name, and the Grantee has executed the same in evidence of the Grantee's acceptance hereof, upon the terms and conditions herein set forth, as of the day and year first above written.

CHESAPEAKE UTILITIES CORPORATION

By: ____________

Printed Name:__________

Its: ____________

Grantee:

____
Printed Name:

Exhibit 10.1

2024-2026 Performance Peer Group

The 2024-2026 Performance Peer Group consists of the following gas utility companies:

1. Atmos Energy Corporation
2. Black Hills Corporation
3. New Jersey Resources Corporation
4. NiSource Inc.
5. NW Natural (a subsidiary of Northwest Natural Holding Co.)
6. Northwestern Corporation
7. ONE Gas, Inc.
8. RGC Resources, Inc.
9. Spire Inc.
10. Unitil Corporation

Exhibit 10.1

Performance Criteria

Growth – Capital Expenditures as a percentage of Total Capitalization relative to peer companies

%ile Ranking to Peer Group Payout %

.... 40-49% 50% of Award
.... 50-54% 75% of Award
.... 55-59% 100% of Award
.... 60-64% 125% of Award
.... 65-69% 150% of Award
.... 70-80% 175% of Award
> 80% 200% of Award

Earnings – Average Return on Equity relative to peer companies

%ile Ranking to Peer Group Payout %

.... 40-49% 50% of Award
.... 50-54% 75% of Award
.... 55-59% 100% of Award
.... 60-64% 125% of Award
.... 65-69% 150% of Award
.... 70-80% 175% of Award
> 80% 200% of Award

To earn above Target (100%), a threshold ROE of 8 percent must be achieved.

Relative Total Stockholder Return – Modifier

Total stockholder return is a modifier to the results of the applicable Growth and RoE Performance Metrics. It is based upon the 36 months ended December 31, 2026, with the 60-dav average price used at the beginning and end of the period (11/1/2023-12/31/2023 and 11/1/2026-12/31/2026). The Modifier is applied as follows:

TSR Modifier (+/-20%)	
CPK TSR Percentile Ranking	TSR Modifier
>75%	20.00%
51%-74%	0.80%-19.20%
50%	0%
26%-49%	Interpolated between: -19.20% to -0.80%
<25%	-20.00%

In no event can the Modifier result in the final Performance Shares exceeding the Performance Shares set forth in Section 1 above

Exhibit 10.1

CERTIFICATE PURSUANT TO RULE 13A-14(A)
UNDER THE SECURITIES EXCHANGE ACT OF 1934

I, Jeffry M. Householder, certify that:

1. I have reviewed this quarterly report on Form 10-Q for the quarter ended March 31, 2024 of Chesapeake Utilities Corporation;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a–15(e) and 15d–15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a–15(f) and 15d–15(f)) for the registrant and have:

    a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

    b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

    c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

    d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

    a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

    b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 8, 2024

/s/ JEFFRY M. HOUSEHOLDER

Jeffry M. Householder
President and Chief Executive Officer

CERTIFICATE PURSUANT TO RULE 13A-14(A)
UNDER THE SECURITIES EXCHANGE ACT OF 1934

I, Beth W. Cooper, certify that:

1. I have reviewed this quarterly report on Form 10-Q for the quarter ended March 31, 2024 of Chesapeake Utilities Corporation;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant’s other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a–15(e) and 15d–15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a–15(f) and 15d–15(f)) for the registrant and have:

   a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c) evaluated the effectiveness of the registrant’s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d) disclosed in this report any change in the registrant’s internal control over financial reporting that occurred during the registrant’s most recent fiscal quarter (the registrant’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant’s internal control over financial reporting; and

5. The registrant’s other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant’s auditors and the audit committee of the registrant’s board of directors (or persons performing the equivalent functions):

   a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant’s ability to record, process, summarize and report financial information; and

   b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant’s internal control over financial reporting.

Date: May 8, 2024

/S/ BETH W. COOPER

Beth W. Cooper
Executive Vice President, Chief Financial Officer, Treasurer
and Assistant Corporate Secretary

Certificate of Chief Executive Officer

of

Chesapeake Utilities Corporation

(pursuant to 18 U.S.C. Section 1350)

I, Jeffry M. Householder, President and Chief Executive Officer of Chesapeake Utilities Corporation, certify that, to the best of my knowledge, the Quarterly Report on Form 10-Q of Chesapeake Utilities Corporation ("Chesapeake") for the period ended March 31, 2024, filed with the Securities and Exchange Commission on the date hereof (i) fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended, and (ii) the information contained therein fairly presents, in all material respects, the financial condition and results of operations of Chesapeake.

/s/ JEFFRY M. HOUSEHOLDER

Jeffry M. Householder
May 8, 2024

A signed original of this written statement required by Section 906 of the Sarbanes-Oxley Act of 2002, or other document authenticating, acknowledging, or otherwise adopting the signature that appears in typed form within the electronic version of this written statement required by Section 906, has been provided to Chesapeake Utilities Corporation and will be retained by Chesapeake Utilities Corporation and furnished to the Securities and Exchange Commission or its staff upon request.

Certificate of Chief Financial Officer

of

Chesapeake Utilities Corporation

(pursuant to 18 U.S.C. Section 1350)

I, Beth W. Cooper, Executive Vice President, Chief Financial Officer, Treasurer and Assistant Corporate Secretary of Chesapeake Utilities Corporation, certify that, to the best of my knowledge, the Quarterly Report on Form 10-Q of Chesapeake Utilities Corporation ("Chesapeake") for the period ended March 31, 2024, filed with the Securities and Exchange Commission on the date hereof (i) fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended, and (ii) the information contained therein fairly presents, in all material respects, the financial condition and results of operations of Chesapeake.

/S/ BETH W. COOPER
Beth W. Cooper
May 8, 2024

A signed original of this written statement required by Section 906 of the Sarbanes-Oxley Act of 2002, or other document authenticating, acknowledging, or otherwise adopting the signature that appears in typed form within the electronic version of this written statement required by Section 906, has been provided to Chesapeake Utilities Corporation and will be retained by Chesapeake Utilities Corporation and furnished to the Securities and Exchange Commission or its staff upon request.

FPSC EXH NO. 8

ADMITTED

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 20240099-EI

EXPLANATION: Provide a copy of the "Business Contracts with Officers, Directors and Affiliates" schedule included in the company's most recently filed Annual Report as required by Rule 25-6.135, Florida Administrative Code. Provide any subsequent changes affecting the test year.

Type of Data Shown:
Projected Test Year Ended 12/31/2025
Prior Year Ended 12/31/2024
Historical Test Year Ended 12/31/2023
Witness: Galtman

Line No.	Name of Officer or Director	Name and Address of Affiliated Entity	Relationship With Affiliated Entity	Amount of Contract or Transaction	Description of Product or Service

The Company does not have any contracts with officers or directors but does have a contract with an affiliate, Eight Flags Energy LLC for the purchase of energy.
See Attachment F-3a - Officers and Directors & Attachment F-3b Affiliate Eight Flags.
There are no subsequent changes affecting the test year.

Supporting Schedules:

Recap Schedules:

Business Contracts with Officers, Directors, and Affiliates

Company: Florida Public Utilities Company - Electric Division

For The Year Ended December 31, 2023

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

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

Name of Officer or Director	Name and Address of Affiliated Entity	Amount	Identification of Product or Service
None			

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

Analysis of Diversification Activity

Individual Affiliated Transactions in Excess of $500,000

COMPANY: Florida Public Utilities Company - Electric Division

For The Year Ended December 31, 2023

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

Name of Affiliate (a)	Description of Transaction (b)	Dollar Amount (c)
Eight Flags Energy LLC	Purchased Power	$ 17,901,184

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 20240099-EI

EXPLANATION: Supply a copy of all NRC safety citations issued against the company within the last two years, a listing of corrective actions and a listing of any outstanding deficiencies. For each citation provide the dollar amount of any fines or penalties assessed against the company and account(s) each are recorded.

Type of Data Shown:
Projected Test Year Ended 12/31/2025
Prior Year Ended 12/31/2024
Historical Test Year Ended 12/31/2023
Witness: Haffecke

Not Applicable

Supporting Schedules:

Recap Schedules:

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA PUBLIC UTILITIE
Consolidated Electric Division
DOCKET NO.:

EXPLANATION: If a projected test year is used, provide a brief description of each method or model used in the forecasting process. Provide a flow chart which shows the position of each model in the forecasting process.

Type of Data Shown:
Projected Test Year Ended 12/31/2025
Prior Year Ended 12/31/2024
Historical Test Year Ended 12/31/2023
Witness: Taylor

FORECASTING METHODOLOGY - CUSTOMERS, ENERGY USAGE, PEAK DEMAND

In preparing the forecast for the 2025 test year, we first developed nine years, four months of historical data (Jan 2015 to Apr 2024). The data included the number of customers, sales, and billed peak demands for each rate classification and service territory. The rate classifications are Residential (RS), General Service (GS), General Service Demand (GSD), General Services Large Demand (GSLD), General Service Large Demand 1 (GSLD1), Outdoor Lighting (OL) and Street Lighting (SL).

Forecasts of sales by service classification were developed by building up from separate forecasts for sales per customer and number of customers. We first examined the historical relationship between sales per customer and cooling degree days (CDD), heating degree days (HDD), and a time trend. Sales per customer for 2024 and 2025 were forecast using 10-year average CDD and HDD, and the time trend. Forecasts of the number of customers in each service classification were developed using a time trend based on 2020 to 2023 data and adjusted with a forecast of number of customers by class. Sales by service classification were forecast as the product of the sales per customer forecast and the number of customer forecast for each service classification. We also adjusted projected consumption for the decrease in usage due to fuel increases dating back to 2008.

Forecasts of billing demands by service classification were based on the historical relationship with CDD, HDD, and a time trend, combined with the forecast of the number of customers by class. This method was only used for the GSD and GSLD classes.

Because the class contains only two customers, the Fernandina Beach GSLD 1 class was forecast using direct forecast of KWH purchases, billed KW demand, and kVar. Changes in the operations of these customers in 2022 made data prior to 2022 inappropriate for use in forecasting future billing determinants.

Determinants for outdoor lighting and street lighting classes were forecast using the customer growth from their respective service territories. Recent growth in lighting revenues is not expected to be matched in the future, so the growth rate of the number of customers was used as a proxy for the expected growth of lighting determinants. The determinants for SL were frozen at 2023 levels because the rates are closed to new enrollment.

Supporting Schedules: Recap Schedules:

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 20240099-EI

EXPLANATION: If a projected test year is used, provide a brief description of each method or model used in the forecasting process. Provide a flow chart which shows the position of each model in the forecasting process.

Type of Data Shown:
Projected Test Year Ended 12/31/2025
Prior Year Ended 12/31/2024
Historical Test Year Ended 12/31/2023
Witness: Haffecke

CONSTRUCTION BUDGET

Florida Public Utilities' construction budget is based on several different variables. Only a few of which were driven by customer growth and usage. The main goal of the Construction Budget is to ensure prompt service to all new customers while ensuring that the integrity and reliability of the entire distribution system is maintained. Several different factors influencing the Construction Budget are as follows:

1. Customer Growth and Usage

The addition of new customers requires construction based on the customer and the type of usage required. Due to the small growth opportunities, vey little of the construction budget is a result of serving the needs of new customers.

2. Five Year Distribution Plan

This plan is updated on a yearly basis in order to ensure that the long range integrity and reliability of the system is maintained. Total substation and feeder loads are analyzed to determine the best way to serve current and future loads. This analysis also takes into consideration voltage levels, power factors, and construction standards. Substation upgrades and improvements will be implemented based on the analytics of feeder loading and reliability performance. New technology will be incorporated into the distribution system which will provide advanced monitoring and automated operation of equipment. Security upgrades to further enhance and reduce the potential threats of our substation assets will also be included.

3. Reliability Improvement

Based upon increasing concerns over system reliability, reliability indices and related outages were examined which helped to identify key issues with reliability. These areas were indentified and targeted with necessary capital improvements. In certain areas work has been on going but the rate at which completion had occurred was not sufficient. An escalation in the rate of work occurred, combined with continued focus on new projects has allowed significant improvements in all reliability indices. Leveraging "self healing" equipment on the distribution system minimizes customer outages and increases the effectiveness of full restoration. Remote monitoring and automated operation will reduce outage durations and enhance analytical reporting. Based on reliability performance, existing infrastructure will continue to be upgraded to meet new construction standards. Annual pole inspections are completed and replacements are scheduled based on pole integrity.

4. Depreciation

The depreciation, deterioration, and replacement of plant is also considered in determining the total construction budget. This is used to allow replacement of facilities while not adversely affecting total plant.

5. Energy Supply

Work with our power suppliers is essential. Communication concerning future load additions and reliability is ongoing. This allows both parties to look into the future and make appropriate plans. In addition, possible additions that would lower the energy cost to our customers are evaluated.

Each of these factors is considered when developing the yearly construction budgets. Reviews at the Divisional and Corporate levels also provide adequate oversight into the expenditures in this budget.

Supporting Schedules: | Recap Schedules:

FLORIDA PUBLIC SERVICE COMMISSION COMPANY: FLORIDA PUBLIC UTILITII Consolidated Electric Division DOCKET NO.: 20240099-EI	EXPLANATION: If a projected test year is used, provide a brief description of each method or model used in the forecasting process. Provide a flow chart which shows the position of each model in the forecasting process.	Type of Data Shown: Projected Test Year Ended 12/31/2025 Prior Year Ended 12/31/2024 Historical Test Year Ended 12/31/2023 Witness: Napier

OPERATION AND MAINTENANCE EXPENSES WITHOUT PURCHASED POWER

FPU's Operation and Maintenance expenses are calculated using projections based on customer growth, inflation, payroll growth, Inflation & customer growth and payroll and customer growth (see page 2 for details on forecasting this) and special project costs.

Direct projections are noted on the C-7 over/under schedule. These accounts were projected based on specific estimates. Corporate projected expenses as a direct specific calculation. Actual personnel times expected rates of pay were used to project payroll. Remaining costs were directly projected and reflected in budget numbers.

Prior to preparing the O & M Budget, all O & M related special projects are identified. These may include special maintenance projects, small equipment purchases, training, employment, compensation, etc. After these projects are identified and the associated costs are determined, they are compiled with historical values for each account. This combination is then forecast into the test year using projection factors based on customer and payroll growth, and expected inflation. See O & M schedules for summary of factors used, adjustments required, and any specific projections required.

After preparation, the O & M Budget, along with all identified special and new projects, is submitted for Divisional and Corporate review and approval.

Supporting Schedules: Recap Schedules:

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 20240099-EI

EXPLANATION: If a projected test year is used, for each sales forecasting model, give a quantified explanation of the impact of changes in the inputs to changes in outputs.

Type of Data Shown:
Projected Test Year Ended 12/31/2025
Prior Year Ended 12/31/2024
Historical Test Year Ended 12/31/2023
Witness: Taylor

Line No.		Input Variable	Percent Change (Input)		Output Variable Affected	Percent Change (Output)
1		**Northeast**				
2	Residential			Residential		
3	HDD	Heating Degree Day	1%	UPC	Use-Per-Customer	0.268%
4	CDD	Cooling Degree Day	1%	UPC	Use-Per-Customer	0.644%
5						
6	Commercial Small			Commercial Small		
7	HDD	Heating Degree Day	1%	UPC	Use-Per-Customer	0.114%
8	CDD	Cooling Degree Day	1%	UPC	Use-Per-Customer	0.402%
9						
10	Commercial			Commercial		
11	HDD	Heating Degree Day	1%	UPC	Use-Per-Customer	0.075%
12	CDD	Cooling Degree Day	1%	UPC	Use-Per-Customer	0.203%
13						
14						
15	**Northwest**					
16						
17						
18	Residential			Residential		
19	HDD	Heating Degree Day	1%	UPC	Use-Per-Customer	0.334%
20	CDD	Cooling Degree Day	1%	UPC	Use-Per-Customer	0.656%
21						
22	Commercial Small			Commercial Small		
23	HDD	Heating Degree Day	1%	UPC	Use-Per-Customer	0.186%
24	CDD	Cooling Degree Day	1%	UPC	Use-Per-Customer	0.338%
25						
26	Commercial			Commercial		
27	HDD	Heating Degree Day	1%	UPC	Use-Per-Customer	0.108%
28	CDD	Cooling Degree Day	1%	UPC	Use-Per-Customer	0.223%

Supporting Schedules: Recap Schedules:

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 20240099-EI

EXPLANATION: For each forecasting model used to estimate test year projections for customers, demand, and energy, provide the historical and projected values for the input variables and the output variables used in estimating and/or validating the model. Also, provide a description of each variable, specifying the unit of measurement and the time span or cross sectional range of the data.

Type of Data Shown:
Projected Test Year Ended 12/31/202
Prior Year Ended 12/31/2024
Historical Test Year Ended 12/31/202
Witness: Taylor

Northeast - Residential
Use-per-Customer Model

UPC_t = Constant + β_1 x Trend + β_2 x HDD_t + β_3 x HDD_{t-1} + β_4 x CDD_t + β_5 x CDD_{t-1}

Data Range: Jan-15 to Apr-24

SUMMARY OUTPUT

Regression Statistics	
Multiple R	0.9541
R Square	0.9102
Adjusted R Square	0.9060
Standard Error	71.2437
Observations	112

ANOVA

	df	*SS*	*MS*	*F*	*Significance F*
Regression	5	5,456,515	1,091,303	215	0
Residual	106	538,021	5,076		
Total	111	5,994,536			

	Coefficients	*Standard Error*	*t Stat*	*P-value*	*Lower 95%*	*Upper 95%*	*Lower 95.0%*	*Upper 95.0%*
Intercept (Constant)	201.19	36.36	5.53	2.2841E-07	129.11	273.27	129.11	273.27
Trend	-0.89	0.21	-4.29	4.0294E-05	-1.31	-0.48	-1.31	-0.48
HDD	1.22	0.10	12.63	7.2874E-23	1.03	1.41	1.03	1.41
HDD(t-1)	1.09	0.10	11.27	7.8257E-20	0.90	1.29	0.90	1.29
CDD	1.39	0.09	14.79	1.5779E-27	1.20	1.57	1.20	1.57
CDD(t-1)	1.15	0.09	12.44	1.8944E-22	0.97	1.34	0.97	1.34

Supporting Schedules: Recap Schedules:

FLORIDA PUBLIC SERVICE COMMISSION
5
COMPANY: FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 20240099-EI

EXPLANATION For each forecasting model used to estimate test year projections for customers, demand, and energy, provide the historical and projected values f the input variables and the output variables used in estimating and/or validating the model. Also, provide a description of each variable, specifying the unit of measurement and the time span or cross sectional range of the data.

Type of Data Shown:
Projected Test Year Ended 12/31/202
Prior Year Ended 12/31/2024
Historical Test Year Ended 12/31/202
Witness: Taylor

Northeast - Commercial Small
Use-per-Customer Model

$UPC_t = Constant + \beta_1 \times HDD_t + \beta_2 \times HDD_{t-1} + \beta_3 \times CDD_t + \beta_4 \times CDD_{t-1}$

Data Range: Jan-20 to Apr-24

SUMMARY OUTPUT

Regression Statistics	
Multiple R	0.9359
R Square	0.8759
Adjusted R Square	0.8653
Standard Error	92.8794
Observations	52

ANOVA

	df	*SS*	*MS*	*F*	*Significance F*
Regression	4	2,861,495	715,374	83	0
Residual	47	405,450	8,627		
Total	51	3,266,945			

	Coefficients	*Standard Error*	*t Stat*	*P-value*	*Lower 95%*	*Upper 95%*	*Lower 95.0%*	*Upper 95.0%*
Intercept (Constant)	670.14	66.11	10.14	2.0649E-13	537.14	803.14	537.14	803.14
HDD	0.64	0.20	3.30	1.8439E-03	0.25	1.04	0.25	1.04
HDD(t-1)	0.80	0.20	4.04	1.9801E-04	0.40	1.19	0.40	1.19
CDD	0.71	0.18	3.86	3.4182E-04	0.34	1.08	0.34	1.08
CDD(t-1)	1.59	0.18	8.69	2.4434E-11	1.23	1.96	1.23	1.96

Supporting Schedules: Recap Schedules:

FLORIDA PUBLIC SERVICE COMMISSION 25 COMPANY: FLORIDA PUBLIC UTILITIES Consolidated Electric Division DOCKET NO.: 20240099-EI	EXPLANATIOI For each forecasting model used to estimate test year projections for customers, demand, and energy, provide the historical and projected values f the input variables and the output variables used in estimating and/or validating the model. Also, provide a description of each variable, specifying the unit of measurement and the time span or cross sectional range of the data.	Type of Data Shown: Projected Test Year Ended 12/31/2025 Prior Year Ended 12/31/2024 Historical Test Year Ended 12/31/2023 Witness: Taylor

Northeast - Commercial

Use-per-Customer Model

UPC_t = Constant + $\boldsymbol{\beta_1}$ x HDD_t + $\boldsymbol{\beta_2}$ x HDD_{t-1} + $\boldsymbol{\beta_3}$ x CDD_t + $\boldsymbol{\beta_4}$ x CDD_{t-1}

Data Range: Jan-18 to Apr-24

SUMMARY OUTPUT

Regression Statistics	
Multiple R	0.9154
R Square	0.8379
Adjusted R Square	0.8288
Standard Error	#########
Observations	76

ANOVA

	df	*SS*	*MS*	*F*	*Significance F*
Regression	4	1,049,228,015	262,307,004	92	0
Residual	71	202,993,138	2,859,058		
Total	75	1,252,221,153			

	Coefficients	*Standard Error*	*t Stat*	*P-value*	*Lower 95%*	*Upper 95%*	*Lower 95.0%*	*Upper 95.0%*
Intercept (Constan	16387.18	1009.70	16.23	1.3586E-25	14373.89	18400.47	14373.89	18400.47
HDD	7.54	2.79	2.70	8.6173E-03	1.98	13.11	1.98	13.11
HDD(t-1)	7.60	2.80	2.72	8.3010E-03	2.02	13.18	2.02	13.18
CDD	9.73	2.71	3.60	5.9378E-04	4.34	15.13	4.34	15.13
CDD(t-1)	21.54	2.65	8.12	1.0143E-11	16.25	26.83	16.25	26.83

Supporting Schedules: Recap Schedules:

J841

FPSC EXH NO. 8

ADMITTED

J842

FLORIDA PUBLIC SERVICE COMMISSION
5
COMPANY: FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 20240099-EI

EXPLANATION: For each forecasting model used to estimate test year projections for customers, demand, and energy, provide the historical and projected values for the input variables and the output variables used in estimating and/or validating the model. Also, provide a description of each variable, specifying the unit of measurement and the time span or cross sectional range of the data.

Type of Data Shown:
Projected Test Year Ended 12/31/202
Prior Year Ended 12/31/2024
Historical Test Year Ended 12/31/202
Witness: Taylor

Northwest - Residential
Use-per-Customer Model

UPC_t = Constant + β_1 x Trend + β_2 x HDD_t + β_3 x HDD_{t-1} + β_4 x CDD_t + β_5 x CDD_{t-1}

Data Range: Jan-19 to Apr-24

SUMMARY OUTPUT

Regression Statistics	
Multiple R	0.9529
R Square	0.9080
Adjusted R Square	0.9001
Standard Error	68.2960
Observations	64

ANOVA

	df	*SS*	*MS*	*F*	*Significance F*
Regression	5	2,669,505	533,901	114	0
Residual	58	270,532	4,664		
Total	63	2,940,037			

	Coefficients	*tandard Erro*	*t Stat*	*P-value*	*Lower 95%*	*Upper 95%*	*Lower 95.0%*	*Upper 95.0%*
Intercept (Constant)	114.07	61.43	1.86	6.8395E-02	-8.89	237.04	-8.89	237.04
Trend	-0.80	0.46	-1.72	9.1334E-02	-1.73	0.13	-1.73	0.13
HDD	1.22	0.12	9.88	4.8876E-14	0.97	1.47	0.97	1.47
HDD(t-1)	1.52	0.12	12.20	1.1727E-17	1.27	1.77	1.27	1.77
CDD	1.14	0.12	9.54	1.7001E-13	0.90	1.38	0.90	1.38
CDD(t-1)	1.40	0.11	12.42	5.5411E-18	1.18	1.63	1.18	1.63

Supporting Schedules: Recap Schedules:

J842

FPSC EXH NO. 8
ADMITTED

J843

FLORIDA PUBLIC SERVICE COMMISSION
:5
COMPANY: FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 20240099-EI

EXPLANATION: For each forecasting model used to estimate test year projections for customers, demand, and energy, provide the historical and projected values for the input variables and the output variables used in estimating and/or validating the model. Also, provide a description of each variable, specifying the unit of measurement and the time span or cross sectional range of the data.

Type of Data Shown:
Projected Test Year Ended 12/31/20:
Prior Year Ended 12/31/2024
Historical Test Year Ended 12/31/20:
Witness: Taylor

Northwest - Commercial Small
Use-per-Customer Model

UPC_t = Constant + β_1 x Trend + β_2 x HDD_t + β_3 x HDD_{t-1} + β_4 x CDD_t + β_5 x CDD_{t-1}

Data Range: Jan-19 to Apr-24

SUMMARY OUTPUT

Regression Statistics	
Multiple R	0.9633
R Square	0.9279
Adjusted R Square	0.9216
Standard Error	60.8734
Observations	64

ANOVA

	df	*SS*	*MS*	*F*	*Significance F*
Regression	5	2,764,346	552,869	149	0
Residual	58	214,923	3,706		
Total	63	2,979,269			

	Coefficients	*Standard Error*	*t Stat*	*P-value*	*Lower 95%*	*Upper 95%*	*Lower 95.0%*	*Upper 95.0%*
Intercept (Constant)	361.14	54.75	6.60	1.3954E-08	251.54	470.74	251.54	470.74
Trend	1.38	0.41	3.33	1.5088E-03	0.55	2.21	0.55	2.21
HDD	0.55	0.11	5.03	5.1006E-06	0.33	0.77	0.33	0.77
HDD(t-1)	0.97	0.11	8.75	3.4486E-12	0.75	1.19	0.75	1.19
CDD	0.69	0.11	6.44	2.5374E-08	0.47	0.90	0.47	0.90
CDD(t-1)	1.37	0.10	13.64	9.5087E-20	1.17	1.57	1.17	1.57

Supporting Schedules: Recap Schedules:

J843

FLORIDA PUBLIC SERVICE COMMISSION
25
COMPANY: FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.:

EXPLANATION: For each forecasting model used to estimate test year projections for customers, demand, and energy, provide the historical and projected values the input variables and the output variables used in estimating and/or validating the model. Also, provide a description of each variable, specifying the unit of measurement and the time span or cross sectional range of the data.

Type of Data Shown:
Projected Test Year Ended 12/31/2025
Prior Year Ended 12/31/2024
Historical Test Year Ended 12/31/2023
Witness: Taylor

Northwest - Commercial
Use-per-Customer Model

UPC_t = Constant + β_1 x HDD_t + β_2 x HDD_{t-1} + β_3 x CDD_t + β_4 x CDD_{t-1}

Data Range: Jan-19 to Apr-24

SUMMARY OUTPUT

Regression Statistics	
Multiple R	0.9570
R Square	0.9159
Adjusted R Squar	0.9102
Standard Error	843.7662
Observations	64

ANOVA

	df	*SS*	*MS*	*F*	*Significance F*
Regression	4	457,542,466	114,385,617	161	0
Residual	59	42,004,540	711,941		
Total	63	499,547,006			

	Coefficients	*Standard Error*	*t Stat*	*P-value*	*Lower 95%*	*Upper 95%*	*Lower 95.0%*	*Upper 95.0%*
Intercept (Consta	9649.10	570.14	16.92	2.5869E-24	8508.24	10789.96	8508.24	10789.96
HDD	5.03	1.52	3.30	1.6297E-03	1.98	8.08	1.98	8.08
HDD(t-1)	7.27	1.54	4.73	1.4429E-05	4.19	10.34	4.19	10.34
CDD	7.84	1.47	5.33	1.6014E-06	4.90	10.78	4.90	10.78
CDD(t-1)	14.75	1.40	10.57	3.0970E-15	11.96	17.54	11.96	17.54

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 20240099-EI

EXPLANATION: For each forecasting model used to estimate test year projections for customers, demand, and energy, provide the historical and projected values for the input variables and the output variables used in estimating and/or validating the model. Also, provide a description of each variable, specifying the unit of measurement and the time span or cross sectional range of the data.

Type of Data Shown:
Projected Test Year Ended 12/31/2025
Prior Year Ended 12/31/2024
Historical Test Year Ended 12/31/2023
Witness: Taylor

Northeast

	Billed (kWh)			Customers			Use-per-Customer (kWh)		
Billed Month	Residental	Commercial Small	Commercial	Residential	Commercial Small	Commercial	Residential	Commercial Small	Commercial
Jan-15	15,298,449	2,483,455	5,840,067	13,806	1,612	238	1,108	1,541	24,538
Feb-15	16,089,510	2,560,110	5,577,260	13,833	1,615	239	1,163	1,585	23,336
Mar-15	14,572,380	2,392,896	5,649,415	13,835	1,619	234	1,053	1,478	24,143
Apr-15	11,643,930	2,304,681	5,828,223	13,894	1,627	235	838	1,417	24,801
May-15	12,196,003	2,401,445	6,029,352	13,906	1,637	231	877	1,467	26,101
Jun-15	16,568,359	2,939,267	6,766,840	13,902	1,642	232	1,192	1,790	29,167
Jul-15	20,842,915	3,557,752	7,793,911	13,948	1,658	218	1,494	2,146	35,752
Aug-15	19,573,050	3,503,162	7,444,466	13,947	1,656	220	1,403	2,115	33,838
Sep-15	17,528,485	3,344,330	6,998,254	13,933	1,672	207	1,258	2,000	33,808
Oct-15	12,479,630	2,838,669	6,024,091	13,933	1,667	204	896	1,703	29,530
Nov-15	11,531,127	2,519,453	5,590,377	13,993	1,667	208	824	1,511	26,877
Dec-15	11,007,528	2,404,624	5,582,290	13,984	1,651	215	787	1,456	25,964
Jan-16	14,635,040	2,530,998	5,817,275	13,998	1,652	216	1,046	1,532	26,932
Feb-16	15,290,941	2,346,936	5,002,671	14,023	1,647	217	1,090	1,425	23,054
Mar-16	12,363,747	2,298,913	5,278,088	14,021	1,641	218	882	1,401	24,211
Apr-16	11,062,286	2,294,381	5,630,090	14,042	1,642	218	788	1,397	25,826
May-16	12,143,878	2,441,204	5,793,005	14,096	1,653	219	862	1,477	26,452
Jun-16	18,246,969	3,113,796	7,107,016	14,107	1,650	219	1,293	1,887	32,452
Jul-16	21,080,456	3,346,409	7,340,733	14,139	1,623	220	1,491	2,062	33,367
Aug-16	20,595,418	3,530,533	7,434,768	14,114	1,625	219	1,459	2,173	33,949
Sep-16	19,692,195	3,432,571	7,742,181	14,131	1,642	219	1,394	2,090	35,352
Oct-16	14,273,113	2,853,766	6,406,321	14,121	1,645	220	1,011	1,735	29,120
Nov-16	10,502,058	2,177,919	5,428,189	14,149	1,647	221	742	1,322	24,562
Dec-16	10,852,359	2,208,575	5,265,419	14,155	1,651	220	767	1,338	23,934

Supporting Schedules: Recap Schedules:

J845

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 20240099-EI

EXPLANATION: For each forecasting model used to estimate test year projections for customers, demand, and energy, provide the historical and projected values for the input variables and the output variables used in estimating and/or validating the model. Also, provide a description of each variable, specifying the unit of measurement and the time span or cross sectional range of the data.

Type of Data Shown:
Projected Test Year Ended 12/31/2025
Prior Year Ended 12/31/2024
Historical Test Year Ended 12/31/2023
Witness: Taylor

Northeast

	Billed (kWh)			Customers			Use-per-Customer (kWh)		
Billed Month	Residental	Commercial Small	Commercial	Residential	Commercial Small	Commercial	Residential	Commercial Small	Commercial
Jan-17	13,072,111	2,299,204	5,331,811	14,182	1,641	222	922	1,401	24,017
Feb-17	11,098,994	2,061,366	4,930,336	14,221	1,644	221	780	1,254	22,309
Mar-17	10,699,684	2,091,213	5,274,589	14,277	1,641	222	749	1,274	23,759
Apr-17	12,283,322	2,358,308	5,748,582	14,292	1,631	225	859	1,446	25,549
May-17	12,972,582	2,406,989	5,815,599	14,297	1,632	226	907	1,475	25,733
Jun-17	17,008,606	3,010,985	7,095,117	14,344	1,637	230	1,186	1,839	30,848
Jul-17	20,522,276	3,133,678	7,488,727	14,298	1,621	234	1,435	1,933	32,003
Aug-17	18,741,939	3,148,489	7,368,365	14,365	1,623	241	1,305	1,940	30,574
Sep-17	17,883,397	2,990,943	7,523,337	14,403	1,619	255	1,242	1,847	29,503
Oct-17	15,944,425	2,546,442	6,617,630	14,395	1,610	254	1,108	1,582	26,054
Nov-17	11,477,322	2,311,004	6,009,821	14,386	1,618	255	798	1,428	23,568
Dec-17	11,711,655	2,163,360	5,454,755	14,402	1,618	255	813	1,337	21,391
Jan-18	20,828,687	2,605,279	6,395,041	14,364	1,624	258	1,450	1,604	24,787
Feb-18	14,172,027	2,169,475	5,804,372	14,393	1,614	261	985	1,344	22,239
Mar-18	10,530,732	1,853,471	5,358,841	14,480	1,609	262	727	1,152	20,454
Apr-18	11,478,196	1,986,698	5,796,868	14,441	1,617	264	795	1,229	21,958
May-18	11,597,674	2,029,290	5,945,131	14,448	1,609	265	803	1,261	22,434
Jun-18	17,090,680	2,709,468	7,593,660	14,554	1,613	267	1,174	1,680	28,441
Jul-18	20,015,135	2,930,385	7,919,061	14,564	1,610	268	1,374	1,820	29,549
Aug-18	18,892,639	2,958,937	8,151,041	14,560	1,624	266	1,298	1,822	30,643
Sep-18	20,112,238	3,053,978	8,608,441	14,570	1,608	270	1,380	1,899	31,883
Oct-18	16,834,509	2,640,469	7,489,848	14,600	1,606	274	1,153	1,644	27,335
Nov-18	12,429,763	2,229,640	7,008,822	14,626	1,612	274	850	1,383	25,580
Dec-18	13,093,239	2,018,689	6,144,541	14,610	1,623	270	896	1,244	22,758

Supporting Schedules: Recap Schedules:

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 20240099-EI

EXPLANATION: For each forecasting model used to estimate test year projections for customers, demand, and energy, provide the historical and projected values for the input variables and the output variables used in estimating and/or validating the model. Also, provide a description of each variable, specifying the unit of measurement and the time span or cross sectional range of the data.

Type of Data Shown:
Projected Test Year Ended 12/31/2025
Prior Year Ended 12/31/2024
Historical Test Year Ended 12/31/2023
Witness: Taylor

Northeast

	Billed (kWh)			Customers			Use-per-Customer (kWh)		
Billed Month	Residental	Commercial Small	Commercial	Residential	Commercial Small	Commercial	Residential	Commercial Small	Commercial
Jan-19	14,236,279	2,012,174	6,201,948	14,676	1,623	272	970	1,240	22,801
Feb-19	13,752,721	1,941,176	5,909,960	14,642	1,615	277	939	1,202	21,336
Mar-19	10,571,204	1,724,471	5,414,383	14,662	1,616	274	721	1,067	19,761
Apr-19	10,947,972	1,888,182	5,669,555	14,737	1,630	270	743	1,158	20,998
May-19	13,901,265	2,254,386	6,893,162	14,751	1,627	273	942	1,386	25,250
Jun-19	18,937,275	2,933,542	8,071,610	14,796	1,632	272	1,280	1,798	29,675
Jul-19	19,547,707	2,853,941	7,929,614	14,814	1,642	269	1,320	1,738	29,478
Aug-19	19,507,546	3,079,731	8,489,971	14,843	1,645	270	1,314	1,872	31,444
Sep-19	19,343,529	2,840,664	8,617,214	14,893	1,647	269	1,299	1,725	32,034
Oct-19	16,177,003	2,703,833	7,011,447	14,902	1,648	265	1,086	1,641	26,458
Nov-19	12,596,355	2,133,309	6,834,473	14,985	1,661	268	841	1,284	25,502
Dec-19	12,365,259	1,955,800	5,893,294	14,972	1,656	266	826	1,181	22,155
Jan-20	13,036,389	1,987,025	6,084,711	15,065	1,669	266	865	1,191	22,875
Feb-20	12,830,484	2,028,102	5,675,492	15,093	1,678	261	850	1,209	21,745
Mar-20	11,808,729	1,830,839	5,506,322	15,157	1,676	262	779	1,092	21,016
Apr-20	12,422,792	1,887,455	5,529,775	15,141	1,680	262	820	1,123	21,106
May-20	13,020,576	1,805,146	5,538,053	15,134	1,683	261	860	1,073	21,219
Jun-20	16,000,669	2,250,919	6,397,070	15,172	1,684	263	1,055	1,337	24,323
Jul-20	21,516,874	2,820,576	8,026,273	15,247	1,688	264	1,411	1,671	30,403
Aug-20	21,609,066	3,007,484	7,683,943	15,196	1,680	262	1,422	1,790	29,328
Sep-20	19,037,353	2,738,372	7,535,097	15,208	1,693	262	1,252	1,617	28,760
Oct-20	14,947,756	2,490,909	6,971,739	15,271	1,696	262	979	1,469	26,610
Nov-20	13,601,406	2,272,155	6,505,131	15,298	1,689	262	889	1,345	24,829
Dec-20	13,797,306	2,027,535	5,783,724	15,279	1,684	262	903	1,204	22,075

Supporting Schedules: Recap Schedules:

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 20240099-EI

EXPLANATION: For each forecasting model used to estimate test year projections for customers, demand, and energy, provide the historical and projected values for the input variables and the output variables used in estimating and/or validating the model. Also, provide a description of each variable, specifying the unit of measurement and the time span or cross sectional range of the data.

Type of Data Shown:
Projected Test Year Ended 12/31/2025
Prior Year Ended 12/31/2024
Historical Test Year Ended 12/31/2023
Witness: Taylor

Northeast

	Billed (kWh)			Customers			Use-per-Customer (kWh)		
Billed Month	Residental	Commercial Small	Commercial	Residential	Commercial Small	Commercial	Residential	Commercial Small	Commercial
Jan-21	16,106,357	2,168,007	5,762,732	15,257	1,680	263	1,056	1,290	21,912
Feb-21	15,857,217	2,148,395	5,442,010	15,226	1,689	255	1,041	1,272	21,341
Mar-21	12,140,841	1,884,946	5,044,641	15,320	1,685	255	792	1,119	19,783
Apr-21	11,981,395	2,026,011	5,693,691	15,372	1,696	257	779	1,195	22,154
May-21	13,035,761	2,201,597	6,004,370	15,319	1,697	256	851	1,297	23,455
Jun-21	16,206,910	2,480,001	6,701,436	15,381	1,696	257	1,054	1,462	26,076
Jul-21	19,534,305	2,981,657	7,670,608	15,395	1,708	252	1,269	1,746	30,439
Aug-21	19,466,380	2,982,248	7,840,736	15,381	1,715	252	1,266	1,739	31,114
Sep-21	18,727,582	2,950,703	8,500,705	15,359	1,715	250	1,219	1,721	34,003
Oct-21	15,803,980	2,639,976	6,591,268	15,384	1,704	250	1,027	1,549	26,365
Nov-21	11,765,744	2,114,207	5,970,830	15,366	1,714	249	766	1,233	23,979
Dec-21	12,268,751	1,896,533	5,700,823	15,358	1,705	245	799	1,112	23,269
Jan-22	14,148,408	2,107,650	5,807,653	15,415	1,711	247	918	1,232	23,513
Feb-22	15,840,730	2,065,100	5,679,984	15,384	1,701	253	1,030	1,214	22,451
Mar-22	11,797,451	1,853,757	5,595,187	15,375	1,700	251	767	1,090	22,292
Apr-22	12,148,514	2,018,452	6,328,667	15,400	1,704	251	789	1,185	25,214
May-22	13,479,551	2,168,675	6,469,184	15,465	1,711	249	872	1,267	25,981
Jun-22	18,503,090	2,720,166	7,531,918	15,473	1,710	252	1,196	1,591	29,889
Jul-22	22,065,082	3,157,206	8,677,656	15,467	1,709	252	1,427	1,847	34,435
Aug-22	19,481,090	2,907,746	7,718,948	15,461	1,715	253	1,260	1,695	30,510
Sep-22	19,260,577	3,082,682	8,915,189	15,460	1,714	251	1,246	1,799	35,519
Oct-22	13,169,407	2,243,868	6,468,474	15,466	1,717	249	852	1,307	25,978
Nov-22	11,169,108	1,972,025	6,206,098	15,437	1,710	248	724	1,153	25,025
Dec-22	12,454,506	1,932,850	5,907,678	15,475	1,721	249	805	1,123	23,726

Supporting Schedules: Recap Schedules:

FPSC EXH NO. 8

ADMITTED

J849

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 20240099-EI

EXPLANATION: For each forecasting model used to estimate test year projections for customers, demand, and energy, provide the historical and projected values for the input variables and the output variables used in estimating and/or validating the model. Also, provide a description of each variable, specifying the unit of measurement and the time span or cross sectional range of the data.

Type of Data Shown:
Projected Test Year Ended 12/31/2025
Prior Year Ended 12/31/2024
Historical Test Year Ended 12/31/2023
Witness: Taylor

Northeast

	Billed (kWh)			Customers			Use-per-Customer (kWh)		
Billed Month	Residental	Commercial Small	Commercial	Residential	Commercial Small	Commercial	Residential	Commercial Small	Commercial
Jan-23	16,679,082	2,282,328	6,134,312	15,453	1,712	250	1,079	1,333	24,537
Feb-23	12,137,490	1,875,370	6,416,615	15,504	1,719	251	783	1,091	25,564
Mar-23	11,263,835	1,880,116	5,368,423	15,528	1,721	254	725	1,092	21,136
Apr-23	12,751,849	2,140,651	6,149,728	15,594	1,723	250	818	1,242	24,599
May-23	12,127,119	2,066,850	6,437,554	15,575	1,722	253	779	1,200	25,445
Jun-23	16,004,438	2,526,235	6,289,648	15,668	1,729	253	1,021	1,461	24,860
Jul-23	21,287,456	3,065,417	8,059,744	15,633	1,727	253	1,362	1,775	31,857
Aug-23	20,090,576	2,952,674	8,224,070	15,609	1,722	252	1,287	1,715	32,635
Sep-23	20,556,740	3,458,990	8,496,969	15,658	1,724	255	1,313	2,006	33,321
Oct-23	13,283,383	2,205,903	6,576,214	15,656	1,725	254	848	1,279	25,891
Nov-23	11,392,111	2,201,532	5,957,152	15,634	1,727	256	729	1,275	23,270
Dec-23	12,244,634	1,962,219	5,665,370	15,670	1,727	258	781	1,136	21,959
Jan-24	16,517,782	2,239,311	5,780,658	15,629	1,726	257	1,057	1,297	22,493
Feb-24	13,879,498	2,055,143	5,333,831	15,645	1,724	258	887	1,192	20,674
Mar-24	11,732,255	1,921,088	5,095,385	15,641	1,723	257	750	1,115	19,826
Apr-24	10,931,192	1,927,331	5,343,137	15,687	1,725	259	697	1,117	20,630

Supporting Schedules: Recap Schedules:

J849

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 20240099-EI

EXPLANATION: For each forecasting model used to estimate test year projections for customers, demand, and energy, provide the historical and projected values for the input variables and the output variables used in estimating and/or validating the model. Also, provide a description of each variable, specifying the unit of measurement and the time span or cross sectional range of the data.

Type of Data Shown:
Projected Test Year Ended 12/31/2025
Prior Year Ended 12/31/2024
Historical Test Year Ended 12/31/2023
Witness: Taylor

Northwest

	Billed (kWh)			Customers			Use-per-Customer (kWh)		
Billed Month	Residential	Commercial Small	Commercial	Residential	Commercial Small	Commercial	Residential	Commercial Small	Commercial
Jan-15	12,108,705	2,445,595	6,472,084	10,072	2,137	367	1,202	1,144	17,635
Feb-15	12,318,725	2,504,482	6,261,356	10,098	2,129	367	1,220	1,176	17,061
Mar-15	10,464,487	2,380,000	6,053,362	10,109	2,128	360	1,035	1,118	16,815
Apr-15	7,738,557	2,222,796	6,278,058	10,149	2,138	363	762	1,040	17,295
May-15	8,047,074	2,366,965	6,251,831	10,137	2,140	355	794	1,106	17,611
Jun-15	10,442,185	2,889,141	6,639,072	10,146	2,156	340	1,029	1,340	19,527
Jul-15	13,229,109	3,702,473	8,120,551	10,144	2,183	319	1,304	1,696	25,456
Aug-15	13,828,095	3,825,238	8,582,786	10,186	2,190	322	1,358	1,747	26,655
Sep-15	11,855,074	3,301,478	7,925,803	10,152	2,177	339	1,168	1,517	23,380
Oct-15	8,193,082	2,788,156	6,429,590	10,090	2,201	309	812	1,267	20,808
Nov-15	7,469,967	2,541,597	5,875,122	10,150	2,207	313	736	1,152	18,770
Dec-15	8,617,076	2,461,245	5,528,173	10,125	2,210	315	851	1,114	17,550
Jan-16	11,689,917	2,758,358	6,101,726	10,142	2,207	316	1,153	1,250	19,309
Feb-16	11,149,613	2,635,363	5,583,577	10,149	2,197	316	1,099	1,200	17,670
Mar-16	8,793,637	2,458,248	5,418,899	10,169	2,192	318	865	1,121	17,041
Apr-16	7,220,840	2,404,982	5,661,674	10,161	2,190	319	711	1,098	17,748
May-16	7,864,824	2,596,814	5,961,865	10,191	2,208	320	772	1,176	18,631
Jun-16	11,332,812	3,204,916	7,490,682	10,207	2,193	320	1,110	1,461	23,408
Jul-16	12,889,394	3,545,332	7,682,910	10,239	2,196	318	1,259	1,614	24,160
Aug-16	12,705,330	3,405,441	7,646,593	10,242	2,203	321	1,241	1,546	23,821
Sep-16	12,933,464	3,647,609	8,200,309	10,237	2,194	320	1,263	1,663	25,626
Oct-16	10,081,084	3,247,169	6,980,590	10,217	2,197	321	987	1,478	21,746
Nov-16	7,400,630	2,587,514	5,624,989	10,222	2,198	320	724	1,177	17,578
Dec-16	8,853,589	2,473,470	5,592,782	10,190	2,198	327	869	1,125	17,103

Supporting Schedules: Recap Schedules:

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 20240099-EI

EXPLANATION: For each forecasting model used to estimate test year projections for customers, demand, and energy, provide the historical and projected values for the input variables and the output variables used in estimating and/or validating the model. Also, provide a description of each variable, specifying the unit of measurement and the time span or cross sectional range of the data.

Type of Data Shown:
Projected Test Year Ended 12/31/2025
Prior Year Ended 12/31/2024
Historical Test Year Ended 12/31/2023
Witness: Taylor

Northwest

	Billed (kWh)			Customers			Use-per-Customer (kWh)		
Billed Month	Residental	Commercial Small	Commercial	Residential	Commercial Small	Commercial	Residential	Commercial Small	Commercial
Jan-17	10,308,808	2,560,846	5,817,121	10,190	2,201	337	1,012	1,163	17,261
Feb-17	8,392,596	2,159,399	5,546,331	10,200	2,195	344	823	984	16,123
Mar-17	7,754,107	2,011,606	5,715,956	10,242	2,168	357	757	928	16,011
Apr-17	8,062,887	2,206,521	6,112,419	10,268	2,159	347	785	1,022	17,615
May-17	8,150,121	2,274,885	6,315,746	10,300	2,157	354	791	1,055	17,841
Jun-17	10,820,526	2,740,766	7,708,622	10,244	2,148	365	1,056	1,276	21,120
Jul-17	12,480,669	2,915,476	8,157,985	10,258	2,146	376	1,217	1,359	21,697
Aug-17	12,133,065	2,840,909	8,133,139	10,278	2,144	385	1,180	1,325	21,125
Sep-17	12,127,227	2,836,155	8,391,681	10,282	2,124	400	1,179	1,335	20,979
Oct-17	10,055,297	2,542,044	7,547,000	10,283	2,117	402	978	1,201	18,774
Nov-17	8,197,127	2,134,731	6,626,563	10,247	2,122	403	800	1,006	16,443
Dec-17	9,611,756	1,997,288	6,030,239	10,232	2,114	404	939	945	14,926
Jan-18	14,923,857	2,614,599	7,048,674	10,200	2,114	398	1,463	1,237	17,710
Feb-18	10,747,032	2,181,807	6,206,393	10,226	2,105	405	1,051	1,036	15,324
Mar-18	7,325,694	1,797,499	5,678,697	10,269	2,115	406	713	850	13,987
Apr-18	7,705,821	1,907,783	6,031,253	10,228	2,101	408	753	908	14,782
May-18	7,756,656	1,981,988	6,294,440	10,202	2,097	409	760	945	15,390
Jun-18	11,053,809	2,636,892	7,944,511	10,269	2,109	412	1,076	1,250	19,283
Jul-18	12,719,771	2,912,826	8,282,094	10,269	2,111	411	1,239	1,380	20,151
Aug-18	12,150,704	2,689,753	8,548,695	10,239	2,101	422	1,187	1,280	20,258
Sep-18	12,324,343	2,766,165	8,837,338	10,231	2,100	423	1,205	1,317	20,892
Oct-18	9,615,497	2,497,271	7,348,342	9,961	2,095	422	965	1,192	17,413
Nov-18	(9,593,612)	(2,491,151)	(7,348,342)	9,961	2,095	422	(963)	(1,189)	(17,413)
Dec-18	23,464,792	5,521,852	#########	9,961	2,095	422	2,356	2,636	40,285

Supporting Schedules: Recap Schedules:

FLORIDA PUBLIC SERVICE COMMISSION

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Consolidated Electric Division
DOCKET NO.: 20240099-EI

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Projected Test Year Ended 12/31/2025
Prior Year Ended 12/31/2024
Historical Test Year Ended 12/31/2023
Witness: Taylor

Northwest

	Billed (kWh)			Customers			Use-per-Customer (kWh)		
Billed Month	Residental	Commercial Small	Commercial	Residential	Commercial Small	Commercial	Residential	Commercial Small	Commercial
Jan-19	9,842,502	1,849,461	5,850,412	9,854	2,020	424	999	916	13,798
Feb-19	9,935,275	1,981,130	5,620,744	9,649	1,915	403	1,030	1,035	13,947
Mar-19	7,172,592	1,662,193	4,873,151	9,654	1,916	403	743	868	12,092
Apr-19	7,132,439	1,769,365	6,102,497	9,767	1,928	408	730	918	14,957
May-19	8,683,668	2,113,644	6,705,671	9,764	1,933	411	889	1,093	16,316
Jun-19	12,755,787	2,786,897	8,243,417	9,775	1,941	410	1,305	1,436	20,106
Jul-19	12,505,657	2,718,598	7,742,723	9,761	1,957	392	1,281	1,389	19,752
Aug-19	12,915,035	2,963,675	8,322,260	9,747	1,954	389	1,325	1,517	21,394
Sep-19	13,717,409	3,073,715	8,705,664	9,813	1,959	396	1,398	1,569	21,984
Oct-19	11,674,071	2,749,532	7,926,750	9,824	1,963	388	1,188	1,401	20,430
Nov-19	8,773,643	2,148,661	6,539,551	9,816	1,973	389	894	1,089	16,811
Dec-19	9,453,898	1,995,957	5,645,765	9,779	1,980	392	967	1,008	14,402
Jan-20	9,830,656	2,026,522	5,801,220	9,798	1,980	393	1,003	1,023	14,761
Feb-20	9,440,619	1,988,243	5,621,554	9,755	1,965	386	968	1,012	14,564
Mar-20	8,000,138	1,805,875	5,436,512	9,812	1,971	384	815	916	14,158
Apr-20	8,371,871	1,906,540	5,622,975	9,754	1,978	389	858	964	14,455
May-20	8,431,571	1,875,842	5,503,508	9,778	1,974	384	862	950	14,332
Jun-20	10,533,219	2,267,028	6,777,578	9,876	1,980	385	1,067	1,145	17,604
Jul-20	13,567,591	2,855,725	8,215,147	9,870	1,979	391	1,375	1,443	21,011
Aug-20	13,717,965	2,890,967	8,167,916	9,897	1,981	393	1,386	1,459	20,784
Sep-20	12,106,846	2,702,790	7,607,707	9,893	1,990	392	1,224	1,358	19,407
Oct-20	9,124,531	2,230,097	6,584,494	9,935	1,992	395	918	1,120	16,670
Nov-20	8,663,797	2,123,050	6,322,706	9,952	1,988	398	871	1,068	15,886
Dec-20	9,602,269	1,961,313	5,773,644	9,951	2,002	399	965	980	14,470

Supporting Schedules: Recap Schedules:

FLORIDA PUBLIC SERVICE COMMISSION

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Consolidated Electric Division
DOCKET NO.: 20240099-EI

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Prior Year Ended 12/31/2024
Historical Test Year Ended 12/31/2023
Witness: Taylor

Northwest

	Billed (kWh)			Customers			Use-per-Customer (kWh)		
Billed Month	Residental	Commercial Small	Commercial	Residential	Commercial Small	Commercial	Residential	Commercial Small	Commercial
Jan-21	13,004,599	2,208,084	6,159,494	9,975	2,000	395	1,304	1,104	15,594
Feb-21	10,881,877	2,103,887	5,818,979	9,994	2,010	395	1,089	1,047	14,732
Mar-21	8,256,002	1,912,110	5,229,210	9,981	2,002	398	827	955	13,139
Apr-21	7,741,993	1,815,655	6,146,860	10,053	2,015	398	770	901	15,444
May-21	8,000,352	2,001,915	6,139,915	10,023	2,004	400	798	999	15,350
Jun-21	10,241,203	2,393,414	7,151,421	10,037	2,020	403	1,020	1,185	17,745
Jul-21	12,139,428	2,821,243	7,992,153	10,024	2,026	392	1,211	1,393	20,388
Aug-21	12,564,125	2,816,930	7,788,063	10,048	2,053	389	1,250	1,372	20,021
Sep-21	12,571,487	2,963,253	8,264,392	10,016	2,032	392	1,255	1,458	21,083
Oct-21	9,136,525	2,387,584	7,178,823	9,979	2,022	393	916	1,181	18,267
Nov-21	8,080,852	2,090,191	5,856,679	9,975	2,034	394	810	1,028	14,865
Dec-21	8,721,569	1,952,092	5,821,451	9,941	2,027	392	877	963	14,851
Jan-22	10,991,641	2,208,257	6,309,449	9,985	2,029	391	1,101	1,088	16,137
Feb-22	11,820,530	2,335,319	5,861,124	10,027	2,044	393	1,179	1,143	14,914
Mar-22	7,963,248	1,947,099	5,537,688	10,009	2,047	394	796	951	14,055
Apr-22	7,615,219	2,104,167	6,146,303	10,057	2,054	394	757	1,024	15,600
May-22	8,248,805	2,178,536	6,345,430	10,074	2,061	398	819	1,057	15,943
Jun-22	11,267,310	2,826,179	7,826,190	10,083	2,056	400	1,117	1,375	19,565
Jul-22	14,122,684	3,368,944	9,023,980	10,099	2,061	402	1,398	1,635	22,448
Aug-22	11,960,271	2,928,117	7,783,047	10,121	2,062	402	1,182	1,420	19,361
Sep-22	12,627,161	3,146,672	8,587,009	10,147	2,059	403	1,244	1,528	21,308
Oct-22	8,992,316	2,561,962	6,902,278	10,121	2,066	407	888	1,240	16,959
Nov-22	7,500,106	2,109,125	5,985,623	10,100	2,069	406	743	1,019	14,743
Dec-22	8,966,590	2,160,382	5,908,093	10,090	2,062	409	889	1,048	14,445

Supporting Schedules: Recap Schedules:

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 20240099-EI

EXPLANATION: For each forecasting model used to estimate test year projections for customers, demand, and energy, provide the historical and projected values for the input variables and the output variables used in estimating and/or validating the model. Also, provide a description of each variable, specifying the unit of measurement and the time span or cross sectional range of the data.

Type of Data Shown:
Projected Test Year Ended 12/31/2025
Prior Year Ended 12/31/2024
Historical Test Year Ended 12/31/2023
Witness: Taylor

Northwest

	Billed (kWh)			Customers			Use-per-Customer (kWh)		
Billed Month	Residental	Commercial Small	Commercial	Residential	Commercial Small	Commercial	Residential	Commercial Small	Commercial
Jan-23	12,104,616	2,527,695	6,404,442	10,093	2,059	412	1,199	1,228	15,545
Feb-23	8,680,988	2,086,238	5,686,446	10,155	2,069	406	855	1,008	14,006
Mar-23	7,650,452	1,993,000	5,742,152	10,114	2,064	403	756	966	14,249
Apr-23	8,234,155	2,252,801	6,222,887	10,132	2,059	403	813	1,094	15,441
May-23	7,568,263	2,077,630	6,065,885	10,134	2,055	406	747	1,011	14,941
Jun-23	10,149,534	2,618,688	7,453,938	10,161	2,057	407	999	1,273	18,314
Jul-23	13,304,579	3,145,651	8,419,059	10,191	2,054	410	1,306	1,531	20,534
Aug-23	13,397,808	3,197,367	8,365,315	10,123	2,067	410	1,324	1,547	20,403
Sep-23	14,062,182	3,447,935	9,052,315	10,133	2,050	410	1,388	1,682	22,079
Oct-23	8,452,149	2,353,971	6,560,531	10,079	2,042	409	839	1,153	16,040
Nov-23	7,488,715	2,090,771	6,037,642	10,060	2,055	409	744	1,017	14,762
Dec-23	9,205,658	2,051,332	5,836,862	10,068	2,060	410	914	996	14,236
Jan-24	12,429,277	2,458,689	6,111,180	10,083	2,061	410	1,233	1,193	14,905
Feb-24	9,932,697	2,218,747	5,528,465	10,056	2,049	409	988	1,083	13,517
Mar-24	7,529,386	1,936,327	5,389,618	10,059	2,050	411	749	945	13,113
Apr-24	6,841,334	1,878,337	5,354,018	10,047	2,048	408	681	917	13,123

Supporting Schedules: Recap Schedules:

FPSC EXH NO. 8
ADMITTED

J855

FLORIDA PUBLIC SERVICE COMMISSION
COMPANY: FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 20240099-EI

EXPLANATION: For each forecasting model used to estimate test year projections for customers, demand, and energy, provide the historical and projected values for the input variables and the output variables used in estimating and/or validating the model. Also, provide a description of each variable, specifying the unit of measurement and the time span or cross sectional range of the data.

Type of Data Shown:
Projected Test Year Ended 12/31/2025
Prior Year Ended 12/31/2024
Historical Test Year Ended 12/31/2023
Witness: Taylor

Customer Forecast

	Northeast Customers			Northwest Customers			Total		
	Residental	Commercial Small	Commercial	Residential	Commercial Small	Commercial	Residential	Commercial Small	Commercial
May-24	15,611	1,723	254	10,211	2,060	409	25,822	3,783	663
Jun-24	15,666	1,724	255	10,228	2,065	411	25,894	3,789	666
Jul-24	15,657	1,727	254	10,239	2,067	409	25,896	3,794	663
Aug-24	15,642	1,730	254	10,232	2,081	408	25,874	3,811	662
Sep-24	15,650	1,730	253	10,233	2,068	409	25,883	3,798	662
Oct-24	15,660	1,728	252	10,194	2,064	411	25,854	3,792	663
Nov-24	15,637	1,730	252	10,179	2,073	411	25,816	3,803	663
Dec-24	15,614	1,728	252	10,177	2,073	411	25,791	3,801	663
Jan-25	15,626	1,724	254	10,144	2,060	411	25,770	3,784	665
Feb-25	15,638	1,722	256	10,170	2,065	409	25,808	3,787	665
Mar-25	15,641	1,722	256	10,151	2,064	409	25,792	3,786	665
Apr-25	15,673	1,724	254	10,212	2,069	408	25,885	3,793	662
May-25	15,688	1,727	255	10,217	2,069	411	25,905	3,796	666
Jun-25	15,740	1,729	256	10,235	2,069	413	25,975	3,798	669
Jul-25	15,723	1,729	256	10,254	2,071	414	25,977	3,800	670
Aug-25	15,708	1,730	256	10,236	2,080	414	25,944	3,810	670
Sep-25	15,727	1,731	256	10,249	2,069	414	25,976	3,800	670
Oct-25	15,732	1,731	255	10,209	2,067	416	25,941	3,798	671
Nov-25	15,707	1,730	255	10,190	2,076	416	25,897	3,806	671
Dec-25	15,678	1,732	256	10,199	2,078	416	25,877	3,810	672

Supporting Schedules: Recap Schedules:

J855

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 20240099-EI

EXPLANATION: For each forecasting model used to estimate test year projections for customers, demand, and energy, provide the historical and projected values for the input variables and the output variables used in estimating and/or validating the model. Also, provide a description of each variable, specifying the unit of measurement and the time span or cross sectional range of the data.

Type of Data Shown:
Projected Test Year Ended 12/31/2025
Prior Year Ended 12/31/2024
Historical Test Year Ended 12/31/2023
Witness: Taylor

HDD & CDD Data - Jacksonville (KJAX) and Tallahassee (KTLH)

	Monthly by Calandar			
	KJAX (NE)		KTLH (NW)	
Month	HDD	CDD	HDD	CDD
Jan-14	505	13	543	6
Feb-14	270	39	275	40
Mar-14	260	59	243	63
Apr-14	69	165	91	166
May-14	25	286	27	341
Jun-14	0	399	-	475
Jul-14	-	467	-	505
Aug-14	-	485	-	555
Sep-14	1	340	1	398
Oct-14	77	197	102	209
Nov-14	314	47	366	42
Dec-14	294	37	313	42
Jan-15	403	18	407	18
Feb-15	404	12	406	10
Mar-15	137	112	123	151
Apr-15	17	198	9	250
May-15	20	308	15	409
Jun-15	-	428	-	471
Jul-15	-	481	-	578
Aug-15	-	446	-	543
Sep-15	1	352	3	413
Oct-15	33	181	32	246
Nov-15	81	160	83	176
Dec-15	120	143	148	130

	Monthly by Calandar			
	KJAX (NE)		KTLH (NW)	
Month	HDD	CDD	HDD	CDD
Jan-16	452	6	443	9
Feb-16	323	46	331	38
Mar-16	111	137	116	130
Apr-16	66	155	64	192
May-16	27	307	20	362
Jun-16	1	458	-	510
Jul-16	-	563	-	566
Aug-16	-	513	-	557
Sep-16	1	388	1	459
Oct-16	40	217	51	294
Nov-16	183	89	175	127
Dec-16	230	63	227	64
Jan-17	258	64	294	61
Feb-17	171	81	171	84
Mar-17	199	108	178	120
Apr-17	69	219	71	222
May-17	25	337	31	339
Jun-17	1	384	1	391
Jul-17	-	505	-	493
Aug-17	-	483	-	502
Sep-17	0	388	2	381
Oct-17	51	304	79	288
Nov-17	125	95	188	79
Dec-17	292	57	352	45

Supporting Schedules: Recap Schedules:

FPSC EXH NO. 8
ADMITTED

J857

FLORIDA PUBLIC SERVICE COMMISSI(
5
COMPANY: FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 20240099-EI

EXPLANATION: For each forecasting model used to estimate test year projections for customers, demand, and energy, provide the historical and projected values for the input variables and the output variables used in estimating and/or validating the model. Also, provide a description of each variable, specifying the unit of measurement and the time span or cross sectional range of the data.

Type of Data Shown:
Projected Test Year Ended 12/31/2025
Prior Year Ended 12/31/2024
Historical Test Year Ended 12/31/2023
Witness: Taylor

HDD & CDD Data - Jacksonville (KJAX) and Tallahassee (KTLH)

	Monthly by Calandar			
	KJAX (NE)		KTLH (NW)	
Month	HDD	CDD	HDD	CDD
Jan-18	497	22	538	13
Feb-18	103	100	102	82
Mar-18	238	65	246	68
Apr-18	85	138	104	144
May-18	14	315	9	357
Jun-18	-	435	0	466
Jul-18	-	464	-	489
Aug-18	-	481	-	458
Sep-18	-	478	-	473
Oct-18	38	296	39	295
Nov-18	178	100	247	61
Dec-18	276	43	314	30
Jan-19	370	34	409	26
Feb-19	121	79	135	67
Mar-19	183	86	211	81
Apr-19	76	191	101	172
May-19	3	401	5	419
Jun-19	-	483	-	479
Jul-19	-	490	-	508
Aug-19	-	510	-	516
Sep-19	-	460	-	526
Oct-19	13	318	20	322
Nov-19	234	64	272	56
Dec-19	211	57	276	44

	Monthly by Calandar			
	KJAX (NE)		KTLH (NW)	
Month	HDD	CDD	HDD	CDD
Jan-20	261	76	311	50
Feb-20	229	69	266	46
Mar-20	70	213	78	192
Apr-20	50	213	66	198
May-20	29	325	30	326
Jun-20	1	399	-	435
Jul-20	-	481	-	513
Aug-20	-	467	-	496
Sep-20	5	385	5	390
Oct-20	14	272	25	294
Nov-20	85	135	105	142
Dec-20	426	23	466	14
Jan-21	367	34	411	22
Feb-21	266	48	281	34
Mar-21	172	112	167	119
Apr-21	105	129	110	134
May-21	40	269	25	310
Jun-21	2	382	2	430
Jul-21	-	450	-	473
Aug-21	-	540	-	481
Sep-21	4	346	3	368
Oct-21	45	223	51	232
Nov-21	274	34	299	44
Dec-21	177	79	189	82

Supporting Schedules: Recap Schedules:

J857

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 20240099-EI

EXPLANATION: For each forecasting model used to estimate test year projections for customers, demand, and energy, provide the historical and projected values for the input variables and the output variables used in estimating and/or validating the model. Also, provide a description of each variable, specifying the unit of measurement and the time span or cross sectional range of the data.

Type of Data Shown:
Projected Test Year Ended 12/31/2025
Prior Year Ended 12/31/2024
Historical Test Year Ended 12/31/2023
Witness: Taylor

HDD & CDD Data - Jacksonville (KJAX) and Tallahassee (KTLH)

	Monthly by Calandar			
	KJAX (NE)		KTLH (NW)	
Month	HDD	CDD	HDD	CDD
Jan-22	420	23	471	22
Feb-22	254	65	284	53
Mar-22	142	113	163	113
Apr-22	68	161	78	176
May-22	15	326	7	341
Jun-22	0	454	-	518
Jul-22	-	474	-	470
Aug-22	-	453	-	457
Sep-22	2	354	2	397
Oct-22	92	171	128	189
Nov-22	111	110	143	118
Dec-22	330	45	349	47
Jan-23	293	64	302	50
Feb-23	135	124	157	103
Mar-23	136	150	136	157
Apr-23	47	207	48	196
May-23	18	281	15	327
Jun-23	0	410	-	451
Jul-23	-	544	-	557
Aug-23	-	565	-	617
Sep-23	1	367	3	415
Oct-23	56	195	65	221
Nov-23	186	67	207	74
Dec-23	282	35	308	24

	Monthly by Calandar			
	KJAX (NE)		KTLH (NW)	
Month	HDD	CDD	HDD	CDD
Jan-24	364	37	402	22
Feb-24	273	38	284	40
Mar-24	110	110	120	116
Apr-24	70	185	84	190

Supporting Schedules: Recap Schedules:

FPSC EXH NO. 8
ADMITTED

J859

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 20240099-EI

EXPLANATION: For each forecasting model used to estimate test year projections for customers, demand, and energy, provide the historical and projected values for the input variables and the output variables used in estimating and/or validating the model. Also, provide a description of each variable, specifying the unit of measurement and the time span or cross sectional range of the data.

Type of Data Shown:
Projected Test Year Ended 12/31/2025
Prior Year Ended 12/31/2024
Historical Test Year Ended 12/31/2023
Witness: Taylor

HDD & CDD Data - Jacksonville (KJAX) and Tallahassee (KTLH)

	Monthly by Calandar			
	KJAX (NE)		KTLH (NW)	
Month	HDD	CDD	HDD	CDD
Jan-22	420	23	471	22
Feb-22	254	65	284	53
Mar-22	142	113	163	113
Apr-22	68	161	78	176
May-22	15	326	7	341
Jun-22	0	454	-	518
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Aug-22	-	453	-	457
Sep-22	2	354	2	397
Oct-22	92	171	128	189
Nov-22	111	110	143	118
Dec-22	330	45	349	47
Jan-23	293	64	302	50
Feb-23	135	124	157	103
Mar-23	136	150	136	157
Apr-23	47	207	48	196
May-23	18	281	15	327
Jun-23	0	410	-	451
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Aug-23	-	565	-	617
Sep-23	1	367	3	415
Oct-23	56	195	65	221
Nov-23	186	67	207	74
Dec-23	282	35	308	24

	Monthly by Calandar			
	KJAX (NE)		KTLH (NW)	
Month	HDD	CDD	HDD	CDD
Jan-24	364	37	402	22
Feb-24	273	38	284	40
Mar-24	110	110	120	116
Apr-24	70	185	84	190

Supporting Schedules: Recap Schedules:

J859

Schedule F-8 | ASSUMPTIONS | Page 1 of 1

FLORIDA PUBLIC SERVICE COMMISSION COMPANY: FLORIDA PUBLIC UTILITIES Consolidated Electric Division DOCKET NO.: 20240099-EI	EXPLANATION: For a projected test year, provide a schedule of assumptions used in developing projected or estimated data. As a minimum, state assumptions used for balance sheet, income statement and sales forecast.	Type of Data Shown: Projected Test Year Ended 12/31/2025 Prior Year Ended 12/31/2024 Historical Test Year Ended 12/31/2023 Witness: Napier, Galtman, Haffecke

I. BALANCE SHEET (13-Month Average)

The Consolidated Electric Operations is an operating division of Florida Public Utilities Company (FPU) and therefore, the balance sheet of the electric division does not contain debt or equity. Many of the other than retained earnings. The division is funded through intercompany receivables and payables in addition to the retained earnings changes.
In addition, there are some assets and liabilities related to FPUC prior to acquisition which are kept in a "Florida Common" balance sheet. These amounts are allocated to the electric division.
There are also some assets, mainly related to information technology and vehicles that are in a shared corporate account. These assets were also allocated along with accumulated depreciation and depreciation expense.

Schedule B-3 reflects the 13 month average electric balance sheet along with Schedule B-3A which shows the Florida Common balance sheet. B-3A has additional columns showing the allocation percent applicable to electric and the allocated amount of working capital and deferred taxes. Schedules B-7, B-8, B-9, and B-10 contain both the total amounts of plant and accumulated depreciation for the Florida Common and the Corporate Common amounts and then the allocated amounts to the electric division. These totals were included in the B-3 Schedule on lines 8-10 with the offset being recorded to intercompany payables. Because the allocation percentage changes yearly, the December balance from the prior year has been adjusted to the new allocation rate for consistency.
The detail of plant data is contained on the various B-8, B-9, and B-13 Schedules. The detail of all Accumulated Depreciation is in Schedules B-9 and B-10.
Detail of working capital components, including adjustments and eliminations is contained on Schedule B-17. Projected balance sheet accounts use various direct projection methods, as well as various projection factors including customer growth, inflation and plant.

Since the division doesn't obtain its own debt or stock, Common Equity, Long-Term Debt, and Notes Payable were allocated to the Consolidated Electric Division as a pro-rata share of total Chesapeake capitalization as compared to total Electric Division rate base. The amount prorated is equivalent to the intercompany payable/receivable and the retained earnings after rate base adjustments.

II. INCOME STATEMENT

OPERATING REVENUES

Operating revenues are directly charged to the the Consolidated Electric Division. Projected revenues are based on the billing determinant forecast described on Schedules F-5 and F-6. Please refer to John Taylor's testimony. Revenues are calculated by multiplying the KWH sales by the rates approved by the Florida Public Service Commission for base rates, fuel, conservation, Hurricane Michael Recovery, and Storm Protection Plan Recovery. Since the 2025 conservation and fuel rates were not approved at the time the filing was prepared, the 2024 approved conservation rate was used for 2025 revenue amounts. An estimated rate was determined for fuel revenues based on projected fuel costs. All revenue and expense amounts estimated for 2024 and 2025 for fuel, conservation, hurricane Michael, and the Storm Protection Plan clause were removed with no net effect to the base rate filing.

OPERATION AND MAINTENANCE EXPENSES

Most of these expenses are directly charged to the Consolidated Electric Division except for allocations from Chesapeake Utilities for corporate clearing and allocations of FPU common costs. These costs were allocated to the Consolidated Electric Division based upon various percentages. These percentages are based on payroll, functions, customers, Modified Massachusetts Method, etc. Please refer to Mike Galtman's testimony. Projected expenses are based on either direct forecasts, or projection factors applied to the historic year 12/31/2023. See MFR Schedule C-7 for the historic year's related factors and methodologies.

DEPRECIATION AND AMORTIZATION EXPENSES

Depreciation was calculated by using the existing Florida Public Service Commission approved depreciation rates. Amortization expenses were based on direct projections as shown on MFR Schedule C-19.

TAXES

Income taxes, current and deferred, were computed using an effective tax rate of 25.345%. Schedules C-22 was adjusted for both interest synchronization and income tax synchronization consistent with prior cases.
Taxes other than income taxes were projected based on various trends using the historical year ended December 31, 2023 as a basis. Payroll related expenses were trended based on payroll and customer growth.
Taxes other than income taxes were projected based on various factors and franchise fees were projected based on trended revenues, property taxes were trended using inflation and plant growth. See MFR Schedule C-20.

Supporting Schedules: Recap Schedules:

FLORIDA PUBLIC SERVICE COMMISSION	EXPLANATION: Supply a proposed public notice of the company's request for a rate increase suitable for publication.	Type of Data Shown:
		Projected Test Year Ended 12/31/2025
COMPANY: FLORIDA PUBLIC UTILITIES		Prior Year Ended 12/31/2024
Consolidated Electric Division		Historical Test Year Ended 12/31/2023
DOCKET NO.: 20240099-EI		Witness: Napier

NOTICE TO CUSTOMERS

It is our honor to provide energy that makes life better for the people and communities we serve. You are a valued customer and we appreciate your business.

On August 19, 2024, the Company filed a petition for a rate increase with the Florida Public Service Commission ("PSC") seeking a permanent increase in rates and charges to produce an additional $12,593,450 million in revenues. While rates vary from rate class to rate class, the proposed increase, if approved, would increase a typical residential customer using 1,000 kWH by $17.91/month, or 10.66%. The Company is also requesting interim rate relief to temporarily increase its revenues by $1,812,869 million pending the Commission's decision on the Company's request for a permanent increase. The Commission will consider the Company's request for interim rate relief at its November 5, 2024, Agenda Conference. If the request is granted, any interim increase will be placed into effect subject to refund, with interest, 30 days after approval.

The Docket Number assigned by the PSC for this proceeding is Docket No. 20240099-EI.

While the Company has been able to delay its filing through cost saving measures, certain key factors have now made it necessary to seek rate relief. These key factors include: (1) significant investments in its electric distribution and transmission in order to enhance the reliability of service to customers; (2) significant technology investments to upgrade the reliability of the Company's internal network, its billing and communications systems, and to address cyber security measures, as well as protect customer information; (3) significant investments tied to enhancing safety for the Company and its customers, as well as investment necessary to respond to changes in facility compliance requirements; and (4) the impact of historically high inflation, particularly for insurance premiums, cost of materials, and labor.

The PSC will conduct customer service hearings virtually and in-person to receive comments from customers regarding the Company's quality of service and request for a base rate increase. The dates and locations of those service hearings will be published in a separate notice.

Information regarding the Company's requested rate increase is available by visiting the Company's website at www.fpuc.com or calling the Company at 1-800-524-1495. You may also obtain information about this request by calling the Florida Public Service Commission at 1-800-342-3552 or visiting the Commission's website at: www.floridapsc.com/clerks-office-dockets-level2?DocketNo=20240099.

Any written customer comments regarding the Company's proposed rate increase should include the docket number assigned to this case, Docket No. 20240099-EI, and should be addressed to:

Office of Commission Clerk
Florida Public Service PSC
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850

Supporting Schedules: Recap Schedules:

J861

FPSC EXH NO. 8
ADMITTED

J862

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 20240099-EI

EXPLANATION: Supply a proposed public notice of the company's request for a rate increase suitable for publication.

Type of Data Shown:
Projected Test Year Ended 12/31/2025
Prior Year Ended 12/31/2024
Historical Test Year Ended 12/31/2023
Witness: Napier

Proposed Final Customer Facilities Charge

		Current Charges		Proposed Interim Charges		Proposed Final Charges	
		Customer Charge		Customer Charge		Customer Charge	
Residential (RS)		$16.95		$18.20		$24.20	
General Service (GS)		$27.85		$29.91		$40.00	
General Service Demand (GSD)		$82.35		$88.44		$138.99	
General Service Large Demand (GSLD)		$157.42		$169.06		$265.69	
General Service Large Demand (GSLD1)		$974.80		$1,046.86		$1,242.99	
Standby (SB)		$974.80		$1,046.86		NA	
		Energy Charge		Energy Charge		Energy Charge	
Residential (RS)	$/KWH <= 1000 kwh	$0.02373	$/KWH	$0.02548	$/KWH	$0.03419	$/KWH <= 1000 kwh
	$/KWH > 1000 kwh	$0.03887	$/KWH	$0.04174	$/KWH	$0.05600	$/KWH > 1000 kwh
General Service (GS)		$0.02903	$/KWH	$0.03118	$/KWH	$0.05433	$/KWH
General Service Demand (GSD)		$0.00547	$/KWH	$0.00587	$/KWH	$0.00923	$/KWH
General Service Large Demand (GSLD)		$0.00254	$/KWH	$0.00273	$/KWH	$0.00429	$/KWH
General Service Large Demand (GSLD1)		$0.00000	$/KWH	$0.00000	$/KWH	$0.00000	$/KWH
Standby (SB)		$0.00000	$/KWH	$0.00000	$/KWH	NA	$/KWH
		Demand Charge		Demand Charge		Demand Charge	
Residential (RS)		$0.00	$/KW	$0.00	$/KW	$0.00	$/KW
General Service (GS)		$0.00	$/KW	$0.00	$/KW	$0.00	$/KW
General Service Demand (GSD)		$4.49	$/KW	$4.82	$/KW	$7.58	$/KW
General Service Large Demand (GSLD)		$6.42	$/KW	$6.89	$/KW	$10.84	$/KW
General Service Large Demand (GSLD1)		$1.82	$/KW	$1.95	$/KW	$2.88	$/KW
General Service Large Demand (GSLD1)		$0.44	$/kVAR	$0.47	$/kVAR	$0.56	$/kVAR
Standby (SB)		$0.79	$/KW	$0.85	$/KW	NA	$/KW
Lighting Service		Various -See Page 3		Various -See Page 3		Various -See Page 3	
		Service Charges		Service Charges		Service Charges	
Initial Establishment of Service		$61.00		$61.00		$125.00	
Re-establish Service or Make Changes to Existing Account		$26.00		$26.00		$45.00	
Temporary Disconnect then Reconnect Service Due to Customer Request		$65.00		$65.00		$81.00	
Reconnect After Disconnect for Rule Violation (normal hours)		$52.00		$52.00		$70.00	
Reconnect After Disconnect for Rule Violation (after hours)		$178.00		$178.00		$325.00	
Temporary Service		$85.00		$85.00		$135.00	
Collection Charge		$16.00		$16.00		$50.00	
Returned Check Charge		Per Statute		Per Statute		Per Statute	
Late Fees		Per Statute		Per Statute		Per Statute	

Supporting Schedules: C-7 Recap Schedules:

J862

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATIO Supply a proposed public notice of the company's request for a rate increase suitable for publication.

Type of Data Shown:
Projected Test Year Ended 12/31/2025
Prior Year Ended 12/31/2024
Historical Test Year Ended 12/31/2023
Witness: Napier

COMPANY: FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 20240099-EI

	Present Rates - Lighting Service				INTERIM Proposed Rates -Lighting Service				Proposed Rates - Lighting Service			
Type of Facility	Facility Charge	Energy Charge	Maint. Charge	Total Monthly Charge	Facility Charge	Energy Charge	Maint. Charge	Total Monthly Charge	Facility Charge	Energy Charge	Maint. Charge	Total Monthly Charge
High Pressure Sodium Lights (Closed to New Customers):												
150w HPS Acorn	19.69	3.19	2.49	25.37	21.15	3.43	2.67	27.25	25.18	4.08	3.18	32.44
150w HPS ALN 440	28.07	3.19	3.32	34.58	30.14	3.43	3.57	37.14	35.9	4.08	4.25	44.23
100w HPS Amer Rev	9.66	2.15	3.29	15.10	10.37	2.31	3.53	16.22	12.36	2.75	4.21	19.32
150w HPS Am Rev	9.05	3.19	3.33	15.57	9.72	3.43	3.58	16.72	11.57	4.08	4.26	19.91
100w HPS Cobra Head	7.25	2.15	2.11	11.51	7.79	2.31	2.27	12.36	9.27	2.75	2.70	14.72
200w HPS Cobra Head	9.78	4.26	2.53	16.57	10.50	4.57	2.72	17.79	12.51	5.45	3.24	21.20
250w HPS Cobra Head	11.63	5.30	3.33	20.26	12.49	5.69	3.58	21.76	14.87	6.78	4.26	25.91
400w HPS Cobra Head	10.86	8.54	2.77	22.17	11.66	9.17	2.97	23.81	13.89	10.92	3.54	28.35
250w HPS Flood	11.37	5.30	2.42	19.09	12.21	5.69	2.60	20.50	14.54	6.78	3.10	24.42
400w HPS Flood	17.85	8.54	2.27	28.66	19.17	9.17	2.44	30.78	22.83	10.92	2.90	36.65
1000w HPS Flood	22.36	21.30	3.00	46.66	24.01	22.87	3.22	50.11	28.6	27.24	3.84	59.68
100w HPS SP2 Spectra	24.81	2.15	3.10	30.06	26.64	2.31	3.33	32.28	31.73	2.75	3.96	38.44
Metal Halide Lights (Closed to New Customers):												
175w MH ALN 440	26.86	3.77	2.61	33.24	28.85	4.05	2.80	35.70	34.35	4.82	3.34	42.51
400w MH Flood	12.12	8.54	2.21	22.87	13.02	9.17	2.37	24.56	15.5	10.92	2.83	29.25
1000w MH Flood	20.61	21.30	2.92	44.83	22.13	22.87	3.14	48.14	26.36	27.24	3.73	57.33
175w MH Shoebox	22.68	3.77	2.93	29.38	24.36	4.05	3.15	31.55	29.01	4.82	3.75	37.58
250w MH Shoebox	24.14	5.30	3.28	32.72	25.92	5.69	3.52	35.14	30.88	6.78	4.20	41.86
100w MH SP2 Spectra -OL2	24.62	2.15	3.00	29.77	26.44	2.31	3.22	31.97	31.49	2.75	3.84	38.08
1000w MH Vert Shoebox - OL2	25.45	21.30	3.32	50.07	27.33	22.87	3.57	53.77	32.55	27.24	4.25	64.04
Light Emitting Diode Lights												
50W Outdoor Light (100W Equivalent)	6.58	0.89	2.08	9.55	7.07	0.96	2.23	10.26	8.42	1.14	2.66	12.22
50W Cobra Head (100W Equivalent)	8.31	0.89	2.59	11.79	8.92	0.96	2.78	12.66	10.63	1.14	3.31	15.08
82W Cobra Head (200W Equivalent)	7.78	1.47	2.43	11.68	8.36	1.58	2.61	12.54	9.95	1.88	3.11	14.94
130W Cobra Head (250W Equivalent)	7.75	2.36	2.42	12.53	8.32	2.53	2.60	13.46	9.91	3.02	3.10	16.03
210W Cobra Head (400W Equivalent)	13.55	3.78	3.95	21.28	14.55	4.06	4.24	22.85	17.33	4.83	5.05	27.21
26W American Revolution Decorative (100W Equivalent)	7.78	0.47	2.72	10.97	8.36	0.50	2.92	11.78	9.95	0.6	3.48	14.03
44W American Revolution Decorative (150W Equivalent)	7.71	0.79	2.69	11.19	8.28	0.85	2.89	12.02	9.86	1.01	3.44	14.31
90W Acorn Decorative (150W Equivalent)	11.14	1.63	3.71	16.48	11.96	1.75	3.98	17.70	14.25	2.08	4.75	21.08
60W Post Top Decorative (150W	19.74	1.10	6.25	27.09	21.20	1.18	6.71	29.09	25.25	1.41	7.99	34.65
80W Flood (250W Equivalent)	10.80	1.42	3.40	15.62	11.60	1.52	3.65	16.77	13.81	1.82	4.35	19.98
170W Flood (400W Equivalent)	10.80	3.05	3.40	17.25	11.60	3.28	3.65	18.53	13.81	3.9	4.35	22.06
150w Flood (350W Equivalent)	10.80	2.73	3.40	16.93	11.60	2.93	3.65	18.18	13.81	3.49	4.35	21.65
290W Flood (1,000W Equivalent)	10.80	5.25	3.40	19.45	11.60	5.64	3.65	20.89	13.81	6.71	4.35	24.87
150w Shoe Box	9.52	2.73	3.23	15.48	10.22	2.93	3.47	16.62	N/A	N/A	N/A	N/A
131W Shoe Box (250W Equivalent)	10.72	2.36	3.59	16.67	11.51	2.53	3.86	17.90	13.71	3.02	4.59	21.32
82W Shoe Box(175W Equivalent)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	12.14	1.87	4.34	18.35
Mercury Vapor Lights (Closed to New Customers):												
175w MV Cobra Head -OL	1.39	3.70	1.24	6.33	1.49	3.97	1.33	6.80	1.78	4.73	1.59	8.10
400w MV Cobra Head-OL	1.53	7.95	1.32	10.80	1.64	8.54	1.42	11.60	1.96	10.17	1.69	13.82
10' Alum Deco Base	18.56			18.56	19.93	-	-	19.93	23.74			23.74
13' Decorative Concrete	14.14			14.14	15.19	-	-	15.19	18.09			18.09
18' Fiberglass Round	9.98			9.98	10.72	-	-	10.72	12.76			12.76
20' Decorative Concrete	16.41			16.41	17.62	-	-	17.62	20.99			20.99
30' Wood Pole Std	5.36			5.36	5.76	-	-	5.76	6.86			6.86
35' Concrete Square	15.83			15.83	17.00	-	-	17.00	20.25			20.25
40' Wood Pole Std	10.72			10.72	11.51	-	-	11.51	13.71			13.71
30' Wood pole	4.82			4.82	5.18	-	-	5.18	6.16			6.16

J863

Appendix 1: Exhibit NAC-1

Nick Crowley

RESUME

April 2024

Address:

Laurits R. Christensen Associates, Inc.
800 University Bay Drive, Suite 400
Madison, WI 53705-2299
Telephone: 608.216.7170
Email: nacrowley@caenergy.com

Academic Background:

Master of Science – University of Wisconsin-Madison, 2014, Economics
Bachelor of Arts – University of Wisconsin-Madison, 2012, Economics

Positions Held:

Vice President, Laurits R. Christensen Associates, Inc., Jan. 1, 2024-present
Senior Economist, Laurits R. Christensen Associates, Inc., Sept. 1, 2021-Dec. 2023
Economist, Laurits R. Christensen Associates, Inc., 2019-Aug. 31, 2021
Staff Economist, Laurits R. Christensen Associates, Inc., 2016-2018
Economist, Federal Energy Regulatory Commission, 2015-2016

Professional Experience:

I am an expert witness on issues in utility regulation, with an emphasis on rate design, regulatory finance, and productivity measurement. In my time as a consultant, I have testified on behalf of major public utilities in rate proceedings, measured cost of capital and assembled corresponding reports, developed alternative rate designs, and forecasted electricity load for supply planning purposes. I have also performed extensive research for benchmarking purposes using publicly available data. My work includes marginal cost estimation and the development of marginal cost models for major electric utilities. My reports have been filed before regulatory authorities across North America. Prior to joining Christensen Associates Energy Consulting, I served as an Economist at the Federal Energy Regulatory Commission, where I assisted with energy industry benchmarking, market power studies, and the review and evaluation of natural gas pipeline rate cases. I have deep facility with Stata and Excel, in addition to other software packages used in quantitative analysis.

PUBLIC TESTIMONY

"Rebuttal Testimony," Mark E. Meitzen, Ph.D. and Nicholas A. Crowley, MS, Massachusetts D.P.U., D.P.U. 23-150, April 26, 2024.

"Direct Testimony of Nicholas A. Crowley," Nicholas A. Crowley, MS, New Hampshire Department of Energy, Docket DE 23-039, December 13, 2023.

"Direct Testimony of Nicholas A. Crowley," Nicholas A. Crowley, MS, Michigan Public Service Commission, Case No. U-21488, December 11, 2023.

"Direct Testimony of Nicholas A. Crowley," Nicholas A. Crowley, MS, Massachusetts D.P.U., D.P.U. 23-150, November 16, 2023.

"Direct Testimony of Nicholas A. Crowley," Nicholas A. Crowley, MS, Massachusetts D.P.U., D.P.U. 23-80 AND D.P.U. 23-81, August 17, 2023.

"Rebuttal Evidence," Mark E. Meitzen, Ph.D. and Nicholas A. Crowley, MS, Alberta Utilities Commission, Proceeding 27388, April 28, 2023.

"Determination of the Third-Generation X Factor for the AUC Price Cap Plan," Mark E. Meitzen, Ph.D. and Nicholas A. Crowley, MS, Alberta Utilities Commission Proceeding 27388, January 20, 2023.

"Rebuttal Testimony of Mark E. Meitzen Ph.D. and Nicholas A. Crowley, MS," Massachusetts D.P.U. 22-22, June 10, 2022.

"Direct Testimony of Mark E. Meitzen Ph.D. and Nicholas A. Crowley, MS," Massachusetts D.P.U. 22-22, January 14, 2022.

"Rebuttal Testimony of Mark E. Meitzen Ph.D. and Nicholas A. Crowley, MS," Massachusetts D.P.U. 20-120, April 23, 2021.

"Direct Testimony of Mark E. Meitzen Ph.D. and Nicholas A. Crowley, MS," Massachusetts D.P.U. 20-120, November 13, 2020.

PUBLICATIONS

"Trends and Drivers of Distribution Utility Costs in the United States: A Descriptive Analysis from 2008 to 2022. *Electricity Journal.* 37 (2024) 107397.

"2022 Load Impact Evaluation of San Diego Gas and Electric's Voluntary Residential Critical Peak Pricing (CPP) and Time-of-Use (TOU) Rates." (with Michael Ty Clark and Aidan Glaser-Schoff)

"2021 Load Impact Evaluation of San Diego Gas and Electric's Voluntary Residential Critical Peak Pricing (CPP) and Time-of-Use (TOU) Rates." (with Michael Ty Clark and Aidan Glaser-Schoff)

"Measuring the Price Impact of Price-Cap Regulation Among Canadian Electricity Distribution

Utilities." *Utilities Policy.* Vol. 72, October 2021. (with Dr. Mark Meitzen)

"2020 Load Impact Evaluation of San Diego Gas and Electric's Voluntary Residential Critical Peak Pricing (CPP) and Time-of-Use (TOU) Rates." (with Michael Ty Clark and Navya Kataria)

"2019 Load Impact Evaluation of San Diego Gas and Electric's Voluntary Residential Critical Peak Pricing (CPP) and Time-of-Use (TOU) Rates." (with Michael Ty Clark)

"2018 Load Impact Evaluation of San Diego Gas and Electric's Voluntary Residential Critical Peak Pricing (CPP) and Time-of-Use (TOU) Rates." (with Michael Ty Clark)

"2017 Load Impact Evaluation of California Statewide Base Interruptible Programs (BIP) for Non-Residential Customers: Ex-post and Ex-ante Report." (with Michael Ty Clark and Dan Hansen)

"2017 Load Impact Evaluation of San Diego Gas and Electric's Voluntary Residential Critical Peak Pricing (CPP) and Time-of-Use (TOU) Rates." (with Michael Ty Clark and Dan Hansen)

"2016 Load Impact Evaluation of Pacific Gas and Electric Company's Residential Time-Based Pricing Programs: Ex-post and Ex-ante Report for Customers with Net Energy Metering." (with Michael Ty Clark and Dan Hansen)

"2016 Load Impact Evaluation of Pacific Gas and Electric Company's Mandatory Time-of-Use Rates for Small, Medium, and Agricultural Non-residential Customers: Ex-post and Ex-ante Report." (with Michael Ty Clark and Dan Hansen)

CONFERENCE PRESENTATIONS

"Essentials of Costing: Embedded and Marginal Cost." With Bruce Chapman. Wisconsin Public Utility Institute. *Energy Utility Basics.* October 10, 2023.

"Rate Design for Revenue Adequacy and Price Efficiency." With Bruce Chapman. Edison Electric Institute. Hosted at the University of Wisconsin-Madison. July 2023.

"Marginal Costs of Electricity Services." Edison Electric Institute. Hosted at the University of Wisconsin-Madison. July 2023.

"Introduction to Performance-Based Regulation." EUCI Workshop. Virtual. May 2023.

"Introduction to Retail Electricity Regulation for FERC Staff." Federal Energy Regulatory Commission, Office of Energy Market Regulation Training Council. Virtual. February 2023.

"Marginal Costs of Electricity Services." EUCI Workshop. Virtual. February 2023.

"Rate Design for Revenue Adequacy and Price Efficiency." Wisconsin Public Utility Institute. *Energy Utility Basics.* October 4, 2022.

"Rate Innovation for Cooperatives and Public Power." EUCI Workshop. Virtual. March 2022.

"Marginal Costs of Electricity Services." EUCI Workshop. Virtual. March 2022.

"Ratemaking Under Performance-Based Regulation." EUCI Workshop. Virtual. February 2022.

"Ratemaking Under Performance-Based Regulation." EUCI Workshop. Virtual. November 2021.

"Rate Design for Revenue Adequacy and Price Efficiency." Wisconsin Public Utility Institute. *Energy Utility Basics.* October 2, 2021.

"Rate Design and the Potential Impacts of Covid-19." EUCI Workshop. Virtual. November 17, 2020.

"Ratemaking Under Performance-Based Regulation." EUCI Workshop. Atlanta, Georgia. March 9, 2020.

"Load Impact Evaluation: *Base Interruptible Program.*" DRMEC Spring Workshop, California Public Utilities Commission. April 26, 2019.

"FERC Regulatory Policy and Relevant Environmental Issues, Focusing on the United States Natural Gas Grid," 2015 Energy Hub Conference. Hosted at the University of Wisconsin-Madison.

REPORTS AND WORKING PAPERS

"BC Hydro Performance-Based Regulation Framework," For the British Columbia Hydro and Power Authority." With Dr. Daniel McLeod and Dr. Mark Meitzen. December 21, 2023.

"Long Term Avoided Costs, for assessment of Resource Options Including Conservation Programs and LED Lighting." For Florida Public Utilities Company. 2021.

"Cost of Capital Study." For Grand Bahama Power Company, Ltd. April 15, 2021.

"Cost of Capital Study." St. Croix Valley Natural Gas Company, Inc. June 20, 2019.

"Methodology and Cost Estimates for Generation and Transmission Services, 2021-2029." For Newfoundland and Labrador Hydro. November 15, 2018.

"Cost of Capital Study." Grand Bahama Power Company, Ltd. October 17, 2018.

"Common Metrics Report: Performance Metrics for Regional Transmission Organizations, Independent System Operators, and Individual Utilities for the 2010-2014 Reporting Period." *Federal Energy Regulatory Commission Staff Report,* 2016.

COMPUTER/PROGRAMMING SKILLS: Deep knowledge of Excel and STATA for data analysis; experience with R, SAS, and Python for API data acquisition and manipulation.

Appendix II: Cost of Capital Exhibits

Exhibit NAC-2: Weighted Average Cost of Capital: Conventional Capital Structure Stated on a Consolidated Basis

WEIGHTED AVERAGE COST OF CAPITAL: CONVENTIONAL CAPITAL STRUCTURE STATED ON A CONSOLIDATED BASIS

13-MONTH AVERAGE, TEST YEAR 2025

Capital Component	Outstanding Balances	Capitalization Share	Cost Rate	Weighted Average Cost Rate
Long Term Debt	$1,331,883,955	44.31%	4.51%	2.00%
Short-Term Debt	$169,856,296	5.65%	5.81%	0.33%
Preferred Stock	$0	0.00%	0.00%	0.00%
Common Equity	$1,504,318,384	50.04%	11.30%	5.65%
Total	$3,006,058,635	100.00%		7.98%

Exhibit NAC-3: Conventional Capital Structure, Test Year 2025

CONVENTIONAL CAPITAL STRUCTURE: TEST YEAR 2025

	13-Month Average	
Capital Component	**Outstanding Balance, Consolidated Basis**	**Capitalization Shares**
Long-Term Debt	$1,331,883,955	44.31%
Short-Term Debt	$169,856,296	5.65%
Preferred Stock	$0	0.00%
Common Equity	$1,504,318,384	50.04%
Total	$3,006,058,635	100.00%

Exhibit NAC-4: Conventional Capital Structure, Current Year 2024

CONVENTIONAL CAPITAL STRUCTURE: CURRENT YEAR 2024

	13-Month Average	
Capital Component	**Outstanding Balance, Consolidated Basis**	**Capitalization Shares**
Long-Term Debt	$1,188,404,108	43.64%
Short-Term Debt	$228,599,377	8.39%
Preferred Stock	$0	0.00%
Common Equity	$1,306,085,133	47.96%
Total	$2,723,088,617	100.00%

Exhibit NAC-5: Conventional Capital Structure, Historical Year 2023

CONVENTIONAL CAPITAL STRUCTURE: HISTORICAL YEAR 2023

Capital Component	13-Month Average: Outstanding Balance, Consolidated Basis	13-Month Average: Capitalization Shares
Long-Term Debt	$725,924,822	40.79%
Short-Term Debt	$132,960,125	7.47%
Preferred Stock	$0	0.00%
Common Equity	$920,631,947	51.74%
Total	$1,779,516,894	100.00%

Exhibit NAC-6: Weighted Average Cost of Capital Regulatory Capital Structure

FLORIDA PUBLIC UTILITIES COMPANY

OVERALL RATE OF RETURN REQUIREMENTS

WEIGHTED AVERAGE COST OF CAPITAL: REGULATORY CAPITAL STRUCTURE
13-MONTH AVERAGE, TEST YEAR 2025

Capital Component	Outstanding Balances	Capitalization Share	Cost Rate	Weighted Average Cost Rate
Long-Term Debt	$56,888,413	37.91%	4.51%	1.71%
Short-Term Debt	$7,255,028	4.83%	5.81%	0.28%
Preferred Stock	$0	0.00%	0.00%	0.00%
Common Equity	$64,253,557	42.82%	11.30%	4.84%
Customer Deposits	$4,001,097	2.67%	2.20%	0.06%
Deferred Taxes	$13,206,708	8.80%	0.00%	0.00%
Regulatory Tax Liability	$4,448,275	2.96%	0.00%	0.00%
ITC at WACC	$0	0.00%	7.98%	0.00%
Total	$150,053,078	100.00%		6.89%

Exhibit NAC-7: Detailed Regulatory Capital Structure, Test Year 2025

REGULATORY CAPITAL STRUCTURE: TEST YEAR 2025

Capital Component	13-Month Average Outstanding Balance, Consolidated Basis	Adjustments	Consolidated System Total	Rate Base Pro Rata Allocation	Jurisdictional Capital Structure	Capitalization Shares
Long-Term Debt	$1,331,883,955	$0	$1,331,883,955	4.27%	$56,888,413	37.91%
Short-Term Debt	$169,856,296	$0	$169,856,296	4.27%	$7,255,028	4.83%
Preferred Stock	$0	$0	$0	4.27%	$0	0.00%
Common Equity	$1,502,431,540	$1,886,844	$1,504,318,384	4.27%	$64,253,557	42.82%
Customer Deposits	$4,001,097	$0	$4,001,097	100.00%	$4,001,097	2.67%
Deferred Taxes	$13,206,708	$0	$13,206,708	100.00%	$13,206,708	8.80%
Regulatory Tax Liability	$4,448,275	$0	$4,448,275	100.00%	$4,448,275	2.96%
ITC at Overall Cost Rate	$0	$0	$0	100.00%	$0	0.00%
Total	$3,025,827,871	$1,886,844	$3,027,714,715		$150,053,078	100.00%

Exhibit NAC-8: Detailed Regulatory Capital Structure, Current Year 2024

REGULATORY CAPITAL STRUCTURE: CURRENT YEAR 2024

Capital Component	13-Month Average: Outstanding Balance, Consolidated Basis	Adjustments	Consolidated System Total	Rate Base Pro Rata Allocation	Jurisdictional Capital Structure	Capitalization Shares
Long-Term Debt	$1,188,404,108	$0	$1,188,404,108	3.62%	$43,065,436	34.40%
Short-Term Debt	$228,599,377	$0	$228,599,377	3.62%	$8,283,993	6.62%
Preferred Stock	$0	$0	$0	3.62%	$0	0.00%
Common Equity	$1,304,178,789	$1,906,344	$1,306,085,133	3.62%	$47,329,963	37.80%
Customer Deposits	$3,983,222	$0	$3,983,222	100.00%	$3,983,222	3.18%
Deferred Taxes	$17,871,253	$0	$17,871,253	100.00%	$17,871,253	14.27%
ITC at Overall Cost Rate	$4,662,221	$0	$4,662,221	100.00%	$4,662,221	3.72%
ITC at Zero Cost Rate	$0	$0	$0	100.00%	$0	0.00%
Total	$2,747,698,969	$1,906,344	$2,749,605,313		$125,196,088	100.00%

Exhibit NAC-9: Detailed Regulatory Capital Structure, Historical Year 2023

REGULATORY CAPITAL STRUCTURE: HISTORICAL YEAR 2023

	13-Month Average					
Capital Component	Outstanding Balance, Consolidated Basis	Adjustments	Consolidated System Total	Rate Base Pro Rata Allocation	Jurisdictional Capital Structure	Capitalization Shares
Long-Term Debt	$725,924,822	$0	$725,924,822	4.80%	$34,811,456	29.84%
Short-Term Debt	$132,960,125	$0	$132,960,125	4.80%	$6,376,054	5.47%
Preferred Stock	$0	$0	$0	4.80%	$0	0.00%
Common Equity	$918,729,847	$1,902,100	$920,631,947	4.80%	$44,148,563	37.84%
Customer Deposits	$3,930,084	$0	$3,930,084	100.00%	$3,930,084	3.37%
Deferred Taxes	$22,517,273	$0	$22,517,273	100.00%	$22,517,273	19.30%
Regulatory Tax Liability	$4,883,526	$0	$4,883,526	100.00%	$4,883,526	4.19%
ITC at Zero Cost Rate	$0	$0	$0	100.00%	$0	0.00%
ITC at Overall Cost Rate	$0	$0	$0		$0	0.00%
Total	$1,808,945,676	$1,902,100	$1,810,847,776		$116,666,955	100.00%

Exhibit NAC-10: CAPM Estimates of the Cost of Common Equity, U.S. Equity Markets

Sample 1: Moderate-Sized Electric Utilities	Cost of Equity Capital, Unadjusted	Risk-Free Rate	Market Beta, Adjusted	Expected Market Return
Low	10.39%	3.39%	0.97	10.63%
High	11.61%	4.31%	1.00	11.62%
Weighted Average	11.18%	3.85%	1.01	11.13%

Sample 2: Natural Gas Distribution Utilities	Cost of Equity Capital, Unadjusted	Risk-Free Rate	Market Beta, Adjusted	Expected Market Return
Low	10.14%	3.39%	0.93	10.63%
High	11.31%	4.31%	0.96	11.62%
Weighted Average	10.72%	3.85%	0.94	11.13%

Sample 3: Small Non-Utilites	Cost of Equity Capital, Unadjusted	Risk-Free Rate	Market Beta, Adjusted	Expected Market Return
Low	10.10%	3.39%	0.93	10.63%
High	11.63%	4.31%	1.00	11.62%
Weighted Average	11.29%	3.85%	1.02	11.13%

Exhibit NAC-11: CAPM Estimates of the Cost of Equity Capital: Moderate-Sized Electric Utilities

CAPM ESTIMATES OF THE COST OF EQUITY CAPITAL: MODERATE-SIZED ELECTRIC UTILITIES

Small Low-Risk Entities		Adjusted CAPM Beta		Unadjusted Beta	
Company	Ticker	2018-2023	2023	2018-2023	2023
ALLETE, Inc.	ALE	0.83	1.00	0.75	1.00
Alliant Energy Corporation	LNT	0.74	0.93	0.62	0.90
Black Hills	BCK	1.00	1.00	1.00	1.00
CenterPoint Energy, Inc.	CNP	1.16	1.13	1.25	1.20
Evergy, Inc.	EVRG	0.77	1.00	0.65	1.00
Hawaiian Electric Industries, Inc.	HE	0.68	1.00	0.53	1.00
IDACORP, Inc.	IDA	0.78	0.93	0.67	0.90
MGE Energy, Inc.	MGEE	0.74	0.87	0.62	0.80
Northwestern Energy Group	NEW	0.98	1.00	0.97	1.00
OGE Energy Corp.	OGE	0.92	1.07	0.88	1.10
Otter Tail Corporation	OTTR	0.82	1.00	0.73	1.00
Pinnacle West Capital Corporation	PNW	0.76	1.00	0.65	1.00
PNM Resources, Inc.	PNM	0.83	0.93	0.75	0.90
Portland General Electric Company	POR	0.76	0.93	0.64	0.90
Unitil Corporation	UTL	1.01	0.93	1.01	0.90
	Average	0.85	0.98	0.78	0.97
	Standard Deviation	0.13	0.06	0.20	0.10
	Weighted Average:	0.87	1.01	0.81	1.01

CAPM ESTIMATES

	Cost of Equity Capital, Unadjusted	Risk-Free Rate	Market Beta, Adjusted	Expected Market Return
Low	10.39%	3.39%	0.97	10.63%
High	11.61%	4.31%	1.00	11.62%
Weighted Average	11.18%	3.85%	1.01	11.13%

U.S. Equity Market Risk Premia: 7.28%

Exhibit NAC-12: CAPM Estimates of the Cost of Equity Capital: Gas Distribution Utilities

CAPM ESTIMATES OF THE COST OF EQUITY CAPITAL: GAS DISTRIBUTION UTILITIES

Small Low-Risk Entities		Adjusted CAPM Beta		Unadjusted Beta	
Company	**Ticker**	**2018-2023**	**2023**	**2018-2023**	**2023**
Atmos Energy Corporation	ATO	0.74	0.93	0.62	0.90
Chesapeake Utilities Corporation	CPK	0.72	0.87	0.59	0.80
New Jersey Resources Corporation	NJR	0.85	1.00	0.78	1.00
Northwest Natural Holding Company	NWN	0.75	1.00	0.62	1.00
ONE Gas, Inc.	OGS	0.79	0.93	0.68	0.90
Southwest Gas Holdings, Inc.	SWX	0.75	0.93	0.62	0.90
	Average	0.77	0.94	0.65	0.92
	Standard Deviation	0.05	0.05	0.07	0.08
	Weighted Average:	0.77	0.94	0.65	0.92

CAPM ESTIMATES

	Cost of Equity Capital, Unadjusted	Risk-Free Rate	Market Beta, Adjusted	Expected Market Return
Low	10.14%	3.39%	0.93	10.63%
High	11.31%	4.31%	0.96	11.62%
Weighted Average	10.72%	3.85%	0.94	11.13%

U.S. Equity Market Risk Premia: 7.28%

Exhibit NAC-13: CAPM Estimates of the Cost of Equity Capital: Moderate-Sized Utilities

CAPM ESTIMATES OF THE COST OF EQUITY CAPITAL: MODERATE-SIZED UTILITIES

Small Low-Risk Entities		Adjusted CAPM Beta		Unadjusted Beta	
Company	**Ticker**	**2018-2023**	**2023**	**2018-2023**	**2023**
ALLETE, Inc.	ALE	0.83	1.00	0.75	1.00
Alliant Energy Corporation	LNT	0.74	0.93	0.62	0.90
Black Hills	BCK	1.00	1.00	1.00	1.00
CenterPoint Energy, Inc.	CNP	1.16	1.13	1.25	1.20
Evergy, Inc.	EVRG	0.77	1.00	0.65	1.00
Hawaiian Electric Industries, Inc.	HE	0.68	1.00	0.53	1.00
IDACORP, Inc.	IDA	0.78	0.93	0.67	0.90
MGE Energy, Inc.	MGEE	0.74	0.87	0.62	0.80
Northwestern Energy Group	NEW	0.98	1.00	0.97	1.00
OGE Energy Corp.	OGE	0.92	1.07	0.88	1.10
Otter Tail Corporation	OTTR	0.82	1.00	0.73	1.00
Pinnacle West Capital Corporation	PNW	0.76	1.00	0.65	1.00
PNM Resources, Inc.	PNM	0.83	0.93	0.75	0.90
Portland General Electric Company	POR	0.76	0.93	0.64	0.90
Unitil Corporation	UTL	1.01	0.93	1.01	0.90
Atmos Energy Corporation	ATO	0.74	0.93	0.62	0.90
Chesapeake Utilities Corporation	CPK	0.72	0.87	0.59	0.80
New Jersey Resources Corporation	NJR	0.85	1.00	0.78	1.00
Northwest Natural Holding Company	NWN	0.75	1.00	0.62	1.00
ONE Gas, Inc.	OGS	0.79	0.93	0.68	0.90
Southwest Gas Holdings, Inc.	SWX	0.75	0.93	0.62	0.90
	Average	0.83	0.97	0.74	0.96
	Standard Deviation	0.12	0.06	0.18	0.09
	Weighted Average:	0.85	0.99	0.77	0.99

CAPM ESTIMATES

	Cost of Equity Capital, Unadjusted	Risk-Free Rate	Market Beta, Adjusted	Expected Market Return
Low	10.31%	3.39%	0.96	10.63%
High	11.53%	4.31%	0.99	11.62%
Weighted Average	11.08%	3.85%	0.99	11.13%
		U.S. Equity Market Risk Premia:		7.28%

Exhibit NAC-14: CAPM Estimates of the Cost of Equity Capital: Small-Sized Non-Utility Companies

CAPM ESTIMATES OF THE COST OF EQUITY CAPITAL: SMALL-SIZED NON-UTILITY COMPANIES

Small Low-Risk Entities		Adjusted CAPM Beta		Unadjusted Beta	
Company	**Ticker**	**2018-2023**	**2023**	**2022-2023**	**2023**
John Wiley & Sons, Inc.	WLY	0.93	0.93	0.90	0.90
Ingredion	INGR	0.90	0.87	0.86	0.81
Kinross Gold Corp	KGC	0.82	0.87	0.73	0.80
HNI Corporation	HNI	1.05	1.07	1.08	1.10
Kaman Corporation	KAMN	1.16	1.13	1.25	1.19
Smith & Wesson Brands, Inc.	SWBI	0.72	0.73	0.58	0.60
Entravision Communications Corporation	EVC	1.00	1.00	1.00	1.00
Luxfer Holdings PLC	LXFR	0.93	0.89	0.89	0.84
The Aaron's Company, Inc.	AAN	1.14	1.27	1.21	1.40
Natural Grocers by Vitamin Cottage, Inc.	NGVC	0.83	0.73	0.75	0.60
Adams Resources & Energy, Inc.	AE	1.02	1.13	1.04	1.20
LifeVantage Corporation	LFVN	0.98	0.93	0.98	0.90
Sonoco Products	SON	0.90	1.00	0.86	1.00
Sensient Technologies	SXT	0.93	0.93	0.90	0.90
	Average	0.95	0.96	0.93	0.95
	Standard Deviation	0.12	0.15	0.18	0.22
	Weighted Average:	0.99	1.02	0.94	0.98

CAPM ESTIMATES

	Cost of Equity Capital, Unadjusted	Risk-Free Rate	Market Beta, Adjusted	Expected Market Return
Low	10.10%	3.39%	0.93	10.63%
High	11.63%	4.31%	1.00	11.62%
Weighted Average	11.29%	3.85%	1.02	11.13%
		U.S. Equity Market Risk Premia:		7.28%

	Cost Rate, Adjusted for Issuance Costs
Low	
High	11.86%
Weighted Average	11.51%

Exhibit NAC-15: Summary of Electric Utility Discounted Cash Flow Results

2021	**Dividend Yield**	**Expected Growth in Cash Flows**	**Unadjusted Cost Rate**
Low	2.98%	5.15%	8.45%
High	3.66%	7.39%	10.73%
Weighted Average	3.36%	6.33%	9.69%
2022	**Dividend Yield**	**Expected Growth in Cash Flows**	**Unadjusted Cost Rate**
Low	3.12%	5.39%	8.93%
High	3.94%	7.26%	10.79%
Weighted Average	3.42%	6.35%	9.77%
2023	**Dividend Yield**	**Expected Growth in Cash Flows**	**Unadjusted Cost Rate**
Low	3.10%	5.28%	8.51%
High	3.93%	6.80%	10.60%
Weighted Average	3.53%	5.84%	9.37%

Exhibit NAC-16: Discounted Cashflow Estimates of Cost of Equity: Moderate-Sized Electric Utilities, 2023

DISCOUNTED CASH FLOW ESTIMATES OF COST OF EQUITY: MODERATE-SIZED ELECTRIC UTILITIES, 2023

Electric Utility	Ticker	Dividend Per Share	Effective Year Forward Dividend	Average Market Price Per Share, December '23	Adjusted Dividend Yield	Expected Growth	Single Stage DCF Estimates of Cost of Equity Capital
ALLETE, Inc.	ALE	2.71	2.82	63.22	4.46%	8.20%	12.66%
Alliant Energy Corporation	LNT	1.81	1.87	55.29	3.38%	6.29%	9.66%
Black Hills	BCK	2.50	2.60	65.37	3.97%	7.76%	11.73%
CenterPoint Energy, Inc.	CNP	0.77	0.79	30.68	2.56%	4.06%	6.62%
Evergy, Inc.	EVRG	2.48	2.57	62.47	4.11%	7.01%	11.12%
Hawaiian Electric Industries, Inc.	HE	1.08	1.11	39.10	2.84%	5.58%	8.41%
IDACORP, Inc.	IDA	3.20	3.26	111.67	2.92%	3.69%	6.61%
MGE Energy, Inc.	MGEE	1.67	1.71	77.14	2.22%	5.38%	7.60%
Northwestern Energy Group	NEW	2.56	2.64	58.94	4.47%	6.04%	10.51%
OGE Energy Corp.	OGE	1.66	1.73	37.43	4.63%	9.00%	13.63%
Otter Tail Corporation	OTTR	1.75	1.80	72.52	2.49%	6.11%	8.59%
Pinnacle West Capital Corporation	PNW	3.48	3.55	78.92	4.50%	4.10%	8.59%
PNM Resources, Inc.	PNM	1.57	1.61	48.03	3.35%	4.99%	8.34%
Portland General Electric Company	POR	1.88	1.94	50.41	3.85%	6.37%	10.21%
Unitil Corporation	UTL	1.62	1.67	55.89	2.99%	6.04%	9.02%

DCF ESTIMATES, MODERATE-SIZED ELECTRIC UTILITIES

	Adjusted Dividend Yield	Expected Growth	Unadjusted Cost Rate
Average	3.52%	6.04%	9.55%
S. D.	0.82%	1.52%	2.08%
Range			
Low	3.10%	5.28%	8.51%
High	3.93%	6.80%	10.60%
Weighted Average	3.53%	5.84%	9.37%
			Cost Rate, Adjusted for Issuance Costs
		Weighted Average	9.59%

Exhibit NAC-17: Discounted Cashflow Estimates of Cost of Equity: Moderate-Sized Electric Utilities, 2022

DISCOUNTED CASH FLOW ESTIMATES OF COST OF EQUITY: MODERATE-SIZED ELECTRIC UTILITIES, 2022

Electric Utility	Ticker	Dividend Per Share	Effective Year Forward Dividend	Average Market Price Per Share, December '22	Adjusted Dividend Yield	Expected Growth	Single Stage DCF Estimates of Cost of Equity Capital
ALLETE, Inc.	ALE	2.60	2.65	58.89	4.49%	3.51%	8.00%
Alliant Energy Corporation	LNT	1.71	1.77	57.85	3.06%	6.72%	9.77%
Black Hills	BCK	2.41	2.49	72.37	3.44%	6.33%	9.76%
CenterPoint Energy, Inc.	CNP	0.70	0.72	30.22	2.39%	6.33%	8.72%
Evergy, Inc.	EVRG	2.33	2.40	67.08	3.58%	5.91%	9.49%
Hawaiian Electric Industries, Inc.	HE	1.40	1.44	40.65	3.55%	6.33%	9.88%
IDACORP, Inc.	IDA	3.04	3.16	102.39	3.08%	7.57%	10.65%
MGE Energy, Inc.	MGEE	1.59	1.63	76.77	2.12%	4.49%	6.61%
Northwestern Energy Group	NEW	2.52	2.59	55.66	4.65%	5.57%	10.22%
OGE Energy Corp.	OGE	1.64	1.70	38.48	4.42%	7.35%	11.77%
Otter Tail Corporation	OTTR	1.65	1.70	58.86	2.89%	6.33%	9.22%
Pinnacle West Capital Corporation	PNW	3.42	3.50	71.24	4.91%	4.67%	9.58%
PNM Resources, Inc.	PNM	1.41	1.49	46.06	3.24%	11.88%	15.13%
Portland General Electric Company	POR	1.79	1.84	46.64	3.95%	5.61%	9.56%
Unitil Corporation	UTL	1.56	1.61	50.17	3.21%	6.33%	9.54%

DCF ESTIMATES, MODERATE-SIZED ELECTRIC UTILITIES

	Adjusted Dividend Yield	Expected Growth	Unadjusted Cost Rate
Average	3.53%	6.33%	9.86%
S. D.	0.82%	1.87%	1.86%
Range			
Low	3.12%	5.39%	8.93%
High	3.94%	7.26%	10.79%
Weighted Average	3.42%	6.35%	9.77%

	Cost Rate, Adjusted for Issuance Costs
Weighted Average	9.99%

Exhibit NAC-18: Discounted Cashflow Estimates of Cost of Equity: Moderate-Sized Electric Utilities, 2021

DISCOUNTED CASH FLOW ESTIMATES OF COST OF EQUITY: MODERATE-SIZED ELECTRIC UTILITIES, 2021

Electric Utility	Ticker	Dividend Per Share	Effective Year Forward Dividend	Average Market Price Per Share, December '21	Adjusted Dividend Yield	Expected Growth	Single Stage DCF Estimates of Cost of Equity Capital
ALLETE, Inc.	ALE	2.52	2.56	70.69	3.63%	3.48%	7.11%
Alliant Energy Corporation	LNT	1.61	1.66	56.17	2.96%	6.67%	9.63%
Black Hills	BCK	2.29	2.36	68.99	3.42%	6.27%	9.70%
CenterPoint Energy, Inc.	CNP	0.66	0.68	24.42	2.79%	6.27%	9.06%
Evergy, Inc.	EVRG	2.18	2.24	64.06	3.50%	5.84%	9.34%
Hawaiian Electric Industries, Inc.	HE	1.36	1.40	43.20	3.25%	6.27%	9.52%
IDACORP, Inc.	IDA	2.88	3.00	102.14	2.94%	8.38%	11.32%
MGE Energy, Inc.	MGEE	1.52	1.55	75.22	2.07%	4.38%	6.45%
Northwestern Energy Group	NEW	2.48	2.52	67.82	3.72%	3.32%	7.04%
OGE Energy Corp.	OGE	1.63	1.69	33.49	5.06%	7.95%	13.01%
Otter Tail Corporation	OTTR	1.56	1.61	47.89	3.36%	6.27%	9.63%
Pinnacle West Capital Corporation	PNW	3.36	3.45	84.53	4.08%	5.09%	9.16%
PNM Resources, Inc.	PNM	1.33	1.41	49.54	2.85%	12.55%	15.40%
Portland General Electric Company	POR	1.70	1.74	50.48	3.45%	5.06%	8.51%
Unitil Corporation	UTL	1.52	1.57	57.59	2.72%	6.27%	8.99%

DCF ESTIMATES, MODERATE-SIZED ELECTRIC UTILITIES

	Adjusted Dividend Yield	Expected Growth	Unadjusted Cost Rate
Average	3.32%	6.27%	9.59%
S. D.	0.69%	2.23%	2.28%
Range			
Low	2.98%	5.15%	8.45%
High	3.66%	7.39%	10.73%
Weighted Average	3.36%	6.33%	9.69%

	Cost Rate, Adjusted for Issuance Costs
Weighted Average	9.90%

Exhibit NAC-19: Summary of Gas Utility Discounted Cash Flow Results

2021	**Dividend Yield**	**Expected Growth in Cash Flows**	**Unadjusted Cost Rate**
Low	2.40%	7.64%	10.29%
High	3.13%	10.86%	13.75%
Weighted Average	2.78%	9.30%	12.08%
2022	**Dividend Yield**	**Expected Growth in Cash Flows**	**Unadjusted Cost Rate**
Low	2.42%	7.63%	10.27%
High	3.09%	10.45%	13.32%
Weighted Average	2.77%	9.19%	11.96%
2023	**Dividend Yield**	**Expected Growth in Cash Flows**	**Unadjusted Cost Rate**
Low	2.76%	4.95%	8.40%
High	3.71%	6.78%	9.81%
Weighted Average	3.00%	6.45%	9.45%

Exhibit NAC-20: Discounted Cashflow Estimates of Cost of Equity: Gas Distribution Utilities, 2023

DISCOUNTED CASH FLOW ESTIMATES OF COST OF EQUITY: GAS DISTRIBUTION UTILITIES, 2023

Gas Utility	Ticker	Dividend Per Share	Effective Year Forward Dividend	Average Market Price Per Share,	Adjusted Dividend Yield	Expected Growth	Single Stage DCF Estimates of Cost of Equity Capital
Atmos Energy Corporation	ATO	2.96	3.07	114.55	2.68%	7.64%	10.32%
Chesapeake Utilities Corporation	CPK	2.31	2.39	123.50	1.94%	7.30%	9.24%
New Jersey Resources Corporation	NJR	1.59	1.65	51.67	3.18%	7.00%	10.18%
Northwest Natural Holding Company	NWN	1.94	2.00	46.85	4.27%	6.00%	10.27%
ONE Gas, Inc.	OGS	2.60	2.64	77.29	3.42%	3.25%	6.67%
Southwest Gas Holdings, Inc.	SWX	2.48	2.53	56.46	4.48%	4.00%	8.48%

DCF ESTIMATES, MODERATE-SIZED ELECTRIC UTILITIES

	Adjusted Dividend Yield	Expected Growth	Unadjusted Cost
Average	3.33%	5.86%	9.19%
S. D.	0.96%	1.83%	1.43%
Range			
Low	3.81%	4.95%	8.8%
High	2.85%	6.78%	9.6%
Weighted Average	3.09%	6.45%	9.55%
			Cost Rate, Adjusted for Issuance Costs
Weighted Average			9.74%

Exhibit NAC-21: Discounted Cashflow Estimates of Cost of Equity: Gas Distribution Utilities, 2022

DISCOUNTED CASH FLOW ESTIMATES OF COST OF EQUITY: GAS DISTRIBUTION UTILITIES, 2022

Gas Utility	Ticker	Dividend Per Share	Effective Year Forward Dividend	Average Market Price Per Share, December '22	Adjusted Dividend Yield	Expected Growth	Single Stage DCF Estimates of Cost of Equity Capital
Atmos Energy Corporation	ATO	2.72	2.85	111.76	2.55%	9.35%	11.9%
Chesapeake Utilities Corporation	CPK	1.84	1.91	122.00	1.56%	7.47%	9.0%
New Jersey Resources Corporation	NJR	1.45	1.50	42.79	3.50%	6.76%	10.3%
Northwest Natural Holding Company	NWN	1.93	2.02	47.29	2.76%	9.04%	11.8%
ONE Gas, Inc.	OGS	2.48	2.66	82.63	3.22%	14.39%	17.6%
Southwest Gas Holdings, Inc.	SWX	2.48	2.57	87.13	2.95%	7.22%	10.2%

DCF ESTIMATES, MODERATE-SIZED ELECTRIC UTILITIES

	Adjusted Dividend Yield	Expected Growth	Unadjusted Cost Rate
Average	2.76%	9.04%	11.79%
S. D.	0.67%	2.82%	3.04%
Range			
Low	2.42%	7.63%	10.27%
High	3.09%	10.45%	13.32%
Weighted Average	2.77%	9.19%	11.96%

	Cost Rate, Adjusted for Issuance Costs
Weighted Average	12.14%

Exhibit NAC-22: Discounted Cashflow Estimates of Cost of Equity: Gas Distribution Utilities, 2021

DISCOUNTED CASH FLOW ESTIMATES OF COST OF EQUITY: GAS DISTRIBUTION UTILITIES, 2021

Gas Utility	Ticker	Dividend Per Share	Effective Year Forward Dividend	Average Market Price Per Share, December '21	Adjusted Dividend Yield	Expected Growth	Single Stage DCF Estimates of Cost of Equity Capital
Atmos Energy Corporation	ATO	2.50	2.61	103.79	2.52%	9.11%	11.63%
Chesapeake Utilities Corporation	CPK	1.69	1.75	120.89	1.45%	7.12%	8.57%
New Jersey Resources Corporation	NJR	1.36	1.40	43.13	3.26%	6.61%	9.86%
Northwest Natural Holding Company	NWN	1.92	2.01	54.40	2.76%	9.25%	12.02%
ONE Gas, Inc.	OGS	2.32	2.50	80.58	3.10%	15.46%	18.57%
Southwest Gas Holdings, Inc.	SWX	2.38	2.47	70.91	3.49%	7.96%	11.45%

DCF ESTIMATES, MODERATE-SIZED ELECTRIC UTILITIES

	Adjusted Dividend Yield	Expected Growth	Unadjusted Cost Rate
Average	2.76%	9.25%	12.02%
S. D.	0.73%	3.22%	3.46%
Range			
Low	2.40%	7.64%	10.29%
High	3.13%	10.86%	13.75%
Weighted Average	2.78%	9.30%	12.08%

	Cost Rate, Adjusted for Issuance Costs
Weighted Average	12.26%

Exhibit NAC-23: Risk Premia and Equity Returns

	Equity Returns		Real Returns on US Treasury Debt		
	L-Cap	S-Cap	LT US Debt	InT US Debt	T-Bills
2014	11.39%	1.66%	24.62%	3.77%	0.02%
2015	-0.73%	-12.02%	-0.67%	1.89%	0.02%
2016	9.54%	22.04%	1.38%	1.29%	0.20%
2017	19.42%	16.96%	6.36%	1.25%	0.79%
2018	-6.24%	-17.04%	-0.54%	1.53%	1.80%
2019	28.88%	19.52%	12.09%	6.29%	2.14%
2020	16.26%	0.18%	15.19%	7.38%	0.45%
2021	26.89%	34.98%	-5.08%	-2.53%	0.04%
2022	-19.44%	-5.67%	-26.73%	-9.72%	1.43%
2023	24.23%	5.36%	3.16%	4.59%	4.97%
Average	11.02%	6.60%	2.98%	1.57%	1.19%

	Overall Financial Markets	Utility Sector Return Requirements		
		Electricity	Natural Gas	Low-Risk Non-Utilities
Approximate Baseline Real Return, Risk Free	1.53%	1.53%	1.53%	1.53%
Expected Inflation	2.46%	3.98%	3.98%	3.98%
Differential Cost of Capital for Asset Classes				
Intermediate Term U.S. Treasury Securities	0.05%	4.03%	4.03%	4.03%
Long-Term U.S. Treasury Securities	1.40%	5.43%	5.43%	5.43%
Risk Premia for Equity Market Asset Class	5.83%			
Total Return, Equity Capital	11.27%	**10.52%**	**9.90%**	**11.39%**

Exhibit NAC-24: Market Returns: Year Ending 10-Year Averages

Market Returns: Year Ending 10-Year Averages	2020	2021	2022	2023
Moderate Sized Electric Utilities				
Average Across the Sample	11.57%	12.22%	11.52%	9.65%
	2013-2023 Average Unadjusted			**11.52%**
Natural Gas Utilities				
Average Across the Sample	13.71%	12.81%	12.88%	8.95%
	2013-2023 Average Unadjusted			**13.21%**
Small Non-Utility Companies (5-year avg)				
Average Across the Sample	11.70%	18.49%	-21.60%	17.43%
	2013-2023 Average Unadjusted			**9.89%**

Exhibit NAC-25: Average Realized Historical Returns, Price Inflation (%)

AVERAGE REALIZED HISTORICAL RETURNS, PRICE INFLATION (%)

	U.S. Treasury Debt			Corporate	Equity Markets			
	Bills	In-T Debt	L-T Debt	Debt	Large Cap	US Markets	Small Cap	Inflation
1920s	3.6750	4.2075	5.0550	5.2300	16.2877	16.7025	14.3109	-3.7000
1930s	0.5560	4.6420	5.0350	7.0370	0.0412	5.3050	23.0563	-1.9300
1940s	0.4100	1.8086	3.2988	2.7190	4.0982	10.6430	33.8058	3.8591
1950s	1.8690	1.4473	0.1557	4.2620	14.9661	19.6620	23.2687	2.2418
1960s	3.8870	3.6191	1.4578	1.8070	5.2569	9.2800	22.2346	2.5273
1970s	6.3240	7.0692	5.6675	7.1590	3.2001	7.9250	17.7967	7.4366
1980s	8.9210	12.0067	13.7249	13.8280	13.2109	17.3570	18.7589	5.1284
1990s	4.9330	7.5042	9.2285	8.8350	16.1305	18.8660	14.7386	2.9501
2000s	2.7730	6.3323	8.3127	7.7350	-0.6056	1.9320	22.1626	2.5661
2010s	0.5218	3.1055	7.1648	9.0766	11.8046	14.3320	10.1922	1.7561
1947-2023	3.3014	5.0193	5.5838	6.5388	8.1033	11.4547	19.9208	3.5463
1970-2023	4.4483	6.4458	7.7054	8.3333	8.9966	12.1753	16.7809	4.0004
1990-2023	2.3305	4.4043	6.4810	6.9583	9.5814	11.6967	15.1583	2.5294

Expected Inflation 2.46

Sample Period Long-Term Risk Free Rate

2013-2023	4.31
2021-2023	3.39

Sample Period Market Returns (%)

	Nominal	Inflation	Real
1947-2023	11.4547	3.5463	7.91
1970-2023	12.18	4.00	8.17
1990-2023	11.70	2.53	9.17

Expected Future Market Returns (%)

	Real Return	Inflation	Nominal
1970-2023	8.17	2.46	10.63
1990-2023	9.17	2.46	11.62

Exhibit NAC-26: Capitalization Weights for Small to Mid-Sized Electricity Distributors

Small to Mid-Sized Electricity Distributors					
Company Name	Ticker	Market Price	Shares Outstanding (000s)	Market Capitalization ($ 000s)	Capitalization Weights
ALLETE, Inc.	ALE	63.22	57,300	3,622,506	4%
Alliant Energy Corporation	LNT	55.29	253,000	13,988,370	14%
Black Hills	BKH	65.37	67,000	4,379,790	4%
CenterPoint Energy, Inc.	CNP	30.68	631,000	19,359,080	19%
Evergy, Inc.	EVRG	62.47	230,000	14,368,100	14%
Hawaiian Electric Industries, Inc.	HE	39.10	109,700	4,289,270	4%
IDACORP, Inc.	IDA	111.67	50,700	5,661,669	6%
MGE Energy, Inc.	MGEE	77.14	36,163	2,789,614	3%
Northwestern Energy Group	NWE	58.94	60,321	3,555,348	4%
OGE Energy Corp.	OGE	37.43	200,300	7,497,229	7%
Otter Tail Corporation	OTTR	72.52	41,668	3,021,763	3%
Pinnacle West Capital Corporation	PNW	78.92	113,400	8,949,528	9%
PNM Resources, Inc.	PNM	48.03	86,296	4,144,797	4%
Portland General Electric Company	POR	50.41	97,760	4,928,082	5%
Unitil Corporation	UTL	55.89	16,045	896,755	1%

Exhibit NAC-27: Capitalization Weights for Small to Mid-Sized Natural Gas Distributors

Small to Mid-Sized Natural Gas Distributors					
Company Name	Ticker	Market Price	Shares Outstanding (000s)	Market Capitalization ($ 000s)	Capitalization Weights
Atmos Energy Corporation	ATO	101.99	145,100	14,798,749	43%
Chesapeake Utilities Corporation	CPK	91.97	18,370	1,689,489	5%
New Jersey Resources Corporatic	NJR	49.56	97,028	4,808,708	14%
Northwest Natural Holding Comp	NWN	66.60	36,213	2,411,786	7%
ONE Gas, Inc.	OGS	87.57	55,600	4,868,892	14%
Southwest Gas Holdings, Inc.	SWX	82.36	70,787	5,830,017	17%

Exhibit NAC-28: Capitalization Weights for Small to Mid-Sized Distribution Utilities

Small to Mid-Sized Distribution Utilities					
Company Name	Ticker	Market Price	Shares Outstanding (000s)	Market Capitalization ($ 000s)	Capitalization Weights
ALLETE, Inc.	ALE	63.22	57,300	3,622,506	2.8%
Alliant Energy Corporation	LNT	55.29	253,000	13,988,370	10.7%
Black Hills	BKH	65.37	67,000	4,379,790	3.3%
CenterPoint Energy, Inc.	CNP	30.68	631,000	19,359,080	14.8%
Evergy, Inc.	EVRG	62.47	230,000	14,368,100	11.0%
Hawaiian Electric Industries, Inc.	HE	39.10	109,700	4,289,270	3.3%
IDACORP, Inc.	IDA	111.67	50,700	5,661,669	4.3%
MGE Energy, Inc.	MGEE	77.14	36,163	2,789,614	2.1%
Northwestern Energy Group	NWE	58.94	60,321	3,555,348	2.7%
OGE Energy Corp.	OGE	37.43	200,300	7,497,229	5.7%
Otter Tail Corporation	OTTR	72.52	41,668	3,021,763	2.3%
Pinnacle West Capital Corporation	PNW	78.92	113,400	8,949,528	6.8%
PNM Resources, Inc.	PNM	48.03	86,296	4,144,797	3.2%
Portland General Electric Company	POR	50.41	97,760	4,928,082	3.8%
Unitil Corporation	UTL	55.89	16,045	896,755	0.7%
Atmos Energy Corporation	ATO	101.99	119,339	12,171,385	9.3%
Chesapeake Utilities Corporation	CPK	91.97	16,404	1,508,676	1.2%
New Jersey Resources Corporation	NJR	49.56	89,999	4,460,351	3.4%
Northwest Natural Holding Company	NWN	66.60	30,472	2,029,435	1.6%
ONE Gas, Inc.	OGS	87.57	52,772	4,621,244	3.5%
Southwest Gas Holdings, Inc.	SWX	82.36	55,007	4,530,377	3.5%

Exhibit NAC-29: Market Returns: Moderate Sized Electric Utilities Year Ending 10-Year Averages

Market Returns: Moderate Sized Electric Utilities Year Ending 10-Year Averages				
	2020	**2021**	**2022**	**2023**
ALLETE, Inc.	9.02%	10.89%	9.04%	7.48%
Alliant Energy Corporation	14.57%	14.87%	13.54%	11.37%
CenterPoint Energy, Inc.	8.36%	10.30%	11.54%	9.62%
Black Hills	9.74%	11.54%	12.81%	8.32%
Evergy, Inc.	13.40%	13.35%	13.09%	10.38%
Hawaiian Electric Industries, Inc.	9.84%	10.18%	9.02%	8.07%
IDACORP, Inc.	12.81%	13.75%	13.35%	12.40%
MGE Energy, Inc.	13.10%	13.88%	12.96%	11.05%
OGE Energy Corp.	8.93%	7.50%	9.00%	5.69%
Otter Tail Corporation	12.06%	12.81%	15.43%	13.68%
Pinnacle West Capital Corporation	11.96%	11.78%	9.13%	7.68%
PNM Resources, Inc.	14.70%	16.35%	13.28%	11.23%
Portland General Electric Company	12.59%	11.55%	10.38%	8.74%
Unitil Corporation	12.74%	13.17%	11.02%	10.55%
Northwestern Energy Group	9.74%	11.44%	9.23%	8.46%
Average Across the Sample	**11.57%**	**12.22%**	**11.52%**	**9.65%**
	2020-2023 Average Unadjusted			**11.24%**

Exhibit NAC-30: Historical Market Returns for Moderate-Sized Electric Utilities, Average per Annum

HISTORICAL MARKET RETURNS FOR MODERATE-SIZED ELECTRIC UTILITIES, AVERAGE PER ANNUM

Company	2014-16	2015-17	2016-18	2017-19	2018-2020	2019-2021	2020-2022	2021-2023
ALLETE, Inc.	8.3%	14.8%	19.0%	15.7%	-1.9%	4.1%	-3.1%	10.2%
Alliant Energy Corporation	14.6%	13.8%	15.6%	12.9%	9.9%	13.0%	10.9%	9.0%
CenterPoint Energy, Inc.	0.9%	10.8%	12.4%	18.2%	-8.3%	11.3%	11.6%	27.7%
Black Hills	14.7%	9.6%	9.3%	10.6%	1.2%	11.9%	4.5%	7.2%
Evergy, Inc.	19.3%	18.1%	17.3%	7.1%	5.9%	9.7%	9.2%	7.9%
Hawaiian Electric Industries, Inc.	12.1%	17.6%	7.2%	11.8%	8.4%	11.7%	3.3%	4.4%
IDACORP, Inc.	19.2%	17.7%	19.0%	13.4%	5.0%	6.7%	4.7%	11.4%
MGE Energy, Inc.	15.6%	21.9%	16.0%	12.9%	1.8%	11.5%	7.4%	9.9%
OGE Energy Corp.	-2.5%	2.0%	4.9%	16.9%	2.3%	7.9%	4.0%	12.4%
Otter Tail Corporation	3.0%	15.6%	18.8%	24.1%	7.1%	7.2%	9.8%	22.6%
Pinnacle West Capital Corporation	11.3%	18.7%	14.1%	12.7%	0.7%	7.4%	-3.6%	7.5%
PNM Resources, Inc.	14.7%	13.4%	15.4%	15.5%	5.6%	12.8%	4.7%	11.2%
Portland General Electric Company	11.8%	14.1%	10.1%	12.8%	4.2%	10.7%	0.5%	8.3%
Unitil Corporation	13.9%	17.2%	16.5%	16.4%	4.1%	9.9%	0.0%	8.5%
Northwestern Energy Group	15.1%	11.6%	6.2%	11.0%	3.2%	13.1%	-1.4%	7.2%
Average	11.5%	14.5%	13.4%	14.1%	3.3%	9.9%	4.2%	11.0%
Weighted Average	12.9%	14.1%	14.0%	13.3%	4.2%	10.5%	5.9%	10.5%

Exhibit NAC-31: Market Returns: Natural Gas Utilities Year Ending 10-Year Averages

Market Returns: Natural Gas Utilities Year Ending 10-Year Averages	2020	2021	2022	2023
AltaGas Ltd.	16.59%	15.15%	16.39%	13.19%
Chesapeake Utilities Corporation	19.11%	18.99%	19.04%	16.37%
New Jersey Resources Corporation	10.48%	11.86%	11.82%	13.42%
Northwest Natural Holding Company	6.34%	5.55%	4.28%	4.70%
Southwest Gas Holdings, Inc.	12.36%	9.67%	11.34%	6.04%
ONE Gas, Inc.	17.37%	15.66%	14.40%	0.00%
Average Across the Sample	**13.71%**	**12.81%**	**12.88%**	**8.95%**
	2019-2023 Average Unadjusted			**12.09%**

Exhibit NAC-32: Historical Market Returns for Gas Distribution Utilities, Average per Annum

HISTORICAL MARKET RETURNS FOR GAS DISTRIBUTION UTILITIES, AVERAGE PER ANNUM

Company	2014-16	2015-17	2016-18	2017-19	2018-2020	2019-2021	2020-2022	2021-2023
Atmos Energy Corporation	22.2%	19.6%	20.0%	14.4%	10.1%	8.9%	5.6%	7.2%
Chesapeake Utilities Corporation	22.9%	23.3%	19.3%	17.3%	8.3%	20.4%	13.3%	15.7%
New Jersey Resources Corporation	20.5%	21.1%	14.2%	14.1%	-0.5%	8.4%	1.9%	20.1%
Northwest Natural Holding Company	10.7%	14.3%	13.2%	11.5%	4.5%	-0.6%	-7.6%	-5.3%
Southwest Gas Holdings, Inc.	13.2%	18.8%	14.1%	11.7%	-0.6%	2.6%	6.0%	-2.3%
ONE Gas, Inc.	31.1%	26.8%	23.4%	16.6%	7.9%	6.9%	1.1%	2.6%
Average	20.1%	20.6%	17.4%	14.3%	5.0%	7.7%	3.4%	6.3%
Weighted Average	21.2%	20.6%	18.2%	14.2%	6.0%	7.4%	3.9%	6.5%

Exhibit NAC-33: Market Returns: Small Non-Utilities Year Ending 5-Year Averages

Market Returns: Small Non-Utilities Year Ending 5-Year Averages	2020	2021	2022	2023
John Wiley & Sons, Inc.	-3.47%	28.41%	-27.66%	-17.32%
Ingredion	-12.66%	26.06%	3.99%	13.54%
Kinross Gold Corp	54.85%	-20.03%	-27.54%	50.86%
HNI Corporation	-4.78%	25.57%	-29.44%	51.60%
Kaman Corporation	-12.12%	-23.07%	-46.47%	10.99%
Smith & Wesson Brands, Inc.	148.95%	0.28%	-50.39%	59.91%
Entravision Communications Corporation	12.60%	151.27%	-27.73%	-11.04%
Luxfer Holdings PLC	-8.59%	20.65%	-26.36%	-31.20%
Natural Grocers by Vitamin Cottage, Inc.	39.21%	5.75%	-33.89%	79.43%
Adams Resources & Energy, Inc.	-34.23%	19.38%	43.40%	-30.27%
LifeVantage Corporation	-40.29%	-32.19%	-41.14%	62.10%
Sonoco Products	-1.25%	0.61%	7.98%	-4.81%
Sensient Technologies	13.84%	37.75%	-25.54%	-7.24%
Average Across the Sample	**11.70%**	**18.49%**	**-21.60%**	**17.43%**
2020-2023 Average Unadjusted				**6.50%**

Exhibit NAC-34: Historical Market Returns for Small, Non-Utility Companies, Average per Annum

Non-Utility Companies	2020	2021	2022	2023	2020-2022 Avg	2020-2023 Avg	Market Cap	Proportion
John Wiley & Sons, Inc.	-3.47%	28.41%	-27.66%	-17.32%	-5.53%	-3%	1,763,411	6%
Ingredion	-12.66%	26.06%	3.99%	13.54%	14.53%	7%	7,162,980	25%
Kinross Gold Corp	54.85%	-20.03%	-27.54%	50.86%	1.10%	21%	7,405,200	26%
HNI Corporation	-4.78%	25.57%	-29.44%	51.60%	15.91%	10%	1,861,435	6%
Kaman Corporation	-12.12%	-23.07%	-46.47%	10.99%	-19.52%	-10%	678,264	2%
Smith & Wesson Brands, Inc.	148.95%	0.28%	-50.39%	59.91%	3.27%	26%	621,645	2%
Entravision Communications Corporation	12.60%	151.27%	-27.73%	-11.04%	37.50%	24%	366,547	1%
Luxfer Holdings PLC	-8.59%	20.65%	-26.36%	-31.20%	-12.30%	-8%	239,860	1%
Natural Grocers by Vitamin Cottage, Inc.	39.21%	5.75%	-33.89%	79.43%	17.10%	11%	363,920	1%
Adams Resources & Energy, Inc.	-34.23%	19.38%	43.40%	-30.27%	10.84%	0%	66,680	0%
LifeVantage Corporation	-40.29%	-32.19%	-41.14%	62.10%	-3.74%	-7%	75,342	0%
Sonoco Products	-1.25%	0.61%	7.98%	-4.81%	1.26%	4%	5,491,686	19%
Sensient Technologies	13.84%	37.75%	-25.54%	-7.24%	1.66%	8%	2,773,782	10%
							28,870,752	100%

2020-2022 Wtd Avg	2020-2023 Wtd Avg
5.19%	9.89%

Exhibit NAC-35: Long-Term Debt Cost Rate, Test Year 2025

LONG-TERM DEBT COST RATE, TEST YEAR 2025										
Coupon Rate	Issue Date	Maturity Date	Life	Initial Principal Amount	13-Month Average Amount Outstanding	Unamortized Issuance Expenses	Annual Amortization of Issuance Expenses	Interest Expense	All-In Annual Carrying Charges on Long-Term	Average Unamortized Issuing Expenses and Loss on Required Debt
5.68%	6/24/2011	6/30/2026	15	$29,000,000	$4,238,462	$34,794	$473	$247,080	$247,553	$339
6.43%	5/2/2013	5/2/2028	15	$7,000,000	$2,369,231	$12,789	$409	$150,158	$150,567	$683
3.73%	12/16/2013	12/16/2028	15	$20,000,000	$7,846,154	$68,794	$2,587	$295,292	$297,879	$5,067
3.88%	5/15/2014	5/15/2029	15	$50,000,000	$21,923,077	$192,790	$8,020	$848,211	$856,231	$17,392
3.25%	4/21/2017	4/30/2032	15	$70,000,000	$48,461,538	$150,539	$10,346	$1,583,021	$1,593,367	$36,062
3.48%	5/21/2018	5/31/2038	20	$50,000,000	$50,000,000	$99,400	$6,413	$1,740,000	$1,746,413	$53,976
3.58%	11/15/2018	11/30/2038	20	$50,000,000	$50,000,000	$95,036	$6,083	$1,790,000	$1,796,083	$54,990
3.98%	8/13/2019	8/20/2039	20	$100,000,000	$100,000,000	$167,966	$10,836	$3,980,000	$3,990,836	$104,753
2.98%	12/20/2019	12/20/2034	15	$70,000,000	$69,461,538	$165,643	$15,776	$2,079,626	$2,095,402	$78,878
3.00%	7/15/2020	7/15/2035	15	$50,000,000	$50,000,000	$92,476	$8,807	$1,500,000	$1,508,807	$49,174
2.96%	8/15/2020	8/15/2035	15	$40,000,000	$40,000,000	$72,953	$6,948	$1,184,000	$1,190,948	$39,371
2.49%	12/20/2021	1/25/2037	15	$50,000,000	$50,000,000	$161,664	$15,275	$1,245,000	$1,260,275	$108,200
2.95%	3/15/2022	3/15/2042	20	$50,000,000	$50,000,000	$98,738	$4,937	$1,475,000	$1,479,937	$82,693
5.43%	3/14/2023	3/14/2038	15	$80,000,000	$80,000,000	$117,035	$11,146	$4,344,000	$4,355,146	$91,957
6.39%	11/28/2023	12/28/2026	3	$21,411,000	$21,411,000	$126,030	$40,912	$1,368,163	$1,409,075	$61,368
6.44%	11/28/2023	12/28/2027	4	$21,411,000	$21,411,000	$114,789	$28,133	$1,378,868	$1,407,001	$70,332
6.45%	11/28/2023	12/28/2028	5	$21,411,000	$21,411,000	$122,551	$24,122	$1,381,010	$1,405,132	$84,427
6.62%	11/28/2023	12/28/2030	7	$21,411,000	$21,411,000	$121,213	$17,119	$1,417,408	$1,434,528	$94,157
6.71%	11/28/2023	12/28/2033	10	$21,411,000	$21,411,000	$97,179	$9,641	$1,436,678	$1,446,319	$81,949
6.73%	11/28/2023	12/28/2038	15	$10,705,500	$10,705,500	$46,743	$3,091	$720,480	$723,571	$41,730
5.75%	1/1/2025	1/1/2035	10	$150,000,000	$138,461,538	$675,000	$67,500	$8,625,000	$8,692,500	$589,327
5.75%	10/1/2025	10/1/2035	10	$100,000,000	$23,076,923	$450,000	$11,250	$1,437,500	$1,448,750	$102,115
		Total		$1,083,760,500	$903,598,961	$3,284,121	$309,824	$40,226,495	$40,536,320	$1,848,939
				Loss on Reacquired Debt			$73,704		$73,704	$463,397
		Adjustment for Outstanding L-T Debt Shelf Agreements					$20,940		$20,940	$49,312
				Outstanding Principal	$903,598,961	$3,284,121	$404,468	$40,226,495	$40,630,964	$2,361,648
				Loss on Issuance, Reacquired Debt	$2,361,648					
				Net Outstanding Principal	$901,237,313	**Embedded Cost of Long-Term Debt**	$40,630,964	**Long-Term Debt Cost Rate**	4.51%	

Exhibit NAC-36: Short-Term Debt Cost Rate, Test Year 2025

SHORT-TERM DEBT COST RATE, TEST YEAR 2025
13-Month Weighted Average

Item	DEC	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTALS/ AVERAGES
OUTSTANDING BALANCE														
Balance at End of Month	$299,235,077	$160,801,058	$156,149,753	$137,613,265	$138,403,715	$147,316,603	$190,493,695	$203,477,742	$192,195,976	$214,362,391	$128,592,954	$120,235,375	$123,443,008	$170,178,509
Average Monthly Balance		$230,018,067	$158,475,405	$146,881,509	$138,008,490	$142,860,159	$168,905,149	$196,985,719	$197,836,859	$203,279,184	$171,477,673	$124,414,165	$121,839,192	$166,748,464
UNAMORTIZED S-T DEBT EXPENSES														
Balance at End of Month	$488,788	$461,026	$433,263	$405,500	$377,738	$349,975	$322,212	$294,450	$266,687	$238,924	$211,162	$183,399	$155,636	$322,212
Average Monthly Balance		$474,907	$447,144	$419,382	$391,619	$363,856	$336,094	$308,331	$280,568	$252,806	$225,043	$197,280	$169,518	$322,212
NET AVERAGE MONTHLY BALANCE		$229,543,160	$158,028,261	$146,462,127	$137,616,871	$142,496,302	$168,569,055	$196,677,388	$197,556,291	$203,026,378	$171,252,630	$124,216,885	$121,669,674	$166,426,252
S-T DEBT SERVICE COSTS														
Interest on S-T Debt		$820,847	$719,866	$701,044	$675,068	$742,797	$931,177	$1,014,911	$958,565	$1,069,002	$665,135	$604,035	$639,858	$9,542,305
Amortization of S-T Debt		$27,763	$27,763	$27,763	$27,763	$27,763	$27,763	$27,763	$27,763	$27,763	$27,763	$27,763	$27,763	$333,152
Total Monthly S-T Debt Costs		$848,610	$747,628	$728,806	$702,831	$770,560	$958,940	$1,042,674	$986,328	$1,096,764	$692,898	$631,797	$667,620	$9,875,457

SHORT-TERM DEBT COST RATI 5.81%

EFFECTIVE SHORT-TERM DEBT COST RATE: 5.93%

Exhibit VG-1
Docket 20240099-EI
Page 1 of 1

Witness Vikrant Gadgil's MFRs

SCHEDULE	TITLE	WITNESS
C-7, page 8 of 8	Over and Under Adjustments (Accts. 920,921,923)	Gadgil
C-41	O&M Benchmark Variance by Function	Gadgil (input support)

Exhibit MG-1
Docket No. 20240099-EI
Page 1 of 1

Witness Michael Galtman's Sponsored MFRs

SCHEDULE	TITLE	WITNESS
B-1	Adjusted Rate Base	Haffecke, Galtman, Napier
B-3	13 Month Average Balance Sheet - Electric Division	Galtman, Haffecke
B-3a	14 Month Average Balance Sheet - Florida Common	Galtman, Napier
B-4	Two Year Historical Balance Sheet	Galtman
B-6	Jurisdictional Separation Factors-Rate Base	Haffecke, Galtman, Napier
B-7	Plant Balances By Account and Sub-Account	Galtman, Haffecke
B-8	Monthly Plant Balances Test Year-13 Months	Galtman, Haffecke
B-9	Depreciation Reserve Balances By Account and Sub-Account	Galtman, Napier
B-10	Monthly Reserve Balances Test Year-13 Months	Galtman, Napier
B-19	Miscellaneous Deferred Debits	Galtman, Napier
B-20	Other Deferred Credits	Galtman, Napier
B-21	Accumulated Provision Accounts-228.1, 228.2 and 228.4	Galtman, Napier
B-22	Total Accumulated Deferred Income Taxes	Galtman
B-23	Investment Tax Credits-Annual Analysis	Galtman
B-24	Leasing Arrangements	Galtman
B-25	Accounting Policy Changes Affecting Rate Base	Galtman
C-3	Jurisdictional Net Operating Income Adjustments	Napier, Galtman, Haffecke
C-5	Operating Revenues Detail	Galtman
C-6	Budgeted Versus Actual Operating Revenues and Expenses	Galtman
C-7	Operation and Maintenance Expenses-Test Year	Galtman, Haffecke, Napier
C-8	Detail of Changes in Expenses	Galtman, Haffecke, Napier
C-9	Five Year Analysis-Change in Cost	Galtman, Haffecke, Napier
C-11	Uncollectible Accounts	Galtman
C-12	Administrative Expenses	Galtman
C-13	Miscellaneous General Expenses	Galtman
C-14	Advertising Expenses	Galtman
C-15	Industry Association Dues	Galtman
C-16	Outside Professional Services	Galtman
C-17	Pension Cost	Galtman
C-18	Lobbying Expenses, Other Political Expenses and Civic/Charitable Contributions	Galtman
C-19	Amortization/Recovery Schedule-12 Months	Galtman
C-20	Taxes Other Than Income Taxes	Galtman, Haffecke
C-21	Revenue Taxes	Galtman
C-22	State and Federal Income Tax Calculation	Galtman
C-23	Interest in Tax Expense Calculation	Russell
C-24	Parent(s) Debt Information	Galtman
C-25	Deferred Tax Adjustment	Galtman
C-26	Income Tax Returns	Galtman
C-27	Consolidated Tax Information	Galtman
C-28	Miscellaneous Tax Information	Galtman
C-29	Gains and Losses on Disposition of Plant and Property	Galtman
C-30	Transactions with Affiliated Companies	Galtman
C-31	Affiliated Company Relationships	Galtman
C-32	Non-Utility Operations Utilizing Utility Assets	Haffecke, Galtman
C-33	Performance Indices	Haffecke, Galtman
C-35	Payroll and Fringe Benefit Increases Compared to CPI	Galtman
C-36	Non-Fuel Operation And Maintenance Expense Compared to CPI	Haffecke, Galtman
C-41	O & M Benchmark Variance By Function	Haffecke, Galtman
C-42	Hedging Costs	Galtman
C-43	Security Costs	Galtman, Haffecke
C-44	Revenue Expansion Factor	Galtman
D-6	Customer Deposits	Galtman
F-1	Annual and Quarterly Report to Shareholders	Galtman
F-2	Sec Reports	Galtman
F-3	Business Contracts with Officers or Directors	Galtman
G-11	Interim Operating Income Detail	Galtman
G-12	Interim State and Federal Income Tax Calculation	Galtman
G-13	Interim Interest in Tax Expense Calculation	Galtman
G-15	Interim Gains and Losses on Disposition of Plant or Property	Galtman
G-16	Interim Pension Cost	Galtman
G-17	Interim Accounting Policy Changes	Galtman
G-20	Interim - Revenue From Sale of Electricity By Rate Schedule	Galtman

Comparison of Current and Proposed Miscellaneous Service Charges

Florida Public Utilities

Service	Current	Proposed
Initial establishment of service	$61	$125
Re-establish or Change Account	$26	$45
Temporary Disconnect then Reconnect	$65	$81
Reconnect service after being disconnected For rule violation		
Normal Business Hours	$52	$70
After Normal Business Hours	$178	$325
Connect and then disconnect Temporary Service	$85	$135
Collection Charge	$16	$50
Late Payment Charge	No change	No change
Returned Check Charge	No change	No change

Exhibit: "WH-1"
Docket No. 20240099-EI
William Haffacke
Page 1 of 1

Witness William Haffecke's MFRs

SCHEDULE	TITLE	WITNESS
	EXECUTIVE SUMMARY	
A-1	Full Revenue Requirements Increase Requested	Haffecke
B-1	Adjusted Rate Base	Haffecke, Galtman, Napier
B-3	13 Month Average Balance Sheet - Electric Division	Galtman, Haffecke
B-5	Detail of Changes In Rate Base	Haffecke, Napier
B-6	Jurisdictional Separation Factors-Rate Base	Haffecke, Galtman, Napier
B-7	Plant Balances By Account and Sub-Account	Galtman, Haffecke
B-8	Monthly Plant Balances Test Year-13 Months	Galtman, Haffecke
B-11	Capital Additions and Retirements	Haffecke
B-12	Net Production Plant Additions	Haffecke
B-13	Construction Work In Progress	Haffecke
B-14	Earnings Test	Haffecke
B-15	Property Held For Future Use-13 Month Average	Haffecke
B-16	Nuclear Fuel Balances	Haffecke
B-18	Fuel Inventory By Plant	Haffecke
C-2	Net Operating Income Adjustments	Napier, Haffecke
C-3	Jurisdictional Net Operating Income Adjustments	Napier, Galtman, Haffecke
C-4	Jurisdictional Separation Factors-Net Operating Income	Haffecke
C-7	Operation and Maintenance Expenses-Test Year	Galtman, Haffecke, Napier
C-8	Detail of Changes in Expenses	Galtman, Haffecke, Napier
C-9	Five Year Analysis-Change in Cost	Galtman, Haffecke, Napier
C-20	Taxes Other Than Income Taxes	Galtman, Haffecke
C-32	Non-Utility Operations Utilizing Utility Assets	Haffecke, Galtman
C-33	Performance Indices	Haffecke, Galtman
C-34	Statistical Information	Haffecke
C-36	Non-Fuel Operation And Maintenance Expense Compared to CPI	Haffecke, Galtman
C-41	O & M Benchmark Variance By Function	Haffecke, Galtman
C-43	Security Costs	Galtman, Haffecke
E-7	Development of Service Charges	Haffecke
E-16	Customers By Voltage Level	Haffecke
E-17	Load Research Data	Haffecke
E-18	Monthly Peaks	Haffecke
E-19a	Demand and Energy Losses	Haffecke
E-19b	Energy Losses	Haffecke
E-19c	Demand Losses	Haffecke
F-4	Nrc Safety Citations	Haffecke
F-5	Forecasting Models	Taylor, Haffecke, Napier
G-4	Interim Jurisdictional Separation Factors - Rate Base	Haffecke
G-6	Interim Fuel Inventory By Plant	Haffecke
G-10	Interim Jurisdictional Separation Factors-Net Operating Income	Haffecke

Exhibit WH-2
Docket No. 20240099-EI

List of Witnesses Supporting MFR's

SCHEDULE	TITLE	WITNESS
A-1	Full Revenue Requirements Increase Requested	Haffecke
A-2	Full Revenue Requirements Bill Comparison - Typical Monthly Bills	Taylor
A-3	Summary of Tariffs	Taylor
A-4	Interim Revenue Requirements Increase Requested	Napier
A-5	Interim Revenue Requirements Bill Comparison - Typical Monthly Bills	Napier
B-1	Adjusted Rate Base	Haffecke, Galtman, Napier
B-2	Rate Base Adjustments	Napier
B-3	13 Month Average Balance Sheet - Electric Division	Galtman, Haffecke
B-3a	14 Month Average Balance Sheet - Florida Common	Galtman, Napier
B-4	Two Year Historical Balance Sheet	Galtman
B-5	Detail of Changes In Rate Base	Haffecke, Napier
B-6	Jurisdictional Separation Factors-Rate Base	Haffecke, Galtman, Napier
B-7	Plant Balances By Account and Sub-Account	Galtman, Haffecke
B-8	Monthly Plant Balances Test Year-13 Months	Galtman, Haffecke
B-9	Depreciation Reserve Balances By Account and Sub-Account	Galtman, Napier
B-10	Monthly Reserve Balances Test Year-13 Months	Galtman, Napier
B-11	Capital Additions and Retirements	Haffecke
B-12	Net Production Plant Additions	Haffecke
B-13	Construction Work In Progress	Haffecke
B-14	Earnings Test	Haffecke
B-15	Property Held For Future Use-13 Month Average	Haffecke
B-16	Nuclear Fuel Balances	Haffecke
B-17	Working Capital-13 Month Average	Napier
B-18	Fuel Inventory By Plant	Haffecke
B-19	Miscellaneous Deferred Debits	Galtman, Napier
B-20	Other Deferred Credits	Galtman, Napier
B-21	Accumulated Provision Accounts-228.1, 228.2 and 228.4	Galtman, Napier
B-22	Total Accumulated Deferred Income Taxes	Galtman
B-23	Investment Tax Credits-Annual Analysis	Galtman
B-24	Leasing Arrangements	Galtman
B-25	Accounting Policy Changes Affecting Rate Base	Galtman
C-1	Adjusted Jurisdictional Net Operating Income	Napier
C-2	Net Operating Income Adjustments	Napier, Haffecke
C-3	Jurisdictional Net Operating Income Adjustments	Napier, Galtman, Haffecke
C-4	Jurisdictional Separation Factors-Net Operating Income	Haffecke
C-5	Operating Revenues Detail	Galtman
C-6	Budgeted Versus Actual Operating Revenues and Expenses	Galtman
C-7	Operation and Maintenance Expenses-Test Year	Galtman, Haffecke, Napier
C-8	Detail of Changes in Expenses	Galtman, Haffecke, Napier
C-9	Five Year Analysis-Change in Cost	Galtman, Haffecke, Napier
C-10	Detail of Rate Case Expenses For Outside Consultants	Napier
C-11	Uncollectible Accounts	Galtman
C-12	Administrative Expenses	Galtman
C-13	Miscellaneous General Expenses	Galtman
C-14	Advertising Expenses	Galtman
C-15	Industry Association Dues	Galtman
C-16	Outside Professional Services	Galtman
C-17	Pension Cost	Galtman
C-18	Lobbying Expenses, Other Political Expenses and Civic/Charitable Contributions	Galtman
C-19	Amortization/Recovery Schedule-12 Months	Galtman
C-20	Taxes Other Than Income Taxes	Galtman, Haffecke
C-21	Revenue Taxes	Galtman
C-22	State and Federal Income Tax Calculation	Galtman
C-23	Interest in Tax Expense Calculation	Russell
C-24	Parent(s) Debt Information	Galtman
C-25	Deferred Tax Adjustment	Galtman
C-26	Income Tax Returns	Galtman
C-27	Consolidated Tax Information	Galtman
C-28	Miscellaneous Tax Information	Galtman
C-29	Gains and Losses on Disposition of Plant and Property	Galtman
C-30	Transactions with Affiliated Companies	Galtman
C-31	Affiliated Company Relationships	Galtman
C-32	Non-Utility Operations Utilizing Utility Assets	Haffecke, Galtman
C-33	Performance Indices	Haffecke, Galtman
C-34	Statistical Information	Haffecke
C-35	Payroll and Fringe Benefit Increases Compared to CPI	Galtman
C-36	Non-Fuel Operation And Maintenance Expense Compared to CPI	Haffecke, Galtman
C-37	O & M Benchmark Comparison By Function	Napier
C-38	O & M Adjustments By Function	Napier
C-39	Benchmark Year Recoverable O & M Expenses By Function	Napier
C-40	O & M Compound Multiplier Calculation	Napier
C-41	O & M Benchmark Variance By Function	Haffecke, Galtman
C-42	Hedging Costs	Galtman
C-43	Security Costs	Galtman, Haffecke
C-44	Revenue Expansion Factor	Galtman
D-1a	Cost of Capital - 13 Month Average	Russell
D-1a Supplement	Cost of Capital - 13 Month Average With Adjusted Rate	Russell
D-1b	Cost of Capital - Adjustments	Russell
D-2	Cost of Capital - 5 Year History	Russell
D-3	Short-Term Debt	Russell
D-4a	Long-Term Debt Outstanding	Russell
D-4a Supplement	Long-Term Debt Outstanding Adjusted	Russell

Exhibit WH-2
Docket No. 20240099-EI

List of Witnesses Supporting MFR's

SCHEDULE	TITLE	WITNESS
D-4b	Reacquired Bonds	Russell
D-5	Preferred Stock Outstanding	Russell
D-6	Customer Deposits	Galtman
D-7	Common Stock Data	Russell
D-8	Financing Plans-Stock and Bond Issues	Russell
D-9	Financial Indicators-Summary	Russell
E-1	Cost of Service Studies	Taylor
E-2	Explanation of Variations From Cost of Service Study	Taylor
E-3a	Cost of Service Study-Allocation of Rate Base Components to Rate Schedule	Taylor
E-3b	Cost of Service Study-Allocation of Expense Components to Rate Schedule	Taylor
E-4a	Cost of Service Study-Functionalization and Classification of Rate Base	Taylor
E-4b	Cost of Service Study-Functionalization and Classification of Expenses	Taylor
E-5	Source and Amount of Revenues-At Present and Proposed Rates	Taylor
E-6a	Cost of Service Study-Unit Costs, Present Rates	Taylor
E-6b	Cost of Service Study-Unit Costs, Proposed Rates	Taylor
E-7	Development of Service Charges	Haffecke
E-8	Company-Proposed Allocation of the Rate Increase By Rate Class	Taylor
E-9	Cost of Service-Load Data	Taylor
E-10	Cost of Service Study-Development of Allocation Factors	Taylor
E-11	Development of Coincident and Noncoincident Demands For Cost Study	Taylor
E-12	Adjustment to Test Year Revenue	Taylor
E-13a	Revenue From Sale Of Electricity By Rate Schedule	Taylor
E-13b	Revenues By Rate Schedule-Service Charges (Account 451)	Taylor
E-13c	Base Revenue By Rate Schedule-Calculations	Taylor
E-13d	Revenue By Rate Schedule-Lighting Schedule Calculation	Taylor
E-14	Proposed Tariff Sheets and Support For Charges	Grimmard
E-15	Projected Billing Determinants-Derivation	Taylor
E-16	Customers By Voltage Level	Haffecke
E-17	Load Research Data	Haffecke
E-18	Monthly Peaks	Haffecke
E-19a	Demand and Energy Losses	Haffecke
E-19b	Energy Losses	Haffecke
E-19c	Demand Losses	Haffecke
F-1	Annual and Quarterly Report to Shareholders	Galtman
F-2	Sec Reports	Galtman
F-3	Business Contracts with Officers or Directors	Galtman
F-4	Nrc Safety Citations	Haffecke
F-5	Forecasting Models	Taylor, Haffecke, Napier
F-6	Forecasting Models-Sensitivity of Output to Changes in Input Data	Taylor
F-7	Forecasting Models - Historical Data	Taylor
F-8	Assumptions	Napier
F-9	Public Notice	Napier
G-1	Interim Revenue Requirements Increase Requested	Napier
G-2	Interim Adjusted Rate Base	Napier
G-3	Interim Rate Base Adjustments	Napier
G-4	Interim Jurisdictional Separation Factors - Rate Base	Haffecke
G-5	Interim Working Capital - 13 Month Average	Napier
G-6	Interim Fuel Inventory By Plant	Haffecke
G-7	Interim Adjusted Jurisdictional Net Operating Income	Napier
G-8	Interim Net Operating Income Adjustments	Napier
G-9	Interim Jurisdictional Net Operating Income Adjustments	Napier
G-10	Interim Jurisdictional Separation Factors-Net Operating Income	Haffecke
G-11	Interim Operating Income Detail	Galtman
G-12	Interim State and Federal Income Tax Calculation	Galtman
G-13	Interim Interest in Tax Expense Calculation	Galtman
G-14	Interim Parent(s) Debt Information	Russell
G-15	Interim Gains and Losses on Disposition of Plant or Property	Galtman
G-16	Interim Pension Cost	Galtman
G-17	Interim Accounting Policy Changes	Galtman
G-18	Interim Revenue Expansion Factor	Napier
G-19a	Interim Cost of Capital - 13 Month Average	Russell
G-19b	Interim Cost of Capital - Adjustments	Russell
G-20	Interim - Revenue From Sale of Electricity By Rate Schedule	Galtman
G-21	Interim - Revenues From Service Charges (Account 451)	Napier
G-22	Interim - Base Revenue By Rate Schedule Calculations	Napier
G-23	Interim - Revenue By Lighting Schedule Calculation	Napier

Exhibit: "WH-3"
Docket #20240099-EI
William Haffecke

TEMPORARY SERVICE COSTS

Florida Public Utilities Company

	overhead *		underground **	
	Service only	**Service w/ Pole**	**Service Only**	**Service w/ Pole**
material/stores	$162.41	$657.41	$0.00	$506.00
labor	$230.76	$531.76	$230.76	$691.76
trans	$20.08	$60.08	$20.08	$70.08
total	$413.25	$1,249.25	$250.84	$1,267.84

* For temp overhead services requiring more than 75' #2 triplex service from an existing secondary or transformer pole additional cost will be applied.

** For underground temporary services requiring more than tapping up to secondary at these locations additional cost will be applied.

	overhead *		underground **	
	Service only	**Service w/ Pole**	**Service Only**	**Service w/ Pole**
Calculated Cost	$413.25	$1,249.25	$250.84	$1,267.84
Rounded Amount	**$415.00**	**$1,250.00**	**$250.00**	**$1,250.00**
Service	$415.00	$415.00	$250.00	$250.00
Pole	$0.00	$835.00	$0.00	$1,000.00
Total	**$415.00**	**$1,250.00**	**$250.00**	**$1,250.00**

NEW CONSTRUCTION DEPOSITS

Exhibit: "WH-4"
Docket #20240099-EI
William Haffecke

Per Hour Labor Cost:	$ 60.57	*Average Lineworker cost ($37.16) plus Overhead of 63%*

Engineering Rate:	15% of Total Labor Costs

Materials (OH 1 Mile - Urban Commercial) *Assumes 3PH Line Extension to Single Customer*					
Item	**Hours/Unit**	**Amount**	**Unit Type**	**Total Hours**	**Note and assumptions**
Poles and Fixtures	1.5	28	Per Pole	42	45/1 Poles and Standard Fixtures (1 pole per 200')
OH Wire and Devices	2.5	27	Per Span	52	Wire Only
Insulator	0.5	28	Per Pole	14	3 Insulators per pole
Grounding	0.5	28	Per Pole	14	Grounding and Rod
OH Transformer Bank	3	1	Per Pole	3	Assumes one 3PH customer 150 kVA Bank
		Total Hours:		125	
		Total Lineworkers:		4	
		Total Cost:		$ 30,285.00	
		Engineering:		$ 4,542.75	

Materials (OH 1 Mile - Urban Residential) *Assumes 1PH Line Extension to Single Customer*					
Item	**Hours/Unit**	**Amount**	**Unit Type**	**Total Hours**	**Note and assumptions**
Poles and Fixtures	1	28	Per Pole	28	40/1 Poles and Standard Fixtures (1 pole per 200')
OH Wire and Devices	1.5	27	Per Span	52	Wire Only
Insulator	0.1	28	Per Pole	2.8	1 Insulators per pole
Grounding	0.5	28	Per Pole	14	Grounding and Rod
OH Transformer Bank	1	1	Per Pole	1	Assumes one transformer 50kVA or less
		Total Hours:		97.8	
		Total Lineworkers:		4	
		Total Cost:		$ 23,694.98	
		Engineering:		$ 3,554.25	

Materials (OH 1 Mile - Urban Residential) *Assumes 1PH Line Extension to Single Customer*					
Item	**Hours/Unit**	**Amount**	**Unit Type**	**Total Hours**	**Note and assumptions**
Poles and Fixtures	1	23	Per Pole	23	40/1 Poles and Standard Fixtures (1 pole per 250')
OH Wire and Devices	1.5	22	Per Span	52	Wire Only
Insulator	0.1	23	Per Pole	2.3	1 Insulators per pole
Grounding	0.5	23	Per Pole	11.5	Grounding and Rod
OH Transformer Bank	1	1	Per Pole	1	Assumes one transformer 50kVA or less
		Total Hours:		89.8	
		Total Lineworkers:		4	
		Total Cost:		$ 21,756.74	
		Engineering:		$ 3,263.51	

FPSC EXH NO. 52

ADMITTED

CONVERSION DEPOSITS

Exhibit: "WH-4"
Docket #20240099-EI
William Haffecke
Page 2 of 3

Per Hour Labor Cost:	$ 60.57	*Average Lineworker cost ($37.16) plus Overhead of 63%*

Engineering Rate:	15% of Total Labor Costs

Materials (OH 1 Mile - Urban Commercial) *Assumes 3PH Line Conversion for Single Customer*					
Item	**Hours/Unit**	**Amount**	**Unit Type**	**Total Hours**	**Note and assumptions**
Poles and Fixtures	1.5	28	Per Pole	42	45/1 Poles and Standard Fixtures (1 pole per 200')
OH Wire and Devices	2.5	27	Per Span	52	Wire Only
Insulator	0.5	28	Per Pole	14	3 Insulators per pole
Grounding	0.5	28	Per Pole	14	Grounding and Rod
OH Transformer Bank	3	1	Per Pole	3	Assumes one 3PH customer 150 kVA Bank
		Total Hours:		125	
		Removal Hour		62.5	*Estimated at 1/2 the Installation Estimate
		Total Lineworkers:		4	
		Total Labor Cost:		$ 45,427.50	
		Engineering:		$ 6,814.13	

Materials (OH 1 Mile - Urban Residential) *Assumes 1PH Line Extension to Single Customer*					
Item	**Hours/Unit**	**Amount**	**Unit Type**	**Total Hours**	**Note and assumptions**
Poles and Fixtures	1	28	Per Pole	28	40/1 Poles and Standard Fixtures (1 pole per 200')
OH Wire and Devices	1.5	27	Per Span	52	Wire Only
Insulator	0.1	28	Per Pole	2.8	1 Insulators per pole
Grounding	0.5	28	Per Pole	14	Grounding and Rod
OH Transformer Bank	1	1	Per Pole	1	Assumes one transformer 50kVA or less
		Total Hours:		97.8	
		Removal Hour		48.9	*Estimated at 1/2 the Installation Estimate
		Total Lineworkers:		4	
		Total Cost:		$ 35,542.48	
		Engineering:		$ 5,331.37	

Materials (OH 1 Mile - Rural Residential) *Assumes 1PH Line Conversion for Single Customer*					
Item	**Hours/Unit**	**Amount**	**Unit Type**	**Total Hours**	**Note and assumptions**
Poles and Fixtures	1	23	Per Pole	23	40/1 Poles and Standard Fixtures (1 pole per 250')
OH Wire and Devices	1.5	22	Per Span	52	Wire Only
Insulator	0.1	23	Per Pole	2.3	1 Insulators per pole
Grounding	0.5	23	Per Pole	11.5	Grounding and Rod
OH Transformer Bank	1	1	Per Pole	1	Assumes one transformer 50kVA or less
		Total Hours:		89.8	
		Removal Hours:		44.9	*Estimated at 1/2 the Installation Estimate
		Total Lineworkers:		4	
		Total Cost:		$ 32,635.12	
		Engineering:		$ 4,895.27	

CONVERSION DEPOSITS (continued)

Low Density per Lot Estimate (assumes service to ≈ 100 Lots - 4 sevices per Transformer)					
Item	**Hours/Unit**	**Amount**	**Unit Type**	**Total Hours**	**Note and assumptions**
Poles and Fixtures	1	25	Per Pole	25	Assumes 1 40/1 pole per 4 lots
OH Wire and Devices	1.5	24	Per Span	52	Wire Only
Insulator	0.1	25	Per Pole	2.5	1 Insulators per pole
Grounding	0.5	25	Per Pole	12.5	Grounding and Rod
OH Transformer Bank	25	1	Per Service	25	Assumes one transformer 50kVA or less per lot
		Total Hours:		117	
		Removal Hour		58.5	*Estimated at 1/2 the Installation Estimate
		Total Lineworkers:		4	
		Total Cost:		$ 42,520.14	
		Engineering:		$ 6,378.02	
		ENG PER LOT:		$ 63.78	Assuming 100 Lots

High Density per Lot Estimate (assumes service to 150 Lots - 6 services per transformer)					
Item	**Hours/Unit**	**Amount**	**Unit Type**	**Total Hours**	**Note and assumptions**
Poles and Fixtures	1	25	Per Pole	25	Assumes 1 40/1 pole per 6 lots
OH Wire and Devices	1.5	24	Per Span	52	Wire Only
Insulator	0.1	25	Per Pole	2.5	1 Insulators per pole
Grounding	0.5	25	Per Pole	12.5	Grounding and Rod
OH Transformer Bank	25	1	Per Pole	25	Assumes one transformer 50kVA or less per lot
		Total Hours:		117	
		Removal Hour		58.5	*Estimated at 1/2 the Installation Estimate
		Total Lineworkers:		4	
		Total Cost:		$ 42,520.14	
		Engineering:		$ 6,378.02	
		ENG PER LOT:		$ 42.52	Assuming 150 Lots

Lot Calculation

One side of a 1 acre square lot ≈ 210'
Acres in one straight mile ≈ 25 (5280/210)
High Density 6 Dwellings per Acre
Low Density 4 Dwellings per Acre
Assume 1 Lot per Dwelling

Witness Michelle Napier's Sponsored MFRs

SCHEDULE	TITLE	WITNESS
A-4	Interim Revenue Requirements Increase Requested	Napier
A-5	Interim Revenue Requirements Bill Comparison - Typical Monthly Bills	Napier
B-1	Adjusted Rate Base	Haffecke, Galtman, Napier
B-2	Rate Base Adjustments	Napier
B-3	13 Month Average Balance Sheet - Electric Division	Galtman, Haffecke
B-3a	14 Month Average Balance Sheet - Florida Common	Galtman, Napier
B-5	Detail of Changes In Rate Base	Haffecke, Napier
B-6	Jurisdictional Separation Factors-Rate Base	Haffecke, Galtman, Napier
B-9	Depreciation Reserve Balances By Account and Sub-Account	Galtman, Napier
B-10	Monthly Reserve Balances Test Year-13 Months	Galtman, Napier
B-17	Working Capital-13 Month Average	Napier
B-19	Miscellaneous Deferred Debits	Galtman, Napier
B-20	Other Deferred Credits	Galtman, Napier
B-21	Accumulated Provision Accounts-228.1, 228.2 and 228.4	Galtman, Napier
C-1	Adjusted Jurisdictional Net Operating Income	Napier
C-2	Net Operating Income Adjustments	Napier, Haffecke
C-3	Jurisdictional Net Operating Income Adjustments	Napier, Galtman, Haffecke
C-7	Operation and Maintenance Expenses-Test Year	Galtman, Haffecke, Napier
C-8	Detail of Changes in Expenses	Galtman, Haffecke, Napier
C-9	Five Year Analysis-Change in Cost	Galtman, Haffecke, Napier
C-37	O & M Benchmark Comparison By Function	Napier
C-38	O & M Adjustments By Function	Napier
C-39	Benchmark Year Recoverable O & M Expenses By Function	Napier
C-40	O & M Compound Multiplier Calculation	Napier
F-5	Forecasting Models	Taylor, Haffecke, Napier
F-8	Assumptions	Napier
F-9	Public Notice	Napier
G-1	Interim Revenue Requirements Increase Requested	Napier
G-2	Interim Adjusted Rate Base	Napier
G-3	Interim Rate Base Adjustments	Napier
G-5	Interim Working Capital - 13 Month Average	Napier
G-7	Interim Adjusted Jurisdictional Net Operating Income	Napier
G-8	Interim Net Operating Income Adjustments	Napier
G-9	Interim Jurisdictional Net Operating Income Adjustments	Napier
G-18	Interim Revenue Expansion Factor	Napier
G-21	Interim - Revenues From Service Charges (Account 451)	Napier
G-22	Interim - Base Revenue By Rate Schedule Calculations	Napier
G-23	Interim - Revenue By Lighting Schedule Calculation	Napier

Florida Public Utilities Company Electric Division

Exhibits
To Accompany
The Direct Testimony
Of

Noah T. Russell

Florida Public Utilities Company Electric Division
Index of Schedules

Chesapeake Utilities Corporation
Historical Equity to Total Capitalization
(thousands)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Equity (excluding AOCI)	$ 305,998	$ 363,978	$ 450,964	$ 490,566	$ 525,152	$ 567,844	$ 699,950	$ 772,827	$ 834,180	$ 1,248,842
LTD (Including Current Portion)	167,595	158,491	149,053	206,816	327,955	485,768	522,099	558,488	591,354	1,197,947
Permanent Capital	473,593	522,469	600,017	697,382	853,107	1,053,612	1,222,049	1,331,315	1,425,534	2,446,789
Short-term Debt	88,231	173,397	209,871	250,969	294,458	247,371	175,644	221,634	202,157	179,345
Total Capital	$ 561,824	$ 695,866	$ 809,888	$ 948,351	$ 1,147,565	$ 1,300,983	$ 1,397,693	$ 1,552,949	$ 1,627,691	$ 2,626,134

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Equity/Total Capitalization	54.5%	52.3%	55.7%	51.7%	45.8%	43.6%	50.1%	49.8%	51.2%	47.6%

Credit Rating Providers - Generic Rating Symbol Mapping [*]

(Pursuant to the guidance in this Manual; particularly, Part One, "The Use of Credit Ratings of NRSROs in NAIC Processes," "Filing Exemptions," "Policies Applicable to Specific Asset Classes," and Part Three, "Procedure Applicable to Filing Exempt (FE) Securities and Private Letter (PL) Rating Securities")

NAIC Designation	NAIC Designation Modifier	NAIC Designation Category	Moody's Investor's Service	Standard and Poor's	Fitch Ratings	Dominion Bond Rating Service	A.M. Best Company	Morningstar Credit Ratings, LLC	Kroll Bond Rating Agency	Egan Jones Rating Company	HR Ratings de Mexico, S.A. de C.V.
1	A	1.A	Aaa	AAA	AAApre, AAA	AAA, Pfd-1 (high)	aaa	AAA	AAA	AAA	HR AAA (G)
1	B	1.B	Aa1	AA+	AA+	AA (high), Pfd-1	aa+	AA+	AA+	AA+	HR AA+ (G)
1	C	1.C	Aa2	AA	AA	AA, Pfd-1 (low)	aa	AA	AA	AA	HR AA (G)
1	D	1.D	Aa3	AA-	AA-	AA (low), Pfd-1	aa-	AA-	AA-	AA-	HR AA- (G)
1	E	1.E	A1	A+	A+	A (high)	a+	A+	A+	A+	HR A+ (G)
1	F	1.F	A2	A	A	A	a	A	A	A	HR A (G)
1	G	1.G	A3	A-	A-	A (low)	a-	A-	A-	A-	HR A- (G)
2	A	2.A	Baa1	BBB+	BBB+	BBB (high), Pfd-2 (high)	bbb+	BBB+	BBB+	BBB+	HR BBB+ (G)
2	B	2.B	Baa2	BBB	BBB	BBB, Pfd-2	bbb	BBB	BBB	BBB	HR BBB (G)
2	C	2.C	Baa3	BBB-	BBB-	BBB (low), Pfd-2 (low)	bbb-	BBB-	BBB-	BBB-	HR BBB- (G)
3	A	3.A	Ba1	BB+	BB+	BB (high), Pfd-3 (high)	bb+	BB+	BB+	BB+	HR BB+ (G)
3	B	3.B	Ba2	BB	BB	BB, Pfd-3	bb	BB	BB	BB	HR BB (G)
3	C	3.C	Ba3	BB-	BB-	BB (low), Pfd-3 (low)	bb-	BB-	BB-	BB-	HR BB- (G)
4	A	4.A	B1	B+	B+	B (high), Pfd-4 (high)	b+	B+	B+	B+	HR B+ (G)
4	B	4.B	B2	B	B	B, Pfd-4	b	B	B	B	HR B (G)
4	C	4.C	B3	B-	B-	B (low), Pfd-4 (low)	b-	B-	B-	B-	HR B- (G)
5	A	5.A	Caa1	CCC+	CCC+	CCC (high), Pfd-5 (high)	ccc+	CCC+	CCC+	CCC+	HR C+ (G)
5	B	5.B	Caa2	CCC	CCC	CCC, Pfd-5	ccc	CCC	CCC	CCC	HR C (G)
5	C	5.C	Caa3	CCC-	CCC-	CCC (low), Pfd-5 (low)	ccc-	CCC-	CCC-	CCC-	HR C- (G)
6		6	Ca	CC	CC	CC (high)	cc	CC	CC	CC	HR D (G)
6		6	C	C	C	CC	c	C	C	C	
6		6		D	DDD	CC (low)	d	D	D	D	
6		6			DD	C (high)					
6		6			D	C					
6		6				C (low)					
6		6				D					

Source: https://content.naic.org/sites/default/files/inline-files/Master%20NAIC%20Designation%20and%20Category%20grid%20-%202020.pdf

Chesapeake Long-term Debt Issuances since 12/31/2015[(1)]
(in thousands)

	Original Issuance	Outstanding at 3/31/24	Weighted Average Cost on Original Issuance Dollars
3.25% due 2032	70,000	57,750	
3.48% due 2038	50,000	50,000	
3.58% due 2038	50,000	50,000	
3.98% due 2039	100,000	100,000	
2.98% due 2034	70,000	70,000	
3.00% due 2035	50,000	50,000	
2.96% due 2035	40,000	40,000	
2.49% due 2037	50,000	50,000	
2.95% due 2042	50,000	50,000	
5.43% due 2038	80,000	80,000	
6.39% due 2026	100,000	100,000	
6.44% due 2027	100,000	100,000	
6.45% due 2028	100,000	100,000	
6.62% due 2030	100,000	100,000	
6.71% due 2033	100,000	100,000	
6.73% due 2038	50,000	50,000	
	$ 1,160,000	$ 1,147,750	4.97%

Chesapeake Long-term Debt Issuances since 12/31/2020
(in thousands)

	Original Issuance	Outstanding at 3/31/24	Weighted Average Cost on Original Issuance Dollars
2.49% due 2037	50,000	50,000	
2.95% due 2042	50,000	50,000	
5.43% due 2038	80,000	80,000	
6.39% due 2026	100,000	100,000	
6.44% due 2027	100,000	100,000	
6.45% due 2028	100,000	100,000	
6.62% due 2030	100,000	100,000	
6.71% due 2033	100,000	100,000	
6.73% due 2038	50,000	50,000	
	$ 730,000	$ 730,000	5.90%

(1) See Schedule 2 Page 2 of 3 and Page 3 of 3 to determine new debt issuances by Chesapeake since 12/31/2015

FPSC EXH NO. 54

ADMITTED

Exhibit No. NTR-1
Page 4 of 8
Schedule 3 [2 of 3]

12. Long-term Debt

Our outstanding long-term debt is shown below:

(in thousands)	As of December 31, 2016		2015	
FPU secured first mortgage bonds:				
9.08% bond, due June 1, 2022	$	7,978	$	7,973
Uncollateralized Senior Notes:				
6.64% note, due October 31, 2017		2,727		5,455
5.50% note, due October 12, 2020		8,000		10,000
5.93% note, due October 31, 2023		21,000		24,000
5.68% note, due June 30, 2026		29,000		29,000
6.43% note, due May 2, 2028		7,000		7,000
3.73% note, due December 16, 2028		20,000		20,000
3.88% note, due May 15, 2029		50,000		50,000
Promissory notes		168		238
Capital lease obligation		3,471		4,824
Less: debt issuance costs		(291)		(233)
Total long-term debt		149,053		158,157
Less: current maturities		(12,099)		(9,151)
Total long-term debt, net of current maturities	$	136,954	$	149,006

Source: Chesapeake Utilities Corporation 2016 10-K

14. Long-Term Debt

Our outstanding long-term debt is shown below:

(in thousands)	March 31, 2024	December 31, 2023
Uncollateralized senior notes:		
5.68% notes, due June 30, 2026	$ 8,700	$ 8,700
6.43% notes, due May 2, 2028	3,500	3,500
3.73% notes, due December 16, 2028	10,000	10,000
3.88% notes, due May 15, 2029	30,000	30,000
3.25% notes, due April 30, 2032	57,750	59,500
3.48% notes, due May 31, 2038	50,000	50,000
3.58% notes, due November 30, 2038	50,000	50,000
3.98% notes, due August 20, 2039	100,000	100,000
2.98% notes, due December 20, 2034	70,000	70,000
3.00% notes, due July 15, 2035	50,000	50,000
2.96% notes, due August 15, 2035	40,000	40,000
2.49% notes, due January 25, 2037	50,000	50,000
2.95% notes, due March 15, 2042	50,000	50,000
5.43% notes, due March 14, 2038	80,000	80,000
6.39% notes, due December 2026	100,000	100,000
6.44% notes, due December 2027	100,000	100,000
6.45% notes, due December 2028	100,000	100,000
6.62% notes, due December 2030	100,000	100,000
6.71% notes, due December 2033	100,000	100,000
6.73% notes, due December 2038	50,000	50,000
Equipment security note		
2.46% note, due September 24, 2031	7,409	7,633
Less: debt issuance costs	(3,682)	(3,753)
Total long-term debt	1,203,677	1,205,580
Less: current maturities	(18,511)	(18,505)
Total long-term debt, net of current maturities	$ 1,185,166	$ 1,187,075

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FPSC EXH NO. 54

ADMITTED

Exhibit No. NTR-1
Page 6 of 8
Schedule 4 [1 of 1]

Chesapeake Utilities Corporation Stock Price

Date	Open	High	Low	Close
12/31/2014	51.00	51.53	49.62	49.66
12/31/2015	60.05	60.15	55.25	56.75
12/30/2016	67.35	67.70	66.45	66.95
12/29/2017	79.05	79.45	78.30	78.55
12/31/2018	79.67	81.43	78.81	81.30
12/31/2019	94.84	95.83	94.84	95.83
12/31/2020	106.40	108.64	106.40	108.21
12/31/2021	144.00	146.07	143.97	145.81
12/30/2022	120.76	121.27	117.22	118.18
12/29/2023	106.07	106.54	104.27	105.63
8/7/2024	114.52	115.72	113.95	115.01

103% Increase in share price

Source: Yahoo Finance

FPSC EXH NO. 54

ADMITTED

Daily Treasury Par Yield Curve Rates

https://home.treasury.gov/resource-center/data-chart-center/interest-

	3 Yr	5 Yr	7 Yr	10 Yr
Average Since 8/1/23	4.50	4.33	4.34	4.33
Average Last 30 Days	4.34	4.19	4.21	4.25

Date	3 Yr	5 Yr	7 Yr	10 Yr
7/31/2024	4.10	3.97	4.00	4.09
7/30/2024	4.16	4.03	4.06	4.15
7/29/2024	4.19	4.05	4.08	4.17
7/26/2024	4.20	4.06	4.10	4.20
7/25/2024	4.26	4.13	4.18	4.27
7/24/2024	4.24	4.12	4.20	4.28
7/23/2024	4.26	4.15	4.18	4.25
7/22/2024	4.29	4.17	4.20	4.26
7/19/2024	4.28	4.16	4.18	4.25
7/18/2024	4.24	4.11	4.14	4.20
7/17/2024	4.19	4.07	4.09	4.16
7/16/2024	4.21	4.09	4.11	4.17
7/15/2024	4.23	4.13	4.16	4.23
7/12/2024	4.22	4.10	4.13	4.18
7/11/2024	4.26	4.13	4.15	4.20
7/10/2024	4.38	4.24	4.24	4.28
7/9/2024	4.37	4.24	4.25	4.30
7/8/2024	4.40	4.23	4.23	4.28
7/5/2024	4.39	4.22	4.23	4.28
7/3/2024	4.48	4.33	4.33	4.36
7/2/2024	4.54	4.39	4.40	4.43
7/1/2024	4.58	4.44	4.45	4.48
6/28/2024	4.52	4.33	4.33	4.36
6/27/2024	4.49	4.29	4.27	4.29
6/26/2024	4.53	4.32	4.32	4.32
6/25/2024	4.45	4.25	4.23	4.23
6/24/2024	4.46	4.27	4.25	4.25
6/21/2024	4.45	4.26	4.25	4.25

Daily Treasury Par Yield Curve Rates

https://home.treasury.gov/resource-center/data-chart-center/interest-

6/20/2024	4.45	4.26	4.25	4.25
6/18/2024	4.43	4.24	4.22	4.22
6/17/2024	4.50	4.30	4.28	4.28
6/14/2024	4.41	4.22	4.20	4.20
6/13/2024	4.42	4.24	4.23	4.24
6/12/2024	4.48	4.32	4.31	4.31
6/11/2024	4.57	4.41	4.40	4.39
6/10/2024	4.62	4.48	4.47	4.47
6/7/2024	4.65	4.46	4.45	4.43
6/6/2024	4.49	4.29	4.28	4.28
6/5/2024	4.50	4.31	4.29	4.29
6/4/2024	4.55	4.35	4.33	4.33
6/3/2024	4.62	4.42	4.41	4.41
5/31/2024	4.69	4.52	4.52	4.51
5/30/2024	4.74	4.57	4.57	4.55
5/29/2024	4.79	4.63	4.63	4.61
5/28/2024	4.75	4.56	4.56	4.54
5/24/2024	4.71	4.53	4.49	4.46
5/23/2024	4.71	4.52	4.50	4.47
5/22/2024	4.64	4.47	4.44	4.43
5/21/2024	4.61	4.43	4.42	4.41
5/20/2024	4.62	4.46	4.44	4.44
5/17/2024	4.60	4.44	4.43	4.42
5/16/2024	4.58	4.40	4.39	4.38
5/15/2024	4.51	4.35	4.35	4.36
5/14/2024	4.62	4.46	4.45	4.45
5/13/2024	4.66	4.50	4.49	4.48
5/10/2024	4.65	4.52	4.51	4.50
5/9/2024	4.60	4.47	4.46	4.45
5/8/2024	4.63	4.50	4.49	4.48
5/7/2024	4.60	4.48	4.47	4.47
5/6/2024	4.64	4.48	4.48	4.49
5/3/2024	4.63	4.48	4.49	4.50
5/2/2024	4.71	4.57	4.57	4.58
5/1/2024	4.79	4.64	4.64	4.63

Daily Treasury Par Yield Curve Rates

https://home.treasury.gov/resource-center/data-chart-center/interest-

4/30/2024	4.87	4.72	4.71	4.69
4/29/2024	4.80	4.65	4.64	4.63
4/26/2024	4.84	4.68	4.68	4.67
4/25/2024	4.85	4.70	4.71	4.70
4/24/2024	4.78	4.64	4.66	4.65
4/23/2024	4.76	4.63	4.62	4.61
4/22/2024	4.81	4.66	4.65	4.62
4/19/2024	4.81	4.66	4.65	4.62
4/18/2024	4.83	4.68	4.67	4.64
4/17/2024	4.77	4.62	4.61	4.59
4/16/2024	4.83	4.69	4.69	4.67
4/15/2024	4.78	4.65	4.65	4.63
4/12/2024	4.70	4.54	4.53	4.50
4/11/2024	4.77	4.61	4.60	4.56
4/10/2024	4.77	4.61	4.59	4.55
4/9/2024	4.52	4.37	4.38	4.36
4/8/2024	4.60	4.43	4.43	4.42
4/5/2024	4.54	4.38	4.39	4.39
4/4/2024	4.46	4.30	4.31	4.31
4/3/2024	4.48	4.34	4.36	4.36
4/2/2024	4.51	4.35	4.37	4.36
4/1/2024	4.51	4.34	4.33	4.33
3/28/2024	4.40	4.21	4.20	4.20
3/27/2024	4.36	4.18	4.18	4.20
3/26/2024	4.38	4.22	4.23	4.24
3/25/2024	4.39	4.23	4.25	4.25
3/22/2024	4.36	4.20	4.22	4.22
3/21/2024	4.42	4.26	4.28	4.27
3/20/2024	4.41	4.25	4.28	4.27
3/19/2024	4.47	4.31	4.31	4.30
3/18/2024	4.52	4.36	4.35	4.34
3/15/2024	4.51	4.33	4.33	4.31
3/14/2024	4.46	4.29	4.30	4.29
3/13/2024	4.37	4.19	4.20	4.19
3/12/2024	4.33	4.15	4.16	4.16

Daily Treasury Par Yield Curve Rates

https://home.treasury.gov/resource-center/data-chart-center/interest-

3/11/2024	4.26	4.08	4.09	4.10
3/8/2024	4.25	4.06	4.08	4.09
3/7/2024	4.28	4.07	4.09	4.09
3/6/2024	4.32	4.12	4.12	4.11
3/5/2024	4.32	4.13	4.15	4.13
3/4/2024	4.39	4.21	4.23	4.22
3/1/2024	4.32	4.17	4.20	4.19
2/29/2024	4.43	4.26	4.28	4.25
2/28/2024	4.44	4.26	4.28	4.27
2/27/2024	4.50	4.32	4.34	4.31
2/26/2024	4.48	4.29	4.32	4.28
2/23/2024	4.45	4.28	4.28	4.26
2/22/2024	4.49	4.33	4.35	4.33
2/21/2024	4.43	4.30	4.33	4.32
2/20/2024	4.38	4.25	4.28	4.27
2/16/2024	4.43	4.29	4.31	4.30
2/15/2024	4.36	4.22	4.25	4.24
2/14/2024	4.38	4.25	4.27	4.27
2/13/2024	4.44	4.31	4.33	4.31
2/12/2024	4.25	4.13	4.16	4.17
2/9/2024	4.25	4.14	4.17	4.17
2/8/2024	4.22	4.12	4.15	4.15
2/7/2024	4.16	4.06	4.09	4.09
2/6/2024	4.14	4.03	4.07	4.09
2/5/2024	4.27	4.13	4.16	4.17
2/2/2024	4.14	3.99	4.02	4.03
2/1/2024	3.96	3.80	3.83	3.87
1/31/2024	4.05	3.91	3.95	3.99
1/30/2024	4.14	4.00	4.03	4.06
1/29/2024	4.10	3.97	4.02	4.08
1/26/2024	4.15	4.04	4.10	4.15
1/25/2024	4.12	4.01	4.07	4.14
1/24/2024	4.19	4.06	4.14	4.18
1/23/2024	4.16	4.06	4.11	4.14
1/22/2024	4.14	4.03	4.07	4.11

Daily Treasury Par Yield Curve Rates

https://home.treasury.gov/resource-center/data-chart-center/interest-

1/19/2024	4.18	4.08	4.12	4.15
1/18/2024	4.13	4.04	4.10	4.14
1/17/2024	4.12	4.02	4.07	4.10
1/16/2024	4.02	3.95	4.01	4.07
1/12/2024	3.92	3.84	3.91	3.96
1/11/2024	4.02	3.90	3.95	3.98
1/10/2024	4.10	3.99	4.01	4.04
1/9/2024	4.09	3.97	4.00	4.02
1/8/2024	4.11	3.97	3.99	4.01
1/5/2024	4.17	4.02	4.04	4.05
1/4/2024	4.14	3.97	3.99	3.99
1/3/2024	4.07	3.90	3.92	3.91
1/2/2024	4.09	3.93	3.95	3.95
12/29/2023	4.01	3.84	3.88	3.88
12/28/2023	4.02	3.83	3.84	3.84
12/27/2023	3.97	3.78	3.81	3.79
12/26/2023	4.05	3.89	3.91	3.89
12/22/2023	4.04	3.87	3.92	3.90
12/21/2023	4.06	3.87	3.91	3.89
12/20/2023	4.06	3.86	3.88	3.86
12/19/2023	4.15	3.94	3.96	3.93
12/18/2023	4.15	3.94	3.97	3.95
12/15/2023	4.13	3.91	3.94	3.91
12/14/2023	4.09	3.90	3.93	3.92
12/13/2023	4.18	4.00	4.04	4.04
12/12/2023	4.42	4.23	4.24	4.20
12/11/2023	4.42	4.25	4.27	4.23
12/8/2023	4.45	4.24	4.28	4.23
12/7/2023	4.31	4.11	4.16	4.14
12/6/2023	4.33	4.12	4.16	4.12
12/5/2023	4.33	4.14	4.20	4.18
12/4/2023	4.40	4.23	4.30	4.28
12/1/2023	4.31	4.14	4.22	4.22
11/30/2023	4.48	4.31	4.38	4.37
11/29/2023	4.40	4.22	4.28	4.27

Daily Treasury Par Yield Curve Rates

https://home.treasury.gov/resource-center/data-chart-center/interest-

11/28/2023	4.49	4.29	4.36	4.34
11/27/2023	4.60	4.38	4.43	4.39
11/24/2023	4.67	4.49	4.51	4.47
11/22/2023	4.62	4.44	4.46	4.42
11/21/2023	4.60	4.41	4.44	4.41
11/20/2023	4.62	4.44	4.46	4.42
11/17/2023	4.64	4.45	4.47	4.44
11/16/2023	4.59	4.43	4.47	4.45
11/15/2023	4.68	4.52	4.56	4.53
11/14/2023	4.56	4.42	4.45	4.44
11/13/2023	4.80	4.66	4.69	4.63
11/10/2023	4.80	4.65	4.68	4.61
11/9/2023	4.77	4.65	4.68	4.62
11/8/2023	4.65	4.51	4.54	4.49
11/7/2023	4.64	4.53	4.58	4.58
11/6/2023	4.72	4.60	4.66	4.67
11/3/2023	4.62	4.49	4.55	4.57
11/2/2023	4.78	4.65	4.68	4.67
11/1/2023	4.76	4.67	4.75	4.77
10/31/2023	4.90	4.82	4.89	4.88
10/30/2023	4.87	4.80	4.88	4.88
10/27/2023	4.84	4.76	4.83	4.84
10/26/2023	4.89	4.79	4.86	4.86
10/25/2023	4.98	4.89	4.98	4.95
10/24/2023	4.91	4.82	4.86	4.83
10/23/2023	4.89	4.81	4.87	4.86
10/20/2023	4.93	4.86	4.93	4.93
10/19/2023	5.01	4.95	5.00	4.98
10/18/2023	5.03	4.92	4.95	4.91
10/17/2023	5.01	4.86	4.88	4.83
10/16/2023	4.87	4.72	4.74	4.71
10/13/2023	4.80	4.65	4.66	4.63
10/12/2023	4.82	4.69	4.73	4.70
10/11/2023	4.73	4.59	4.61	4.58

Daily Treasury Par Yield Curve Rates

https://home.treasury.gov/resource-center/data-chart-center/interest-

10/10/2023	4.74	4.62	4.66	4.66
10/6/2023	4.87	4.75	4.79	4.78
10/5/2023	4.82	4.68	4.73	4.72
10/4/2023	4.85	4.72	4.75	4.73
10/3/2023	4.95	4.80	4.84	4.81
10/2/2023	4.88	4.72	4.73	4.69
9/29/2023	4.80	4.60	4.61	4.59
9/28/2023	4.83	4.62	4.63	4.59
9/27/2023	4.89	4.67	4.69	4.61
9/26/2023	4.84	4.62	4.62	4.56
9/25/2023	4.83	4.62	4.61	4.55
9/22/2023	4.80	4.57	4.53	4.44
9/21/2023	4.85	4.61	4.57	4.49
9/20/2023	4.82	4.52	4.46	4.35
9/19/2023	4.79	4.51	4.47	4.37
9/18/2023	4.74	4.46	4.41	4.32
9/15/2023	4.72	4.45	4.41	4.33
9/14/2023	4.68	4.42	4.38	4.29
9/13/2023	4.64	4.39	4.34	4.25
9/12/2023	4.66	4.41	4.36	4.27
9/11/2023	4.64	4.40	4.37	4.29
9/8/2023	4.68	4.39	4.35	4.26
9/7/2023	4.66	4.38	4.35	4.27
9/6/2023	4.73	4.44	4.39	4.30
9/5/2023	4.65	4.37	4.35	4.27
9/1/2023	4.57	4.29	4.27	4.18
8/31/2023	4.54	4.23	4.19	4.09
8/30/2023	4.57	4.27	4.22	4.12
8/29/2023	4.56	4.26	4.21	4.12
8/28/2023	4.69	4.38	4.32	4.20
8/25/2023	4.72	4.44	4.37	4.25
8/24/2023	4.69	4.39	4.34	4.23
8/23/2023	4.64	4.36	4.30	4.19

Daily Treasury Par Yield Curve Rates

https://home.treasury.gov/resource-center/data-chart-center/interest-

8/22/2023	4.75	4.49	4.44	4.34
8/21/2023	4.70	4.46	4.42	4.34
8/18/2023	4.63	4.38	4.34	4.26
8/17/2023	4.67	4.42	4.38	4.30
8/16/2023	4.68	4.42	4.37	4.28
8/15/2023	4.64	4.36	4.31	4.21
8/14/2023	4.64	4.36	4.29	4.19
8/11/2023	4.56	4.31	4.26	4.16
8/10/2023	4.47	4.21	4.17	4.09
8/9/2023	4.41	4.12	4.07	4.00
8/8/2023	4.36	4.10	4.06	4.02
8/7/2023	4.44	4.16	4.13	4.09
8/4/2023	4.45	4.15	4.10	4.05
8/3/2023	4.58	4.30	4.26	4.20
8/2/2023	4.54	4.24	4.17	4.08
8/1/2023	4.57	4.24	4.15	4.05

Self-Insurance Reserve Guidelines

Chesapeake Utilities Corporation has established a self-insurance reserve to account for:

- expenses associated with losses incurred from our natural gas and electric distribution and transmission operations that are not reimbursable by the Company's insurance carriers or covered by another regulatory mechanism such as a storm reserve (Part I); and
- a portion of the Company's increasing insurance premiums for property, casualty and liability coverage that are driven by changing market conditions that are in excess of those embedded in our base rates or test year for rate proceedings that end in a settlement (Part II).

Part I Criteria

In regards to expenses associated with losses incurred from our natural gas and electric distribution and transmission operations that are not reimbursable by the Company's insurance carriers or covered by another regulatory mechanism such as a storm reserve, these expenses may be charges within the deductible level of the applicable policy, charges exceeding the policy limits (including expenses), or charges lying outside of policy coverage, (i.e., self-insured). Applicable losses are defined as occurrences, accidents, or wrongful acts, excluding any form of pollution that is not sudden or accidental, which result in damage to the Company's property or in a claim of liability against the Company or an event that results in an unrecoverable financial exposure. Policy deductibles and limits will vary by coverage. The Company's current insurance program includes the policies listed below.

POLICY TYPE

Commercial Automobile Liability & Physical Damage
Commercial General Liability
Umbrella/Excess Liability
Property and Boiler-Machinery
Directors & Officers Liability
Non-Owned Aircraft Liability
Fiduciary Liability
Comprehensive Crime
Credit Insurance
Employment Practices Liability
Cyber Insurance
Workers Compensation

Other new forms of insurance as well as additional types of property/casualty/liability insurance policies which may be purchased by the Company at some future date shall also be subject to the Self-Insurance Reserve.

In addition to charges for claims within the deductible or exceeding policy limits, charges to the Self-Insurance Reserve may be permitted for self-insured charges lying outside of traditional policy coverage for claims exceeding $50,000 per loss.

Part II Criteria

In addition to Part I criteria, charges to the Self-Insurance Reserve may include increased premium costs incurred by the Company to secure adequate property, casualty and liability coverage that are in excess of those embedded in our base rates or test year for rate proceedings that end in a settlement in each regulatory jurisdiction.

Minimum Balance Targets

As of the end of every calendar year, the Company targets a Self-Insurance Reserve balance that represents at least six months of the FSC authorized self-insurance expense. However, a significant claim or aggregation of claims, pursuant to Part I above, have the potential to exceed the recorded reserve liability. The Company can defer those losses in the reserve for recovery at the next base rate proceeding through an adjustment of the annual authorized self-insurance expense.

Effective: January 1, 2024

Exhibit NTR-2
Docket 20240099-EI
Page 1 of 1

Witness Noah Russell's MFRs

SCHEDULE	TITLE	WITNESS
C-23	Interest in Tax Expense Calculation	Russell
D-1a	Cost of Capital - 13 Month Average	Russell
D-1a Supplement	Cost of Capital - 13 Month Average With Adjusted Rate	Russell
D-1b	Cost of Capital - Adjustments	Russell
D-2	Cost of Capital - 5 Year History	Russell
D-3	Short-Term Debt	Russell
D-4a	Long-Term Debt Outstanding	Russell
D-4a Supplement	Long-Term Debt Outstanding Adjusted	Russell
D-4b	Reacquired Bonds	Russell
D-5	Preferred Stock Outstanding	Russell
D-7	Common Stock Data	Russell
D-8	Financing Plans-Stock and Bond Issues	Russell
D-9	Financial Indicators-Summary	Russell
G-14	Interim Parent(s) Debt Information	Russell
G-19a	Interim Cost of Capital - 13 Month Average	Russell
G-19b	Interim Cost of Capital - Adjustments	Russell

Witness John Taylor's Sponsored MFR's

SCHEDULE	TITLE	WITNESS
	EXECUTIVE SUMMARY	
A-2	Full Revenue Requirements Bill Comparison - Typical Monthly Bills	Taylor
A-3	Summary of Tariffs	Taylor
E-1	Cost of Service Studies	Taylor
E-2	Explanation of Variations From Cost of Service Study	Taylor
E-3a	Cost of Service Study-Allocation of Rate Base Components to Rate Schedule	Taylor
E-3b	Cost of Service Study-Allocation of Expense Components to Rate Schedule	Taylor
E-4a	Cost of Service Study-Functionalization and Classification of Rate Base	Taylor
E-4b	Cost of Service Study-Functionalization and Classification of Expenses	Taylor
E-5	Source and Amount of Revenues-At Present and Proposed Rates	Taylor
E-6a	Cost of Service Study-Unit Costs, Present Rates	Taylor
E-6b	Cost of Service Study-Unit Costs, Proposed Rates	Taylor
E-8	Company-Proposed Allocation of the Rate Increase By Rate Class	Taylor
E-9	Cost of Service-Load Data	Taylor
E-10	Cost of Service Study-Development of Allocation Factors	Taylor
E-11	Development of Coincident and Noncoincident Demands For Cost Study	Taylor
E-12	Adjustment to Test Year Revenue	Taylor
E-13a	Revenue From Sale Of Electricity By Rate Schedule	Taylor
E-13b	Revenues By Rate Schedule-Service Charges (Account 451)	Taylor
E-13c	Base Revenue By Rate Schedule-Calculations	Taylor
E-13d	Revenue By Rate Schedule-Lighting Schedule Calculation	Taylor
E-15	Projected Billing Determinants-Derivation	Taylor
F-5	Forecasting Models	Taylor, Haffecke, Napier
F-6	Forecasting Models-Sensitivity of Output to Changes in Input Data	Taylor
F-7	Forecasting Models - Historical Data	Taylor

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FPUC’s Response to OPC’s First Request for Production of Documents (No. 1)

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition for rate increase by Florida Public Utilities Company.	DOCKET NO. 20240099-EI

FLORIDA PUBLIC UTILITIES COMPANY'S RESPONSE TO OFFICE OF PUBLIC COUNSEL'S FIRST REQUEST FOR PRODUCTION

Florida Public Utilities Company ("FPUC") hereby submits its Response to the First Request for Production (No. 1) served on the Company on January 8, 2025. The individual responses follow this cover sheet.

Respectfully submitted this 9th day of January, 2025,

By: Beth Keating

Beth Keating
Gunster, Yoakley & Stewart, P.A.
215 South Monroe St., Suite 601
Tallahassee, FL 32301

Attorneys for Florida Public Utilities Company

POD 1

REQUEST FOR PRODUCTION

1. Please provide copies of all FPUC responses to the data requests served by the Commission Staff in this docket to the extent not already provided.

COMPANY RESPONSE: The only document not previously provided to OPC, Confidential DR 7.1, provided to Staff under a Request for Confidential Classification on October 31, 2024, was provided to OPC on a flash drive on January 8, 2025.

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FPSC EXH NO. 57

ADMITTED

E4

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing has been furnished by Electronic Mail to the following parties of record this 9th day of January, 2025:

Suzanne Brownless Florida Public Service Commission 2540 Shumard Oak Boulevard Tallahassee, FL 32399-0850 sbrownle@psc.state.fl.us discovery-gcl@psc.state.fl.us	Walt Trierweiler/P. Christensen / Charles Rehwinkel/Mary Wessling/Octavio Ponce/Austin Watrous Office of Public Counsel c/o The Florida Legislature 111 W. Madison Street, Room 812 Tallahassee, FL 32399-1400 Trierweiler.Walt@leg.state.fl.us Wessling.Mary@leg.state.fl.us Rehwinkel.Charles@leg.state.fl.us Christensen.patty@leg.state.fl.us Ponce.octavio@leg.state.fl.us Watrous.austin@leg.state.fl.us
Michelle Napier Florida Public Utilities Company 1635 Meathe Drive West Palm Beach FL 33411 mnapier@fpuc.com	

By: Beth Keating

Beth Keating
Gunster, Yoakley & Stewart, P.A.
215 South Monroe St., Suite 601
Tallahassee, FL 32301
(850) 521-1706

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FPUC's Response to OPC's First Set of Interrogatories (No. 1)

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition for rate increase by Florida Public Utilities Company.	DOCKET NO.: 20240099-EI FILED:

FLORIDA PUBLIC UTILITIES COMPANY'S PRELIMINARY RESPONSE TO CITIZENS' FIRST NTERROGATORIES (NO. 1) TO FLORIDA PUBLIC UTILITIES COMPANY

Florida Public Utilities Company ("FPUC" or "Company") hereby submits its Preliminary Responses and Objections to Citizen's First Set of Interrogatories (Nos. 1) served on the Company on Friday, February 28, by the Office of Public Counsel ("OPC").

Respectfully submitted this 3rd day of March, 2025,

By:

Beth Keating
Gunster, Yoakley & Stewart, P.A.
215 South Monroe St., Suite 601
Tallahassee, FL 32301

Attorneys for Florida Public Utilities Company

GENERAL OBJECTIONS

1. FPUC objects to OPC's request for a preliminary response which is neither contemplated nor required under Florida rules.

2. FPUC also notes that OPC has been an intervenor in the docket since September 2024. The Company's MFRs were filed in August 2024. The information about which OPC inquires has been available for some time and a more timely request could have been made.

3. In providing the enclosed response, the Company emphasizes that the response should not be deemed final until formally provided with an accompanying affidavit or declaration.

4. In providing this preliminary response, FPUC should not be construed to waive any other applicable objections. This response is being provided purely as a courtesy.

5. Finally, FPUC objects to the use of numerous subparts for the interrogatory. To the extent that a discovery limitation may be set for this proceeding, the Company will consider each subpart to be a separate interrogatory where appropriate.

INTERROGATORIES

1. **O&M Other**. Please explain and reconcile why the unadjusted jurisdictional O&M Other amount of $15,619,362, based on the monthly amounts from October 2023 to September 2024,as reflected on MFR Schedule C-7, is $1,002,724 greater than the actual, unadjusted jurisdictional amount of $14,616,638 for the same period, as reflected on the Company's September 2024 Earnings Surveillance Report filed with the Commission on December 13, 2024. Additionally, with respect to the reasons for the difference(s) in the presentation of thissame O&M Other expense category reflected on the two different documents, please explain how that difference impacts the accuracy of your projection of the Company's unadjusted 2025 fully projected O&M Other expense amount of $20,084,163 as shown on MFR ScheduleC-1. As a part of, but not limited to, your explanation, please also explain:

COMPANY RESPONSE:

The Office of Public Counsel (OPC) has requested a preliminary response. As such, this response should be viewed as a good faith, preliminary response, subject to further review and refinement.

The Company's initial review suggests that the analysis done by OPC does not take into consideration adjustments related to the O & M costs made in MFR C-2 (2024). The MFR C-7's total O & M expense is greater than the Earning Surveillance Report (ESR) October 2023 to September 2024 O & M expense for the same period mainly due to the difference between SPPCRC projected expenses. For the time period used by OPC, the actual SPPCRC costs were lower than the projected amounts used in the filing. However, all SPPCRC expenses were removed from both the ESR and the MFR for the rate case filing. In the MFR C-2 (2024) the Company removed $1,915,769 of SPPCRC expenses from the rate

Interrogatory 1, cont.

case filing for the 2024 calendar year. In the September 2024 ESR, the actual amount removed was $784,336. Although the entire $1,915,769 removed for 2024 does not relate to same period used by OPC, a significant portion of the difference discussed by OPC above would be offset by including the adjustment in their analysis. Further review will be provided in the final response.

OPC is also asking why the presentation of the Other O & M costs are different in C-1 and C-2 on the filing is different than the presentation on the earning surveillance reports. The PSC requirements for the MFR's only separate out purchased power costs from other operation and maintenance expenses. The earning surveillance report filed by the Company excludes both conservation and purchased power costs from the other operation and maintenance expense. Since both costs are removed in both versions, there is no effect on the net amount.

Interrogatory 1a

a. Why the projected 2024 MFR Schedule C-7 amounts for O&M Other expense for themonths June through August are identical ($1.508 million) and why the September through December amounts are also the same ($1.528 million), given the monthly variances in the purely historical balances shown in 2023 on MFR Schedule C-7; and

COMPANY RESPONSE:

The Company budgets yearly amounts and allocates the costs equally over the year. For purposes of the filing, some actuals in 2024 were used. Certain adjustments were expected to occur in the June thru August period and some in the September to December period after the customer information system went into service. The amounts are higher than the historical amounts for 2023 due to the over/under adjustments explained in detail on C-7 page 7 and 8.

Interrogatory 1b

b. Why the MFR Schedule C-7 projected monthly balance for O&M Other ($1.600 million) is identical for each month, January through December, given the monthly variances in the purely historical balances shown in 2023 on MFR Schedule C-7.

COMPANY RESPONSE:

Again, the Company budgets the yearly amount and allocates it equally over the months in 2025.

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FPUC's Response to Staff's First Data Request (Nos. 1-22)

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition for rate increase by Florida Public Utilities Company.	DOCKET NO. 20240099-EI

FPUC'S RESPONSES TO STAFF'S FIRST DATA REQUESTS

1. Please refer to the direct testimony of Florida Public Utilities Company (Company or FPUC) witness Michelle Napier, page 9, lines 1-8. Please provide a mathematical example of how the "Modified Distrigas for Florida business units" operates. Please also provide an example of this allocator being applied/being used.

Company Response:

The 2025 Projected Modified Distrigas calculation is attached in file Staff DR 1.1. Line 7 has the 3-year average earnings before income taxes (EBIT) for all business units, line 8 has the gross plant and construction work in process for all business units, and line 9 has the payroll for all business units. Lines 13-15 take the business unit's EBIT, plant and payroll divided by the total of all business units to arrive at the appropriate percentage of each business unit to the total. These percentages are weighted equally to arrive at the overall percentage used for the total Distrigas allocation on line 18. The allocation percent in Cell R18 contains the overall allocation percent using Distrigas for the electric business unit of 5.00% which is used in MFR B-7(2025) and B-9(2025) to allocate the Corporate Common Plant. Since some costs only apply to certain business units, several different Distrigas formulas are calculated including and excluding certain business units. Lines 534 to 545 contain the calculation for the Florida only companies which is used to allocate the Florida Common assets. Cell R545 contains the 14.8% allocation

factor used to allocate the Florida Common (FC business unit) on MFR B-7(2025) and B-9(2025).

Also Attached is Staff DR 1.1 Example of Calculation which shows two business unit allocations for one month and how they reconcile with the 2023 Distrigas calculation.

2. Please refer to the direct testimony of Florida Public Utilities Company (Company or FPUC) witness Michelle Napier, page 9, lines 15-22. Please briefly discuss how the projected 2025 test year fuel revenue and expense were determined/estimated.

Company Response:

Fuel revenues were projected using the projected 2025 billing determinants of customers and volume times the approved 2024 fuel rates. The 2024 rates were used because the 2025 projected rates were not filed or approved. The 2025 expenses were based on a preliminary estimate of fuel costs. The difference between these costs and the projected revenue using the 2024 fuel rates was shown as a fuel over-recovery and removed on line 24 of C-5 (2025). The fuel projection filing has now been filed and proposes new rates and costs for 2025. However, fuel, conservation, storm protection plan, and hurricane recovery revenues and expenses have no effect on this case. The base rate calculation eliminates both the estimated revenue and the estimated expenses for fuel, conservation, storm protection plan, and hurricane recovery based on the amount included in the projection so, they have been completely removed from this filing and are not part of base rates.

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3. Please refer to the direct testimony of FPUC witness Napier, page 11, lines 10-14. Please confirm the Company has removed unamortized rate case expense from its working capital for the 2025 projected test year.

Company Response:

Yes, the Company has removed unamortized rate case expense from working capital for the 2025 projected test year but believes the treatment in Docket 20140025-EI of including one-half of the unamortized costs is more appropriate. The rate case costs are prudently incurred and the amortization of those costs are lower than the costs would be to retain those services in house on a continuous basis. The Company should not be penalized by not allowing half of the unamortized rate case expenses which represents the average level of expenditures over the period that the rates will be in effect and before the next anticipated rate proceeding.

4. Please refer to the direct testimony of FPUC witness Napier, page 14, lines 16-22 for the following requests.

   a) In a base rate proceeding, has the Company ever received approval to include full-year investment amounts for assets that were not projected to be in service for entire projected test year? If so, please discuss.

   b) Please identify the total 2025 test year revenue requirement associated with this adjustment.

Company Response:

a. Yes, in FPUC's petition for an electric rate increase, Docket No. 20070304-EI, the Company requested the full cost of a transformer be included in rate base because it was not a discretionary addition to plant but an ordinary and necessary replacement

of a major component of the distribution system which would be in service for a number of years into the future. Commission Order No. PSC-2008-0327-FOF-EI concluded "Although allowing a full 13-month average recovery of the transformer increases the impact on rates, we believe it is more representative of the future than the inclusion of a rental transformer that will be gone before the rates even go into effect, as FPUC pointed out. Accordingly, we find it is appropriate in this instance to allow recovery of the transformer as if it were in service December 31, 2007." As in this docket, our current docket is asking for year-end treatment for only certain additions. However, there have been other companies' dockets where year-end rate base has been approved. In Docket No. 20040972-SU for Pinellas County by Ranch Mobile WWTP, Inc. Commission Order No. PSC-2005-0287-PAA-SU allowed a year-end rate base. Commission Order No. PSC-1995-1399-FOF-WS, in Docket No. 19940765-WS for Ferncrest Utilities, Inc. approved a year-end rate base because using the "average rate base determination would distort the revenue requirement picture, since factors which are increasing the investment in operating plant are not been [being] matched by a concomitant growth in customers." Commission Order No. PSC-1995-0720-FOF-WS in Docket 19941108-WS in Florida Cities Water Company-Golden Gate Division petition for a rate increase also allowed a year-end rate base because it involved substantial investments in operating equipment for major improvements that serve the public interest.

b. The 2025 revenue requirement related to this adjustment is $678,271 as shown on the attached file "Staff DR 1.4b revenue requirement substations".

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5. Please refer to the direct testimony of FPUC witness Napier, page 16, lines 15-23 for the following requests. Is the Company aware of any other investor-owned Florida electric utility recovering all its tree trimming and inspection costs through the Storm Protection Plan Cost Recovery Clause? If so, please identify the authorizing order(s).

Company Response:

The Company is not specifically aware of how other Companies record their storm protection costs. However, in Docket No. 20220010-EI, the Office of Public Counsel's witness Lane Kollen argued that FPUC should have been required to "realign" its pole inspection and vegetation management expenses to remove those costs from base rates, noting that "the other three utilities in their 2020 SPPCRC proceedings agreed to realign legacy program costs, including vegetation management expenses, from base rates to SPPCRC rates. . . ." FPUC presumes that this occurred in the settlements approved in Docket No. 20200092-EI but has not reviewed those settlements in detail to determine whether Mr. Kollen's statement is accurate. Nevertheless, since these costs are associated with the Company's SPP, the Company believes it would be a more straight-forward approach to remove these costs from base rates at this time and recover them, on a going-forward basis, through the SPPCRC. This would also simplify the SPPCRC reporting and cost recovery process, as well as reduce the likelihood of any inadvertent errors, by minimizing or eliminating the amount of SPP-related costs that must be removed from the SPPCRC process due to existing recovery through base rates. Therefore, in this case we removed the costs so the amount included in base rates when this case is approved would be zero. The costs are nonetheless prudent and reasonable and should be allowed for recovery through the SPPCRC. If, however, approval to make

E17

this transfer is denied, the revenue requirement for this proceeding would need to be increased by $981,480 to continue to cover these costs through base rates.

6. Please refer to the direct testimony of FPUC witness Napier, pages 16, line 15, through page 17, line 4. Please confirm the Company does not have any tree trimming and inspection costs currently included in its projected 2025 test year.

Company Response:

The Company has removed all tree trimming and pole inspection costs from its 2025 projected expenses.

7. Please refer to the direct testimony of FPUC witness Napier, page 17, lines 5-9. Please provide the complete calculation relating to this adjustment for "Edison Electric Institute" association dues.

Company Response:

The calculation is on the attached invoice and is based on the percent's' considered lobbying on the invoice for each item. Please see the attached file "Staff DR 1.7 EEI 2023".

8. Please refer to Minimum Filing Requirements (MFR) Schedule C-7 (2025), page 2 of 8. Please describe the adjustment appearing on line 5 for Account 557 – Other Expenses in the amount of $259,010.

Company Response:

The $259,010 on C-7 line 5 is not an adjustment but an account balance for Account 557. The 557 - Other Expense amount is the amount projected for 2025. Account 557 is

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charged to the fuel clause as costs other than actual fuel cost and included in the fuel clause for recovery. This account, along with the other fuel, conservation, storm protection plan, and hurricane accounts have all been removed from this base rate proceeding in the adjustments in C-2 (2025). The total of C-7(2025) column 22, accounts 555 and 557 amount to $52,150,543, which is the amount removed in C-3 (2025). A description of these account 557 costs can be found on page 3 of the fuel projection filing testimony of Brittnee Baker in Docket 2024001-EI.

9. Please refer to MFR Schedule C-7 (2025), page 5 of 8. Please discuss, with specificity, how each of the trend factors listed on this page were developed. Please also provide any source documentation (i.e., internal or third-party projections) used in developing the trend factors.

Company Response:

Please refer to the attached schedule "Staff DR 1.9 2024 and 2025 Growth and Inflation budgeted" for the customer growth and inflation calculations. Witness Russel calculated the projected 2024 and 2025 inflation factors using the December 31, 2023 Bloomberg Weighted Average CPI forecast. These forecasts are derived from the latest monthly and quarterly surveys conducted by Bloomberg and from forecasts submitted by various banks. By using the Bloomberg weighted average, the Company is incorporating more than 40 different economist expectations to calculate CPI. The payroll calculation was based on Devon Rudloff- Daffinson's projected pay increases. The Excel version of the C-MFR's contain formulas for the other factors on the "C-7,24" tab. The payroll factor takes the base revenue for the projected year excluding miscellaneous revenue and dividing it by the same amount in the prior year. The inflation and growth factor is

calculated by taking the inflation factor for that year times the customer growth factor for the year. The payroll and customer growth factor is calculated by taking the payroll factor times the customer growth factor for each year. The combined factors for each line multiply the 2024 amounts times the 2025 amounts.

10. Please refer to the direct testimony of FPUC witness Napier, page 24, lines 8-10. If Docket No. 20240099-EI does eventually go to hearing, how and when would the Florida Public Service Commission be apprised of the additional rate case costs the Company would presumably wish to recover?

Company Response:

The Company anticipates that it would approach that situation similar to how it was handled in Docket No. 20080366-GU in which a revised estimate of rate case expense for a full hearing was provided in the supplemental direct testimony of one of FPUC's witnesses. (See Supplemental Direct Testimony of Cheryl Martin, Document No. 07776-2009).

11. Please refer to the direct testimony of FPUC witness Napier, page 25, lines 10-15. Please provide the order number authorizing the depreciation rates used in determining plant balance changes for December 2022?

Company Response:

The last depreciation study was approved as part of Commission Order PSC-2020-0347-AS-EI.

12. Please refer to the direct testimony of FPUC witness Napier, page 25, line 23, through page 26, line 1. Please explain or clarify the statement "[t]he Company's current technology, (SAP), which is over 20 years old and at the end of life, is currently being installed."

Company Response:

The statement is incorrect and reflects an inadvertent error in the final editing process. It should read "The Company's current technology, EPICORE and FRx, is over 20 years old and at the end of life. SAP is the system the Company is currently installing."

13. Please refer to MFR Schedule B-7 (2025), page 12 of 12, line 31. Please elaborate on the basis of utilizing Florida common gas plant depreciation rates for this rate case filing

Company Response:

The Florida Common plant is included in the gas depreciation study. Therefore, the rates determined in the gas depreciation study are used by the Florida Common business unit to compute depreciation. The Company then allocates the plant, accumulated depreciation, construction work in process and depreciation expense to the regulated and unregulated business units.

14. Please refer to MFR Schedule C-14, page 1 of 1, line 17 for the following requests.

    a) Please explain the basis for the increase in advertising expense from 2023 to 2025.

    b) Does the Company currently have any contracts or other commitments in place for its assumed 2025 advertising efforts? If so, please discuss.

Company Response:

a. Advertising was increased by the growth and inflation factor in MFR C-7 since the

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number of customers that are reached either thru media or mailings and inflation in the costs paid both affect the costs.

b. The Company does not have any contracts and or commitments in place for its assumed 2025 advertising efforts at this time. However, the Company expects its 2025 advertising costs to be similar to that of recent years with allowances for additional costs related to customer growth and inflation.

15. Please refer to MFR Schedule C-3, page 3 of 3, line 12 for the following request.

   a) Please provide the complete calculation relating to this adjustment to eliminate 5 percent of economic development expenses.

   b) Please discuss the Company's planned economic development activities for the 2025 projected test year.

Company Response:

a. The $18,000 of actual economic development costs in 2023 were multiplied by 5% to get $900. This amount was inflated for customer growth and inflation of 1.0586 for the two years 2024 and 2025 to arrive at the $953 removed in the schedule. This was compared to the Gross revenue in 2023 of $106,852,661 times .15% or $160,279.99. Actual was below the maximum adjustment so the full amount was removed.

b. No additional economic development activities were projected in the 2025 projected test year.

16. Please refer to the direct testimony of FPUC witness Michael Galtman, page 9, line 6, through page 10, line 23. Please provide mathematical examples of how the "task-based allocation" and the "capital expenditure-based allocation" are formulated and applied/used.

Company Response:

Departments with task-based allocations utilize an allocation formula which is intended to allocate costs to business units that are receiving the specific service. For example, customer count or estimated time spent on specific business units are considered task-based allocations. One task-based allocation is department IT809 – the ECIS System, which is used for billing for both the Electric and Natural Gas business units in Florida. The basis for this department is Average Number of Customers since ECIS is the billing system utilized for FPUC's electric and natural gas distribution operations. ECIS is not utilized as a billing system by any other Chesapeake business unit. See the attached File Staff DR 1.16, tab 16.IT809-Proof for an example calculation of the task-based allocation. The mathematics behind the allocation is shown on tab 16. Customers-Calc.

See also tab 16. CapEx-Calc for an example calculation of the capital expenditure-based allocation. Capital expenditure-based allocations are utilized to allocate costs in departments that play a significant role in the oversight and governance of Chesapeake's consolidated capital expenditures. One capital expenditure-based allocation is department BD900 – Board of Directors. This department utilizes historical capital spending to allocated costs to the specific business units. Tab 16. BOD-Proof shows the application/use of this allocation.

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17. Please refer to the direct testimony of FPUC witness Kim Estrada, page 5, line 1, through page 7, line 2 for the following requests.

    a) What are the total cost and the total 2025 projected test year cost (being assessed to FPUC) associated with the "Five9 Platform" that is discussed in this section of testimony?

    b) What is the total 2025 projected test year cost and expected roll-out date associated with the incremental functionality/"future enhancements" being discussed in this section of testimony beginning on page 6, line 10?

Company Response:

a. **The Five9 Platform total plant cost allocated to Electric in 2025 is $12,634 with the 13-month average accumulated depreciation of $(3,790). In 2025, the total operating and maintenance cost allocated to Electric is $34,262 and depreciation is $2,527.**

b. **The total plant addition for the new customer information system included in the 2025 projected test year related to the new customer information system is $6,912,623. But, the 13-month average included in base rates is $6,766,016. This is offset by the 13-month average accumulated depreciation of $(248,931). All construction work in progress related to this project was removed because it accrued an allowance for funds used during construction. The amount of additional expenses allocated in 2025 to the electric business unit related to the customer information system excluding depreciation expense, and net of eliminated costs of the ECIS system is $356,083 (MFR C-7 2025 p. 8 witness Vik Gadgil). The depreciation expense included is $337,689.91. Additionally, there is additional labor costs of $146,852 as presented on MFR C-7 2025 p. 8. These costs are related to support of the new Field Service Management system and operations of the new customer information system. The system has already gone live and stabilization is expected to be**

E24

finalized in January 2025.

18. Please refer to the direct testimony of FPUC witness Vikrant Gadgil, page 8, lines 1-3. What are the total cost and the total 2025 projected test year cost (being assessed to FPUC) associated with the "SAP platform" that is discussed in this section of testimony?

Company Response:

Please refer to the response to 17b.

19. Please refer to the direct testimony of FPUC witness Gadgil, page 16, lines 12-16. What is the total 2025 projected test year cost (being assessed to FPUC) associated with information technology investments discussed in this testimony?

Company Response:

Witness Gadgil is referring to the new investments in the customer information system discussed in question 17b and 18 and the ERP project. The ERP 13-month average of the construction work in process for the 2025 projected year was $596,549.46. However, all construction work in progress related to this project was removed because it accrued an allowance for funds used during construction. Since the compilation of the MFRs, the total estimated costs of ERP have increased. A technology rider has been proposed for inclusion in the tariff. The Company plans to request recovery of the ERP project thru this rider. If the technology rider is not approved and the revised costs are not included in this rate case, the Company would, most likely, have to file a limited proceeding to recover these costs. In addition to the customer information system and the ERP project, witness Gadgil discusses additional cyber-security IT control and compliance lead position and an

E25

analyst position which were included in 2025 operating expenses at $12,500 (MFR C-7 2025 p. 8). He also discusses cyber security monitoring and asset maintenance costs which increased 2025 operating expenses by $37,500.

20. Please refer to the direct testimony of FPUC witness Devon Rudolff-Daffinson, page 8, lines 3-9.

    Specifically line 7, did "[Chesapeake Utilities Corporation]" raise its merit increase level to 3.5% for all operating units, or only FPUC?

Company Response:

Chesapeake raised the merit increase budget to 3.5% for all operating units in 2024. This was not exclusive for just FPUC and was typical of market trends. We plan to keep the 3.5% merit budget the same for 2025. Depending on market trends, we may need to adjust to a higher merit increase in 2026 and beyond in order to stay competitive and retain top talent, focused on delivering safe and reliable service to our customers.

21. Please refer to the direct testimony of FPUC witness Galtman, page 8, line 3. Please provide a copy of the cost allocation manual identified in this section of testimony.

Company Response:

Please refer to the attached file Staff DR 1.21 Electric CAM Report 2023.pdf.

22. Please refer to the direct testimony of FPUC witness Devon Rudolff-Daffinson, page 10, lines 1-7.

    Please provide a copy of the analysis performed by "Institutional Shareholder Services, Inc." that is discussed in this section of testimony.

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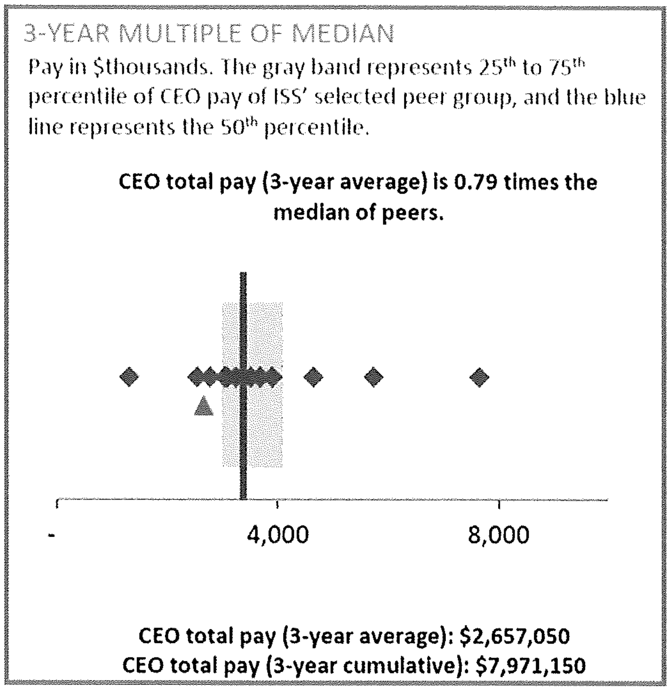
Company Response:

F.W. Cook provides insight to our Board of Directors Compensation Committee regarding Executive Compensation. They worked with Institutional Shareholder Services (ISS) in 2021 and shared the following graph related to CEO pay:



As shown in the graph above, our CEO's total pay was within a reasonable range when compared to peer companies, as it was slightly below the total mean pay given to CEO's at the other peer companies over the past three years.

Based on four Economic Value Added (EVA) criteria: EVA Margin, EVA Spread, EVA Momentum (Sales) and EVA Momentum (Capital), ISS determined that the Company's performance has exceeded all of its peers over the past three years. Please see the chart below:

FPSC EXH NO. 59

ADMITTED

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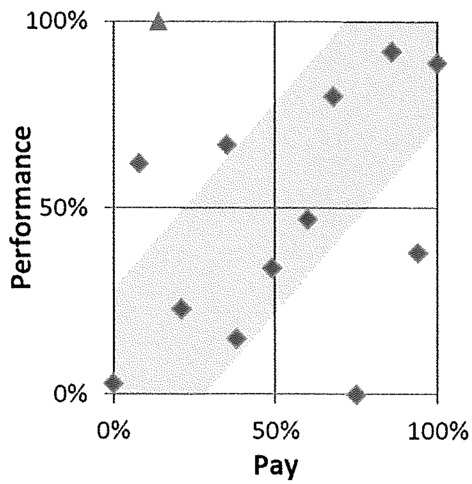
DOCKET NO. 20240099-EI

RELATIVE DEGREE OF ALIGNMENT

The chart plots percentiles of the annualized 3-year performance and pay rankings for the company (▲) and ISS' derived peers (◆). The gray band generally indicates alignment.



F.W. Cook meets with our Compensation Committee to review and present their analysis on market trends. They review all Chesapeake Senior Officer's total pay and make recommendations for merit increases or changes for the Board to consider.

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Chesapeake Utilities Corporation			Check:																									SC Incl DP, MP & FP					related to Model_IO		related to Model_IO			
2024 Actuals (starting 2024 budget + City Gas changes + Dec Wgt Changes)			Check Calc Align:	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
Modified Massachusetts Method (Distrigas) Allocation Method																																	Mirrors	Mirrors	Mirrors	Mirrors		
				[redacted]			REG	[redacted]								OTH	REG	[redacted]		REG	[redacted]																	
Method/Other Descriptions	Year	Rnd/Max	%%%				CG									FC	FE			FN																	b)	Total
Distrigas																																						
3-year average EBIT (EBIT 2024, EBIT 2023, EBIT 2022)				6,060,505	0	588,839	17,701,673	0	0	78,277	11,681,275	3,201,547	128,183	60,005	37,694,602	0	6,526,259	4,499,877	310,129	39,603,025	0	0	4,233,693	2,175,540	18,379,228	0	0	2,540,674	397,525	10,257,706	128,043	5,141,829	0	0	0	0		171,788,434
Total Gross Plant & CWIP-Property, Plant, and Equipment 2024				139,364,105	0	6,374,011	750,654,845	33,305	0	19,255,460	286,399,164	37,467,779	28,322,020	413,954	704,642,655	11,180,273	226,112,382	44,692,273	103,966	718,009,814	22,864,909	0	99,282,834	55,557,169	185,642,040	0	4,075,659	19,503,635	35,143,254	136,519,588	6,928,657	69,976,775	0	0	0	20,000,000		3,628,720,776
Employees (Pyrl Incl COS)* 2024	PYRL YR 2	2		4,516,842	0	21,010	13,885,364	0	0	24,060,122	8,586,254	804,367	1,286,501	0	6,815,321	0	5,783,989	4,334,081	73,670	16,410,098	0	0	2,314,599	3,268,175	1,338,369	0	220,972	811,745	3,673,701	12,905,825	0	2,360,526	0	0	0	0		113,471,531
All																																						
% to Sub-total	rounding factor	3																																				
% of total EBIT			33.33334%	3.528%	0.000%	0.343%	10.304%	0.000%		0.046%	6.800%	1.864%	0.075%	0.035%	22.059%	0.000%	3.799%	2.619%	0.181%	23.170%	0.000%	0.000%	2.464%	1.266%	10.698%	0.000%	0.000%	1.479%	0.231%	5.971%	0.075%	2.993%	0.000%	0.000%	0.000%	0.000%		100.000%
% of total Gross Plant			33.33333%	3.841%	0.000%	0.176%	20.686%	0.001%		0.531%	7.693%	1.033%	0.780%	0.011%	19.416%	0.308%	6.231%	1.237%	0.003%	19.787%	0.630%	0.000%	2.736%	1.531%	5.116%	0.000%	0.112%	0.537%	0.968%	3.762%	0.191%	1.928%	0.000%	0.000%	0.000%	0.551%		100.000%
% of total PY (excl COS)			33.33333%	3.981%	0.000%	0.019%	12.237%	0.000%		21.204%	7.567%	0.709%	1.134%	0.000%	6.006%	0.000%	5.097%	3.820%	0.065%	14.462%	0.000%	0.000%	2.040%	2.880%	1.179%	0.000%	0.195%	0.715%	3.238%	11.374%	0.000%	2.080%	0.000%	0.000%	0.000%	0.000%		100.000%
Subtotal	Max for rnd calc	19.10%	100%	3.600%	0.000%	0.200%	14.400%	0.000%	0.000%	7.300%	7.400%	1.200%	0.700%	0.000%	15.600%	0.100%	5.000%	2.600%	0.100%	19.100%	0.200%	0.000%	2.400%	1.900%	5.700%	0.000%	0.100%	0.900%	1.500%	7.000%	0.100%	2.300%	0.000%	0.000%	0.000%	0.200%		100.000%
	rounding	0.00%		0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%		0.000%
Distrigas-All				3.600%	0.000%	0.200%	14.400%	0.000%	0.000%	7.300%	7.400%	1.200%	0.700%	0.000%	15.600%	0.100%	5.000%	2.600%	0.100%	19.100%	0.200%	0.000%	2.400%	1.900%	5.700%	0.000%	0.100%	0.900%	1.500%	7.000%	0.100%	2.300%	0.000%	0.000%	0.000%	0.200%		100.000%
EBIT				6,060,505	0	588,839	17,701,673	0		78,277	11,681,275	3,201,547	128,183		37,694,602	0	6,526,259	4,499,877	310,129	39,603,025	0	0	4,233,693	2,175,540	18,379,228		0	2,540,674	397,525	10,257,706		5,141,829	0	0	0	0		171,600,326
Gross Plant				139,364,105	0	6,374,011	750,654,845	33,305		19,255,460	286,399,164	37,467,779	28,322,020		704,642,655	11,180,273	226,112,382	44,692,273	103,966	718,009,814	22,864,909	0	99,282,834	55,557,169	185,642,040		4,075,659	19,503,635	35,143,254	136,519,588		69,976,775	0	0	0	0		3,601,357,965
Employees (payroll)				4,516,842	0	21,010	13,885,364	0		24,060,122	8,586,254	804,367	1,286,501		6,815,321	0	5,783,989	4,334,081	73,670	16,410,098	0	0	2,314,599	3,268,175	1,338,369		220,972	811,745	3,673,701	12,905,825		2,360,526	0	0	0	0		113,471,531
																																						0
% to Sub-total	rounding factor	3																																				0
% of total EBIT			33.33334%	3.532%	0.000%	0.343%	10.316%	0.000%		0.046%	6.807%	1.866%	0.075%		22.083%	0.000%	3.803%	2.622%	0.181%	23.195%	0.000%	0.000%	2.467%	1.268%	10.710%		0.000%	1.481%	0.232%	5.978%		2.996%	0.000%	0.000%	0.000%	0.000%		100.000%
% of total Gross Plant			33.33333%	3.870%	0.000%	0.177%	20.844%	0.001%		0.535%	7.952%	1.040%	0.786%		19.566%	0.310%	6.278%	1.241%	0.003%	19.937%	0.635%	0.000%	2.757%	1.543%	5.155%		0.113%	0.542%	0.976%	3.791%		1.943%	0.000%	0.000%	0.000%	0.000%		100.000%
% of total PY (excl COS)			33.33333%	3.981%	0.000%	0.019%	12.237%	0.000%		21.204%	7.567%	0.709%	1.134%		6.006%	0.000%	5.097%	3.820%	0.065%	14.462%	0.000%	0.000%	2.040%	2.880%	1.179%		0.195%	0.715%	3.238%	11.374%		2.080%	0.000%	0.000%	0.000%	0.000%		100.000%
Subtotal	Max for rnd calc	19.20%	100%	3.800%	0.000%	0.200%	14.500%	0.000%	0.000%	7.300%	7.400%	1.200%	0.700%	0.000%	15.900%	0.100%	5.100%	2.600%	0.100%	19.200%	0.200%	0.000%	2.400%	1.900%	5.700%	0.000%	0.100%	0.900%	1.500%	7.000%	0.000%	2.300%	0.000%	0.000%	0.000%	0.000%		100.100%
	rounding	-0.10%		0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	-0.100%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%		-0.100%
Distrigas-				3.800%	0.000%	0.200%	14.500%	0.000%	0.000%	7.300%	7.400%	1.200%	0.700%	0.000%	15.900%	0.100%	5.100%	2.600%	0.100%	19.100%	0.200%	0.000%	2.400%	1.900%	5.700%	0.000%	0.100%	0.900%	1.500%	7.000%	0.000%	2.300%	0.000%	0.000%	0.000%	0.000%		100.000%
X FPU																																						
EBIT				6,060,505	0	588,839	17,701,673	0	78,277		11,681,275	3,201,547	128,183	60,005	37,694,602							0	4,233,693	2,175,540	18,379,228		0	2,540,674	397,525	10,257,706	128,043	5,141,829	0	0	0	0		120,649,144
Gross Plant				139,364,105	0	6,374,011	750,654,845	33,305	19,255,460		286,399,164	37,467,779	28,322,020	413,954	704,642,655							0	99,282,834	55,557,169	185,642,040		4,075,659	19,503,635	35,143,254	136,519,588	6,928,657	69,976,775	0	0	0	0		2,585,557,159
Employees (payroll)				4,516,842	0	21,010	13,885,364	0	24,060,122		8,586,254	804,367	1,286,501	0	6,815,321							0	2,314,599	3,268,175	1,338,369		220,972	811,745	3,673,701	12,905,825	0	2,360,526	0	0	0	0		86,869,693
% to Sub-total	rounding factor	3																																				
% of total EBIT			33.33334%	5.023%	0.000%	0.488%	14.672%	0.000%	0.065%		9.682%	2.654%	0.106%	0.050%	31.409%							0.000%	3.509%	1.803%	15.234%		0.000%	2.106%	0.329%	8.502%	0.106%	4.262%	0.000%	0.000%	0.000%	0.000%		100.000%
% of total Gross Plant			33.33333%	5.390%	0.000%	0.247%	29.033%	0.001%	0.745%		11.077%	1.449%	1.095%	0.016%	27.253%							0.000%	3.840%	2.149%	7.180%		0.158%	0.754%	1.359%	5.280%	0.268%	2.706%	0.000%	0.000%	0.000%	0.000%		100.000%
% of total PY (excl COS)			33.33333%	5.200%	0.000%	0.024%	15.984%	0.000%	27.697%		9.884%	0.926%	1.481%	0.000%	7.845%							0.000%	2.664%	3.762%	1.541%		0.254%	0.934%	4.229%	14.857%	0.000%	2.717%	0.000%	0.000%	0.000%	0.000%		100.000%
Subtotal	Max for rnd calc	22.20%	100%	5.200%	0.000%	0.300%	19.900%	0.000%	9.500%	0.000%	10.200%	1.700%	0.900%	0.000%	22.200%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	3.300%	2.600%	8.000%	0.000%	0.100%	1.300%	2.000%	9.500%	0.100%	3.200%	0.000%	0.000%	0.000%	0.000%		100.000%
	rounding	0.00%		0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%		0.000%
Distrigas-X FPU				5.200%	0.000%	0.300%	19.900%	0.000%	9.500%	0.000%	10.200%	1.700%	0.900%	0.000%	22.200%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	3.300%	2.600%	8.000%	0.000%	0.100%	1.300%	2.000%	9.500%	0.100%	3.200%	0.000%	0.000%	0.000%	0.000%		100.000%
X CU & FPU																																						
EBIT				6,060,505	0	588,839	17,701,673	0			11,681,275	3,201,547	128,183	60,005	37,694,602							0	4,233,693	2,175,540	18,379,228		0	2,540,674	397,525	10,257,706	128,043	5,141,829	0	0	0	0		120,570,867
Gross Plant				139,364,105	0	6,374,011	750,654,845	33,305			286,399,164	37,467,779	28,322,020	413,954	704,642,655							0	99,282,834	55,557,169	185,642,040		4,075,659	19,503,635	35,143,254	136,519,588	6,928,657	69,976,775	0	0	0	0		2,566,301,699
Employees (payroll)				4,516,842	0	21,010	13,885,364	0			8,586,254	804,367	1,286,501	0	6,815,321							0	2,314,599	3,268,175	1,338,369		220,972	811,745	3,673,701	12,905,825	0	2,360,526	0	0	0	0		62,809,571
% to Sub-total	rounding factor	3																																				
% of total EBIT			33.33334%	5.027%	0.000%	0.488%	14.682%	0.000%			9.688%	2.655%	0.106%	0.050%	31.429%							0.000%	3.511%	1.804%	15.244%		0.000%	2.107%	0.330%	8.508%	0.106%	4.265%	0.000%	0.000%	0.000%	0.000%		100.000%
% of total Gross Plant			33.33333%	5.431%	0.000%	0.248%	29.250%	0.001%			11.160%	1.460%	1.104%	0.016%	27.458%							0.000%	3.869%	2.165%	7.234%		0.159%	0.760%	1.369%	5.320%	0.270%	2.727%	0.000%	0.000%	0.000%	0.000%		100.000%
% of total PY (excl COS)			33.33333%	7.191%	0.000%	0.033%	22.107%	0.000%			13.670%	1.281%	2.048%	0.000%	10.851%							0.000%	3.685%	5.203%	2.131%		0.352%	1.292%	5.849%	20.546%	0.000%	3.756%	0.000%	0.000%	0.000%	0.000%		100.000%
Subtotal	Max for rnd calc	23.20%	100%	5.900%	0.000%	0.300%	22.000%	0.000%	0.000%	0.000%	11.500%	1.800%	1.100%	0.000%	23.200%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	3.700%	3.100%	8.200%	0.000%	0.200%	1.400%	2.500%	11.500%	0.100%	3.600%	0.000%	0.000%	0.000%	0.000%		100.100%
	rounding	-0.10%		0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	-0.100%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%		-0.100%
				5.900%	0.000%	0.300%	22.000%	0.000%	0.000%	0.000%	11.500%	1.800%	1.100%	0.000%	23.100%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	3.700%	3.100%	8.200%	0.000%	0.200%	1.400%	2.500%	11.500%	0.100%	3.600%	0.000%	0.000%	0.000%	0.000%		100.000%
	Max for rnd calc	22.10%		7.200%	0.000%	0.000%	22.100%	0.000%	0.000%	0.000%	13.700%	1.300%	2.000%	0.000%	10.900%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	3.700%	5.200%	2.100%	0.000%	0.400%	1.300%	5.800%	20.500%	0.000%	3.800%	0.000%	0.000%	0.000%	0.000%		100.000%
	rounding	0.00%		0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%		0.000%
PYRL ONLY - AA800 401k				7.200%	0.000%	0.000%	22.100%	0.000%	0.000%	0.000%	13.700%	1.300%	2.000%	0.000%	10.900%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	3.700%	5.200%	2.100%	0.000%	0.400%	1.300%	5.800%	20.500%	0.000%	3.800%	0.000%	0.000%	0.000%	0.000%		100.000%
CPK Legacy														removed 1.23.19																	removed 1.23.19							
EBIT											11,681,275				37,694,602								4,233,693		18,379,228			2,540,674		10,257,706				0	0	0		84,987,178
Gross Plant											286,399,164				704,642,655								99,282,834		185,642,040			19,503,635		136,519,588				0	0	0		1,431,989,916
Employees (payroll)											8,586,254				6,815,321								2,314,599		1,338,369			811,745		12,905,825				0	0	0		32,772,113
% to Sub-total	rounding factor	3																																				
% of total EBIT			33.33334%								13.745%				44.589%								4.982%		21.626%			2.989%		12.070%				0.000%		0.000%		100.000%
% of total Gross Plant			33.33333%								20.000%				49.207%								6.933%		12.964%			1.362%		9.534%				0.000%		0.000%		100.000%
% of total PY (excl COS)			33.33333%								26.200%				20.796%								7.063%		4.084%			2.477%		39.381%				0.000%		0.000%		100.000%
Subtotal	Max for rnd calc	38.20%	100%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	20.000%	0.000%	0.000%	0.000%	38.200%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	6.300%	0.000%	12.900%	0.000%	0.000%	2.300%	0.000%	20.300%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%		100.000%
	rounding	0.00%		0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%		0.000%
Distrigas-CPK Legacy				0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	20.000%	0.000%	0.000%	0.000%	38.200%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	6.300%	0.000%	12.900%	0.000%	0.000%	2.300%	0.000%	20.300%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%		100.000%

FPSC EXH NO. 59

ADMITTED

E30

Chesapeake Utilities Corporation			Check:																						SC incl DP, MP & PP					related to Model_IO		related to Model_IO		
2024 Actuals (starting 2024 budget + City Gas changes + Dec Wgt Changes)			Check Cols Align:	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Modified Massachusetts Method (Distrgas) Allocation Method																																		Mirrors	Mirrors	Mirrors	Mirrors	
Method/Other Descriptions	Year	Rnd/Max	%%%	[redacted]			REG CG	[redacted]								OTH FC	REG FE	[redacted]		REG FN	[redacted]																Total
EBIT				6,060,505	0	588,839	17,701,673	0			11,681,275	3,201,547	128,183	60,005	37,894,602		6,526,259	4,499,877	310,129	39,803,025	0	0	4,233,693	2,175,540	18,379,228		0	2,540,674	397,525	10,257,706	128,043	5,141,829	0	0	0	0	171,710,157
Gross Plant				139,364,105	0	6,374,011	750,654,845	33,305			286,399,164	37,467,779	28,322,020	413,954	704,642,655		226,112,382	44,892,273	103,966	718,009,814	22,864,909	0	99,282,834	55,557,169	165,642,040		4,075,689	19,503,635	35,143,254	136,519,588	6,928,657	69,976,775	0	0	0	0	3,578,285,043
Employees (payroll)				4,516,842	0	21,010	13,865,364	0			8,586,254	604,367	1,226,501	0	6,815,321		5,783,989	4,334,081	73,670	16,410,098	0	0	2,314,599	3,268,175	1,338,369		220,972	811,745	3,673,701	12,905,825	0	2,360,526	0	0	0	0	89,411,409
% to Sub-total	rounding factor	3																																			
% of total EBIT			33.33334%	3.529%	0.000%	0.343%	10.309%	0.000%			6.803%	1.865%	0.075%	0.035%	22.069%		3.801%	2.621%	0.181%	23.180%	0.000%	0.000%	2.466%	1.267%	10.704%		0.000%	1.480%	0.232%	5.974%	0.075%	2.994%	0.000%	0.000%	0.000%	0.000%	100.000%
% of total Gross Plant			33.33333%	3.895%	0.000%	0.178%	20.978%	0.001%			8.004%	1.047%	0.791%	0.012%	19.692%		6.319%	1.255%	0.003%	20.066%	0.639%	0.000%	2.775%	1.553%	5.165%		0.114%	0.545%	0.982%	3.815%	0.194%	1.956%	0.000%	0.000%	0.000%	0.000%	100.000%
% of total PY (excl COS)			33.33333%	5.052%	0.000%	0.023%	15.530%	0.000%			9.603%	0.900%	1.439%	0.000%	7.622%		6.469%	4.847%	0.082%	18.353%	0.000%	0.000%	2.589%	3.655%	1.497%		0.247%	0.906%	4.109%	14.434%	0.000%	2.640%	0.000%	0.000%	0.000%	0.000%	100.000%
Subtotal	Max for rnd calc	20.50%	100%	4.200%	0.000%	0.200%	15.600%	0.000%	0.000%	0.000%	8.100%	1.300%	0.800%	0.000%	16.500%	0.000%	5.500%	2.900%	0.100%	20.500%	0.200%	0.000%	2.600%	2.200%	5.800%	0.000%	0.100%	1.000%	1.800%	8.100%	0.100%	2.500%	0.000%	0.000%	0.000%	0.000%	100.100%
	rounding	-0.10%		0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	-0.100%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	-0.100%
Distrigas-				4.200%	0.000%	0.200%	15.600%	0.000%	0.000%	0.000%	8.100%	1.300%	0.800%	0.000%	16.500%	0.000%	5.500%	2.900%	0.100%	20.400%	0.200%	0.000%	2.600%	2.200%	5.800%	0.000%	0.100%	1.000%	1.800%	8.100%	0.100%	2.500%	0.000%	0.000%	0.000%	0.000%	100.000%
	Max for rnd calc	18.40%		5.100%	0.000%	0.000%	15.500%	0.000%	0.000%	0.000%	9.600%	0.900%	1.400%	0.000%	7.600%	0.000%	6.500%	4.800%	0.100%	18.400%	0.000%	0.000%	2.600%	3.700%	1.500%	0.000%	0.200%	0.900%	4.100%	14.400%	0.000%	2.600%	0.000%	0.000%	0.000%	0.000%	99.900%
	rounding	0.10%		0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.100%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.100%
Distrigas- PYRL ONLY - IT804				5.100%	0.000%	0.000%	15.500%	0.000%	0.000%	0.000%	9.600%	0.900%	1.400%	0.000%	7.600%	0.000%	6.500%	4.800%	0.100%	18.500%	0.000%	0.000%	2.600%	3.700%	1.500%	0.000%	0.200%	0.900%	4.100%	14.400%	0.000%	2.600%	0.000%	0.000%	0.000%	0.000%	100.000%
EBIT				6,060,505	0	588,839	17,701,673	0			11,681,275	3,201,547	128,183		37,894,602		6,526,259	4,499,877	310,129	39,803,025	0	0	4,233,693	2,175,540	18,379,228		0	2,540,674	397,525	10,257,706		5,141,829	0	0	0	0	171,522,109
Gross Plant				139,364,105	0	6,374,011	750,654,845	33,305			286,399,164	37,467,779	28,322,020		704,642,655		226,112,382	44,892,273	103,966	718,009,814	22,864,909	0	99,282,834	55,557,169	165,642,040		4,075,689	19,503,635	35,143,254	136,519,588		69,976,775	0	0	0	0	3,570,942,232
Employees (payroll)				4,516,842	0	21,010	13,865,364	0			8,586,254	604,367	1,226,501		6,815,321		5,783,989	4,334,081	73,670	16,410,098	0	0	2,314,599	3,268,175	1,338,369		220,972	811,745	3,673,701	12,905,825		2,360,526	0	0	0	0	89,411,409
% to Sub-total	rounding factor	3																																			
% of total EBIT			33.33334%	3.533%	0.000%	0.343%	10.320%	0.000%			6.810%	1.867%	0.075%		22.093%		3.805%	2.623%	0.181%	23.206%	0.000%	0.000%	2.468%	1.268%	10.715%		0.000%	1.481%	0.232%	5.980%		2.998%	0.000%	0.000%	0.000%	0.000%	100.000%
% of total Gross Plant			33.33333%	3.903%	0.000%	0.178%	21.021%	0.001%			8.020%	1.049%	0.793%		19.733%		6.332%	1.257%	0.003%	20.107%	0.640%	0.000%	2.780%	1.556%	5.199%		0.114%	0.546%	0.984%	3.823%		1.960%	0.000%	0.000%	0.000%	0.000%	100.000%
% of total PY (excl COS)			33.33333%	5.052%	0.000%	0.023%	15.530%	0.000%			9.603%	0.900%	1.439%		7.622%		6.469%	4.847%	0.082%	18.353%	0.000%	0.000%	2.589%	3.655%	1.497%		0.247%	0.906%	4.109%	14.434%		2.640%	0.000%	0.000%	0.000%	0.000%	100.000%
Subtotal	Max for rnd calc	20.60%	100%	4.200%	0.000%	0.200%	15.600%	0.000%	0.000%	0.000%	8.100%	1.300%	0.800%	0.000%	16.500%	0.000%	5.500%	2.900%	0.100%	20.600%	0.200%	0.000%	2.600%	2.200%	5.800%	0.000%	0.100%	1.000%	1.800%	8.100%	0.000%	2.500%	0.000%	0.000%	0.000%	0.000%	100.100%
	rounding	-0.10%		0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	-0.100%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	-0.100%
Distrigas-				4.200%	0.000%	0.200%	15.600%	0.000%	0.000%	0.000%	8.100%	1.300%	0.800%	0.000%	16.500%	0.000%	5.500%	2.900%	0.100%	20.500%	0.200%	0.000%	2.600%	2.200%	5.800%	0.000%	0.100%	1.000%	1.800%	8.100%	0.000%	2.500%	0.000%	0.000%	0.000%	0.000%	100.000%
EBIT				6,060,505	0	588,839	17,701,673	0			11,681,275	3,201,547	128,183		37,894,602		6,526,259	4,499,877	310,129	39,803,025	0	0		2,175,540	18,379,228		0	2,540,674	397,525	10,257,706			0	0	0	0	162,146,587
Gross Plant				139,364,105	0	6,374,011	750,654,845	33,305			286,399,164	37,467,779	28,322,020		704,642,655		226,112,382	44,892,273	103,966	718,009,814	22,864,909	0		55,557,169	165,642,040		4,075,689	19,503,635	35,143,254	136,519,588			0	0	0	0	3,401,682,623
Employees (payroll)				4,516,842	0	21,010	13,865,364	0			8,586,254	604,367	1,226,501		6,815,321		5,783,989	4,334,081	73,670	16,410,098	0	0		3,268,175	1,338,369		220,972	811,745	3,673,701	12,905,825			0	0	0	0	84,736,285
% to Sub-total	rounding factor	3																																			
% of total EBIT			33.33334%	3.738%	0.000%	0.363%	10.917%	0.000%			7.204%	1.974%	0.079%		23.371%		4.025%	2.775%	0.191%	24.545%	0.000%	0.000%		1.342%	11.335%		0.000%	1.567%	0.245%	6.326%			0.000%	0.000%	0.000%	0.000%	100.000%
% of total Gross Plant			33.33333%	4.097%	0.000%	0.187%	22.067%	0.001%			8.419%	1.101%	0.833%		20.715%		6.647%	1.320%	0.003%	21.107%	0.672%	0.000%		1.633%	5.457%		0.120%	0.573%	1.033%	4.013%			0.000%	0.000%	0.000%	0.000%	100.000%
% of total PY (excl COS)			33.33333%	5.330%	0.000%	0.025%	16.387%	0.000%			10.133%	0.949%	1.516%		8.043%		6.826%	5.115%	0.087%	19.366%	0.000%	0.000%		3.657%	1.579%		0.261%	0.955%	4.335%	15.231%			0.000%	0.000%	0.000%	0.000%	100.000%
Subtotal	Max for rnd calc	21.70%	100%	4.400%	0.000%	0.200%	16.500%	0.000%	0.000%	0.000%	8.600%	1.300%	0.800%	0.000%	17.400%	0.000%	5.800%	3.100%	0.100%	21.700%	0.200%	0.000%	0.000%	2.300%	6.100%	0.000%	0.100%	1.000%	1.900%	8.500%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	100.000%
	rounding	0.00%		0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
Distrigas-				4.400%	0.000%	0.200%	16.500%	0.000%	0.000%	0.000%	8.600%	1.300%	0.800%	0.000%	17.400%	0.000%	5.800%	3.100%	0.100%	21.700%	0.200%	0.000%	0.000%	2.300%	6.100%	0.000%	0.100%	1.000%	1.900%	8.500%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	100.000%
EBIT				6,060,505	0	588,839	17,701,673	0			11,681,275	3,201,547	128,183		37,894,602		6,526,259	4,499,877	310,129	39,803,025	0	0	4,233,693		18,379,228		0	2,540,674	397,525	10,257,706		5,141,829	0	0	0	0	169,346,569
Gross Plant				139,364,105	0	6,374,011	750,654,845	33,305			286,399,164	37,467,779	28,322,020		704,642,655		226,112,382	44,892,273	103,966	718,009,814	22,864,909	0	99,282,834		165,642,040		4,075,689	19,503,635	35,143,254	136,519,588		69,976,775	0	0	0	0	3,515,365,043
Employees (payroll)				4,516,842	0	21,010	13,865,364	0			8,586,254	604,367	1,226,501		6,815,321		5,783,989	4,334,081	73,670	16,410,098	0	0	2,314,599		1,338,369		220,972	811,745	3,673,701	12,905,825		2,360,526	0	0	0	0	86,143,234
% to Sub-total	rounding factor	3																																			
% of total EBIT			33.33334%	3.579%	0.000%	0.348%	10.453%	0.000%			6.898%	1.891%	0.076%		22.377%		3.854%	2.657%	0.183%	23.504%	0.000%	0.000%	2.500%		10.853%		0.000%	1.500%	0.235%	6.057%		3.036%	0.000%	0.000%	0.000%	0.000%	100.000%
% of total Gross Plant			33.33333%	3.964%	0.000%	0.181%	21.353%	0.001%			8.147%	1.066%	0.806%		20.045%		6.432%	1.277%	0.003%	20.425%	0.650%	0.000%	2.824%		5.281%		0.116%	0.555%	1.000%	3.883%		1.991%	0.000%	0.000%	0.000%	0.000%	100.000%
% of total PY (excl COS)			33.33333%	5.243%	0.000%	0.024%	16.119%	0.000%			9.967%	0.934%	1.423%		7.912%		6.714%	5.031%	0.086%	19.050%	0.000%	0.000%	2.687%		1.554%		0.257%	0.942%	4.265%	14.982%		2.740%	0.000%	0.000%	0.000%	0.000%	100.000%
Subtotal	Max for rnd calc	21.00%	100%	4.300%	0.000%	0.200%	16.000%	0.000%	0.000%	0.000%	8.300%	1.300%	0.800%	0.000%	16.800%	0.000%	5.700%	3.000%	0.100%	21.000%	0.200%	0.000%	2.700%	0.000%	5.900%	0.000%	0.100%	1.000%	1.800%	8.300%	0.000%	2.600%	0.000%	0.000%	0.000%	0.000%	100.100%
	rounding	-0.10%		0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	-0.100%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	-0.100%
Distrigas-				4.300%	0.000%	0.200%	16.000%	0.000%	0.000%	0.000%	8.300%	1.300%	0.800%	0.000%	16.800%	0.000%	5.700%	3.000%	0.100%	20.900%	0.200%	0.000%	2.700%	0.000%	5.900%	0.000%	0.100%	1.000%	1.800%	8.300%	0.000%	2.600%	0.000%	0.000%	0.000%	0.000%	100.000%
EBIT				6,060,505	0	588,839	17,701,673	0			11,681,275	3,201,547	128,183		37,894,602		6,526,259			39,803,025	0	0	4,233,693	2,175,540	18,379,228		0					5,141,829	0	0	0	0	153,516,198
Gross Plant				139,364,105	0	6,374,011	750,654,845	33,305			286,399,164	37,467,779	28,322,020		704,642,655		226,112,382			718,009,814	22,864,909	0	99,282,834	55,557,169	165,642,040		4,075,689					69,976,775	0	0	0	0	3,334,779,516
Employees (payroll)				4,516,842	0	21,010	13,865,364	0			8,586,254	604,367	1,226,501		6,815,321		5,783,989			16,410,098	0	0	2,314,599	3,268,175	1,338,369		220,972					2,360,526	0	0	0	0	67,612,337
% to Sub-total	rounding factor	3																																			
% of total EBIT			33.33334%	3.945%	0.000%	0.334%	11.531%	0.000%			7.609%	2.085%	0.083%		24.684%		4.251%			25.928%	0.000%	0.000%	2.758%	1.417%	11.972%		0.000%					3.349%	0.000%	0.000%	0.000%	0.000%	100.000%
% of total Gross Plant			33.33333%	4.179%	0.000%	0.191%	22.510%	0.001%			8.585%	1.124%	0.849%		21.130%		6.780%			21.531%	0.686%	0.000%	2.977%	1.666%	5.567%		0.122%					2.098%	0.000%	0.000%	0.000%	0.000%	100.000%
% of total PY (excl COS)			33.33333%	6.680%	0.000%	0.031%	20.537%	0.000%			12.699%	1.190%	1.903%		10.080%		8.555%			24.271%	0.000%	0.000%	3.423%	4.834%	1.975%		0.327%					3.491%	0.000%	0.000%	0.000%	0.000%	100.000%
Subtotal	Max for rnd calc	23.90%	100%	4.900%	0.000%	0.200%	18.200%	0.000%	0.000%	0.000%	9.600%	1.500%	0.900%	0.000%	18.600%	0.000%	6.500%	0.000%	0.000%	23.900%	0.200%	0.000%	3.100%	2.600%	6.500%	0.000%	0.100%	0.000%	0.000%	0.000%	0.000%	3.000%	0.000%	0.000%	0.000%	0.000%	99.800%
	rounding	0.20%		0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.200%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.200%
Distrigas-				4.900%	0.000%	0.200%	18.200%	0.000%	0.000%	0.000%	9.600%	1.500%	0.900%	0.000%	18.600%	0.000%	6.500%	0.000%	0.000%	24.100%	0.200%	0.000%	3.100%	2.600%	6.500%	0.000%	0.100%	0.000%	0.000%	0.000%	0.000%	3.000%	0.000%	0.000%	0.000%	0.000%	100.000%
EBIT						588,839	17,701,673				11,681,275		128,183		37,894,602		6,526,259			39,803,025			4,233,693		18,379,228							5,141,829	0	0	0	0	142,078,606
Gross Plant						6,374,011	750,654,845				286,399,164		28,322,020		704,642,655		226,112,382			718,009,814			99,282,834		165,642,040							69,976,775	0	0	0	0	3,075,416,540
Employees (payroll)						21,010	13,865,364				8,586,254		1,226,501		6,815,321		5,783,989			16,410,098			2,314,599		1,338,369							2,360,526	0	0	0	0	59,602,031
% to Sub-total	rounding factor	3																																			
% of total EBIT			33.33334%			0.414%	12.459%				8.222%		0.090%		26.672%		4.593%			28.015%			2.980%		12.936%							3.619%	0.000%	0.000%	0.000%		100.000%
% of total Gross Plant			33.33333%			0.207%	24.408%				9.313%		0.921%		22.912%		7.352%			23.347%			3.228%		6.036%							2.275%	0.000%	0.000%	0.000%		100.000%
% of total PY (excl COS)			33.33333%			0.036%	23.614%				14.602%		2.186%		11.590%		9.836%			27.907%			3.936%		2.276%							4.014%	0.000%	0.000%	0.000%		100.000%
Subtotal	Max for rnd calc	26.40%	100%	0.000%	0.000%	0.200%	20.200%	0.000%	0.000%	0.000%	10.700%	0.000%	1.100%	0.000%	20.400%	0.000%	7.300%	0.000%	0.000%	26.400%	0.000%	0.000%	3.400%	0.000%	7.100%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	3.300%	0.000%	0.000%	0.000%	0.000%	100.100%
	rounding	-0.10%		0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	-0.100%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	-0.100%
Distrigas-				0.000%	0.000%	0.200%	20.200%	0.000%	0.000%	0.000%	10.700%	0.000%	1.100%	0.000%	20.400%	0.000%	7.300%	0.000%	0.000%	26.300%	0.000%	0.000%	3.400%	0.000%	7.100%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	3.300%	0.000%	0.000%	0.000%	0.000%	100.000%
		Aspire Express WAS in this, but AGM removed 2.1.22. Only dept using this is RA712. They will pick up Express with the other piece of their allocation.																																			
EBIT							17,701,673				11,681,275		128,183		37,894,602		6,526,259			39,803,025			4,233,693		18,379,228							5,141,829	0	0		0	141,459,767
Gross Plant							750,654,845				286,399,164		28,322,020		704,642,655		226,112,382			718,009,814			99,282,834		165,642,040							69,976,775	0	0		0	3,069,042,529
Employees (payroll)							13,865,364				8,586,254		1,226,501		6,815,321		5,783,989			16,410,098			2,314,599		1,338,369							2,360,526	0	0		0	58,781,021
% to Sub-total	rounding factor	3																																			
% of total EBIT			33.33334%				12.511%				8.256%		0.091%		26.783%		4.613%			28.131%			2.992%		12.990%							3.634%	0.000%	0.000%		0.000%	100.000%
% of total Gross Plant			33.33333%				24.459%				9.332%		0.923%		22.960%		7.366%			23.395%			3.235%		6.049%							2.280%	0.000%	0.000%		0.000%	100.000%
% of total PY (excl COS)			33.33333%				23.622%				14.607%		2.169%		11.594%		9.840%			27.917%			3.938%		2.277%							4.016%	0.000%	0.000%		0.000%	100.000%
Subtotal	Max for rnd calc	26.50%	100%	0.000%	0.000%	0.000%	20.200%	0.000%	0.000%	0.000%	10.700%	0.000%	1.100%	0.000%	20.400%	0.000%	7.300%	0.000%	0.000%	26.500%	0.000%	0.000%	3.400%	0.000%	7.100%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	3.300%	0.000%	0.000%	0.000%	0.000%	100.000%
	rounding	0.00%		0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
Distrigas-				0.000%	0.000%	0.000%	20.200%	0.000%	0.000%	0.000%	10.700%	0.000%	1.100%	0.000%	20.400%	0.000%	7.300%	0.000%	0.000%	26.500%	0.000%	0.000%	3.400%	0.000%	7.100%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	3.300%	0.000%	0.000%	0.000%	0.000%	100.000%
EBIT							17,701,673				11,681,275		128,183				6,526,259			39,803,025			4,233,693									5,141,829	0	0		0	85,215,937
Gross Plant							750,654,845				286,399,164		28,322,020				226,112,382			718,009,814			99,282,834									69,976,775	0	0		0	2,178,757,834
Employees (payroll)							13,865,364				8,586,254		1,226,501				5,783,989			16,410,098			2,314,599									2,360,526	0	0		0	50,627,330

E30

Chesapeake Utilities Corporation			Check:																									SC incl CP, MP & FP					related to Model_IO		related to Model_IO		
2024 Actuals (starting 2024 budget + City Gas changes + Dec Wgt Changes)			Check Calc Alloc	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Modified Massachusetts Method (Distrigas) Allocation Method																																	Mirrors	Mirrors	Mirrors	Mirrors	
Method/Other Descriptions	Year	Rnd/Max	%%%	[redacted]			REG CG	[redacted]								OTH FC	REG FE	[redacted]		REG FN	[redacted]																Total
% to Sub-total	rounding factor	3																																			
% of total EBIT			33.3334%				20.773%				13.708%		0.150%				7.658%			46.708%			4.968%									6.034%	0.000%	0.000%		0.000%	100.000%
% of total Gross Plant			33.3333%				34.453%				13.145%		1.300%				10.376%			32.555%			4.557%									3.212%	0.000%	0.000%		0.000%	100.000%
% of total PY (excl COS)			33.3333%				27.427%				16.969%		2.541%				11.425%			32.414%			4.572%									4.663%	0.000%	0.000%		0.000%	100.000%
Subtotal	Max for rnd calc	37.40%	100%	0.000%	0.000%	0.000%	27.600%	0.000%	0.000%	0.000%	14.600%	0.000%	1.300%	0.000%	0.000%	0.000%	9.800%	0.000%	0.000%	37.400%	0.000%	0.000%	4.700%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	4.600%	0.000%	0.000%	0.000%	0.000%	100.000%
	rounding	0.00%		0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
Distrigas-				0.000%	0.000%	0.000%	27.600%	0.000%	0.000%	0.000%	14.600%	0.000%	1.300%	0.000%	0.000%	0.000%	9.800%	0.000%	0.000%	37.400%	0.000%	0.000%	4.700%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	4.600%	0.000%	0.000%	0.000%	0.000%	100.000%
EBIT				6,060,505		583,839	17,701,673				11,681,275		128,183		37,694,602		6,526,259			39,603,025			4,233,693		18,379,228							5,141,829	0	0	0	0	148,139,111
Gross Plant				139,364,105		6,374,011	750,654,845				286,399,164		28,322,020		704,642,655		226,112,382			718,009,814			99,282,834		185,642,040							69,976,775	0	0	0	0	3,214,780,645
Employees (payroll)				4,516,842		21,010	13,865,364				8,586,254		1,286,501		6,815,321		5,783,989			16,410,098			2,314,599		1,338,369							2,360,526	0	0	0	0	63,318,873
% to Sub-total	rounding factor	3																																			
% of total EBIT			33.3334%	4.091%		0.397%	11.949%				7.885%		0.087%		25.580%		4.405%			26.869%			2.858%		12.407%							3.471%	0.000%	0.000%	0.000%		100.000%
% of total Gross Plant			33.3333%	4.335%		0.198%	23.350%				8.909%		0.881%		21.919%		7.034%			22.335%			3.088%		5.775%							2.177%	0.000%	0.000%	0.000%		100.000%
% of total PY (excl COS)			33.3333%	7.133%		0.033%	21.929%				13.560%		2.032%		10.763%		9.135%			25.917%			3.655%		2.114%							3.728%	0.000%	0.000%	0.000%		100.000%
Subtotal	Max for rnd calc	25.00%	100%	5.200%	0.000%	0.200%	19.100%	0.000%	0.000%	0.000%	10.100%	0.000%	1.000%	0.000%	19.400%	0.000%	6.900%	0.000%	0.000%	25.000%	0.000%	0.000%	3.200%	0.000%	6.800%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	3.100%	0.000%	0.000%	0.000%	0.000%	100.000%
	rounding	0.00%		0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
Distrigas-				5.200%	0.000%	0.200%	19.100%	0.000%	0.000%	0.000%	10.100%	0.000%	1.000%	0.000%	19.400%	0.000%	6.900%	0.000%	0.000%	25.000%	0.000%	0.000%	3.200%	0.000%	6.800%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	3.100%	0.000%	0.000%	0.000%	0.000%	100.000%
EBIT	confirm - no Express (zero for now anyway, but address!!) 2.1.21						17,701,673				11,681,275		128,183		37,694,602					39,603,025			4,233,693		18,379,228							5,141,829	0	0	0	0	134,963,508
Gross Plant							750,654,845				286,399,164		28,322,020		704,642,655					718,009,814			99,282,834		185,642,040							69,976,775	0	0	0	0	2,842,930,147
Employees (payroll)							13,865,364				8,586,254		1,286,501		6,815,321					16,410,098			2,314,599		1,338,369							2,360,526	0	0	0	0	52,997,032
% to Sub-total	rounding factor	3																																			
% of total EBIT			33.3334%				13.116%				8.655%		0.095%		28.076%					29.492%			3.137%		13.618%							3.810%	0.000%	0.000%	0.000%	0.000%	100.000%
% of total Gross Plant			33.3333%				26.404%				10.074%		0.996%		24.786%					25.256%			3.492%		6.530%							2.461%	0.000%	0.000%	0.000%	0.000%	100.000%
% of total PY (excl COS)			33.3333%				26.200%				16.201%		2.427%		12.860%					30.964%			4.367%		2.525%							4.454%	0.000%	0.000%	0.000%	0.000%	100.000%
Subtotal	Max for rnd calc	28.60%	100%	0.000%	0.000%	0.000%	21.900%	0.000%	0.000%	0.000%	11.600%	0.000%	1.200%	0.000%	21.900%	0.000%	0.000%	0.000%	0.000%	28.600%	0.000%	0.000%	3.700%	0.000%	7.600%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	3.600%	0.000%	0.000%	0.000%	0.000%	100.100%
	rounding	-0.10%		0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	-0.100%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	-0.100%
Distrigas-				0.000%	0.000%	0.000%	21.900%	0.000%	0.000%	0.000%	11.600%	0.000%	1.200%	0.000%	21.900%	0.000%	0.000%	0.000%	0.000%	28.500%	0.000%	0.000%	3.700%	0.000%	7.600%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	3.600%	0.000%	0.000%	0.000%	0.000%	100.000%
	agm 4.23																																				
EBIT	confirm - no Express (zero for now anyway, but address!!) 2.1.21						17,701,673				11,681,275		128,183				6,526,259		310,129	39,603,025			4,233,693		18,379,228							5,141,829	0	0	0	0	103,905,294
Gross Plant							750,654,845				286,399,164		28,322,020				226,112,382		103,966	718,009,814			99,282,834		185,642,040							69,976,775	0	0	0	0	2,364,503,840
Employees (payroll)							13,865,364				8,586,254		1,286,501				5,783,989		73,670	16,410,098			2,314,599		1,338,369							2,360,526	0	0	0	0	52,039,370
% to Sub-total	rounding factor	3																																			
% of total EBIT			33.3334%				17.036%				11.242%		0.123%				6.281%		0.298%	38.307%			4.075%		17.688%							4.949%	0.000%	0.000%	0.000%	0.000%	100.000%
% of total Gross Plant			33.3333%				31.747%				12.112%		1.198%				9.563%		0.004%	30.366%			4.199%		7.851%							2.955%	0.000%	0.000%	0.000%	0.000%	100.000%
% of total PY (excl COS)			33.3333%				26.682%				16.500%		2.472%				11.115%		0.142%	31.534%			4.448%		2.572%							4.536%	0.000%	0.000%	0.000%	0.000%	100.000%
Subtotal	Max for rnd calc	33.40%	100%	0.000%	0.000%	0.000%	25.200%	0.000%	0.000%	0.000%	13.300%	0.000%	1.300%	0.000%	0.000%	0.000%	9.000%	0.000%	0.100%	33.400%	0.000%	0.000%	4.200%	0.000%	9.400%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	4.100%	0.000%	0.000%	0.000%	0.000%	100.000%
	rounding	0.00%		0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
Distrigas-				0.000%	0.000%	0.000%	25.200%	0.000%	0.000%	0.000%	13.300%	0.000%	1.300%	0.000%	0.000%	0.000%	9.000%	0.000%	0.100%	33.400%	0.000%	0.000%	4.200%	0.000%	9.400%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	4.100%	0.000%	0.000%	0.000%	0.000%	100.000%
EBIT								0				3,201,547						4,499,877	310,129		0	0		2,175,540			0	2,540,674	397,525	10,257,706				0		0	23,382,998
Gross Plant								33,305				37,467,779						44,892,273	103,966		22,864,909	0		55,557,169			4,075,689	19,503,635	35,143,254	136,519,588				0		0	356,161,587
Employees (payroll)								0				804,367						4,334,081	73,670		0	0		3,268,175			220,972	811,745	3,673,701	12,905,825				0		0	26,092,536
% to Sub-total	rounding factor	3																																			
% of total EBIT			33.3334%					0.000%				13.692%						19.244%	1.326%		0.000%	0.000%		9.304%			0.000%	10.865%	1.700%	43.868%				0.000%		0.000%	100.000%
% of total Gross Plant			33.3333%					0.009%				10.520%						12.604%	0.029%		6.420%	0.000%		15.599%			1.144%	5.476%	9.867%	38.331%				0.000%		0.000%	100.000%
% of total PY (excl COS)			33.3333%					0.000%				3.083%						16.610%	0.282%		0.000%	0.000%		12.525%			0.847%	3.111%	14.080%	49.462%				0.000%		0.000%	100.000%
Subtotal	Max for rnd calc	43.90%	100%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	9.100%	0.000%	0.000%	0.000%	0.000%	0.000%	16.200%	0.500%	0.000%	2.100%	0.000%	0.000%	12.500%	0.000%	0.000%	0.700%	6.500%	8.500%	43.900%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	100.000%
	rounding	0.00%		0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
Distrigas-				0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	9.100%	0.000%	0.000%	0.000%	0.000%	0.000%	16.200%	0.500%	0.000%	2.100%	0.000%	0.000%	12.500%	0.000%	0.000%	0.700%	6.500%	8.500%	43.900%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	100.000%
EBIT								0													0	0		2,175,540			0							0		0	2,175,540
Gross Plant								33,305													22,864,909	0		55,557,169			4,075,689							0		0	82,531,092
Employees (payroll)								0													0	0		3,268,175			220,972							0		0	3,489,147
% to Sub-total	rounding factor	3																																			
% of total EBIT			33.3334%					0.000%													0.000%	0.000%		100.000%			0.000%							0.000%		0.000%	100.000%
% of total Gross Plant			33.3333%					0.040%													27.705%	0.000%		67.317%			4.938%							0.000%		0.000%	100.000%
% of total PY (excl COS)			33.3333%					0.000%													0.000%	0.000%		93.667%			6.333%							0.000%		0.000%	100.000%
Subtotal	Max for rnd calc	87.00%	100%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	9.200%	0.000%	0.000%	87.000%	0.000%	0.000%	3.800%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	100.000%
	rounding	0.00%		0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
Distrigas-				0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	9.200%	0.000%	0.000%	87.000%	0.000%	0.000%	3.800%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	100.000%
	was being used for MK710 ... changing to PROPANE ONLY (7.21.22 agm per discussion w/Shane)																																				
EBIT				6,060,505				0				3,201,547						4,499,877	310,129			0		2,175,540			0	2,540,674	397,525	10,257,706				0		0	29,443,503
Gross Plant				139,364,105				33,305				37,467,779						44,892,273	103,966			0		55,557,169			4,075,689	19,503,635	35,143,254	136,519,588				0		0	472,660,783
Employees (payroll)				4,516,842				0				804,367						4,334,081	73,670			0		3,268,175			220,972	811,745	3,673,701	12,905,825				0		0	30,609,378
% to Sub-total	rounding factor	3																																			
% of total EBIT			33.3334%	20.584%				0.000%				10.874%						15.283%	1.053%			0.000%		7.389%			0.000%	8.629%	1.350%	34.839%				0.000%		0.000%	100.000%
% of total Gross Plant			33.3333%	29.485%				0.007%				7.927%						9.498%	0.022%			0.000%		11.754%			0.862%	4.126%	7.435%	28.883%				0.000%		0.000%	100.000%
% of total PY (excl COS)			33.3333%	14.756%				0.000%				2.628%						14.159%	0.241%			0.000%		10.677%			0.722%	2.652%	12.002%	42.163%				0.000%		0.000%	100.000%
Subtotal	Max for rnd calc	35.30%	100%	21.600%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	7.100%	0.000%	0.000%	0.000%	0.000%	0.000%	13.000%	0.400%	0.000%	0.000%	0.000%	0.000%	9.900%	0.000%	0.000%	0.500%	5.100%	6.900%	35.300%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	99.800%
	rounding	0.20%		0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.200%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.200%
Distrigas-				21.600%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	7.100%	0.000%	0.000%	0.000%	0.000%	0.000%	13.000%	0.400%	0.000%	0.000%	0.000%	0.000%	9.900%	0.000%	0.000%	0.500%	5.100%	6.900%	35.500%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	100.000%
EBIT																		4,499,877											397,525	10,257,706				0		0	15,155,108
Gross Plant																		44,892,273											35,143,254	136,519,588				0		0	216,555,115
Employees (payroll)																		4,334,081											3,673,701	12,905,825				0		0	20,913,607
% to Sub-total	rounding factor	3																																			
% of total EBIT			33.3334%															29.692%											2.623%	67.685%				0.000%		0.000%	100.000%

FPSC EXH NO. 59

ADMITTED

E32

Chesapeake Utilities Corporation			Check:																									SC incl DP, MP & PP						related to Model_IO		related to Model_IO	
2024 Actuals (starting 2024 budget + City Gas changes + Dec Wgt Changes)			Check Cols Align:	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Modified Massachusetts Method (Distrigas) Allocation Method																																	Mirrors	Mirrors	Mirrors	Mirrors	
				[redacted]			REG	[redacted]								OTH	REG	[redacted]		REG	[redacted]																
Method/Other Descriptions	Year	Rnd/Max	%%%				CG									FC	FE			FN																	Total
% of total Gross Plant			33.33333%															20.730%												16.228%	63.041%				0.000%		0.000%	100.000%
% of total PY (excl COS)			33.33333%															20.724%												17.566%	61.710%				0.000%		0.000%	100.000%
Subtotal	Max for rnd calc	64.10%	100%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	23.700%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	12.100%	64.100%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	99.900%
	rounding	0.10%		0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.100%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.100%
Distrigas-				0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	23.700%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	12.100%	64.200%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	100.000%
EBIT				6,060,505	0	588,839	17,701,673				11,681,275		128,183		37,694,602		6,526,259			39,803,025			4,233,693		18,379,228							5,141,829	0	0	0	0	148,139,111
Gross Plant				139,364,105	0	6,374,011	750,654,845				286,399,164		28,322,020		704,642,655		226,112,382			718,009,814			99,282,834		185,642,040							69,976,775	0	0	0	0	3,214,760,645
Employees (payroll)				4,516,842	0	21,010	13,885,364				8,586,254		1,286,501		6,815,321		5,783,989			16,410,098			2,314,599		1,338,369							2,360,526	0	0	0	0	63,318,873
% to Sub-total	rounding factor	3																																			
% of total EBIT			33.33334%	4.091%	0.000%	0.397%	11.949%				7.855%		0.087%		25.560%		4.405%			26.869%			2.858%		12.407%							3.471%	0.000%	0.000%	0.000%	0.000%	100.000%
% of total Gross Plant			33.33333%	4.335%	0.000%	0.198%	23.350%				8.909%		0.881%		21.919%		7.034%			22.335%			3.088%		5.775%							2.177%	0.000%	0.000%	0.000%	0.000%	100.000%
% of total PY (excl COS)			33.33333%	7.133%	0.000%	0.033%	21.929%				13.560%		2.032%		10.763%		9.135%			25.917%			3.655%		2.114%							3.726%	0.000%	0.000%	0.000%	0.000%	100.000%
Subtotal	Max for rnd calc	25.00%	100%	5.200%	0.000%	0.200%	19.100%	0.000%	0.000%	0.000%	10.100%	0.000%	1.000%	0.000%	19.400%	0.000%	6.900%	0.000%	0.000%	25.000%	0.000%	0.000%	3.200%	0.000%	6.800%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	3.100%	0.000%	0.000%	0.000%	0.000%	100.000%
	rounding	0.00%		0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
Distrigas-				5.200%	0.000%	0.200%	19.100%	0.000%	0.000%	0.000%	10.100%	0.000%	1.000%	0.000%	19.400%	0.000%	6.900%	0.000%	0.000%	25.000%	0.000%	0.000%	3.200%	0.000%	6.800%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	3.100%	0.000%	0.000%	0.000%	0.000%	100.000%
EBIT						588,839	17,701,673				11,681,275		128,183		37,694,602		6,526,259			39,803,025			4,233,693		18,379,228							5,141,829	0	0	0	0	142,078,606
Gross Plant						6,374,011	750,654,845				286,399,164		28,322,020		704,642,655		226,112,382			718,009,814			99,282,834		185,642,040							69,976,775	0	0	0	0	3,075,416,540
Employees (payroll)						21,010	13,885,364				8,586,254		1,286,501		6,815,321		5,783,989			16,410,098			2,314,599		1,338,369							2,360,526	0	0	0	0	58,802,031
% to Sub-total	rounding factor	3																																			
% of total EBIT			33.33334%			0.414%	12.459%				8.222%		0.090%		26.672%		4.593%			28.015%			2.980%		12.936%							3.619%	0.000%	0.000%	0.000%	0.000%	100.000%
% of total Gross Plant			33.33333%			0.207%	24.408%				9.313%		0.921%		22.912%		7.352%			23.347%			3.228%		6.036%							2.275%	0.000%	0.000%	0.000%	0.000%	100.000%
% of total PY (excl COS)			33.33333%			0.036%	23.614%				14.602%		2.185%		11.590%		9.836%			27.907%			3.936%		2.276%							4.014%	0.000%	0.000%	0.000%	0.000%	100.000%
Subtotal	Max for rnd calc	26.40%	100%	0.000%	0.000%	0.200%	20.200%	0.000%	0.000%	0.000%	10.700%	0.000%	1.100%	0.000%	20.400%	0.000%	7.300%	0.000%	0.000%	26.400%	0.000%	0.000%	3.400%	0.000%	7.100%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	3.300%	0.000%	0.000%	0.000%	0.000%	100.100%
	rounding	-0.10%		0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	-0.100%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	-0.100%
Distrigas-				0.000%	0.000%	0.200%	20.200%	0.000%	0.000%	0.000%	10.700%	0.000%	1.100%	0.000%	20.400%	0.000%	7.300%	0.000%	0.000%	26.300%	0.000%	0.000%	3.400%	0.000%	7.100%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	3.300%	0.000%	0.000%	0.000%	0.000%	100.000%
EBIT						588,839	17,701,673				11,681,275		128,183		37,694,602		6,526,259			39,803,025			4,233,693		18,379,228							5,141,829	0	0	0	0	142,078,606
Gross Plant						6,374,011	750,654,845				286,399,164		28,322,020		704,642,655		226,112,382			718,009,814			99,282,834		185,642,040							69,976,775	0	0	0	0	3,075,416,540
Employees (payroll)						21,010	13,885,364				8,586,254		1,286,501		6,815,321		5,783,989			16,410,098			2,314,599		1,338,369							2,360,526	0	0	0	0	58,802,031
% to Sub-total	rounding factor	3																																			
% of total EBIT			33.33334%			0.414%	12.459%				8.222%		0.090%		26.672%		4.593%			28.015%			2.980%		12.936%							3.619%	0.000%	0.000%	0.000%	0.000%	100.000%
% of total Gross Plant			33.33333%			0.207%	24.408%				9.313%		0.921%		22.912%		7.352%			23.347%			3.228%		6.036%							2.275%	0.000%	0.000%	0.000%	0.000%	100.000%
% of total PY (excl COS)			33.33333%			0.036%	23.614%				14.602%		2.185%		11.590%		9.836%			27.907%			3.936%		2.276%							4.014%	0.000%	0.000%	0.000%	0.000%	100.000%
Subtotal	Max for rnd calc	26.40%	100%	0.000%	0.000%	0.200%	20.200%	0.000%	0.000%	0.000%	10.700%	0.000%	1.100%	0.000%	20.400%	0.000%	7.300%	0.000%	0.000%	26.400%	0.000%	0.000%	3.400%	0.000%	7.100%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	3.300%	0.000%	0.000%	0.000%	0.000%	100.100%
	rounding	-0.10%		0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	-0.100%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	-0.100%
Distrigas-				0.000%	0.000%	0.200%	20.200%	0.000%	0.000%	0.000%	10.700%	0.000%	1.100%	0.000%	20.400%	0.000%	7.300%	0.000%	0.000%	26.300%	0.000%	0.000%	3.400%	0.000%	7.100%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	3.300%	0.000%	0.000%	0.000%	0.000%	100.000%
EBIT				6,060,505		588,839	17,701,673				11,681,275		128,183		37,694,602					39,803,025			4,233,693		18,379,228							5,141,829	0	0	0	0	141,612,852
Gross Plant				139,364,105		6,374,011	750,654,845				286,399,164		28,322,020		704,642,655					718,009,814			99,282,834		185,642,040							69,976,775	0	0	0	0	2,983,668,263
Employees (payroll)				4,516,842		21,010	13,885,364				8,586,254		1,286,501		6,815,321					16,410,098			2,314,599		1,338,369							2,360,526	0	0	0	0	57,534,855
% to Sub-total	rounding factor	3																																			
% of total EBIT			33.33334%	4.260%		0.416%	12.500%				8.249%		0.091%		26.759%					28.107%			2.990%		12.979%							3.631%	0.000%	0.000%	0.000%	0.000%	100.000%
% of total Gross Plant			33.33333%	4.663%		0.213%	25.117%				9.583%		0.945%		23.577%					24.024%			3.322%		6.212%							2.341%	0.000%	0.000%	0.000%	0.000%	100.000%
% of total PY (excl COS)			33.33333%	7.851%		0.037%	24.134%				14.924%		2.236%		11.846%					28.522%			4.023%		2.326%							4.103%	0.000%	0.000%	0.000%	0.000%	100.000%
Subtotal	Max for rnd calc	26.90%	100%	5.600%	0.000%	0.200%	20.600%	0.000%	0.000%	0.000%	10.900%	0.000%	1.100%	0.000%	20.700%	0.000%	0.000%	0.000%	0.000%	26.900%	0.000%	0.000%	3.400%	0.000%	7.200%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	3.400%	0.000%	0.000%	0.000%	0.000%	100.000%
	rounding	0.00%		0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
Distrigas-				5.600%	0.000%	0.200%	20.600%	0.000%	0.000%	0.000%	10.900%	0.000%	1.100%	0.000%	20.700%	0.000%	0.000%	0.000%	0.000%	26.900%	0.000%	0.000%	3.400%	0.000%	7.200%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	3.400%	0.000%	0.000%	0.000%	0.000%	100.000%
EBIT							17,701,673				11,681,275		128,183							39,803,025			4,233,693									5,141,829	0	0		0	78,669,678
Gross Plant							750,654,845				286,399,164		28,322,020							718,009,814			99,282,834									69,976,775	0	0		0	1,952,645,452
Employees (payroll)							13,885,364				8,586,254		1,286,501							16,410,098			2,314,599									2,360,526	0	0		0	44,843,342
% to Sub-total	rounding factor	3																																			
% of total EBIT			33.33334%				22.496%				14.845%		0.163%							50.582%			5.380%									6.534%	0.000%	0.000%		0.000%	100.000%
% of total Gross Plant			33.33333%				38.443%				14.667%		1.450%							36.771%			5.085%									3.584%	0.000%	0.000%		0.000%	100.000%
% of total PY (excl COS)			33.33333%				30.964%				19.147%		2.869%							36.594%			5.162%									5.264%	0.000%	0.000%		0.000%	100.000%
Subtotal	Max for rnd calc	41.30%	100%	0.000%	0.000%	0.000%	30.600%	0.000%	0.000%	0.000%	16.200%	0.000%	1.500%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	41.300%	0.000%	0.000%	5.200%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	5.100%	0.000%	0.000%	0.000%	0.000%	99.900%
	rounding	0.10%		0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.100%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.100%
Distrigas-				0.000%	0.000%	0.000%	30.600%	0.000%	0.000%	0.000%	16.200%	0.000%	1.500%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	41.400%	0.000%	0.000%	5.200%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	5.100%	0.000%	0.000%	0.000%	0.000%	100.000%
	w/p - agm 5.16.23																																				
EBIT													128,183										4,233,693									5,141,829	0	0		0	9,503,705
Gross Plant													28,322,020										99,282,834									69,976,775	0	0		0	197,581,629
Employees (payroll)													1,286,501										2,314,599									2,360,526	0	0		0	5,961,625
% to Sub-total	rounding factor	3																																			
% of total EBIT			33.33334%										1.349%										44.548%									54.103%	0.000%	0.000%		0.000%	100.000%
% of total Gross Plant			33.33333%										14.334%										50.249%									35.417%	0.000%	0.000%		0.000%	100.000%
% of total PY (excl COS)			33.33333%										21.580%										38.825%									39.595%	0.000%	0.000%		0.000%	100.000%
Subtotal	Max for rnd calc	44.50%	100%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	12.400%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	44.500%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	43.000%	0.000%	0.000%	0.000%	0.000%	99.900%
	rounding	0.10%		0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.100%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.100%
Distrigas-				0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	12.400%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	44.600%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	43.000%	0.000%	0.000%	0.000%	0.000%	100.000%
EBIT							17,701,673				11,681,275		128,183							39,803,025			4,233,693									5,141,829	0	0		0	78,669,678
Gross Plant							750,654,845				286,399,164		28,322,020							718,009,814			99,282,834									69,976,775	0	0		0	1,952,645,452
Employees (payroll)							13,885,364				8,586,254		1,286,501							16,410,098			2,314,599									2,360,526	0	0		0	44,843,342
% to Sub-total	rounding factor	3																																			
% of total EBIT			33.33334%				22.496%				14.845%		0.163%							50.582%			5.380%									6.534%	0.000%	0.000%		0.000%	100.000%
% of total Gross Plant			33.33333%				38.443%				14.667%		1.450%							36.771%			5.085%									3.584%	0.000%	0.000%		0.000%	100.000%
% of total PY (excl COS)			33.33333%				30.964%				19.147%		2.869%							36.594%			5.162%									5.264%	0.000%	0.000%		0.000%	100.000%
Subtotal	Max for rnd calc	41.30%	100%	0.000%	0.000%	0.000%	30.600%	0.000%	0.000%	0.000%	16.200%	0.000%	1.500%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	41.300%	0.000%	0.000%	5.200%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	5.100%	0.000%	0.000%	0.000%	0.000%	99.900%
	rounding	0.10%		0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.100%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.100%
Distrigas-				0.000%	0.000%	0.000%	30.600%	0.000%	0.000%	0.000%	16.200%	0.000%	1.500%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	41.400%	0.000%	0.000%	5.200%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	5.100%	0.000%	0.000%	0.000%	0.000%	100.000%

E32

FPSC EXH NO. 59

ADMITTED

E33

Chesapeake Utilities Corporation			Check:																									SC incl DP, MP & PP					related to Model_IO		related to Model_IO		
2024 Actuals (starting 2024 budget + City Gas changes + Dec Wgt Changes)			Check Cols Align:	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Modified Massachusetts Method (Distrigas) Allocation Method																																	Mirrors	Mirrors	Mirrors	Mirrors	
				[redacted]			REG CG	[redacted]								OTH FC	REG FE	[redacted]		REG FN	[redacted]																
Method/Other Descriptions	Year	Rnd/Max	%%%																																		Total
EBIT							17,701,673				11,681,275		128,183							39,603,025			4,233,693		18,379,228							5,141,829	0	0	0	0	97,068,906
Gross Plant							750,654,845				286,399,164		28,322,020							718,009,814			99,282,834		185,642,040							69,976,775	0	0	0	0	2,138,287,432
Employees (payroll)							13,885,364				8,586,254		1,286,501							16,410,098			2,314,599		1,338,369							2,360,526	0	0	0	0	46,181,711
% to Sub-total	rounding factor	3																																			
% of total EBIT			33.33334%				18.236%				12.034%		0.132%							41.005%			4.362%		18.934%							5.297%	0.000%	0.000%	0.000%	0.000%	100.000%
% of total Gross Plant			33.33333%				35.105%				13.394%		1.325%							33.579%			4.643%		8.682%							3.273%	0.000%	0.000%	0.000%	0.000%	100.000%
% of total PY (excl COS)			33.33333%				30.067%				18.592%		2.786%							35.534%			5.012%		2.898%							5.111%	0.000%	0.000%	0.000%	0.000%	100.000%
Subtotal	Max for rnd calc	36.70%	100%	0.000%	0.000%	0.000%	27.800%	0.000%	0.000%	0.000%	14.700%	0.000%	1.400%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	36.700%	0.000%	0.000%	4.700%	0.000%	10.200%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	4.600%	0.000%	0.000%	0.000%	0.000%	100.100%
	rounding	-0.10%		0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	-0.100%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	-0.100%
Distrigas-				0.000%	0.000%	0.000%	27.800%	0.000%	0.000%	0.000%	14.700%	0.000%	1.400%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	36.600%	0.000%	0.000%	4.700%	0.000%	10.200%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	4.600%	0.000%	0.000%	0.000%	0.000%	100.000%
EBIT							17,701,673													39,603,025					18,379,228								0	0	0	0	75,683,926
Gross Plant							750,654,845													718,009,814					185,642,040								0	0	0	0	1,654,306,699
Employees (payroll)							13,885,364													16,410,098					1,338,369								0	0	0	0	31,633,832
% to Sub-total	rounding factor	3																																			
% of total EBIT			33.33334%				23.327%													52.453%					24.220%								0.000%	0.000%	0.000%	0.000%	100.000%
% of total Gross Plant			33.33333%				45.376%													43.402%					11.222%								0.000%	0.000%	0.000%	0.000%	100.000%
% of total PY (excl COS)			33.33333%				43.894%													51.875%					4.231%								0.000%	0.000%	0.000%	0.000%	100.000%
Subtotal	Max for rnd calc	49.20%	100%	0.000%	0.000%	0.000%	37.500%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	49.200%	0.000%	0.000%	0.000%	0.000%	13.200%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	99.900%
	rounding	0.10%		0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.100%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.100%
Distrigas-				0.000%	0.000%	0.000%	37.500%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	49.300%	0.000%	0.000%	0.000%	0.000%	13.200%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	100.000%
EBIT				6,060,505			17,701,673				11,681,275		128,183					4,499,877		39,603,025			4,233,693					2,540,674	397,525	10,257,706		5,141,829	0	0		0	102,445,965
Gross Plant				139,364,105			750,654,845				286,399,164		28,322,020					44,892,273		718,009,814			99,282,834					19,503,635	35,143,254	136,519,588		69,976,775	0	0		0	2,328,068,307
Employees (payroll)				4,516,842			13,885,364				8,586,254		1,286,501					4,334,081		16,410,098			2,314,599					811,745	3,673,701	12,905,825		2,360,526	0	0		0	71,065,536
% to Sub-total	rounding factor	3																																			
% of total EBIT			33.33334%	5.916%			17.279%				11.402%		0.125%					4.392%		38.633%			4.133%					2.480%	0.388%	10.013%		5.019%	0.000%	0.000%		0.000%	100.000%
% of total Gross Plant			33.33333%	5.986%			32.244%				12.302%		1.217%					1.928%		30.841%			4.265%					0.838%	1.510%	5.864%		3.006%	0.000%	0.000%		0.000%	100.000%
% of total PY (excl COS)			33.33333%	6.354%			19.533%				12.079%		1.810%					6.097%		23.085%			3.256%					1.142%	5.168%	18.155%		3.321%	0.000%	0.000%		0.000%	100.000%
Subtotal	Max for rnd calc	30.90%	100%	6.100%	0.000%	0.000%	23.000%	0.000%	0.000%	0.000%	11.900%	0.000%	1.100%	0.000%	0.000%	0.000%	0.000%	4.100%	0.000%	30.900%	0.000%	0.000%	3.900%	0.000%	0.000%	0.000%	0.000%	1.500%	2.400%	11.300%	0.000%	3.800%	0.000%	0.000%	0.000%	0.000%	100.000%
	rounding	0.00%		0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
Distrigas-				6.100%	0.000%	0.000%	23.000%	0.000%	0.000%	0.000%	11.900%	0.000%	1.100%	0.000%	0.000%	0.000%	0.000%	4.100%	0.000%	30.900%	0.000%	0.000%	3.900%	0.000%	0.000%	0.000%	0.000%	1.500%	2.400%	11.300%	0.000%	3.800%	0.000%	0.000%	0.000%	0.000%	100.000%
EBIT				6,060,505			17,701,673				11,681,275		128,183				6,526,259			39,603,025			4,233,693									5,141,829	0	0		0	91,276,442
Gross Plant				139,364,105			750,654,845				286,399,164		28,322,020				226,112,382			718,009,814			99,282,834									69,976,775	0	0		0	2,318,121,939
Employees (payroll)				4,516,842			13,885,364				8,586,254		1,286,501				5,783,989			16,410,098			2,314,599									2,360,526	0	0		0	55,144,173
% to Sub-total	rounding factor	3																																			
% of total EBIT			33.33334%	6.640%			19.393%				12.798%		0.140%				7.150%			43.607%			4.638%									5.633%	0.000%	0.000%		0.000%	100.000%
% of total Gross Plant			33.33333%	6.012%			32.382%				12.355%		1.222%				9.754%			30.974%			4.283%									3.019%	0.000%	0.000%		0.000%	100.000%
% of total PY (excl COS)			33.33333%	8.191%			25.160%				15.571%		2.333%				10.489%			29.759%			4.197%									4.281%	0.000%	0.000%		0.000%	100.000%
Subtotal	Max for rnd calc	34.80%	100%	6.900%	0.000%	0.000%	25.700%	0.000%	0.000%	0.000%	13.600%	0.000%	1.200%	0.000%	0.000%	0.000%	9.100%	0.000%	0.000%	34.800%	0.000%	0.000%	4.400%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	4.300%	0.000%	0.000%	0.000%	0.000%	100.000%
	rounding	0.00%		0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
Distrigas-				6.900%	0.000%	0.000%	25.700%	0.000%	0.000%	0.000%	13.600%	0.000%	1.200%	0.000%	0.000%	0.000%	9.100%	0.000%	0.000%	34.800%	0.000%	0.000%	4.400%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	4.300%	0.000%	0.000%	0.000%	0.000%	100.000%
EBIT				6,060,505		588,839									37,694,602										18,379,228									0	0	0	62,923,174
Gross Plant				139,364,105		6,374,011									704,642,655										185,642,040									0	0	0	1,036,022,811
Employees (payroll)				4,516,842		21,010									6,815,321										1,338,369									0	0	0	12,691,543
% to Sub-total	rounding factor	2																																			
% of total EBIT			33.33334%	9.632%		0.936%									60.224%										29.209%									0.000%	0.000%	0.000%	100.000%
% of total Gross Plant			33.33333%	13.452%		0.615%									68.014%										17.919%									0.000%	0.000%	0.000%	100.000%
% of total PY (excl COS)			33.33333%	35.589%		0.166%									53.700%										10.545%									0.000%	0.000%	0.000%	100.000%
Subtotal	Max for rnd calc	61.00%	100%	20.000%	0.000%	1.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	61.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	19.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	101.000%
	rounding	-1.00%		0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	-1.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	-1.000%
Distrigas-				20.000%	0.000%	1.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	60.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	19.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	100.000%
EBIT															37,694,602										18,379,228									0	0	0	56,273,830
Gross Plant															704,642,655										185,642,040									0	0	0	690,284,695
Employees (payroll)															6,815,321										1,338,369									0	0	0	8,153,690
% to Sub-total	rounding factor	2																																			
% of total EBIT			33.33334%												67.340%										32.660%									0.000%	0.000%	0.000%	100.000%
% of total Gross Plant			33.33333%												79.148%										20.852%									0.000%	0.000%	0.000%	100.000%
% of total PY (excl COS)			33.33333%												83.586%										16.414%									0.000%	0.000%	0.000%	100.000%
Subtotal	Max for rnd calc	77.00%	100%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	77.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	23.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	100.000%
	rounding	0.00%		0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
Distrigas-				0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	77.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	23.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	100.000%
EBIT						588,839									37,694,602										18,379,228									0	0	0	56,862,669
Gross Plant						6,374,011									704,642,655										185,642,040									0	0	0	696,658,706
Employees (payroll)						21,010									6,815,321										1,338,369									0	0	0	8,174,701
% to Sub-total	rounding factor	2																																			
% of total EBIT			33.33334%			1.036%									66.642%										32.322%									0.000%	0.000%	0.000%	100.000%
% of total Gross Plant			33.33333%			0.711%									78.555%										20.704%									0.000%	0.000%	0.000%	100.000%
% of total PY (excl COS)			33.33333%			0.257%									83.371%										16.372%									0.000%	0.000%	0.000%	100.000%
Subtotal	Max for rnd calc	76.00%	100%	0.000%	0.000%	1.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	76.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	23.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	100.000%
	rounding	0.00%		0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
Distrigas-				0.000%	0.000%	1.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	76.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	23.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	100.000%
EBIT											11,681,275		128,183										4,233,693									5,141,829	0	0		0 #	21,184,980
Gross Plant											286,399,164		28,322,020										99,282,834									69,976,775	0	0		0 #	483,980,793
Employees (payroll)											8,586,254		1,286,501										2,314,599									2,360,526	0	0		0 #	14,647,880
% to Sub-total	rounding factor	2																																			
% of total EBIT			33.33334%								55.139%		0.605%										19.984%									24.271%	0.000%	0.000%		0.000% #	100.000%
% of total Gross Plant			33.33333%								59.176%		5.852%										20.514%									14.459%	0.000%	0.000%		0.000% #	100.000%
% of total PY (excl COS)			33.33333%								69.021%		8.843%										15.910%									16.226%	0.000%	0.000%		0.000% #	100.000%

E33

FPSC EXH NO. 59

ADMITTED

E34

Chesapeake Utilities Corporation			Check:																									SC incl DP, MP & FP						related to Model_IO		related to Model_IO	
2024 Actuals (starting 2024 budget + City Gas changes + Dec Wgt Changes)			Check Calc Align	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Mod Fed Massachusetts Method (Distrigas) Allocation Method																																	Mirrors	Mirrors	Mirrors	Mirrors	
				[redacted]			REG CG	[redacted]								OTH FC	REG FE	[redacted]		REG FN	[redacted]																
Method/Other Descriptions	Year	Rnd/Max	%%%																																		Total
subtotal	Max for rnd calc	58.00%	100.0000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	58.000%	0.000%	5.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	19.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	18.000%	0.000%	0.000%	0.000%	0.000%	100.000%
	rounding	0.00%		0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
Distrigas-				0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	58.000%	0.000%	5.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	19.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	18.000%	0.000%	0.000%	0.000%	0.000%	100.000%
	MG110_EVENT	added CG - rename as needed 12.13.23																																			
EBIT							17,701,673													39,603,025					18,379,228									0	0	0	75,883,926
Gross Plant							750,654,845													718,009,814					185,642,040									0	0	0	1,654,306,699
Employees (payroll)							13,865,364													16,410,098					1,338,369									0	0	0	31,633,832
																																					0
% to Sub-total	rounding factor	3																																			0
% of total EBIT			33.33334%				23.327%													52.453%					24.220%									0.000%	0.000%	0.000%	100.000%
% of total Gross Plant			33.33333%				45.376%													43.402%					11.222%									0.000%	0.000%	0.000%	100.000%
% of total PY (excl COS)			33.33333%				43.694%													51.875%					4.231%									0.000%	0.000%	0.000%	100.000%
Subtotal	Max for rnd calc	49.20%	100%	0.000%	0.000%	0.000%	37.500%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	49.200%	0.000%	0.000%	0.000%	0.000%	13.200%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	99.900%
	rounding	0.10%		0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.100%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.100%
Distrigas-				0.000%	0.000%	0.000%	37.500%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	49.300%	0.000%	0.000%	0.000%	0.000%	13.200%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	100.000%
EBIT											11,681,275		128,183		37,694,602								4,233,693									5,141,829	0	0		0	59,079,582
Gross Plant											286,399,164		28,322,020		704,642,655								99,282,834									69,976,775	0	0		0	1,188,623,468
Employees (payroll)											8,586,254		1,286,501		6,815,321								2,314,599									2,360,526	0	0		0	21,363,201
% to Sub-total	rounding factor	3																																			
% of total EBIT			33.33334%								19.772%		0.217%		64.142%								7.166%									8.703%	0.000%	0.000%		0.000%	100.000%
% of total Gross Plant			33.33333%								24.095%		2.383%		59.282%								8.353%									5.887%	0.000%	0.000%		0.000%	100.000%
% of total PY (excl COS)			33.33333%								40.192%		6.022%		31.902%								10.835%									11.049%	0.000%	0.000%		0.000%	100.000%
Subtotal	Max for rnd calc	51.80%	100%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	28.000%	0.000%	2.900%	0.000%	51.800%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	8.800%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	8.500%	0.000%	0.000%	0.000%	0.000%	100.000%
	rounding	0.00%		0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
Distrigas-				0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	28.000%	0.000%	2.900%	0.000%	51.800%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	8.800%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	8.500%	0.000%	0.000%	0.000%	0.000%	100.000%
EBIT				6,060,505	0	588,839	17,701,673	0			11,681,275	3,201,547	128,183		37,694,602							0	4,233,693	2,175,540	18,379,228		0	2,540,674	397,525	10,257,706		5,141,829	0	0	0	0	120,332,819
Gross Plant				139,364,105	0	6,374,011	750,654,845	33,305			286,399,164	37,467,779	28,322,020		704,642,655							0	99,282,834	55,557,169	185,642,040		4,075,689	19,503,635	35,143,254	136,519,588		69,976,775	0	0	0	0	2,558,958,883
Employees (payroll)				4,516,842	0	21,010	13,865,364	0			8,586,254	804,367	1,286,501		6,815,321							0	2,314,599	3,268,175	1,338,369		220,972	811,745	3,673,701	12,905,825		2,360,526	0	0	0	0	62,609,571
% to Sub-total	rounding factor	3																																			
% of total EBIT			33.33334%	5.034%	0.000%	0.489%	14.704%	0.000%			9.703%	2.659%	0.106%		31.476%							0.000%	3.517%	1.807%	15.267%		0.000%	2.110%	0.330%	8.521%		4.271%	0.000%	0.000%	0.000%	0.000%	100.000%
% of total Gross Plant			33.33333%	5.446%	0.000%	0.249%	29.334%	0.001%			11.192%	1.464%	1.107%		27.536%							0.000%	3.880%	2.171%	7.255%		0.159%	0.762%	1.373%	5.335%		2.735%	0.000%	0.000%	0.000%	0.000%	100.000%
% of total PY (excl COS)			33.33333%	7.191%	0.000%	0.033%	22.107%	0.000%			13.670%	1.281%	2.048%		10.851%							0.000%	3.685%	5.203%	2.131%		0.352%	1.292%	5.849%	20.545%		3.758%	0.000%	0.000%	0.000%	0.000%	100.000%
Subtotal	Max for rnd calc	23.30%	100%	5.900%	0.000%	0.300%	22.000%	0.000%	0.000%	0.000%	11.500%	1.800%	1.100%	0.000%	23.300%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	3.700%	3.100%	8.200%	0.000%	0.200%	1.400%	2.500%	11.500%	0.000%	3.600%	0.000%	0.000%	0.000%	0.000%	100.100%
	rounding	-0.10%		0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	-0.100%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	-0.100%
Distrigas-				5.900%	0.000%	0.300%	22.000%	0.000%	0.000%	0.000%	11.500%	1.800%	1.100%	0.000%	23.200%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	3.700%	3.100%	8.200%	0.000%	0.200%	1.400%	2.500%	11.500%	0.000%	3.600%	0.000%	0.000%	0.000%	0.000%	100.000%
EBIT				6,060,505	0	588,839	17,701,673	0			11,681,275	3,201,547	128,183				6,526,259	4,499,877	310,129	39,603,025	0	0	4,233,693	2,175,540	18,379,228		0	2,540,674	397,525	10,257,706		5,141,829	0	0	0	0	133,627,507
Gross Plant				139,364,105	0	6,374,011	750,654,845	33,305			286,399,164	37,467,779	28,322,020				226,112,382	44,692,273	103,966	718,009,814	22,864,909	0	99,282,834	55,557,169	185,642,040		4,075,689	19,503,635	35,143,254	136,519,588		69,976,775	0	0	0	0	2,866,299,577
Employees (payroll)				4,516,842	0	21,010	13,865,364	0			8,586,254	804,367	1,286,501				5,783,969	4,334,081	73,670	16,410,098	0	0	2,314,599	3,268,175	1,338,369		220,972	811,745	3,673,701	12,905,825		2,360,526	0	0	0	0	82,596,088
																																					0
% to Sub-total	rounding factor	3																																			0
% of total EBIT			33.33334%	4.535%	0.000%	0.441%	13.247%	0.000%			8.742%	2.396%	0.096%				4.884%	3.367%	0.232%	29.787%	0.000%	0.000%	3.168%	1.628%	13.754%		0.000%	1.901%	0.297%	7.676%		3.848%	0.000%	0.000%	0.000%	0.000%	100.000%
% of total Gross Plant			33.33333%	4.862%	0.000%	0.222%	26.189%	0.001%			9.992%	1.307%	0.988%				7.889%	1.566%	0.004%	25.050%	0.798%	0.000%	3.464%	1.938%	6.477%		0.142%	0.680%	1.226%	4.763%		2.441%	0.000%	0.000%	0.000%	0.000%	100.000%
% of total PY (excl COS)			33.33333%	5.459%	0.000%	0.025%	16.811%	0.000%			10.395%	0.974%	1.558%				7.003%	5.247%	0.089%	19.868%	0.000%	0.000%	2.802%	3.957%	1.620%		0.268%	0.983%	4.448%	15.625%		2.858%	0.000%	0.000%	0.000%	0.000%	100.000%
Subtotal	Max for rnd calc	24.90%	100%	5.000%	0.000%	0.200%	18.700%	0.000%	0.000%	0.000%	9.700%	1.600%	0.900%	0.000%	0.000%	0.000%	6.600%	3.400%	0.100%	24.900%	0.300%	0.000%	3.100%	2.500%	7.300%	0.000%	0.100%	1.200%	2.000%	9.400%	0.000%	3.000%	0.000%	0.000%	0.000%	0.000%	100.000%
	rounding	0.00%		0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
Distrigas-				5.000%	0.000%	0.200%	18.700%	0.000%	0.000%	0.000%	9.700%	1.600%	0.900%	0.000%	0.000%	0.000%	6.600%	3.400%	0.100%	24.900%	0.300%	0.000%	3.100%	2.500%	7.300%	0.000%	0.100%	1.200%	2.000%	9.400%	0.000%	3.000%	0.000%	0.000%	0.000%	0.000%	100.000%
														removed 1.23.19																	removed 1.23.19						
EBIT											11,681,275		128,183		37,694,602								4,233,693					2,540,674		10,257,706		5,141,829	0	0		0	71,877,962
Gross Plant											286,399,164		28,322,020		704,642,655								99,282,834					19,503,635		136,519,588		69,976,775	0	0		0	1,344,646,671
Employees (payroll)											8,586,254		1,286,501		6,815,321								2,314,599					811,745		12,905,825		2,360,526	0	0		0	35,080,770
																																					0
% to Sub-total	rounding factor	3																																			0
% of total EBIT			33.33334%								16.252%		0.178%		52.721%								5.890%					3.535%		14.271%		7.154%	0.000%	0.000%		0.000%	100.000%
% of total Gross Plant			33.33333%								21.299%		2.106%		52.404%								7.384%					1.450%		10.153%		5.204%	0.000%	0.000%		0.000%	100.000%
% of total PY (excl COS)			33.33333%								24.476%		3.667%		19.426%								6.598%					2.314%		36.769%		6.729%	0.000%	0.000%		0.000%	100.000%
Subtotal	Max for rnd calc	41.50%	100%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	20.700%	0.000%	2.000%	0.000%	41.500%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	6.600%	0.000%	0.000%	0.000%	0.000%	2.400%	0.000%	20.400%	0.000%	6.400%	0.000%	0.000%	0.000%	0.000%	100.000%
	rounding	0.00%		0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
Distrigas-				0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	20.700%	0.000%	2.000%	0.000%	41.500%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	6.600%	0.000%	0.000%	0.000%	0.000%	2.400%	0.000%	20.400%	0.000%	6.400%	0.000%	0.000%	0.000%	0.000%	100.000%
FL only (excl FC)																																					
EBIT					0							3,201,547					6,526,259	4,499,877	310,129	39,603,025	0			2,175,540	18,379,228									0	0	0	74,695,605
Gross Plant					0							37,467,779					226,112,382	44,692,273	103,966	718,009,814	22,864,909			55,557,169	185,642,040									0	0	0	1,290,650,352
Employees (payroll)					0							804,367					5,783,969	4,334,081	73,670	16,410,098	0			3,268,175	1,338,369									0	0	0	32,012,749
% to Sub-total	rounding factor	3																																			
% of total EBIT			33.33334%		0.000%		0.000%					4.275%					8.714%	6.008%	0.414%	53.145%	0.000%			2.905%	24.540%									0.000%	0.000%	0.000%	100.000%
% of total Gross Plant			33.33333%		0.000%		0.000%					2.903%					17.519%	3.476%	0.006%	55.632%	1.772%			4.305%	14.384%									0.000%	0.000%	0.000%	100.000%
% of total PY (excl COS)			33.33333%		0.000%		0.000%					2.513%					18.068%	13.539%	0.230%	51.261%	0.000%			10.209%	4.181%									0.000%	0.000%	0.000%	100.000%
Subtotal	Max for rnd calc	53.30%	100%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	3.200%	0.000%	0.000%	0.000%	0.000%	14.800%	7.700%	0.200%	53.300%	0.600%	0.000%	0.000%	5.800%	14.400%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	100.000%
	rounding	0.00%		0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
Distrigas-FL only (excl FC)				0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	3.200%	0.000%	0.000%	0.000%	0.000%	14.800%	7.700%	0.200%	53.300%	0.600%	0.000%	0.000%	5.800%	14.400%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	100.000%
EBIT							17,701,673										6,526,259			39,603,025														0		0	64,030,957
Gross Plant							750,654,845										226,112,382			718,009,814														0		0	1,694,777,041
Employees (payroll)							13,865,364										5,783,969			16,410,098														0		0	36,079,451
% to Sub-total	rounding factor	3																																			
% of total EBIT			33.33334%				27.645%										10.192%			62.162%														0.000%		0.000%	100.000%
% of total Gross Plant			33.33333%				44.292%										13.342%			42.366%														0.000%		0.000%	100.000%
% of total PY (excl COS)			33.33333%				38.456%										16.031%			45.483%														0.000%		0.000%	100.000%
Subtotal	Max for rnd calc	50.00%	100%	0.000%	0.000%	0.000%	36.800%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	13.200%	0.000%	0.000%	50.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	100.000%
	rounding	0.00%		0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
Distrigas-				0.000%	0.000%	0.000%	36.800%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	13.200%	0.000%	0.000%	50.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	100.000%
EBIT							17,701,673													39,603,025														0		0	57,504,698

E34

FPSC EXH NO. 59

ADMITTED

E35

Chesapeake Utilities Corporation			Check:																									SC incl DP, MP & FP						related to Model_IO		related to Model_IO		
2024 Actuals (starting 2024 budget + City Gas changes + Dec Wgt Changes)			Check Calc Align	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
Modified Massachusetts Method (Distrigas) Allocation Method																																	Mirrors	Mirrors	Mirrors	Mirrors		
				[redacted]			REG	[redacted]								OTH	REG	[redacted]		REG	[redacted]																	
Method/Other Descriptions	Year	Rnd/Max	%%%				CG									FC	FE			FN																	b)	Total
Gross Plant							750,654,845													718,009,814														0		0		1,468,664,659
Employees (payroll)							13,855,364													16,410,098														0		0		30,295,462
% to Sub-total	rounding factor	3																																				
% of total EBIT			33.33334%				30.783%													69.217%														0.000%		0.000%		100.000%
% of total Gross Plant			33.33333%				51.111%													48.889%														0.000%		0.000%		100.000%
% of total PY (excl COS)			33.33333%				45.833%													54.167%														0.000%		0.000%		100.000%
Subtotal	Max for rnd calc	57.40%	100%	0.000%	0.000%	0.000%	42.600%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	57.400%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%		100.000%
	rounding	0.00%		0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%		0.000%
Distrigas-				0.000%	0.000%	0.000%	42.600%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	57.400%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%		100.000%
EBIT																	6,526,259	4,499,877		39,603,025														0		0		50,829,161
Gross Plant																	226,112,382	44,692,273		718,009,814														0		0		969,014,469
Employees (payroll)																	5,783,989	4,334,081		16,410,098														0		0		26,528,168
% to Sub-total	rounding factor	3																																				
% of total EBIT			33.33334%														12.840%	8.853%		78.307%														0.000%		0.000%		100.000%
% of total Gross Plant			33.33333%														22.862%	4.539%		72.599%														0.000%		0.000%		100.000%
% of total PY (excl COS)			33.33333%														21.803%	16.338%		61.859%														0.000%		0.000%		100.000%
Subtotal	Max for rnd calc	70.90%	100%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	19.200%	9.900%	0.000%	70.900%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%		100.000%
	rounding	0.00%		0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%		0.000%
Distrigas-				0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	19.200%	9.900%	0.000%	70.900%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%		100.000%
	MG713_EVENT																																					
EBIT							17,701,673					3,201,547					6,526,259			39,603,025				2,175,540	18,379,228									0	0	0		87,787,272
Gross Plant							750,654,845					37,467,779					226,112,382			718,009,814				55,557,169	165,642,040									0	0	0		1,973,444,049
Employees (payroll)							13,855,364					804,367					5,783,989			16,410,098				3,268,175	1,338,369									0	0	0		41,490,362
% to Sub-total	rounding factor	2																																				
% of total EBIT			33.33334%				20.164%					3.647%					7.434%			45.340%				2.476%	20.936%									0.000%	0.000%	0.000%		100.000%
% of total Gross Plant			33.33333%				38.038%					1.899%					11.458%			36.384%				2.815%	9.407%									0.000%	0.000%	0.000%		100.000%
% of total PY (excl COS)			33.33333%				33.466%					1.939%					13.941%			39.552%				7.877%	3.226%									0.000%	0.000%	0.000%		100.000%
Subtotal	Max for rnd calc	40.00%	100%	0.000%	0.000%	0.000%	31.000%	0.000%	0.000%	0.000%	0.000%	2.000%	0.000%	0.000%	0.000%	0.000%	11.000%	0.000%	0.000%	40.000%	0.000%	0.000%	0.000%	4.000%	11.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%		99.000%
	rounding	1.00%		0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	1.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%		1.000%
Distrigas-				0.000%	0.000%	0.000%	31.000%	0.000%	0.000%	0.000%	0.000%	2.000%	0.000%	0.000%	0.000%	0.000%	11.000%	0.000%	0.000%	41.000%	0.000%	0.000%	0.000%	4.000%	11.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%		100.000%
Distrigas- Whole %	IT400				0		0.31					0.02					0.11	0	0	0.4	0			0.04	0.11									0	0			0.99
Max% (so rounding can be adj)			40%																																			

E35

FPSC EXH NO. 59

ADMITTED

E36

Chesapeake Utilities Corporation			Checks																									SC incl DP, MP & PP						related to Model_IO		related to Model_IO	
2024 Actuals (starting 2024 budget + City Gas changes + Dec Wgt Changes)			Check Calc Alloc	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Modified Massachusetts Method (Distrigas) Allocation Method							REG									OTH	REG			REG													Mirrors	Mirrors	Mirrors	Mirrors	
Method/Other Descriptions	Year	Rnd/Max	%%%	[redacted]			CG	[redacted]								FC	FE	[redacted]		FN	[redacted]																Total
EBIT					0												6,526,259	4,499,877	310,129	39,803,025	0													0		0	51,139,290
Gross Plant					0												226,112,382	44,692,273	103,966	718,009,814	22,864,909													0		0	1,011,983,344
Employees (payroll)					0												5,783,989	4,334,081	73,670	16,410,098	0													0		0	26,601,838
% to Sub-total	rounding factor	3																																			
% of total EBIT			33.3334%		0.000%												12.762%	8.799%	0.606%	77.833%	0.000%													0.000%		0.000%	100.000%
% of total Gross Plant			33.3333%		0.000%												22.343%	4.416%	0.010%	70.951%	2.259%													0.000%		0.000%	100.000%
% of total PY (excl COS)			33.3333%		0.000%												21.743%	16.292%	0.277%	61.688%	0.000%													0.000%		0.000%	100.000%
Subtotal	Max for rnd calc	70.20%	100%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	18.900%	9.800%	0.300%	70.200%	0.800%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	100.000%
	rounding	0.00%		0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
Distrigas-				0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	18.900%	9.800%	0.300%	70.200%	0.800%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	100.000%
EBIT				6,060,505		588,839	17,701,673				11,681,275	3,201,547	128,183		37,894,602								4,233,693					2,540,674	397,525	10,257,706		5,141,829	0	0		0	99,828,051
Gross Plant				139,364,105		6,374,011	750,654,845				286,399,164	37,467,779	28,322,020		704,642,655								99,282,834					19,503,635	35,143,254	136,519,588		69,976,775	0	0		0	2,313,650,665
Employees (payroll)				4,516,842		21,010	13,885,364				8,586,254	604,367	1,286,501		6,815,321								2,314,599					811,745	3,673,701	12,905,825		2,360,526	0	0		0	57,982,055
% to Sub-total	rounding factor	3																																			
% of total EBIT			33.3334%	6.071%		0.590%	17.732%				11.701%	3.207%	0.128%		37.960%								4.241%					2.545%	0.398%	10.275%		5.151%	0.000%	0.000%		0.000%	100.000%
% of total Gross Plant			33.3333%	6.024%		0.275%	32.445%				12.379%	1.619%	1.224%		30.456%								4.291%					0.843%	1.519%	5.901%		3.025%	0.000%	0.000%		0.000%	100.000%
% of total PY (excl COS)			33.3333%	7.790%		0.036%	23.946%				14.808%	1.387%	2.219%		11.754%								3.992%					1.400%	6.336%	22.258%		4.071%	0.000%	0.000%		0.000%	100.000%
Subtotal	Max for rnd calc	26.70%	100%	6.600%	0.000%	0.300%	24.700%	0.000%	0.000%	0.000%	13.000%	2.100%	1.200%	0.000%	26.700%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	4.200%	0.000%	0.000%	0.000%	0.000%	1.600%	2.800%	12.600%	0.000%	4.100%	0.000%	0.000%	0.000%	0.000%	100.100%
	rounding	-0.10%		0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	-0.100%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	-0.100%
Distrigas-				6.600%	0.000%	0.300%	24.700%	0.000%	0.000%	0.000%	13.000%	2.100%	1.200%	0.000%	26.600%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	4.200%	0.000%	0.000%	0.000%	0.000%	1.600%	2.800%	12.600%	0.000%	4.100%	0.000%	0.000%	0.000%	0.000%	100.000%
Insurance																																					
EBIT							17,701,673				11,681,275		128,183				6,526,259			39,803,025			4,233,693									5,141,829	0	0		0	65,215,937
Gross Plant							750,654,845				286,399,164		28,322,020				226,112,382			718,009,814			99,282,834									69,976,775	0	0		0	2,178,757,834
Employees (payroll)							13,885,364				8,586,254		1,286,501				5,783,989			16,410,098			2,314,599									2,360,526	0	0		0	50,627,330
% to Sub-total	rounding factor	3																																			
% of total EBIT			0.0000%				20.773%				13.708%		0.150%				7.658%			46.706%			4.968%									6.034%	0.000%	0.000%		0.000%	100.000%
% of total Gross Plant			0.0000%				34.453%				13.145%		1.300%				10.378%			32.955%			4.557%									3.212%	0.000%	0.000%		0.000%	100.000%
% of total PY (excl COS)			100.0000%				27.427%				16.960%		2.541%				11.425%			32.414%			4.572%									4.663%	0.000%	0.000%		0.000%	100.000%
Subtotal	Max for rnd calc	32.40%	100%	0.000%	0.000%	0.000%	27.400%	0.000%	0.000%	0.000%	17.000%	0.000%	2.500%	0.000%	0.000%	0.000%	11.400%	0.000%	0.000%	32.400%	0.000%	0.000%	4.600%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	4.700%	0.000%	0.000%	0.000%	0.000%	100.000%
	rounding	0.00%		0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
Distrigas-Insurance				0.000%	0.000%	0.000%	27.400%	0.000%	0.000%	0.000%	17.000%	0.000%	2.500%	0.000%	0.000%	0.000%	11.400%	0.000%	0.000%	32.400%	0.000%	0.000%	4.600%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	4.700%	0.000%	0.000%	0.000%	0.000%	100.000%
Insurance																																					
EBIT						588,839									37,894,602										18,379,228									0	0	0	56,862,669
Gross Plant						6,374,011									704,642,655										185,642,040									0	0	0	896,658,706
Employees (payroll)						21,010									6,815,321										1,338,369									0	0	0	8,174,701
% to Sub-total	rounding factor	3																																			
% of total EBIT			0.0000%			1.036%									66.642%										32.322%									0.000%	0.000%	0.000%	100.000%
% of total Gross Plant			0.0000%			0.711%									78.585%										20.704%									0.000%	0.000%	0.000%	100.000%
% of total PY (excl COS) ---			100.0000%			0.257%									83.371%										16.372%									0.000%	0.000%	0.000%	100.000%
Subtotal	Max for rnd calc	83.40%	100%	0.000%	0.000%	0.300%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	83.400%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	16.400%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	100.100%
	rounding	-0.10%		0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	-0.100%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	-0.100%
Distrigas-Insurance				0.000%	0.000%	0.300%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	83.300%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	16.400%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	100.000%
Insurance																																					
EBIT																		4,499,877	310,129									2,540,674	397,525	10,257,706				0		0	18,005,911
Gross Plant																		44,692,273	103,966									19,503,635	35,143,254	136,519,588				0		0	236,162,716
Employees (payroll)																		4,334,081	73,670									811,745	3,673,701	12,905,825				0		0	21,799,022
% to Sub-total	rounding factor	3																																			
% of total EBIT			0.0000%															24.991%	1.722%									14.110%	2.206%	56.969%				0.000%		0.000%	100.000%
% of total Gross Plant			0.0000%															19.009%	0.044%									8.259%	14.881%	57.807%				0.000%		0.000%	100.000%
% of total PY (excl COS)			100.0000%															19.882%	0.338%									3.724%	16.853%	59.204%				0.000%		0.000%	100.000%
Subtotal	Max for rnd calc	59.20%	100%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	19.900%	0.300%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	3.700%	16.900%	59.200%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	100.000%
	rounding	0.00%		0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
Distrigas-Insurance				0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	19.900%	0.300%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	3.700%	16.900%	59.200%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	100.000%
Insurance																																					
EBIT				6,060,505				0				3,201,547									0	0		2,175,540			0							0		0	11,437,592
Gross Plant				139,364,105				33,305				37,467,779									22,864,909	0		55,557,169			4,075,669							0		0	259,362,976
Employees (payroll)				4,516,842				0				604,367									0	0		3,268,175			220,972							0		0	8,810,356
% to Sub-total	rounding factor	3																																			
% of total EBIT			0.0000%	52.988%				0.000%				27.991%									0.000%	0.000%		19.021%			0.000%							0.000%		0.000%	100.000%
% of total Gross Plant			0.0000%	53.733%				0.013%				14.446%									8.816%	0.000%		21.421%			1.571%							0.000%		0.000%	100.000%
% of total PY (excl COS)			100.0000%	51.267%				0.000%				9.130%									0.000%	0.000%		37.095%			2.506%							0.000%		0.000%	100.000%
Subtotal	Max for rnd calc	51.30%	100%	51.300%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	9.100%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	37.100%	0.000%	0.000%	2.500%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	100.000%
	rounding	0.00%		0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
Distrigas-Insurance				51.300%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	9.100%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	37.100%	0.000%	0.000%	2.500%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	100.000%
Unreg Gen Liab Policy-Acct 7521 (2025/2026)				update as necessary ... check with T. Mahn																																	
EBIT				6,060,505	0			0				3,201,547						4,499,877			0	0		2,175,540	18,379,228		0	2,540,674	397,525	10,257,706				0		0	47,512,602
Gross Plant				139,364,105	0			33,305				37,467,779						44,692,273			22,864,909	0		55,557,169	185,642,040		4,075,669	19,503,635	35,143,254	136,519,588				0		0	681,063,766
Employees (payroll)				4,516,842	0			0				604,367						4,334,081			0	0		3,268,175	1,338,369		220,972	811,745	3,673,701	12,905,825				0		0	31,874,078
% to Sub-total	rounding factor	3																																			
% of total EBIT			0.0000%	12.756%	0.000%			0.000%				6.738%						9.471%			0.000%	0.000%		4.579%	38.683%		0.000%	5.347%	0.837%	21.589%				0.000%		0.000%	100.000%
% of total Gross Plant			0.0000%	20.463%	0.000%			0.005%				5.501%						6.591%			3.357%	0.000%		8.157%	27.258%		0.598%	2.864%	5.160%	20.045%				0.000%		0.000%	100.000%
% of total PY (excl COS)			100.0000%	14.171%	0.000%			0.000%				2.524%						13.598%			0.000%	0.000%		10.253%	4.199%		0.693%	2.547%	11.526%	40.490%				0.000%		0.000%	100.000%
Subtotal	Max for rnd calc	40.50%	100%	14.200%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	2.500%	0.000%	0.000%	0.000%	0.000%	0.000%	13.600%	0.000%	0.000%	0.000%	0.000%	0.000%	10.300%	4.200%	0.000%	0.700%	2.500%	11.500%	40.500%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	100.000%
	rounding	0.00%		0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
Distrigas-Unreg Gen Liab Policy-Acct 7521 (2025/2026)				14.200%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	2.500%	0.000%	0.000%	0.000%	0.000%	0.000%	13.600%	0.000%	0.000%	0.000%	0.000%	0.000%	10.300%	4.200%	0.000%	0.700%	2.500%	11.500%	40.500%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	100.000%
Excess/Umbrella Policy-Acct 7522 (2025/2026)				update as necessary ... check with T. Mahn																																	
EBIT				6,060,505	0	588,839	17,701,673	0			11,681,275	3,201,547	128,183		37,894,602		6,526,259	4,499,877	310,129	39,803,025	0	0	4,233,693	2,175,540	18,379,228		0	2,540,674	397,525	10,257,706		5,141,829	0	0	0	0	171,522,109
Gross Plant				139,364,105	0	6,374,011	750,654,845	33,305			286,399,164	37,467,779	28,322,020		704,642,655		226,112,382	44,692,273	103,966	718,009,814	22,864,909	0	99,282,834	55,557,169	185,642,040		4,075,669	19,503,635	35,143,254	136,519,588		69,976,775	0	0	0	0	3,570,942,232
Employees (payroll)				4,516,842	0	21,010	13,885,364	0			8,586,254	604,367	1,286,501		6,815,321		5,783,989	4,334,081	73,670	16,410,098	0	0	2,314,599	3,268,175	1,338,369		220,972	811,745	3,673,701	12,905,825		2,360,526	0	0	0	0	89,411,409
% to Sub-total	rounding factor	3																																			
% of total EBIT			33.3334%	3.533%	0.000%	0.343%	10.320%	0.000%			6.810%	1.867%	0.075%		22.093%		3.805%	2.623%	0.181%	23.206%	0.000%	0.000%	2.468%	1.268%	10.715%		0.000%	1.481%	0.232%	5.980%		2.998%	0.000%	0.000%	0.000%	0.000%	100.000%
% of total Gross Plant			33.3333%	3.903%	0.000%	0.178%	21.021%	0.001%			8.020%	1.049%	0.793%		19.733%		6.332%	1.257%	0.003%	20.107%	0.640%	0.000%	2.780%	1.556%	5.199%		0.114%	0.546%	0.984%	3.823%		1.960%	0.000%	0.000%	0.000%	0.000%	100.000%

E36

FPSC EXH NO. 59

ADMITTED

Chesapeake Utilities Corporation			Check:																									SC incl DP, MP & FP						related to Model_IO		related to Model_IO		
2024 Actuals (starting 2024 budget + City Gas changes + Dec Wgt Changes)			Check Cols Align	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
Modified Massachusetts Method (Distrigas) Allocation Method																																	Mirrors	Mirrors	Mirrors	Mirrors		
				[redacted]			REG	[redacted]								OTH	REG	[redacted]		REG	[redacted]																	
Method/Other Descriptions	Year	Rnd/Max	%%%				CG									FC	FE			FN																	b	Total
% of total PY (excl COS)			33.33333%	5.052%	0.000%	0.023%	15.530%	0.000%			9.603%	0.900%	1.439%		7.622%		6.469%	4.847%	0.082%	18.353%	0.000%	0.000%	2.589%	3.655%	1.497%		0.247%	0.906%	4.109%	14.434%		2.640%	0.000%	0.000%	0.000%	0.000%		100.000%
Subtotal	Max for rnd calc	20.60%	100%	4.200%	0.000%	0.200%	15.600%	0.000%	0.000%	0.000%	8.100%	1.300%	0.800%	0.000%	16.500%	0.000%	5.500%	2.900%	0.100%	20.600%	0.200%	0.000%	2.600%	2.200%	5.800%	0.000%	0.100%	1.000%	1.800%	8.100%	0.000%	2.500%	0.000%	0.000%	0.000%	0.000%		100.100%
	rounding	-0.10%		0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	-0.100%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%		-0.100%
Distrigas-Excess/Umbrella Policy-Acct 7522 (2025/2026)				4.200%	0.000%	0.200%	15.600%	0.000%	0.000%	0.000%	8.100%	1.300%	0.800%	0.000%	16.500%	0.000%	5.500%	2.900%	0.100%	20.500%	0.200%	0.000%	2.600%	2.200%	5.800%	0.000%	0.100%	1.000%	1.800%	8.100%	0.000%	2.500%	0.000%	0.000%	0.000%	0.000%		100.000%

* Payroll is defined as the sum of accounts Reg Pay, OT/Comp Time and Commissions in O&M expense categories.

Capitalized payroll in the subledger is included.

Payroll in Cost of Sales is excluded.

The natural account selection excludes corporate allocated costs, bonuses & temporary services.

			Check:																																			
			Check Cols Align	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
INPUT FOR 3-YEAR EBIT TO FEED TO TOP CALC				0	0	0	CG	0	0	0	0	0	0	0	0	FC	FE	0	0	FN	0	0	0	0	0	0	0	0	SD	0	0	0	0	0	0	0		Total
3-Year Avg EBIT																																						
EBIT 2024	EBIT YR 2	2		7,443,366	0	581,134	45,455,079	(462,859)	0	(100,000)	13,559,690	3,327,468	(469,169)	69,584	37,066,502	0	5,881,507	3,608,955	410,334	46,502,392	(450,575)	0	4,536,209	2,610,127	20,299,202	0	(1,396,645)	(3,107,147)	0	18,170,875	95,778	4,787,525	0	0	0	0		208,619,333
EBIT 2023	EBIT YR 1	1		5,834,209	0	592,032	7,649,939	(888,831)	0	(1,106)	9,768,926	3,486,052	336,925	56,483	33,675,709	0	7,328,120	5,594,693	257,769	41,626,737	0	(869)	3,683,501	1,463,318	18,754,524	0	(1,262,778)	4,486,411	167,106	5,296,782	92,013	5,092,870	0	0	0	0		158,110,593
EBIT 2022	EBIT YR -1	-1		4,903,940	0	593,351	0	(1,026,508)	0	335,937	11,695,150	2,791,122	516,793	53,950	37,941,597	0	6,369,149	4,095,982	262,284	31,279,945	0	(30,752)	4,481,369	2,453,177	16,083,958	0	(664,579)	6,242,758	1,025,468	7,305,460	196,337	5,545,092	0	0	0	0		142,450,982
Average (if average < $0, $0)				6,060,505	0	583,839	17,701,673	0	0	78,277	11,681,275	3,201,547	128,183	60,005	37,894,602	0	6,526,259	4,499,877	310,129	39,803,025	0	0	4,233,693	2,175,540	18,379,228	0	0	2,540,674	397,525	10,257,706	128,043	5,141,829	0	0	0	0		171,788,434
Property, Plant, and Equipment 2023	PPE YR 1	1	0%	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		0
Property, Plant, and Equipment 2024	PPE YR 2	2	100%	139,268,205	0	6,374,011	750,654,845	33,305	0	15,227,343	265,469,965	37,007,646	28,144,318	413,954	665,185,515	11,180,273	219,777,718	44,284,187	103,966	715,021,613	22,864,908	0	98,973,432	52,226,453	182,901,311	0	4,139,305	17,046,801	34,985,284	116,476,192	6,928,657	68,516,230	0	0	0	20,000,000		3,543,205,637
Property, Plant, and Equipment 2025	PPE YR 3	3	0%	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		0
Property, Plant, and Equipment 2026	PPE YR 4	4	0%	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		0
Property, Plant, and Equipment 2027	PPE YR 5	5	0%	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		0
Property, Plant, and Equipment 2028	PPE YR 6	6	0%	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		0
CWIP 2023	CWIP YR 1	1	0%	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		0
CWIP 2024	CWIP YR 2	2	100%	95,900	0	0	0	0	0	4,028,117	929,159	460,133	177,702	0	33,457,140	0	6,334,664	608,086	0	2,983,201	1	0	309,402	3,330,736	2,740,729	0	(63,616)	2,456,834	157,970	20,043,396	0	1,460,545	0	0	0	0		65,515,139
CWIP 2025	CWIP YR 3	3	0%	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		0
CWIP 2026	CWIP YR 4	4	0%	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		0
CWIP 2027	CWIP YR 5	5	0%	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		0
CWIP 2028	CWIP YR 6	6	0%	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		0
ADJUSTMENT (BUDGET ONLY)																																						0
Total Gross Plant & CWIP-Property, Plant, and Equipment 2024			ck-yrs match	139,364,105	0	6,374,011	750,654,845	33,305	0	19,255,460	286,399,164	37,467,779	28,322,020	413,954	704,642,655	11,180,273	226,112,332	44,892,273	103,966	718,009,814	22,864,909	0	99,282,834	55,557,189	185,642,040	0	4,075,689	19,503,635	35,143,254	136,519,588	6,928,657	69,976,775	0	0	0	20,000,000		3,628,720,776
EBIT 2024	EBIT YR 2			7,443,366	0	581,134	45,455,079	0	0	0	13,559,690	3,327,468	0	69,584	37,066,502	0	5,881,507	3,608,955	410,334	46,502,392	0	0	4,536,209	2,610,127	20,299,202	0	0	0	0	18,170,875	95,778	4,787,525	0	0	0	0		214,605,727
% of Total EBIT (Cur Yr Only)				3.468%	0.000%	0.271%	21.181%	0.000%	0.000%	0.000%	6.318%	1.551%	0.000%	0.032%	17.272%	0.000%	2.741%	1.775%	0.191%	21.669%	0.000%	0.000%	2.114%	1.216%	9.459%	0.000%	0.000%	0.000%	0.000%	8.467%	0.045%	2.231%	0.000%	0.000%	0.000%	0.000%		100.000%

Seg2_Code	(All)
What	1-FC99 Base

Sum of Amount	N2+FERC		
Seg1_Code	75-9250	75-9240	Grand Total
FC99	1,011.00	197.00	1,208.00
Grand Total	**1,011.00**	**197.00**	**1,208.00**

Seg2_Code	FP900
What	2-Alloc

Sum of Amount	N2+FERC		
Seg1_Code	75-9250	75-9240	Grand Total
FC99	(1,011.00)	(197.00)	(1,208.00)
Grand Total	**(1,011.00)**	**(197.00)**	**(1,208.00)**

Seg2_Code	FP900
What	2-Alloc

Base $ >> 1,011.00 197.00 1,208.00

Sum of Amount	N2+FERC							
Seg1_Code	75-9250	75-9240	Grand Total		75-9250	75-9240	Grand Total	Input % Calculated
FE00	245.68	47.87	293.55		24.30%	24.30%	24.30%	24.30%
FF00	124.36	24.23	148.59		12.30%	12.30%	12.30%	12.30%
FM00	3.04	0.59	3.63		0.30%	0.30%	0.30%	0.30%
FN00	637.92	124.31	762.23		63.10%	63.10%	63.10%	63.10%
Grand Total	**1,011.00**	**197.00**	**1,208.00**					

Input % Calculated %%		Updated BU
FE	24.30%	FE00
FF	12.30%	FF00
FI	0.20%	FN00
FM	0.30%	FM00
FN	62.80%	FN00
FT	0.10%	FN00

FE00	0.00%	0.00%	0.00%
FF00	0.00%	0.00%	0.00%
FM00	0.00%	0.00%	0.00%
FN00	0.00%	0.00%	0.00%

CF, FI, FN & FT were consolidated into FN during 2023.

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Seg2_Code	CM900
What	1-CU90 Base

Sum of Amount	N2+FERC									
Seg1_Code	61-9200	62-9210	64-9250	64-9260	66-9260	70-9301	72-9230	77-9210	82-4081	Grand Total
CU90	15,060.24	(529.20)	13.62	1,734.80	(253.26)	12,867.84	26,844.08	1,553.67	1,306.40	58,598.19
Grand Total	**15,060.24**	**(529.20)**	**13.62**	**1,734.80**	**(253.26)**	**12,867.84**	**26,844.08**	**1,553.67**	**1,306.40**	**58,598.19**

Seg2_Code	CM900
What	2-Alloc

Sum of Amount	N2+FERC									
Seg1_Code	61-9200	62-9210	64-9250	64-9260	66-9260	70-9301	72-9230	77-9210	82-4081	Grand Total
CU90	(15,060.24)	529.20	(13.62)	(1,734.80)	253.26	(12,867.84)	(26,844.08)	(1,553.67)	(1,306.40)	(58,598.19)
Grand Total	**(15,060.24)**	**529.20**	**(13.62)**	**(1,734.80)**	**253.26**	**(12,867.84)**	**(26,844.08)**	**(1,553.67)**	**(1,306.40)**	**(58,598.19)**

Seg2_Code	CM900
What	2-Alloc

Sum of Amount	N2+FERC									
Seg1_Code	61-9200	62-9210	64-9250	64-9260	66-9260	70-9301	72-9230	77-9210	82-4081	Grand Total
AE01	798.19	(28.04)	0.72	91.94	(13.42)	682.00	1,422.73	82.34	69.24	3,105.70
AX00	30.12	(1.05)	0.03	3.47	(0.51)	25.73	53.68	3.11	2.61	117.19
DE00	1,475.91	(51.86)	1.33	170.01	(24.82)	1,261.06	2,630.71	152.26	128.03	5,742.63
EF00	256.03	(8.99)	0.23	29.49	(4.31)	218.79	456.35	26.41	22.21	996.21
EK00	150.60	(5.30)	0.14	17.35	(2.53)	128.68	268.44	15.54	13.06	585.98
ES00	3,102.41	(109.02)	2.81	357.37	(52.17)	2,650.77	5,529.89	320.06	269.12	12,071.24
FE00	978.92	(34.39)	0.89	112.76	(16.46)	836.43	1,744.86	100.99	84.92	3,808.92
FF00	512.05	(18.00)	0.46	58.98	(8.61)	437.50	912.70	52.82	44.42	1,992.32
FM00	15.06	(0.54)	0.01	1.73	(0.25)	12.90	26.85	1.55	1.31	58.62
FN00	3,418.64	(120.14)	3.08	393.82	(57.50)	2,920.77	6,093.62	352.69	296.55	13,301.53
MD00	496.99	(17.45)	0.45	57.24	(8.36)	424.67	885.86	51.27	43.11	1,933.78
MS00	316.27	(11.12)	0.29	36.43	(5.32)	270.25	563.72	32.63	27.43	1,230.58
PC00	1,024.10	(35.98)	0.93	117.97	(17.22)	875.01	1,825.41	105.65	88.84	3,984.71
SC99	316.27	(11.12)	0.29	36.43	(5.32)	270.25	563.72	32.63	27.43	1,230.58
SD00	346.38	(12.17)	0.31	39.90	(5.82)	295.99	617.41	35.73	30.05	1,347.78
SG99	1,325.31	(46.58)	1.20	152.67	(22.28)	1,132.37	2,362.27	136.72	114.96	5,156.64
WC00	496.99	(17.45)	0.45	57.24	(8.36)	424.67	885.86	51.27	43.11	1,933.78
Grand Total	**15,060.24**	**(529.20)**	**13.62**	**1,734.80**	**(253.26)**	**12,867.84**	**26,844.08**	**1,553.67**	**1,306.40**	**58,598.19**

Base $ >>	15,060.24	(529.20)	13.62	1,734.80
	61-9200	62-9210	64-9250	64-9260
	5.30%	5.30%	5.29%	5.30%
	0.20%	0.20%	0.22%	0.20%
	9.80%	9.80%	9.77%	9.80%
	1.70%	1.70%	1.69%	1.70%
	1.00%	1.00%	1.03%	1.00%
	20.60%	20.60%	20.63%	20.60%
	6.50%	6.50%	6.53%	6.50%
	3.40%	3.40%	3.38%	3.40%
	0.10%	0.10%	0.07%	0.10%
	22.70%	22.70%	22.61%	22.70%
	3.30%	3.30%	3.30%	3.30%
	2.10%	2.10%	2.13%	2.10%
	6.80%	6.80%	6.83%	6.80%
	2.10%	2.10%	2.13%	2.10%
	2.30%	2.30%	2.28%	2.30%
	8.80%	8.80%	8.81%	8.80%
	3.30%	3.30%	3.30%	3.30%

Input %	Calculated %%	Updated BU
AE01	5.30%	AE01
AX	0.20%	AX00
CF	6.10%	FN00
DE	9.80%	DE00
EF	1.70%	EF00
EK	1.00%	EK00
ES	20.60%	ES00
FE	6.50%	FE00
FF	3.40%	FF00
FI	0.10%	FN00
FM	0.10%	FM00
FN	16.50%	FN00

AE01	0.00%	0.00%	0.01%	0.00%
AX00	0.00%	0.00%	-0.02%	0.00%
DE00	0.00%	0.00%	0.03%	0.00%
EF00	0.00%	0.00%	0.01%	0.00%
EK00	0.00%	0.00%	-0.03%	0.00%
ES00	0.00%	0.00%	-0.03%	0.00%
FE00	0.00%	0.00%	-0.03%	0.00%
FF00	0.00%	0.00%	0.02%	0.00%
FM00	0.00%	0.00%	0.03%	0.00%
FN00	0.00%	0.00%	0.09%	0.00%
MD00	0.00%	0.00%	0.00%	0.00%
MS00	0.00%	0.00%	-0.03%	0.00%

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MD	3.30%	MD00
MS	2.10%	MS00
PC	6.80%	PC00
SC	2.10%	SC99
SD	2.30%	SD00
SG	8.80%	SG99
WC	3.30%	WC00

CF, FI, FN & FT were consolidated into FN during 2023.

PC00	0.00%	0.00%	-0.03%	0.00%
SC99	0.00%	0.00%	-0.03%	0.00%
SD00	0.00%	0.00%	0.02%	0.00%
SG99	0.00%	0.00%	-0.01%	0.00%
WC00	0.00%	0.00%	0.00%	0.00%

agm recalc	diff from GL
0.72	-
0.03	-
1.33	-
0.23	-
0.14	-
2.81	-
0.89	-
0.46	-
0.01	-
3.09	0.01
0.45	-
0.29	-
0.93	-
0.29	-
0.31	-
1.20	-
0.45	-

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66-9260	70-9301	72-9230	77-9210	82-4081	Grand Total	Input % Calculated
(253.26)	12,867.84	26,844.08	1,553.67	1,306.40	58,598.19	
5.30%	5.30%	5.30%	5.30%	5.30%	5.30%	5.30%
0.20%	0.20%	0.20%	0.20%	0.20%	0.20%	0.20%
9.80%	9.80%	9.80%	9.80%	9.80%	9.80%	9.80%
1.70%	1.70%	1.70%	1.70%	1.70%	1.70%	1.70%
1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%
20.60%	20.60%	20.60%	20.60%	20.60%	20.60%	20.60%
6.50%	6.50%	6.50%	6.50%	6.50%	6.50%	6.50%
3.40%	3.40%	3.40%	3.40%	3.40%	3.40%	3.40%
0.10%	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%
22.70%	22.70%	22.70%	22.70%	22.70%	22.70%	22.70%
3.30%	3.30%	3.30%	3.30%	3.30%	3.30%	3.30%
2.10%	2.10%	2.10%	2.10%	2.10%	2.10%	2.10%
6.80%	6.80%	6.80%	6.80%	6.80%	6.80%	6.80%
2.10%	2.10%	2.10%	2.10%	2.10%	2.10%	2.10%
2.30%	2.30%	2.30%	2.30%	2.30%	2.30%	2.30%
8.80%	8.80%	8.80%	8.80%	8.80%	8.80%	8.80%
3.30%	3.30%	3.30%	3.30%	3.30%	3.30%	3.30%

0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

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0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

E42

Distrigas Allocation for CM900 is a corporate communication business unit. The costs are allocated based on the distrigas iteration shown below for 2023 and excludes corporate, Florida Common, Eastern Shore Real Estate, and

Method/Other Descriptions	Year	Rnd/Max %%%		[redacted]												FC
X CU, FC, ER & SK																
EBIT				5,125,929	0	240,388	8,030,334	0			9,745,617	3,030,903	644,944		35,954,317	
Gross Plant				129,685,458	0	6,373,469	158,770,599	1,369,074			227,140,230	36,904,130	23,248,243		601,334,519	
Employees (payroll)				3,992,258	0	8,675	3,303,462	9,884			7,751,023	699,301	881,169		5,589,303	
% to Sub-total	*rounding factor*	3														
% of total EBIT			33.33334%	3.971%	0.000%	0.186%	6.221%	0.000%			7.550%	2.348%	0.500%		27.854%	
% of total Gross Plant			33.33333%	5.625%	0.000%	0.276%	6.886%	0.059%			9.851%	1.601%	1.008%		26.080%	
% of total PY (excl COS)			33.33333%	6.184%	0.000%	0.013%	5.117%	0.015%			12.007%	1.083%	1.365%		8.658%	
Subtotal	*Max for rnd calc*	*20.90%*	100%	5.300%	0.000%	0.200%	6.100%	0.000%	0.000%	0.000%	9.800%	1.700%	1.000%	0.000%	20.900%	0.000%
	rounding	*-0.30%*		0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	-0.300%	0.000%
Distrigas-X CU, FC, ER & SK				**5.300%**	**0.000%**	**0.200%**	**6.100%**	**0.000%**	**0.000%**	**0.000%**	**9.800%**	**1.700%**	**1.000%**	**0.000%**	**20.600%**	**0.000%**

FP900 is a clearing of certain insurance costs allocated to the Florida Public Utility business units that did not totally clear thru the regular allocation methology. Therefore, they were allocated using the distrigas iteration using FI

FPU Only (excl FC)																
EBIT					0											
Gross Plant					0											
Employees (payroll)					0											
% to Sub-total	*rounding factor*	3														
% of total EBIT			33.33334%		0.000%											
% of total Gross Plant			33.33333%		0.000%											
% of total PY (excl COS)			33.33333%		0.000%											
Subtotal	*Max for rnd calc*	*62.70%*	100%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
	rounding	*0.10%*		0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
Distrigas-FPU Only (excl FC)				**0.000%**	**0.000%**	**0.000%**	**0.000%**	**0.000%**	**0.000%**	**0.000%**	**0.000%**	**0.000%**	**0.000%**	**0.000%**	**0.000%**	**0.000%**

E44

Skipjack because the type of costs it incurs are not applicable to these business units.

Electric		Indiantown		Gas	Ft. Meade													
FE	[redacted]	FI	[redacted]	FN	FT	[redacted]												
6,254,036	3,065,585	0	182,885	19,199,866	0	0	3,748,817	1,918,105	15,166,031		0	5,763,852	441,701	5,293,674		5,272,799	0	0
170,250,753	39,266,313	2,818,939	103,966	411,907,041	1,300,793	0	86,048,795	44,051,592	154,081,279		0	19,092,838	27,992,820	102,405,429		61,567,999	0	0
4,680,308	3,935,707	53,121	77,170	10,855,279	37,127	0	2,046,409	1,783,374	1,212,380		0	666,642	3,527,813	11,443,708		2,001,239	0	0
4.845%	2.375%	0.000%	0.142%	14.874%	0.000%	0.000%	2.904%	1.486%	11.749%		0.000%	4.465%	0.342%	4.101%		4.085%	0.000%	0.000%
7.384%	1.703%	0.122%	0.005%	17.865%	0.056%	0.000%	3.732%	1.911%	6.683%		0.000%	0.828%	1.214%	4.441%		2.670%	0.000%	0.000%
7.250%	6.097%	0.082%	0.120%	16.815%	0.058%	0.000%	3.170%	2.763%	1.878%		0.000%	1.033%	5.465%	17.727%		3.100%	0.000%	0.000%
6.500%	3.400%	0.100%	0.100%	16.500%	0.000%	0.000%	3.300%	2.100%	6.800%	0.000%	0.000%	2.100%	2.300%	8.800%	0.000%	3.300%	0.000%	0.000%
0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
6.500%	**3.400%**	**0.100%**	**0.100%**	**16.500%**	**0.000%**	**0.000%**	**3.300%**	**2.100%**	**6.800%**	**0.000%**	**0.000%**	**2.100%**	**2.300%**	**8.800%**	**0.000%**	**3.300%**	**0.000%**	**0.000%**

ᴾU business units only.

6,254,036	3,065,585	0	182,885	19,199,866	0													0
170,250,753	39,266,313	2,818,939	103,966	411,907,041	1,300,793													0
4,680,308	3,935,707	53,121	77,170	10,855,279	37,127													0
21.789%	10.681%	0.000%	0.637%	66.893%	0.000%													0.000%
27.212%	6.276%	0.451%	0.017%	65.837%	0.208%													0.000%
23.832%	20.041%	0.270%	0.393%	55.275%	0.189%													0.000%
24.300%	12.300%	0.200%	0.300%	62.700%	0.100%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
0.000%	0.000%	0.000%	0.000%	0.100%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
24.300%	**12.300%**	**0.200%**	**0.300%**	**62.800%**	**0.100%**	**0.000%**	**0.000%**	**0.000%**	**0.000%**	**0.000%**	**0.000%**	**0.000%**	**0.000%**	**0.000%**	**0.000%**	**0.000%**	**0.000%**	**0.000%**

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[redacted]		Total
0	0	129,079,783
0	0	2,305,714,279
0	0	64,555,352
0.000%	0.000%	100.000%
0.000%	0.000%	100.000%
0.000%	0.000%	100.000%
0.000%	0.000%	100.300%
0.000%	0.000%	-0.300%
0.000%	**0.000%**	**100.000%**

	0	28,702,372
	0	625,647,805
	0	19,638,712
	0.000%	100.000%
	0.000%	100.000%
	0.000%	100.000%
0.000%	0.000%	99.900%
0.000%	0.000%	0.100%
0.000%	**0.000%**	**100.000%**

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What	N2+FERC	Journal_Type	Originating_Org	Journal_Number	Account_Code	Seg1_Code	Seg2_Code	Seg3_Code	Seg4_Code	Reference_Code	Amount
1-CU90 Base	70-9301	SYS-AP	CU00	JRNL00579233	CU90-CM900-7021-9301	CU90	CM900	7021	9301	CM_INTGOVTREL	575.00
1-CU90 Base	72-9230	SYS-AP	CU00	JRNL00579233	CU90-CM900-7230-9230	CU90	CM900	7230	9230	CM_EXTADV	15,000.00
1-CU90 Base	72-9230	SYS-AP	CU00	JRNL00579233	CU90-CM900-7230-9230	CU90	CM900	7230	9230	CM_EXTADV	15,485.85
1-CU90 Base	62-9210	SYS-AP	CU00	JRNL00579233	CU90-CM900-6260-9210	CU90	CM900	6260	9210		42,525.00
1-CU90 Base	70-9301	SYS-AP	CU00	JRNL00579359	CU90-CM900-7023-9301	CU90	CM900	7023	9301	CM_EDI	200.00
1-CU90 Base	70-9301	SYS-AP	CU00	JRNL00579359	CU90-CM900-7023-9301	CU90	CM900	7023	9301	CM_INTIR	150.00
1-CU90 Base	70-9301	SYS-AP	SE00	JRNL00579365	CU90-CM900-7024-9301	CU90	CM900	7024	9301	CM_RECOGNITION	46.32
1-CU90 Base	61-9200	PY	FC00	JRNL00579443	CU90-CM900-6110-9200	CU90	CM900	6110	9200		1,713.50
1-CU90 Base	64-9250	PY	FC00	JRNL00579443	CU90-CM900-6410-9250	CU90	CM900	6410	9250		1.37
1-CU90 Base	64-9260	PY	FC00	JRNL00579443	CU90-CM900-6420-9260	CU90	CM900	6420	9260		486.00
1-CU90 Base	64-9260	PY	FC00	JRNL00579443	CU90-CM900-6425-9260	CU90	CM900	6425	9260		(113.84)
1-CU90 Base	64-9260	PY	FC00	JRNL00579443	CU90-CM900-6430-9260	CU90	CM900	6430	9260		71.00
1-CU90 Base	64-9260	PY	FC00	JRNL00579443	CU90-CM900-6490-9260	CU90	CM900	6490	9260		13.81
1-CU90 Base	66-9260	PY	FC00	JRNL00579443	CU90-CM900-6620-9260	CU90	CM900	6620	9260		56.89
1-CU90 Base	66-9260	PY	FC00	JRNL00579443	CU90-CM900-6630-9260	CU90	CM900	6630	9260		102.81
1-CU90 Base	82-4081	PY	FC00	JRNL00579443	CU90-CM900-8210-4081	CU90	CM900	8210	4081		123.66
x-na-Direct Pyrl to 1CX	61-1070	PY	CU00	JRNL00579638	91CU-CM900-6110-1070	91CU	CM900	6110	1070	CU0039P001S	1,268.78
1-CU90 Base	61-9200	PY	CU00	JRNL00579638	CU90-CM900-6110-9200	CU90	CM900	6110	9200		5,075.12
1-CU90 Base	64-9250	PY	CU00	JRNL00579638	CU90-CM900-6410-9250	CU90	CM900	6410	9250		4.44
1-CU90 Base	64-9260	PY	CU00	JRNL00579638	CU90-CM900-6420-9260	CU90	CM900	6420	9260		486.00
1-CU90 Base	64-9260	PY	CU00	JRNL00579638	CU90-CM900-6425-9260	CU90	CM900	6425	9260		(217.68)
1-CU90 Base	64-9260	PY	CU00	JRNL00579638	CU90-CM900-6430-9260	CU90	CM900	6430	9260		71.00
1-CU90 Base	64-9260	PY	CU00	JRNL00579638	CU90-CM900-6490-9260	CU90	CM900	6490	9260		51.07
1-CU90 Base	66-9260	PY	CU00	JRNL00579638	CU90-CM900-6620-9260	CU90	CM900	6620	9260		115.04
1-CU90 Base	66-9260	PY	CU00	JRNL00579638	CU90-CM900-6630-9260	CU90	CM900	6630	9260		380.63
1-CU90 Base	82-4081	PY	CU00	JRNL00579638	CU90-CM900-8210-4081	CU90	CM900	8210	4081		474.04
1-CU90 Base	70-9301	SYS-AP	CU00	JRNL00579749	CU90-CM900-7022-9301	CU90	CM900	7022	9301	CM_CSR	2,302.20
1-CU90 Base	77-9210	SYS-AP	CU00	JRNL00579867	CU90-CM900-7775-9210	CU90	CM900	7775	9210	CM_SFTWMNT	74.30
1-CU90 Base	70-9301	SYS-AP	CU00	JRNL00579916	CU90-CM900-7023-9301	CU90	CM900	7023	9301	CM_ERGPRIDE	525.00
1-CU90 Base	70-9301	SYS-AP	CU00	JRNL00579916	CU90-CM900-7023-9301	CU90	CM900	7023	9301	CM_WEB	150.00
1-CU90 Base	61-9200	PY	FC00	JRNL00580058	CU90-CM900-6110-9200	CU90	CM900	6110	9200		1,713.50
1-CU90 Base	64-9250	PY	FC00	JRNL00580058	CU90-CM900-6410-9250	CU90	CM900	6410	9250		1.37
1-CU90 Base	64-9260	PY	FC00	JRNL00580058	CU90-CM900-6420-9260	CU90	CM900	6420	9260		486.00
1-CU90 Base	64-9260	PY	FC00	JRNL00580058	CU90-CM900-6425-9260	CU90	CM900	6425	9260		(113.84)
1-CU90 Base	64-9260	PY	FC00	JRNL00580058	CU90-CM900-6430-9260	CU90	CM900	6430	9260		71.00
1-CU90 Base	64-9260	PY	FC00	JRNL00580058	CU90-CM900-6490-9260	CU90	CM900	6490	9260		4.88
1-CU90 Base	66-9260	PY	FC00	JRNL00580058	CU90-CM900-6620-9260	CU90	CM900	6620	9260		56.89
1-CU90 Base	66-9260	PY	FC00	JRNL00580058	CU90-CM900-6630-9260	CU90	CM900	6630	9260		102.81
1-CU90 Base	82-4081	PY	FC00	JRNL00580058	CU90-CM900-8210-4081	CU90	CM900	8210	4081		123.67
x-na-Direct Pyrl to 1CX	61-1070	PY	CU00	JRNL00580074	91CU-CM900-6110-1070	91CU	CM900	6110	1070	CU0039P001S	1,268.78
1-CU90 Base	61-9200	PY	CU00	JRNL00580074	CU90-CM900-6110-9200	CU90	CM900	6110	9200		5,075.12
1-CU90 Base	64-9250	PY	CU00	JRNL00580074	CU90-CM900-6410-9250	CU90	CM900	6410	9250		4.44
1-CU90 Base	64-9260	PY	CU00	JRNL00580074	CU90-CM900-6420-9260	CU90	CM900	6420	9260		486.00
1-CU90 Base	64-9260	PY	CU00	JRNL00580074	CU90-CM900-6425-9260	CU90	CM900	6425	9260		(217.68)
1-CU90 Base	64-9260	PY	CU00	JRNL00580074	CU90-CM900-6430-9260	CU90	CM900	6430	9260		71.00
1-CU90 Base	64-9260	PY	CU00	JRNL00580074	CU90-CM900-6490-9260	CU90	CM900	6490	9260		18.08
1-CU90 Base	66-9260	PY	CU00	JRNL00580074	CU90-CM900-6620-9260	CU90	CM900	6620	9260		115.04
1-CU90 Base	66-9260	PY	CU00	JRNL00580074	CU90-CM900-6630-9260	CU90	CM900	6630	9260		380.63
1-CU90 Base	82-4081	PY	CU00	JRNL00580074	CU90-CM900-8210-4081	CU90	CM900	8210	4081		474.03
1-CU90 Base	72-9230	SYS-AP	CU00	JRNL00580119	CU90-CM900-7220-9230	CU90	CM900	7220	9230	CM_TM	2,433.37
1-CU90 Base	72-9230	SYS-AP	CU00	JRNL00580119	CU90-CM900-7220-9230	CU90	CM900	7220	9230	CM_TM	1,105.62
1-CU90 Base	72-9230	SYS-AP	CU00	JRNL00580119	CU90-CM900-7220-9230	CU90	CM900	7220	9230	CM_TM	938.75
1-CU90 Base	72-9230	SYS-AP	CU00	JRNL00580119	CU90-CM900-7220-9230	CU90	CM900	7220	9230	CM_TM	139.50
1-CU90 Base	72-9230	SYS-AP	CU00	JRNL00580119	CU90-CM900-7220-9230	CU90	CM900	7220	9230	CM_TM	984.87
1-CU90 Base	70-9301	SYS-AP	CU00	JRNL00580119	CU90-CM900-7021-9301	CU90	CM900	7021	9301	CM_EDI	4,400.00
1-CU90 Base	70-9301	SYS-AP	CU00	JRNL00580119	CU90-CM900-7023-9301	CU90	CM900	7023	9301	CM_EDI	750.00

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1-CU90 Base	70-9301	SYS-AP	CU00	JRNL00580119	CU90-CM900-7021-9301	CU90	CM900	7021	9301	CM_WEB	150.00
1-CU90 Base	70-9301	SYS-AP	CU00	JRNL00580119	CU90-CM900-7023-9301	CU90	CM900	7023	9301	CM_INTIR	125.00
1-CU90 Base	70-9301	SYS-AP	CU00	JRNL00580119	CU90-CM900-7021-9301	CU90	CM900	7021	9301	CM_INTSAFETY	195.00
1-CU90 Base	72-9230	SYS-AP	CU00	JRNL00580160	CU90-CM900-7220-9230	CU90	CM900	7220	9230	CM_TM	928.12
1-CU90 Base	70-9301	SYS-AP	CU00	JRNL00580160	CU90-CM900-7023-9301	CU90	CM900	7023	9301	CM_INTCOMMAFFR	295.00
1-CU90 Base	70-9301	SYS-AP	CU00	JRNL00580160	CU90-CM900-7021-9301	CU90	CM900	7021	9301	CM_INTHR	275.00
1-CU90 Base	70-9301	SYS-AP	CU00	JRNL00580160	CU90-CM900-7023-9301	CU90	CM900	7023	9301	CM_INTCOMMAFFR	295.00
1-CU90 Base	70-9301	SYS-AP	CU00	JRNL00580160	CU90-CM900-7023-9301	CU90	CM900	7023	9301	CM_ERGGREEN	900.00
1-CU90 Base	70-9301	SYS-AP	CU00	JRNL00580160	CU90-CM900-7024-9301	CU90	CM900	7024	9301	CM_OTHER	989.57
1-CU90 Base	70-9301	SYS-AP	CU00	JRNL00580160	CU90-CM900-7030-9301	CU90	CM900	7030	9301	CM_CSR	149.75
1-CU90 Base	62-9210	AP-ACCRP	CU00	JRNL00578740	CU90-CM900-6290-9210	CU90	CM900	6290	9210		(20.00)
1-CU90 Base	62-9210	AP-ACCRP	CU00	JRNL00578740	CU90-CM900-6290-9210	CU90	CM900	6290	9210		(83.80)
1-CU90 Base	62-9210	AP-ACCRP	CU00	JRNL00578740	CU90-CM900-6290-9210	CU90	CM900	6290	9210		(811.99)
1-CU90 Base	62-9210	AP-ACCR	CU00	JRNL00578741	CU90-CM900-6240-9210	CU90	CM900	6240	9210		(27.00)
1-CU90 Base	62-9210	AP-ACCR	CU00	JRNL00578741	CU90-CM900-6240-9210	CU90	CM900	6240	9210		15.00
1-CU90 Base	62-9210	AP-ACCR	CU00	JRNL00578741	CU90-CM900-6240-9210	CU90	CM900	6240	9210		(24.00)
1-CU90 Base	62-9210	AP-ACCR	CU00	JRNL00578741	CU90-CM900-6240-9210	CU90	CM900	6240	9210		16.00
1-CU90 Base	77-9210	AP-ACCR	CU00	JRNL00578896	CU90-CM900-7775-9210	CU90	CM900	7775	9210	CM_SFTWMNT	(74.30)
1-CU90 Base	72-9230	AP-ACCR	CU00	JRNL00578925	CU90-CM900-7220-9230	CU90	CM900	7220	9230	ACCR_CM	(6,562.75)
1-CU90 Base	72-9230	AP-ACCR	CU00	JRNL00579126	CU90-CM900-7230-9230	CU90	CM900	7230	9230	CM_EXTADV	(15,000.00)
1-CU90 Base	61-9200	PY-ACCR	FC00	JRNL00579161	CU90-CM900-6110-9200	CU90	CM900	6110	9200		(1,714.00)
1-CU90 Base	64-9250	PY-ACCR	FC00	JRNL00579161	CU90-CM900-6410-9250	CU90	CM900	6410	9250		(1.00)
1-CU90 Base	64-9260	PY-ACCR	FC00	JRNL00579161	CU90-CM900-6420-9260	CU90	CM900	6420	9260		(486.00)
1-CU90 Base	64-9260	PY-ACCR	FC00	JRNL00579161	CU90-CM900-6425-9260	CU90	CM900	6425	9260		114.00
1-CU90 Base	64-9260	PY-ACCR	FC00	JRNL00579161	CU90-CM900-6430-9260	CU90	CM900	6430	9260		(71.00)
1-CU90 Base	64-9260	PY-ACCR	FC00	JRNL00579161	CU90-CM900-6490-9260	CU90	CM900	6490	9260		(5.00)
1-CU90 Base	66-9260	PY-ACCR	FC00	JRNL00579161	CU90-CM900-6620-9260	CU90	CM900	6620	9260		(57.00)
1-CU90 Base	66-9260	PY-ACCR	FC00	JRNL00579161	CU90-CM900-6630-9260	CU90	CM900	6630	9260		(103.00)
1-CU90 Base	82-4081	PY-ACCR	FC00	JRNL00579161	CU90-CM900-8210-4081	CU90	CM900	8210	4081		(124.00)
1-CU90 Base	61-9200	PY-ACCR	CU00	JRNL00579163	CU90-CM900-6110-9200	CU90	CM900	6110	9200		(6,344.00)
1-CU90 Base	64-9250	PY-ACCR	CU00	JRNL00579163	CU90-CM900-6410-9250	CU90	CM900	6410	9250		(4.00)
1-CU90 Base	64-9260	PY-ACCR	CU00	JRNL00579163	CU90-CM900-6420-9260	CU90	CM900	6420	9260		(486.00)
1-CU90 Base	64-9260	PY-ACCR	CU00	JRNL00579163	CU90-CM900-6425-9260	CU90	CM900	6425	9260		218.00
1-CU90 Base	64-9260	PY-ACCR	CU00	JRNL00579163	CU90-CM900-6430-9260	CU90	CM900	6430	9260		(71.00)
1-CU90 Base	64-9260	PY-ACCR	CU00	JRNL00579163	CU90-CM900-6490-9260	CU90	CM900	6490	9260		(18.00)
1-CU90 Base	66-9260	PY-ACCR	CU00	JRNL00579163	CU90-CM900-6620-9260	CU90	CM900	6620	9260		(115.00)
1-CU90 Base	66-9260	PY-ACCR	CU00	JRNL00579163	CU90-CM900-6630-9260	CU90	CM900	6630	9260		(381.00)
1-CU90 Base	82-4081	PY-ACCR	CU00	JRNL00579163	CU90-CM900-8210-4081	CU90	CM900	8210	4081		(474.00)
1-CU90 Base	61-9200	PY-ACCR	CU00	JRNL00579164	CU90-CM900-6110-9200	CU90	CM900	6110	9200		3,172.00
1-CU90 Base	64-9250	PY-ACCR	CU00	JRNL00579164	CU90-CM900-6410-9250	CU90	CM900	6410	9250		2.00
1-CU90 Base	64-9260	PY-ACCR	CU00	JRNL00579164	CU90-CM900-6420-9260	CU90	CM900	6420	9260		243.00
1-CU90 Base	64-9260	PY-ACCR	CU00	JRNL00579164	CU90-CM900-6425-9260	CU90	CM900	6425	9260		(109.00)
1-CU90 Base	64-9260	PY-ACCR	CU00	JRNL00579164	CU90-CM900-6430-9260	CU90	CM900	6430	9260		36.00
1-CU90 Base	64-9260	PY-ACCR	CU00	JRNL00579164	CU90-CM900-6490-9260	CU90	CM900	6490	9260		9.00
1-CU90 Base	66-9260	PY-ACCR	CU00	JRNL00579164	CU90-CM900-6620-9260	CU90	CM900	6620	9260		18.00
1-CU90 Base	66-9260	PY-ACCR	CU00	JRNL00579164	CU90-CM900-6630-9260	CU90	CM900	6630	9260		190.00
1-CU90 Base	82-4081	PY-ACCR	CU00	JRNL00579164	CU90-CM900-8210-4081	CU90	CM900	8210	4081		237.00
1-CU90 Base	62-9210	AP-ADJ	CU00	JRNL00580211	CU90-CM900-6240-9210	CU90	CM900	6240	9210		48.57
1-CU90 Base	62-9210	AP-ADJ	CU00	JRNL00580211	CU90-CM900-6240-9210	CU90	CM900	6240	9210		47.87
1-CU90 Base	62-9210	AP-ACCR	CU00	JRNL00580212	CU90-CM900-6240-9210	CU90	CM900	6240	9210		24.00
1-CU90 Base	62-9210	AP-ACCR	CU00	JRNL00580212	CU90-CM900-6240-9210	CU90	CM900	6240	9210		24.00
1-CU90 Base	62-9210	AP-ADJ	CU00	JRNL00580287	CU90-CM900-6260-9210	CU90	CM900	6260	9210		(42,525.00)
1-CU90 Base	61-9200	ACCR	CU00	JRNL00580320	CU90-CM900-6140-9200	CU90	CM900	6140	9200		677.00
1-CU90 Base	82-4081	ACCR	CU00	JRNL00580320	CU90-CM900-8210-4081	CU90	CM900	8210	4081		52.00
1-CU90 Base	66-9260	ACCR	CU00	JRNL00580320	CU90-CM900-6630-9260	CU90	CM900	6630	9260		41.00
1-CU90 Base	70-9301	SYS-AP	CU00	JRNL00580365	CU90-CM900-7023-9301	CU90	CM900	7023	9301	CM_WEB	395.00
1-CU90 Base	62-9210	AP-ACCRP	CU00	JRNL00580371	CU90-CM900-6290-9210	CU90	CM900	6290	9210		1,075.05

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1-CU90 Base	62-9210	AP-ACCRX	CU00	JRNL00580387	CU90-CM900-6220-9210	CU90	CM900	6220	9210		83.80
1-CU90 Base	62-9210	AP-ACCRX	CU00	JRNL00580387	CU90-CM900-6290-9210	CU90	CM900	6290	9210		9.99
1-CU90 Base	62-9210	AP-ACCRX	CU00	JRNL00580387	CU90-CM900-6260-9210	CU90	CM900	6260	9210		65.00
1-CU90 Base	62-9210	AP-ACCRX	CU00	JRNL00580387	CU90-CM900-6260-9210	CU90	CM900	6260	9210		365.00
1-CU90 Base	62-9210	PPD	CU00	JRNL00580402	CU90-CM900-6260-9210	CU90	CM900	6260	9210		950.81
1-CU90 Base	62-9210	PPD	CU00	JRNL00580403	CU90-CM900-6260-9210	CU90	CM900	6260	9210		(5,831.25)
1-CU90 Base	77-9210	PPD	CU00	JRNL00580403	CU90-CM900-7775-9210	CU90	CM900	7775	9210	CM_SFTWMNT	1,553.67
1-CU90 Base	62-9210	PPD	CU00	JRNL00580403	CU90-CM900-6260-9210	CU90	CM900	6260	9210		3,543.75
1-CU90 Base	72-9230	AP-ACCR	CU00	JRNL00580418	CU90-CM900-7230-9230	CU90	CM900	7230	9230	CM_CNSLT	6,196.25
1-CU90 Base	61-9200	PY-ACCR	FC00	JRNL00580447	CU90-CM900-6110-9200	CU90	CM900	6110	9200		1,885.00
1-CU90 Base	64-9250	PY-ACCR	FC00	JRNL00580447	CU90-CM900-6410-9250	CU90	CM900	6410	9250		2.00
1-CU90 Base	64-9260	PY-ACCR	FC00	JRNL00580447	CU90-CM900-6420-9260	CU90	CM900	6420	9260		535.00
1-CU90 Base	64-9260	PY-ACCR	FC00	JRNL00580447	CU90-CM900-6425-9260	CU90	CM900	6425	9260		(125.00)
1-CU90 Base	64-9260	PY-ACCR	FC00	JRNL00580447	CU90-CM900-6430-9260	CU90	CM900	6430	9260		78.00
1-CU90 Base	64-9260	PY-ACCR	FC00	JRNL00580447	CU90-CM900-6490-9260	CU90	CM900	6490	9260		5.00
1-CU90 Base	66-9260	PY-ACCR	FC00	JRNL00580447	CU90-CM900-6620-9260	CU90	CM900	6620	9260		63.00
1-CU90 Base	66-9260	PY-ACCR	FC00	JRNL00580447	CU90-CM900-6630-9260	CU90	CM900	6630	9260		113.00
1-CU90 Base	82-4081	PY-ACCR	FC00	JRNL00580447	CU90-CM900-8210-4081	CU90	CM900	8210	4081		136.00
1-CU90 Base	66-9260	ADJ	CU00	JRNL00580453	CU90-CM900-6620-9260	CU90	CM900	6620	9260		(1,631.00)
1-CU90 Base	61-9200	PY-ACCR	CU00	JRNL00580454	CU90-CM900-6110-9200	CU90	CM900	6110	9200		6,979.00
1-CU90 Base	64-9250	PY-ACCR	CU00	JRNL00580454	CU90-CM900-6410-9250	CU90	CM900	6410	9250		5.00
1-CU90 Base	64-9260	PY-ACCR	CU00	JRNL00580454	CU90-CM900-6420-9260	CU90	CM900	6420	9260		535.00
1-CU90 Base	64-9260	PY-ACCR	CU00	JRNL00580454	CU90-CM900-6425-9260	CU90	CM900	6425	9260		(239.00)
1-CU90 Base	64-9260	PY-ACCR	CU00	JRNL00580454	CU90-CM900-6430-9260	CU90	CM900	6430	9260		78.00
1-CU90 Base	64-9260	PY-ACCR	CU00	JRNL00580454	CU90-CM900-6490-9260	CU90	CM900	6490	9260		20.00
1-CU90 Base	66-9260	PY-ACCR	CU00	JRNL00580454	CU90-CM900-6620-9260	CU90	CM900	6620	9260		127.00
1-CU90 Base	66-9260	PY-ACCR	CU00	JRNL00580454	CU90-CM900-6630-9260	CU90	CM900	6630	9260		419.00
1-CU90 Base	82-4081	PY-ACCR	CU00	JRNL00580454	CU90-CM900-8210-4081	CU90	CM900	8210	4081		521.00
1-CU90 Base	72-9230	AP-ACCR	CU00	JRNL00580554	CU90-CM900-7220-9230	CU90	CM900	7220	9230	ACCR_CM	5,194.50
1-CU90 Base	61-9200	PY-ACCR	CU00	JRNL00580569	CU90-CM900-6110-9200	CU90	CM900	6110	9200		(3,172.00)
1-CU90 Base	64-9250	PY-ACCR	CU00	JRNL00580569	CU90-CM900-6410-9250	CU90	CM900	6410	9250		(2.00)
1-CU90 Base	64-9260	PY-ACCR	CU00	JRNL00580569	CU90-CM900-6420-9260	CU90	CM900	6420	9260		(243.00)
1-CU90 Base	64-9260	PY-ACCR	CU00	JRNL00580569	CU90-CM900-6425-9260	CU90	CM900	6425	9260		109.00
1-CU90 Base	64-9260	PY-ACCR	CU00	JRNL00580569	CU90-CM900-6430-9260	CU90	CM900	6430	9260		(36.00)
1-CU90 Base	64-9260	PY-ACCR	CU00	JRNL00580569	CU90-CM900-6490-9260	CU90	CM900	6490	9260		(9.00)
1-CU90 Base	66-9260	PY-ACCR	CU00	JRNL00580569	CU90-CM900-6620-9260	CU90	CM900	6620	9260		(58.00)
1-CU90 Base	66-9260	PY-ACCR	CU00	JRNL00580569	CU90-CM900-6630-9260	CU90	CM900	6630	9260		(190.00)
1-CU90 Base	82-4081	PY-ACCR	CU00	JRNL00580569	CU90-CM900-8210-4081	CU90	CM900	8210	4081		(237.00)
2-Alloc	61-9200	AA	CU00	JRNL00580658	CU90-CM900-6100-9200	CU90	CM900	6100	9200		(15,060.28)
2-Alloc	61-9200	AA	CU00	JRNL00580658	FE00-CM900-6100-9200	FE00	CM900	6100	9200		978.92
2-Alloc	61-9200	AA	CU00	JRNL00580658	WC00-CM900-6100-9200	WC00	CM900	6100	9200		496.99
2-Alloc	61-9200	AA	CU00	JRNL00580658	FF00-CM900-6100-9200	FF00	CM900	6100	9200		512.05
2-Alloc	61-9200	AA	CU00	JRNL00580658	FM00-CM900-6100-9200	FM00	CM900	6100	9200		15.06
2-Alloc	61-9200	AA	CU00	JRNL00580658	ES00-CM900-6100-9200	ES00	CM900	6100	9200		3,102.41
2-Alloc	61-9200	AA	CU00	JRNL00580658	SD00-CM900-6100-9200	SD00	CM900	6100	9200		346.38
2-Alloc	61-9200	AA	CU00	JRNL00580658	MD00-CM900-6100-9200	MD00	CM900	6100	9200		496.99
2-Alloc	61-9200	AA	CU00	JRNL00580658	MS00-CM900-6100-9200	MS00	CM900	6100	9200		316.27
2-Alloc	61-9200	AA	CU00	JRNL00580658	AX00-CM900-6100-9200	AX00	CM900	6100	9200		30.12
2-Alloc	61-9200	AA	CU00	JRNL00580658	EF00-CM900-6100-9200	EF00	CM900	6100	9200		256.03
2-Alloc	61-9200	AA	CU00	JRNL00580658	PC00-CM900-6100-9200	PC00	CM900	6100	9200		1,024.10
2-Alloc	61-9200	AA	CU00	JRNL00580658	SC99-CM900-6100-9200	SC99	CM900	6100	9200		316.27
2-Alloc	61-9200	AA	CU00	JRNL00580658	AE01-CM900-6100-9200	AE01	CM900	6100	9200		798.19
2-Alloc	61-9200	AA	CU00	JRNL00580658	DE00-CM900-6100-9200	DE00	CM900	6100	9200		1,475.91
2-Alloc	61-9200	AA	CU00	JRNL00580658	FN00-CM900-6100-9200	FN00	CM900	6100	9200		3,418.68
2-Alloc	61-9200	AA	CU00	JRNL00580658	EK00-CM900-6100-9200	EK00	CM900	6100	9200		150.60
2-Alloc	61-9200	AA	CU00	JRNL00580658	SG99-CM900-6100-9200	SG99	CM900	6100	9200		1,325.31
2-Alloc	62-9210	AA	CU00	JRNL00580658	CU90-CM900-6200-9210	CU90	CM900	6200	9210		529.19

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2-Alloc	62-9210	AA	CU00	JRNL00580658	FE00-CM900-6200-9210	FE00	CM900	6200	9210	(34.39)
2-Alloc	62-9210	AA	CU00	JRNL00580658	WC00-CM900-6200-9210	WC00	CM900	6200	9210	(17.45)
2-Alloc	62-9210	AA	CU00	JRNL00580658	FF00-CM900-6200-9210	FF00	CM900	6200	9210	(18.00)
2-Alloc	62-9210	AA	CU00	JRNL00580658	FM00-CM900-6200-9210	FM00	CM900	6200	9210	(0.54)
2-Alloc	62-9210	AA	CU00	JRNL00580658	ES00-CM900-6200-9210	ES00	CM900	6200	9210	(109.02)
2-Alloc	62-9210	AA	CU00	JRNL00580658	SD00-CM900-6200-9210	SD00	CM900	6200	9210	(12.17)
2-Alloc	62-9210	AA	CU00	JRNL00580658	MD00-CM900-6200-9210	MD00	CM900	6200	9210	(17.45)
2-Alloc	62-9210	AA	CU00	JRNL00580658	MS00-CM900-6200-9210	MS00	CM900	6200	9210	(11.12)
2-Alloc	62-9210	AA	CU00	JRNL00580658	AX00-CM900-6200-9210	AX00	CM900	6200	9210	(1.05)
2-Alloc	62-9210	AA	CU00	JRNL00580658	EF00-CM900-6200-9210	EF00	CM900	6200	9210	(8.99)
2-Alloc	62-9210	AA	CU00	JRNL00580658	PC00-CM900-6200-9210	PC00	CM900	6200	9210	(35.98)
2-Alloc	62-9210	AA	CU00	JRNL00580658	SC99-CM900-6200-9210	SC99	CM900	6200	9210	(11.12)
2-Alloc	62-9210	AA	CU00	JRNL00580658	AE01-CM900-6200-9210	AE01	CM900	6200	9210	(28.04)
2-Alloc	62-9210	AA	CU00	JRNL00580658	DE00-CM900-6200-9210	DE00	CM900	6200	9210	(51.86)
2-Alloc	62-9210	AA	CU00	JRNL00580658	FN00-CM900-6200-9210	FN00	CM900	6200	9210	(120.13)
2-Alloc	62-9210	AA	CU00	JRNL00580658	EK00-CM900-6200-9210	EK00	CM900	6200	9210	(5.30)
2-Alloc	62-9210	AA	CU00	JRNL00580658	SG99-CM900-6200-9210	SG99	CM900	6200	9210	(46.58)
2-Alloc	64-9250	AA	CU00	JRNL00580658	CU90-CM900-6400-9250	CU90	CM900	6400	9250	(13.63)
2-Alloc	64-9260	AA	CU00	JRNL00580658	CU90-CM900-6400-9260	CU90	CM900	6400	9260	(1,734.78)
2-Alloc	64-9260	AA	CU00	JRNL00580658	FE00-CM900-6400-9260	FE00	CM900	6400	9260	112.76
2-Alloc	64-9260	AA	CU00	JRNL00580658	WC00-CM900-6400-9260	WC00	CM900	6400	9260	57.24
2-Alloc	64-9260	AA	CU00	JRNL00580658	FF00-CM900-6400-9260	FF00	CM900	6400	9260	58.98
2-Alloc	64-9260	AA	CU00	JRNL00580658	FM00-CM900-6400-9260	FM00	CM900	6400	9260	1.73
2-Alloc	64-9260	AA	CU00	JRNL00580658	ES00-CM900-6400-9260	ES00	CM900	6400	9260	357.37
2-Alloc	64-9260	AA	CU00	JRNL00580658	SD00-CM900-6400-9260	SD00	CM900	6400	9260	39.90
2-Alloc	64-9260	AA	CU00	JRNL00580658	MD00-CM900-6400-9260	MD00	CM900	6400	9260	57.24
2-Alloc	64-9260	AA	CU00	JRNL00580658	MS00-CM900-6400-9260	MS00	CM900	6400	9260	36.43
2-Alloc	64-9260	AA	CU00	JRNL00580658	AX00-CM900-6400-9260	AX00	CM900	6400	9260	3.47
2-Alloc	64-9260	AA	CU00	JRNL00580658	EF00-CM900-6400-9260	EF00	CM900	6400	9260	29.49
2-Alloc	64-9260	AA	CU00	JRNL00580658	PC00-CM900-6400-9260	PC00	CM900	6400	9260	117.97
2-Alloc	64-9260	AA	CU00	JRNL00580658	SC99-CM900-6400-9260	SC99	CM900	6400	9260	36.43
2-Alloc	64-9260	AA	CU00	JRNL00580658	AE01-CM900-6400-9260	AE01	CM900	6400	9260	91.94
2-Alloc	64-9260	AA	CU00	JRNL00580658	DE00-CM900-6400-9260	DE00	CM900	6400	9260	170.01
2-Alloc	64-9260	AA	CU00	JRNL00580658	FN00-CM900-6400-9260	FN00	CM900	6400	9260	393.80
2-Alloc	64-9260	AA	CU00	JRNL00580658	EK00-CM900-6400-9260	EK00	CM900	6400	9260	17.35
2-Alloc	64-9250	AA	CU00	JRNL00580658	FE00-CM900-6400-9250	FE00	CM900	6400	9250	0.89
2-Alloc	64-9250	AA	CU00	JRNL00580658	WC00-CM900-6400-9250	WC00	CM900	6400	9250	0.45
2-Alloc	64-9250	AA	CU00	JRNL00580658	FF00-CM900-6400-9250	FF00	CM900	6400	9250	0.46
2-Alloc	64-9250	AA	CU00	JRNL00580658	FM00-CM900-6400-9250	FM00	CM900	6400	9250	0.01
2-Alloc	64-9250	AA	CU00	JRNL00580658	ES00-CM900-6400-9250	ES00	CM900	6400	9250	2.81
2-Alloc	64-9250	AA	CU00	JRNL00580658	SD00-CM900-6400-9250	SD00	CM900	6400	9250	0.31
2-Alloc	64-9250	AA	CU00	JRNL00580658	MD00-CM900-6400-9250	MD00	CM900	6400	9250	0.45
2-Alloc	64-9250	AA	CU00	JRNL00580658	MS00-CM900-6400-9250	MS00	CM900	6400	9250	0.29
2-Alloc	64-9250	AA	CU00	JRNL00580658	AX00-CM900-6400-9250	AX00	CM900	6400	9250	0.03
2-Alloc	64-9250	AA	CU00	JRNL00580658	EF00-CM900-6400-9250	EF00	CM900	6400	9250	0.23
2-Alloc	64-9250	AA	CU00	JRNL00580658	PC00-CM900-6400-9250	PC00	CM900	6400	9250	0.93
2-Alloc	64-9250	AA	CU00	JRNL00580658	SC99-CM900-6400-9250	SC99	CM900	6400	9250	0.29
2-Alloc	64-9250	AA	CU00	JRNL00580658	AE01-CM900-6400-9250	AE01	CM900	6400	9250	0.72
2-Alloc	64-9250	AA	CU00	JRNL00580658	DE00-CM900-6400-9250	DE00	CM900	6400	9250	1.33
2-Alloc	64-9250	AA	CU00	JRNL00580658	FN00-CM900-6400-9250	FN00	CM900	6400	9250	3.09
2-Alloc	64-9250	AA	CU00	JRNL00580658	EK00-CM900-6400-9250	EK00	CM900	6400	9250	0.14
2-Alloc	64-9250	AA	CU00	JRNL00580658	SG99-CM900-6400-9250	SG99	CM900	6400	9250	1.20
2-Alloc	64-9260	AA	CU00	JRNL00580658	SG99-CM900-6400-9260	SG99	CM900	6400	9260	152.67
2-Alloc	66-9260	AA	CU00	JRNL00580658	CU90-CM900-6600-9260	CU90	CM900	6600	9260	253.25
2-Alloc	66-9260	AA	CU00	JRNL00580658	FE00-CM900-6600-9260	FE00	CM900	6600	9260	(16.46)
2-Alloc	66-9260	AA	CU00	JRNL00580658	WC00-CM900-6600-9260	WC00	CM900	6600	9260	(8.36)
2-Alloc	66-9260	AA	CU00	JRNL00580658	FF00-CM900-6600-9260	FF00	CM900	6600	9260	(8.61)

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2-Alloc	66-9260	AA	CU00	JRNL00580658	FM00-CM900-6600-9260	FM00	CM900	6600	9260	(0.25)
2-Alloc	66-9260	AA	CU00	JRNL00580658	ES00-CM900-6600-9260	ES00	CM900	6600	9260	(52.17)
2-Alloc	66-9260	AA	CU00	JRNL00580658	SD00-CM900-6600-9260	SD00	CM900	6600	9260	(5.82)
2-Alloc	61-9200	AA	CU00	JRNL00580658	CU90-CM900-6100-9200	CU90	CM900	6100	9200	0.04
2-Alloc	61-9200	AA	CU00	JRNL00580658	FN00-CM900-6100-9200	FN00	CM900	6100	9200	(0.04)
2-Alloc	62-9210	AA	CU00	JRNL00580658	CU90-CM900-6200-9210	CU90	CM900	6200	9210	0.01
2-Alloc	62-9210	AA	CU00	JRNL00580658	FN00-CM900-6200-9210	FN00	CM900	6200	9210	(0.01)
2-Alloc	64-9250	AA	CU00	JRNL00580658	CU90-CM900-6400-9250	CU90	CM900	6400	9250	0.01
2-Alloc	64-9260	AA	CU00	JRNL00580658	CU90-CM900-6400-9260	CU90	CM900	6400	9260	(0.02)
2-Alloc	64-9260	AA	CU00	JRNL00580658	FN00-CM900-6400-9260	FN00	CM900	6400	9260	0.02
2-Alloc	64-9250	AA	CU00	JRNL00580658	FN00-CM900-6400-9250	FN00	CM900	6400	9250	(0.01)
2-Alloc	66-9260	AA	CU00	JRNL00580658	CU90-CM900-6600-9260	CU90	CM900	6600	9260	0.01
2-Alloc	66-9260	AA	CU00	JRNL00580658	FN00-CM900-6600-9260	FN00	CM900	6600	9260	(0.01)
2-Alloc	70-9301	AA	CU00	JRNL00580658	CU90-CM900-7000-9301	CU90	CM900	7000	9301	0.21
2-Alloc	70-9301	AA	CU00	JRNL00580658	FN00-CM900-7000-9301	FN00	CM900	7000	9301	(0.21)
2-Alloc	72-9230	AA	CU00	JRNL00580658	CU90-CM900-7200-9230	CU90	CM900	7200	9230	(0.01)
2-Alloc	72-9230	AA	CU00	JRNL00580658	FN00-CM900-7200-9230	FN00	CM900	7200	9230	0.01
2-Alloc	77-9210	AA	CU00	JRNL00580658	CU90-CM900-7700-9210	CU90	CM900	7700	9210	(0.01)
2-Alloc	77-9210	AA	CU00	JRNL00580658	FN00-CM900-7700-9210	FN00	CM900	7700	9210	0.01
2-Alloc	66-9260	AA	CU00	JRNL00580658	MD00-CM900-6600-9260	MD00	CM900	6600	9260	(8.36)
2-Alloc	66-9260	AA	CU00	JRNL00580658	MS00-CM900-6600-9260	MS00	CM900	6600	9260	(5.32)
2-Alloc	66-9260	AA	CU00	JRNL00580658	AX00-CM900-6600-9260	AX00	CM900	6600	9260	(0.51)
2-Alloc	66-9260	AA	CU00	JRNL00580658	EF00-CM900-6600-9260	EF00	CM900	6600	9260	(4.31)
2-Alloc	66-9260	AA	CU00	JRNL00580658	PC00-CM900-6600-9260	PC00	CM900	6600	9260	(17.22)
2-Alloc	66-9260	AA	CU00	JRNL00580658	SC99-CM900-6600-9260	SC99	CM900	6600	9260	(5.32)
2-Alloc	66-9260	AA	CU00	JRNL00580658	AE01-CM900-6600-9260	AE01	CM900	6600	9260	(13.42)
2-Alloc	66-9260	AA	CU00	JRNL00580658	DE00-CM900-6600-9260	DE00	CM900	6600	9260	(24.82)
2-Alloc	66-9260	AA	CU00	JRNL00580658	FN00-CM900-6600-9260	FN00	CM900	6600	9260	(57.49)
2-Alloc	66-9260	AA	CU00	JRNL00580658	EK00-CM900-6600-9260	EK00	CM900	6600	9260	(2.53)
2-Alloc	66-9260	AA	CU00	JRNL00580658	SG99-CM900-6600-9260	SG99	CM900	6600	9260	(22.28)
2-Alloc	70-9301	AA	CU00	JRNL00580658	CU90-CM900-7000-9301	CU90	CM900	7000	9301	(12,868.05)
2-Alloc	70-9301	AA	CU00	JRNL00580658	FE00-CM900-7000-9301	FE00	CM900	7000	9301	836.43
2-Alloc	70-9301	AA	CU00	JRNL00580658	WC00-CM900-7000-9301	WC00	CM900	7000	9301	424.67
2-Alloc	70-9301	AA	CU00	JRNL00580658	FF00-CM900-7000-9301	FF00	CM900	7000	9301	437.50
2-Alloc	70-9301	AA	CU00	JRNL00580658	FM00-CM900-7000-9301	FM00	CM900	7000	9301	12.90
2-Alloc	70-9301	AA	CU00	JRNL00580658	ES00-CM900-7000-9301	ES00	CM900	7000	9301	2,650.77
2-Alloc	70-9301	AA	CU00	JRNL00580658	SD00-CM900-7000-9301	SD00	CM900	7000	9301	295.99
2-Alloc	70-9301	AA	CU00	JRNL00580658	MD00-CM900-7000-9301	MD00	CM900	7000	9301	424.67
2-Alloc	70-9301	AA	CU00	JRNL00580658	MS00-CM900-7000-9301	MS00	CM900	7000	9301	270.25
2-Alloc	70-9301	AA	CU00	JRNL00580658	AX00-CM900-7000-9301	AX00	CM900	7000	9301	25.73
2-Alloc	70-9301	AA	CU00	JRNL00580658	EF00-CM900-7000-9301	EF00	CM900	7000	9301	218.79
2-Alloc	70-9301	AA	CU00	JRNL00580658	PC00-CM900-7000-9301	PC00	CM900	7000	9301	875.01
2-Alloc	70-9301	AA	CU00	JRNL00580658	SC99-CM900-7000-9301	SC99	CM900	7000	9301	270.25
2-Alloc	70-9301	AA	CU00	JRNL00580658	AE01-CM900-7000-9301	AE01	CM900	7000	9301	682.00
2-Alloc	70-9301	AA	CU00	JRNL00580658	DE00-CM900-7000-9301	DE00	CM900	7000	9301	1,261.06
2-Alloc	70-9301	AA	CU00	JRNL00580658	FN00-CM900-7000-9301	FN00	CM900	7000	9301	2,920.98
2-Alloc	70-9301	AA	CU00	JRNL00580658	EK00-CM900-7000-9301	EK00	CM900	7000	9301	128.68
2-Alloc	70-9301	AA	CU00	JRNL00580658	SG99-CM900-7000-9301	SG99	CM900	7000	9301	1,132.37
2-Alloc	72-9230	AA	CU00	JRNL00580658	CU90-CM900-7200-9230	CU90	CM900	7200	9230	(26,844.07)
2-Alloc	72-9230	AA	CU00	JRNL00580658	FE00-CM900-7200-9230	FE00	CM900	7200	9230	1,744.86
2-Alloc	72-9230	AA	CU00	JRNL00580658	WC00-CM900-7200-9230	WC00	CM900	7200	9230	885.86
2-Alloc	72-9230	AA	CU00	JRNL00580658	FF00-CM900-7200-9230	FF00	CM900	7200	9230	912.70
2-Alloc	72-9230	AA	CU00	JRNL00580658	FM00-CM900-7200-9230	FM00	CM900	7200	9230	26.85
2-Alloc	72-9230	AA	CU00	JRNL00580658	ES00-CM900-7200-9230	ES00	CM900	7200	9230	5,529.89
2-Alloc	72-9230	AA	CU00	JRNL00580658	SD00-CM900-7200-9230	SD00	CM900	7200	9230	617.41
2-Alloc	72-9230	AA	CU00	JRNL00580658	MD00-CM900-7200-9230	MD00	CM900	7200	9230	885.86
2-Alloc	72-9230	AA	CU00	JRNL00580658	MS00-CM900-7200-9230	MS00	CM900	7200	9230	563.72

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2-Alloc	72-9230	AA	CU00	JRNL00580658	AX00-CM900-7200-9230	AX00	CM900	7200	9230		53.68
2-Alloc	72-9230	AA	CU00	JRNL00580658	EF00-CM900-7200-9230	EF00	CM900	7200	9230		456.35
2-Alloc	72-9230	AA	CU00	JRNL00580658	PC00-CM900-7200-9230	PC00	CM900	7200	9230		1,825.41
2-Alloc	72-9230	AA	CU00	JRNL00580658	SC99-CM900-7200-9230	SC99	CM900	7200	9230		563.72
2-Alloc	72-9230	AA	CU00	JRNL00580658	AE01-CM900-7200-9230	AE01	CM900	7200	9230		1,422.73
2-Alloc	72-9230	AA	CU00	JRNL00580658	DE00-CM900-7200-9230	DE00	CM900	7200	9230		2,630.71
2-Alloc	72-9230	AA	CU00	JRNL00580658	FN00-CM900-7200-9230	FN00	CM900	7200	9230		6,093.61
2-Alloc	72-9230	AA	CU00	JRNL00580658	EK00-CM900-7200-9230	EK00	CM900	7200	9230		268.44
2-Alloc	72-9230	AA	CU00	JRNL00580658	SG99-CM900-7200-9230	SG99	CM900	7200	9230		2,362.27
2-Alloc	77-9210	AA	CU00	JRNL00580658	CU90-CM900-7700-9210	CU90	CM900	7700	9210		(1,553.66)
2-Alloc	77-9210	AA	CU00	JRNL00580658	FE00-CM900-7700-9210	FE00	CM900	7700	9210		100.99
2-Alloc	77-9210	AA	CU00	JRNL00580658	WC00-CM900-7700-9210	WC00	CM900	7700	9210		51.27
2-Alloc	77-9210	AA	CU00	JRNL00580658	FF00-CM900-7700-9210	FF00	CM900	7700	9210		52.82
2-Alloc	77-9210	AA	CU00	JRNL00580658	FM00-CM900-7700-9210	FM00	CM900	7700	9210		1.55
2-Alloc	77-9210	AA	CU00	JRNL00580658	ES00-CM900-7700-9210	ES00	CM900	7700	9210		320.06
2-Alloc	77-9210	AA	CU00	JRNL00580658	SD00-CM900-7700-9210	SD00	CM900	7700	9210		35.73
2-Alloc	77-9210	AA	CU00	JRNL00580658	MD00-CM900-7700-9210	MD00	CM900	7700	9210		51.27
2-Alloc	77-9210	AA	CU00	JRNL00580658	MS00-CM900-7700-9210	MS00	CM900	7700	9210		32.63
2-Alloc	77-9210	AA	CU00	JRNL00580658	AX00-CM900-7700-9210	AX00	CM900	7700	9210		3.11
2-Alloc	77-9210	AA	CU00	JRNL00580658	EF00-CM900-7700-9210	EF00	CM900	7700	9210		26.41
2-Alloc	77-9210	AA	CU00	JRNL00580658	PC00-CM900-7700-9210	PC00	CM900	7700	9210		105.65
2-Alloc	77-9210	AA	CU00	JRNL00580658	SC99-CM900-7700-9210	SC99	CM900	7700	9210		32.63
2-Alloc	77-9210	AA	CU00	JRNL00580658	AE01-CM900-7700-9210	AE01	CM900	7700	9210		82.34
2-Alloc	77-9210	AA	CU00	JRNL00580658	DE00-CM900-7700-9210	DE00	CM900	7700	9210		152.26
2-Alloc	77-9210	AA	CU00	JRNL00580658	FN00-CM900-7700-9210	FN00	CM900	7700	9210		352.68
2-Alloc	77-9210	AA	CU00	JRNL00580658	EK00-CM900-7700-9210	EK00	CM900	7700	9210		15.54
2-Alloc	77-9210	AA	CU00	JRNL00580658	SG99-CM900-7700-9210	SG99	CM900	7700	9210		136.72
2-Alloc	82-4081	AA	CU00	JRNL00580658	CU90-CM900-8200-4081	CU90	CM900	8200	4081		(1,306.40)
2-Alloc	82-4081	AA	CU00	JRNL00580658	FE00-CM900-8200-4081	FE00	CM900	8200	4081		84.92
2-Alloc	82-4081	AA	CU00	JRNL00580658	WC00-CM900-8200-4081	WC00	CM900	8200	4081		43.11
2-Alloc	82-4081	AA	CU00	JRNL00580658	FF00-CM900-8200-4081	FF00	CM900	8200	4081		44.42
2-Alloc	82-4081	AA	CU00	JRNL00580658	FM00-CM900-8200-4081	FM00	CM900	8200	4081		1.31
2-Alloc	82-4081	AA	CU00	JRNL00580658	ES00-CM900-8200-4081	ES00	CM900	8200	4081		269.12
2-Alloc	82-4081	AA	CU00	JRNL00580658	SD00-CM900-8200-4081	SD00	CM900	8200	4081		30.05
2-Alloc	82-4081	AA	CU00	JRNL00580658	MD00-CM900-8200-4081	MD00	CM900	8200	4081		43.11
2-Alloc	82-4081	AA	CU00	JRNL00580658	MS00-CM900-8200-4081	MS00	CM900	8200	4081		27.43
2-Alloc	82-4081	AA	CU00	JRNL00580658	AX00-CM900-8200-4081	AX00	CM900	8200	4081		2.61
2-Alloc	82-4081	AA	CU00	JRNL00580658	EF00-CM900-8200-4081	EF00	CM900	8200	4081		22.21
2-Alloc	82-4081	AA	CU00	JRNL00580658	PC00-CM900-8200-4081	PC00	CM900	8200	4081		88.84
2-Alloc	82-4081	AA	CU00	JRNL00580658	SC99-CM900-8200-4081	SC99	CM900	8200	4081		27.43
2-Alloc	82-4081	AA	CU00	JRNL00580658	AE01-CM900-8200-4081	AE01	CM900	8200	4081		69.24
2-Alloc	82-4081	AA	CU00	JRNL00580658	DE00-CM900-8200-4081	DE00	CM900	8200	4081		128.03
2-Alloc	82-4081	AA	CU00	JRNL00580658	FN00-CM900-8200-4081	FN00	CM900	8200	4081		296.55
2-Alloc	82-4081	AA	CU00	JRNL00580658	EK00-CM900-8200-4081	EK00	CM900	8200	4081		13.06
2-Alloc	82-4081	AA	CU00	JRNL00580658	SG99-CM900-8200-4081	SG99	CM900	8200	4081		114.96
x-na-SL Clearing	99-9900	PP-SLCLR	CU00	JRNL00581111	91CU-CM900-9900-9900	91CU	CM900	9900	9900	CU0039P001S	(2,537.56)

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ADMITTED

Description	Vendor_Name	Document_1	Document_2	Apply_Date	Posted_Date	Posted_Status
FLORIDA STATE ONE PAGE DOCUMENT FOR VICI	MARKETING TALENT NETWORK INC	21770	VO01000494	7/6/2023	7/6/2023	Yes
JUNE 2023 COMMS RETAINER DE-MD	ADEO ADVOCACY LLC	2033	VO01000511	7/6/2023	7/6/2023	Yes
JULY 2023 COMMS RETAINER DE-MD	ADEO ADVOCACY LLC	2075	VO01000512	7/6/2023	7/6/2023	Yes
MARKETING HUB ENTERPRISE	HUBSPOT INC	11518782	VO01000521	7/6/2023	7/6/2023	Yes
EDI WEBPAGE EDITS	MARKETING TALENT NETWORK INC	21766	VO01000723	7/7/2023	7/10/2023	Yes
REMOVAL OF ALEX WHITELAM WEB EDITS	MARKETING TALENT NETWORK INC	21771	VO01000724	7/7/2023	7/10/2023	Yes
GAS WORKER'S DAY MEAL	IMPREST - SHARP ENERGY - TRUIST	033123 - WILMGTN	VO01000816	7/7/2023	7/10/2023	Yes
FC B27-Salaries			JRNL00579443	7/7/2023	7/31/2023	Yes
FC B27-Workers Comp Exp			JRNL00579443	7/7/2023	7/31/2023	Yes
FC B27-Benefit Claims			JRNL00579443	7/7/2023	7/31/2023	Yes
FC B27-Benefit Claims W/H			JRNL00579443	7/7/2023	7/31/2023	Yes
FC B27-Admin Fees			JRNL00579443	7/7/2023	7/31/2023	Yes
FC B27-Other Health Benes			JRNL00579443	7/7/2023	7/31/2023	Yes
FC B27-401K Stock Match			JRNL00579443	7/7/2023	7/31/2023	Yes
FC B27-401K Cash Match			JRNL00579443	7/7/2023	7/31/2023	Yes
FC B27-Payroll taxes			JRNL00579443	7/7/2023	7/31/2023	Yes
CU B27-Salaries			JRNL00579638	7/7/2023	8/1/2023	Yes
CU B27-Salaries			JRNL00579638	7/7/2023	8/1/2023	Yes
CU B27-Workers Comp Exp			JRNL00579638	7/7/2023	8/1/2023	Yes
CU B27-Benefit Claims			JRNL00579638	7/7/2023	8/1/2023	Yes
CU B27-Benefit Claims W/H			JRNL00579638	7/7/2023	8/1/2023	Yes
CU B27-Admin Fees			JRNL00579638	7/7/2023	8/1/2023	Yes
CU B27-Other Health Benes			JRNL00579638	7/7/2023	8/1/2023	Yes
CU B27-401K Stock Match			JRNL00579638	7/7/2023	8/1/2023	Yes
CU B27-401K Cash Match			JRNL00579638	7/7/2023	8/1/2023	Yes
CU B27-Payroll taxes			JRNL00579638	7/7/2023	8/1/2023	Yes
DOVER FINANCE TEAM COMMUNITY SERVICE	CARLOS ALEJANDRO PHOTOGRAPHY	6930	VO01001223	7/11/2023	7/12/2023	Yes
ADO CORP CC ALL APP L12 MOS-01 - ADOBE LICI	CDW DIRECT	KK31892	VO01001898	7/14/2023	7/17/2023	Yes
NEW WEBPAGE FOR PRIDE	MARKETING TALENT NETWORK INC	21776	VO01002165	7/17/2023	7/18/2023	Yes
LINDSAY FOY WEBSITE UPDATES	MARKETING TALENT NETWORK INC	21775	VO01002166	7/17/2023	7/18/2023	Yes
FC B29-Salaries			JRNL00580058	7/21/2023	8/1/2023	Yes
FC B29-Workers Comp Exp			JRNL00580058	7/21/2023	8/1/2023	Yes
FC B29-Benefit Claims			JRNL00580058	7/21/2023	8/1/2023	Yes
FC B29-Benefit Claims W/H			JRNL00580058	7/21/2023	8/1/2023	Yes
FC B29-Admin Fees			JRNL00580058	7/21/2023	8/1/2023	Yes
FC B29-Other Health Benes			JRNL00580058	7/21/2023	8/1/2023	Yes
FC B29-401K Stock Match			JRNL00580058	7/21/2023	8/1/2023	Yes
FC B29-401K Cash Match			JRNL00580058	7/21/2023	8/1/2023	Yes
FC B29-Payroll taxes			JRNL00580058	7/21/2023	8/1/2023	Yes
CU B29-Salaries			JRNL00580074	7/21/2023	8/1/2023	Yes
CU B29-Salaries			JRNL00580074	7/21/2023	8/1/2023	Yes
CU B29-Workers Comp Exp			JRNL00580074	7/21/2023	8/1/2023	Yes
CU B29-Benefit Claims			JRNL00580074	7/21/2023	8/1/2023	Yes
CU B29-Benefit Claims W/H			JRNL00580074	7/21/2023	8/1/2023	Yes
CU B29-Admin Fees			JRNL00580074	7/21/2023	8/1/2023	Yes
CU B29-Other Health Benes			JRNL00580074	7/21/2023	8/1/2023	Yes
CU B29-401K Stock Match			JRNL00580074	7/21/2023	8/1/2023	Yes
CU B29-401K Cash Match			JRNL00580074	7/21/2023	8/1/2023	Yes
CU B29-Payroll taxes			JRNL00580074	7/21/2023	8/1/2023	Yes
AQUA STREAM: SERV THRU JUN 2023	BAKER & HOSTETLER LLP	51168899	VO01003154	7/24/2023	7/25/2023	Yes
AQUA STREAM AND DESIGN-SERVS THRU JUNE :	BAKER & HOSTETLER LLP	51168901	VO01003155	7/24/2023	7/25/2023	Yes
AMELIA RENEWABLES-SERVS THRU JUNE 2023	BAKER & HOSTETLER LLP	51168902	VO01003156	7/24/2023	7/25/2023	Yes
US TM:ASK4GAS CIS 35,37-SERVS THRU JUN 202	BAKER & HOSTETLER LLP	51168903	VO01003157	7/24/2023	7/25/2023	Yes
AMELIA RENEWABLES AND DESIGN-SERVS JUN 2	BAKER & HOSTETLER LLP	51168904	VO01003158	7/24/2023	7/25/2023	Yes
EDI ERG FAMILY OF LOGOS	MARKETING TALENT NETWORK INC	21799	VO01003159	7/24/2023	7/25/2023	Yes
FATHERS DAY EDI RAPPORT HUB LANDING PAGE	MARKETING TALENT NETWORK INC	21808	VO01003160	7/24/2023	7/25/2023	Yes

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PHOTO EDIT REMOVAL OF CRYSTAL AND BUDDY	MARKETING TALENT NETWORK INC	21809	VO01003161	7/24/2023	7/25/2023	Yes
ADDRESS CHANGE FOR COMPUTERSHARE	MARKETING TALENT NETWORK INC	21811	VO01003162	7/24/2023	7/25/2023	Yes
CUCSAFE SAFETY HANDBOOK	MARKETING TALENT NETWORK INC	21792	VO01003163	7/24/2023	7/25/2023	Yes
GENERAL INTELLECTUAL PROPERTY MATTERS-SI	BAKER & HOSTETLER LLP	51168900	VO01003741	7/25/2023	7/26/2023	Yes
COMMUNITY-GIVING BACK PAGE UPDATES	MARKETING TALENT NETWORK INC	21820	VO01003745	7/25/2023	7/26/2023	Yes
HR STAR AWARD REVISIONS	MARKETING TALENT NETWORK INC	21821	VO01003746	7/25/2023	7/26/2023	Yes
ESNG COMMUNITY GIVING BACK PAGE UPDATE	MARKETING TALENT NETWORK INC	21825	VO01003747	7/25/2023	7/26/2023	Yes
NEW EDI WEBPAGE FOR GREEN	MARKETING TALENT NETWORK INC	21793	VO01003748	7/25/2023	7/26/2023	Yes
INTREPID STAINLESS STEEL TUMBLER	RAD WEAR INC	29867	VO01003749	7/25/2023	7/26/2023	Yes
CUC23-142 SR SUMMARY	RENAISSANCE PRINTING	853526	VO01003750	7/25/2023	7/26/2023	Yes
Stock/BOA PCARD Accrual			JRNL00578728	7/31/2023	7/2/2023	Yes
KOWAL/BOA PCARD Accrual			JRNL00578728	7/31/2023	7/2/2023	Yes
STOCK/BOA PCARD Accrual			JRNL00578728	7/31/2023	7/2/2023	Yes
352-531-5436 / Barbara Kowal		402831322	JRNL00578284	7/31/2023	7/2/2023	Yes
302-387-5582 / Debbie Smith		402831322	JRNL00578284	7/31/2023	7/2/2023	Yes
302-387-7455 / Michael Stock		402831322	JRNL00578284	7/31/2023	7/2/2023	Yes
302-922-0272 / Jacqueline Mayan		402831322	JRNL00578284	7/31/2023	7/2/2023	Yes
Accrue - CDW DIRECT		KK31892	JRNL00578752	7/31/2023	7/3/2023	Yes
Accrue - Baker Hostetler Trademarks		Est June	JRNL00578846	7/31/2023	7/3/2023	Yes
Accr - Adeo Advocacy		2033	JRNL00579109	7/31/2023	7/6/2023	Yes
Accr 100% FC B27 Est-Salaries			JRNL00578892	7/31/2023	8/3/2023	Yes
Accr 100% FC B27 Est-Workers Comp Exp			JRNL00578892	7/31/2023	8/3/2023	Yes
Accr 100% FC B27 Est-Benefit Claims			JRNL00578892	7/31/2023	8/3/2023	Yes
Accr 100% FC B27 Est-Benefit Claims W/H			JRNL00578892	7/31/2023	8/3/2023	Yes
Accr 100% FC B27 Est-Admin Fees			JRNL00578892	7/31/2023	8/3/2023	Yes
Accr 100% FC B27 Est-Other Health Benes			JRNL00578892	7/31/2023	8/3/2023	Yes
Accr 100% FC B27 Est-401K Stock Match			JRNL00578892	7/31/2023	8/3/2023	Yes
Accr 100% FC B27 Est-401K Cash Match			JRNL00578892	7/31/2023	8/3/2023	Yes
Accr 100% FC B27 Est-Payroll taxes			JRNL00578892	7/31/2023	8/3/2023	Yes
Accr 100% CU B27 Est-Salaries			JRNL00578827	7/31/2023	8/3/2023	Yes
Accr 100% CU B27 Est-Workers Comp Exp			JRNL00578827	7/31/2023	8/3/2023	Yes
Accr 100% CU B27 Est-Benefit Claims			JRNL00578827	7/31/2023	8/3/2023	Yes
Accr 100% CU B27 Est-Benefit Claims W/H			JRNL00578827	7/31/2023	8/3/2023	Yes
Accr 100% CU B27 Est-Admin Fees			JRNL00578827	7/31/2023	8/3/2023	Yes
Accr 100% CU B27 Est-Other Health Benes			JRNL00578827	7/31/2023	8/3/2023	Yes
Accr 100% CU B27 Est-401K Stock Match			JRNL00578827	7/31/2023	8/3/2023	Yes
Accr 100% CU B27 Est-401K Cash Match			JRNL00578827	7/31/2023	8/3/2023	Yes
Accr 100% CU B27 Est-Payroll taxes			JRNL00578827	7/31/2023	8/3/2023	Yes
CU B Cycle Sync-Legacy empl			JRNL00578970	7/31/2023	8/3/2023	Yes
CU B Cycle Sync-Legacy empl			JRNL00578970	7/31/2023	8/3/2023	Yes
CU B Cycle Sync-Legacy empl			JRNL00578970	7/31/2023	8/3/2023	Yes
CU B Cycle Sync-Legacy empl			JRNL00578970	7/31/2023	8/3/2023	Yes
CU B Cycle Sync-Legacy empl			JRNL00578970	7/31/2023	8/3/2023	Yes
CU B Cycle Sync-Legacy empl			JRNL00578970	7/31/2023	8/3/2023	Yes
CU B Cycle Sync-Legacy empl			JRNL00578970	7/31/2023	8/3/2023	Yes
CU B Cycle Sync-Legacy empl			JRNL00578970	7/31/2023	8/3/2023	Yes
CU B Cycle Sync-Legacy empl			JRNL00578970	7/31/2023	8/3/2023	Yes
352-531-5436 / Barbara Kowal		402831322	JRNL00580211	7/31/2023	7/31/2023	Yes
302-387-7455 / Michael Stock		402831322	JRNL00580211	7/31/2023	7/31/2023	Yes
352-531-5436 / Barbara Kowal		402831322	JRNL00580212	7/31/2023	7/31/2023	Yes
302-387-7455 / Michael Stock		402831322	JRNL00580212	7/31/2023	7/31/2023	Yes
MARKETING HUB ENTERPRISE		11518782	JRNL00580287	7/31/2023	7/31/2023	Yes
Accr IPP Bonus			JRNL00580320	7/31/2023	8/1/2023	Yes
Accr IPP Pyrl Tx			JRNL00580320	7/31/2023	8/1/2023	Yes
Accr IPP 401k			JRNL00580320	7/31/2023	8/1/2023	Yes
WEBSITE FORM REDIRECTS	MARKETING TALENT NETWORK INC	21795	VO01004417	7/31/2023	7/31/2023	Yes
STOCK/M&T PCARD Accrual			JRNL00580371	7/31/2023	8/1/2023	Yes

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Kowal/Meals-6220		JRNL00580387	7/31/2023	8/1/2023	Yes
Stock/Office Supplies-6290		JRNL00580387	7/31/2023	8/1/2023	Yes
Stock/Subscriptions-6260		JRNL00580387	7/31/2023	8/1/2023	Yes
Stock/Subscriptions-6260		JRNL00580387	7/31/2023	8/1/2023	Yes
Maint-PhotoShelter - Subscription 8/22 t		JRNL00580402	7/31/2023	8/1/2023	Yes
Other-Chartwell-Cust Exp Leadership Couc		JRNL00580403	7/31/2023	8/1/2023	Yes
Other-Cision Media Monitoring 2/2023-1/2		JRNL00580403	7/31/2023	8/1/2023	Yes
Other-Hubspot Marketing Hub Enterprise		JRNL00580403	7/31/2023	8/1/2023	Yes
Quarterly invoice plus 2 photos	June	JRNL00580418	7/31/2023	8/1/2023	Yes
Accr 110% FC B31 Est-Salaries		JRNL00580447	7/31/2023	8/3/2023	Yes
Accr 110% FC B31 Est-Workers Comp Exp		JRNL00580447	7/31/2023	8/3/2023	Yes
Accr 110% FC B31 Est-Benefit Claims		JRNL00580447	7/31/2023	8/3/2023	Yes
Accr 110% FC B31 Est-Benefit Claims W/H		JRNL00580447	7/31/2023	8/3/2023	Yes
Accr 110% FC B31 Est-Admin Fees		JRNL00580447	7/31/2023	8/3/2023	Yes
Accr 110% FC B31 Est-Other Health Benes		JRNL00580447	7/31/2023	8/3/2023	Yes
Accr 110% FC B31 Est-401K Stock Match		JRNL00580447	7/31/2023	8/3/2023	Yes
Accr 110% FC B31 Est-401K Cash Match		JRNL00580447	7/31/2023	8/3/2023	Yes
Accr 110% FC B31 Est-Payroll taxes		JRNL00580447	7/31/2023	8/3/2023	Yes
Adjust supplemental 401K		JRNL00580453	7/31/2023	8/1/2023	Yes
Accr 110% CU B31 Est-Salaries		JRNL00580454	7/31/2023	8/3/2023	Yes
Accr 110% CU B31 Est-Workers Comp Exp		JRNL00580454	7/31/2023	8/3/2023	Yes
Accr 110% CU B31 Est-Benefit Claims		JRNL00580454	7/31/2023	8/3/2023	Yes
Accr 110% CU B31 Est-Benefit Claims W/H		JRNL00580454	7/31/2023	8/3/2023	Yes
Accr 110% CU B31 Est-Admin Fees		JRNL00580454	7/31/2023	8/3/2023	Yes
Accr 110% CU B31 Est-Other Health Benes		JRNL00580454	7/31/2023	8/3/2023	Yes
Accr 110% CU B31 Est-401K Stock Match		JRNL00580454	7/31/2023	8/3/2023	Yes
Accr 110% CU B31 Est-401K Cash Match		JRNL00580454	7/31/2023	8/3/2023	Yes
Accr 110% CU B31 Est-Payroll taxes		JRNL00580454	7/31/2023	8/3/2023	Yes
Accrue - Baker Hostetler Trademarks	Est July	JRNL00580554	7/31/2023	8/1/2023	Yes
CU B Cycle Sync-Legacy empl		JRNL00580569	7/31/2023	8/3/2023	Yes
CU B Cycle Sync-Legacy empl		JRNL00580569	7/31/2023	8/3/2023	Yes
CU B Cycle Sync-Legacy empl		JRNL00580569	7/31/2023	8/3/2023	Yes
CU B Cycle Sync-Legacy empl		JRNL00580569	7/31/2023	8/3/2023	Yes
CU B Cycle Sync-Legacy empl		JRNL00580569	7/31/2023	8/3/2023	Yes
CU B Cycle Sync-Legacy empl		JRNL00580569	7/31/2023	8/3/2023	Yes
CU B Cycle Sync-Legacy empl		JRNL00580569	7/31/2023	8/3/2023	Yes
CU B Cycle Sync-Legacy empl		JRNL00580569	7/31/2023	8/3/2023	Yes
CU B Cycle Sync-Legacy empl		JRNL00580569	7/31/2023	8/3/2023	Yes
Clear CU90 by Dept	CU90_NOCAP	OFFSET	7/31/2023	8/3/2023	Yes
Clear CU90 by Dept	CU90_NOCAP	TARGET	7/31/2023	8/3/2023	Yes
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Clear CU90 by Dept	CU90_NOCAP	TARGET	7/31/2023	8/3/2023	Yes
Clear CU90 by Dept	CU90_NOCAP	TARGET	7/31/2023	8/3/2023	Yes
Clear CU90 by Dept	CU90_NOCAP	OFFSET	7/31/2023	8/3/2023	Yes

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Clear CU90 by Dept	CU90_NOCAP	TARGET	7/31/2023	8/3/2023	Yes
Clear CU90 by Dept	CU90_NOCAP	TARGET	7/31/2023	8/3/2023	Yes
Clear CU90 by Dept	CU90_NOCAP	TARGET	7/31/2023	8/3/2023	Yes
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Clear CU90 by Dept	CU90_NOCAP	TARGET	7/31/2023	8/3/2023	Yes
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Clear CU90 by Dept	CU90_NOCAP	OFFSET RND	7/31/2023	8/3/2023	Yes
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Clear CU90 by Dept	CU90_NOCAP	OFFSET RND	7/31/2023	8/3/2023	Yes
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Clear CU90 by Dept	CU90_NOCAP	OFFSET RND	7/31/2023	8/3/2023	Yes
Clear CU90 by Dept	CU90_NOCAP	TARGET RND	7/31/2023	8/3/2023	Yes
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Clear CU90 by Dept	CU90_NOCAP	TARGET RND	7/31/2023	8/3/2023	Yes
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Clear CU90 by Dept	CU90_NOCAP	TARGET	7/31/2023	8/3/2023	Yes
Clear CU90 by Dept	CU90_NOCAP	TARGET	7/31/2023	8/3/2023	Yes
Clear CU90 by Dept	CU90_NOCAP	TARGET	7/31/2023	8/3/2023	Yes
Clear CU90 by Dept	CU90_NOCAP	TARGET	7/31/2023	8/3/2023	Yes
Clear CU90 by Dept	CU90_NOCAP	TARGET	7/31/2023	8/3/2023	Yes
Clear CU90 by Dept	CU90_NOCAP	OFFSET	7/31/2023	8/3/2023	Yes
Clear CU90 by Dept	CU90_NOCAP	TARGET	7/31/2023	8/3/2023	Yes
Clear CU90 by Dept	CU90_NOCAP	TARGET	7/31/2023	8/3/2023	Yes
Clear CU90 by Dept	CU90_NOCAP	TARGET	7/31/2023	8/3/2023	Yes
Clear CU90 by Dept	CU90_NOCAP	TARGET	7/31/2023	8/3/2023	Yes
Clear CU90 by Dept	CU90_NOCAP	TARGET	7/31/2023	8/3/2023	Yes
Clear CU90 by Dept	CU90_NOCAP	TARGET	7/31/2023	8/3/2023	Yes
Clear CU90 by Dept	CU90_NOCAP	TARGET	7/31/2023	8/3/2023	Yes
Clear CU90 by Dept	CU90_NOCAP	TARGET	7/31/2023	8/3/2023	Yes

Clear CU90 by Dept	CU90_NOCAP	TARGET	7/31/2023	8/3/2023	Yes
Clear CU90 by Dept	CU90_NOCAP	TARGET	7/31/2023	8/3/2023	Yes
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Clear CU90 by Dept	CU90_NOCAP	TARGET	7/31/2023	8/3/2023	Yes
Clear CU90 by Dept	CU90_NOCAP	TARGET	7/31/2023	8/3/2023	Yes
Clear CU90 by Dept	CU90_NOCAP	TARGET	7/31/2023	8/3/2023	Yes
Clear CU90 by Dept	CU90_NOCAP	TARGET	7/31/2023	8/3/2023	Yes
Clear CU90 by Dept	CU90_NOCAP	TARGET	7/31/2023	8/3/2023	Yes
Clear CU90 by Dept	CU90_NOCAP	TARGET	7/31/2023	8/3/2023	Yes
Clear CU90 by Dept	CU90_NOCAP	TARGET	7/31/2023	8/3/2023	Yes
Clear CU90 by Dept	CU90_NOCAP	TARGET	7/31/2023	8/3/2023	Yes
Clear CU90 by Dept	CU90_NOCAP	TARGET	7/31/2023	8/3/2023	Yes
Clear CU90 by Dept	CU90_NOCAP	TARGET	7/31/2023	8/3/2023	Yes
Clear CU90 by Dept	CU90_NOCAP	TARGET	7/31/2023	8/3/2023	Yes
Clear CU90 by Dept	CU90_NOCAP	OFFSET	7/31/2023	8/3/2023	Yes
Clear CU90 by Dept	CU90_NOCAP	TARGET	7/31/2023	8/3/2023	Yes
Clear CU90 by Dept	CU90_NOCAP	TARGET	7/31/2023	8/3/2023	Yes
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Clear CU90 by Dept	CU90_NOCAP	TARGET	7/31/2023	8/3/2023	Yes
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Clear CU90 by Dept	CU90_NOCAP	TARGET	7/31/2023	8/3/2023	Yes
Clear CU90 by Dept	CU90_NOCAP	TARGET	7/31/2023	8/3/2023	Yes
Clear CU90 by Dept	CU90_NOCAP	TARGET	7/31/2023	8/3/2023	Yes
Sub-ledger Clearing (PP)			7/31/2023	8/8/2023	Yes

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Calculation of Revenue Requirement	13-Month Average	Full Year	Difference
Balance of Plant and CWIP for Substations	14,732,066	19,873,151	5,141,085
Accumulated Depreciation for Substations	(42,979)	(168,922)	(125,943)
Net Rate Base	14,689,087	19,704,229	5,015,142
Return	6.89%	6.89%	6.89%
Return on Rate Base	1,012,078	1,357,621	345,543
Depreciation Expense	(126,556)	(337,844)	(211,288)
Taxes On Depreciation Expense	32,076	85,627	53,551
Net Operating Income Deficiency	1,106,558	1,609,839	503,280
Net Operating Income Multiplier			1.3477
Revenue Requirement			678,271

FPSC EXH NO. 59

ADMITTED

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Invoice for Membership Dues

Edison Electric INSTITUTE

MR. JEFFRY M. HOUSEHOLDER
PRESIDENT AND CEO, CHESAPEAKE UTILITIES
FLORIDA PUBLIC UTILITIES CO.
909 SILVER LAKE BOULEVARD
DOVER, DE 19904

Date	Invoice Number
11/17/2022	DUES202326

Payment due on or before 1/31/2023

Description	Total
2023 EEI Membership Dues for:	
Regular Activities of Edison Electric Institute [1] 50,000 x .13 = $6,500	**$50,000**
Industry Issues [2] 5000 x .2 = 1,000	**$5,000**
Restoration, Operations, and Crisis Management Program [3] $7,500	**$1,000**
2023 Contribution to The Edison Foundation, which funds the Institute for Electric Innovation and the Institute for the Energy Transition. [4]	**$5,000**
Total	**$61,000**

1 The portion of 2023 membership dues relating to influencing legislation and political campaign activity, including activities covered by Section 162(e) of the Internal Revenue Code (IRC) and contributions to groups organized under IRC sections 527 and 501(c)(4), is estimated to be 13%.

2 The portion of the 2023 industry issues support relating to influencing legislation and political campaign activity, including activities covered by IRC Section 162(e) and contributions to groups organized under IRC sections 527 and 501(c)(4), is estimated to be 20%.

3 The Restoration, Operations, and Crisis Management Program is related to improvements to industry-wide responses to major outages (e.g., National Response Event); continuity of industry and business operations; and EEI's support and coordination of the industry during times of crisis (extreme weather events, wildfires, cyber, pandemic, etc.). No portion of this assessment is allocable to influencing legislation.

4 The Edison Foundation is an IRC 501(c)(3) educational and charitable organization. Contributions are deductible for federal income tax purposes to the extent provided by law. Please consult your tax advisor with respect to your specific situation.

PLEASE NOTE INFORMATION FOR ELECTRONIC PAYMENT

The following instructions should be used when transferring funds electronically (ACH or wire) to Edison Electric Institute:

Beneficiary's Bank:	[redacted]
Bank's Address:	[redacted]
Bank's ABA Number:	[redacted]
Beneficiary:	[redacted]
Beneficiary's Acct No:	[redacted]
Beneficiary's Address:	701 Pennsylvania Avenue, NW Washington, DC 20004-2696 USA
Beneficiary Reference:	2023 Membership Dues

PR# 964644
January 11, 2023
Christine Minton

Please refer any membership questions to Stephanie Voyda, Senior Vice President, Communications and Member Engagement, at (202) 508-5612 or svoyda@eei.org, or accounting questions to Lou Becka, Controller, at (202) 508-5135 or lbecka@eei.org.

O & M COMPOUND MULTIPLIER CALCULATION

FLORIDA PUBLIC SERVICE COMMISSION

COMPA FLORIDA PUBLIC UTILITIES
CONSOLIDATED GAS DIVISIONS

EXPLANATION: For each year since the benchmark year, provide the amounts and percent increases associated with customers and average CPI. Show the calculation for each compound multiplier.

	Total Customers ELECTRIC			Average CPI-U (1982 = 100)			
Year	Amount	% Increase	Compound Multiplier	Amount	% Increase	Compound Multiplier	Inflation and Growth Compound Multiplier
2023	33,090		1.0000	304.702		1.0000	1.00000
2024 Forecast	33,188	0.30%	1.0030	313.352	2.84%	1.0284	1.03150
2025 Forecast	33,290	0.31%	1.0061	320.604	2.31%	1.0522	1.05860

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Chesapeake Utilities Corporation
2023 Actuals
Cap Ex based allocation

		from Distrigas >>	NR AE01	NR AI	REG AX	REG CF	NR CN	OTH CU97	OTH CU99	REG DE	NR EF	REG EK	OTH ER	REG ES	OTH FC	REG FE	NR FF	REG FI	NR FM	REG FN	REG FT	NR LN	REG MD	NR MS	REG PC	NR RN	NR SC	NR SD	NR SG	OTH SK	REG WC	Total
INPUT	*Cap Ex excludes vehicles*																															
CapEx 2023	CAPEX YR 1	1	7,024,366	0	103,582	5,905,739	24,805	0	2,147,137	16,839,808	199,935	1,935,246	0	13,423,525	0	5,479,911	1,869,913	7,206	0	33,776,843	1,089	0	3,659,160	841,801	8,378,039	0	1,240,192	1,916,682	5,335,394	0	5,709,195	115,819,570
CapEx 2022	CAPEX YR -1	-1	19,539,292	0	6,269,887	6,831,405	0	0	2,322,643	16,150,209	210,542	1,083,907	0	34,094,165	89,325	7,283,380	1,437,086	12,903	0	37,229,797	53,437	0	14,555,286	579,363	14,417,425	0	1,059,313	0	2,664,770	3,607,712	1,457,070	170,948,916
CapEx 2021	CAPEX YR -2	-2	18,688,029	0	1,583,622	9,290,117	0	0	1,339,435	17,577,774	0	378,817	0	40,033,521	905,823	4,213,145	1,931,273	12,344	0	32,433,482	79,624	0	3,111,398	1,648,133	16,680,671	0	1,274,415	0	2,974,862	0	5,632,481	159,738,965
Average			15,083,896	0	2,652,364	7,342,420	8,268		1,936,405	16,855,930	136,826	1,132,657	0	29,183,737	331,716	5,658,812	1,746,091	10,818	0	34,480,041	44,717	0	7,108,615	1,023,099	13,158,712	0	1,174,640	638,894	3,658,342	1,202,571	4,266,249	148,835,820
Adj																																0
Cap Ex Basis-3-Yr Avg			15,083,896	0	2,652,364	7,342,420	8,268		1,936,405	16,855,930	136,826	1,132,657	0	29,183,737	331,716	5,658,812	1,746,091	10,818	0	34,480,041	44,717	0	7,108,615	1,023,099	13,158,712	0	1,174,640	638,894	3,658,342	1,202,571	4,266,249	148,835,820
Cap Ex - X CU, FC, SK & ER	*rounding factor*	3	15,083,896	0	2,652,364	7,342,420	8,268			16,855,930	136,826	1,132,657		29,183,737		5,658,812	1,746,091	10,818	0	34,480,041	44,717	0	7,108,615	1,023,099	13,158,712	0	1,174,640	638,894	3,658,342		4,266,249	145,365,128
	Max for rounding calc	***23.70%***	10.400%	0.000%	1.800%	5.100%	0.000%			11.600%	0.100%	0.800%		20.100%		3.900%	1.200%	0.000%	0.000%	23.700%	0.000%	0.000%	4.900%	0.700%	9.100%	0.000%	0.800%	0.400%	2.500%		2.900%	100.000%
	rounding	*0.00%*	0.000%	0.000%	0.000%	0.000%	0.000%			0.000%	0.000%	0.000%		0.000%		0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%		0.000%	0.000%
Alloc Cap Ex - X CU, FC, SK & ER			10.400%	0.000%	1.800%	5.100%	0.000%			11.600%	0.100%	0.800%		20.100%		3.900%	1.200%	0.000%	0.000%	23.700%	0.000%	0.000%	4.900%	0.700%	9.100%	0.000%	0.800%	0.400%	2.500%		2.900%	100.000%

The Florida Natural Gas Distribution companies were consolidated in 2023; therefore, the original calculation had the distribution companies shown separately. For our purposes, Natural Gas is being shown Consolidated.

BU as shown	%%	Combined BUs
AE01	10.40%	AE
AI	0.00%	AI
AX	1.80%	AX
CF	5.10%	FN
CN	0.00%	CN
CU97	0.00%	CU97
CU99	0.00%	CU99
DE	11.60%	DE
EF	0.10%	EF
EK	0.80%	EK
ER	0.00%	ER
ES	20.10%	ES
FC	0.00%	FC
FE	3.90%	FE
FF	1.20%	FF
FI	0.00%	FN
FM	0.00%	FM
FN	23.70%	FN
FT	0.00%	FN
LN	0.00%	LN
MD	4.90%	MD
MS	0.70%	MS
PC	9.10%	PC
RN	0.00%	RN
SC	0.80%	SC
SD	0.40%	SD
SG	2.50%	SG
SK	0.00%	SK
WC	2.90%	WC
Totals	100.00%	

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CHESAPEAKE UTILITIES CORPORATION

FLORIDA PUBLIC UTILITIES
Electric

COST ALLOCATION MANUAL

December 31, 2023

Chesapeake Utilities Corporation
Florida Public Utilities - Electric
Cost Allocation Manual

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Schedule 5 – Department Settlement Methodology

Section I – Introduction and Organization Structure

A. Purpose and Policy

1. Purpose

The purpose of this Cost Allocation Manual ("CAM") is to document the current cost allocation practices and methodologies utilized by Chesapeake Utilities Corporation ("Chesapeake" or "the Company") to account for all of its business activities. In addition, this CAM further describes the application of these practices and methodologies through the Company's accounting processes, as well as the recording and reporting through the Company's financial information systems. This CAM serves to demonstrate that the financial business practices and methodologies the Company has implemented successfully prevent the cost subsidization of the Company's non-regulated business activities by its regulated Electric operations.

2. Policy

Chesapeake's cost accounting policy is to allocate costs to the business unit that either causes the cost being incurred or benefits from the cost being incurred. The allocation of cost is a dynamic process that requires judgment and continuous review and modification. The practice and methodologies described herein are the current methodologies, but are subject to change to ensure that they are in compliance with the Company's cost allocation policy.

B. Introduction

Chesapeake Utilities Corporation is a diversified utility company engaged in various energy and other businesses. Chesapeake operates in regulated energy businesses through its natural gas distribution divisions in Delaware, Maryland and Florida; natural gas and electric distribution operations in Florida through Florida Public Utilities Company ("FPU"), a wholly-owned subsidiary acquired in October 2009 and Pivotal Utility Holdings, Inc. dba Florida City Gas ("FCG"), a wholly-owned subsidiary acquired in December 2023; natural gas distribution in Maryland through Elkton Gas Company, a wholly-owned subsidiary acquired in August 2020; natural gas transmission operations on the Delmarva Peninsula through its subsidiary Eastern Shore Natural Gas Company ("ESNG") and in Florida through its subsidiaries Peninsula Pipeline Company, Inc. PPC and FCG; and propane underground distribution in Maryland through Sandpiper Energy, a subsidiary acquired in May 2013. Chesapeake's unregulated energy businesses include propane distribution operations through Sharp Energy, Inc. and its subsidiaries, Sharpgas, Inc. (collective, "Sharp"), and FPU's propane distribution subsidiary, Flo-Gas Corporation. Chesapeake operates an unregulated natural gas infrastructure company called Aspire Energy, Inc.; which was acquired in April, 2015 with over 2,800 miles of pipeline systems in 40 counties in Ohio. In December 2018, Marlin Gas Services, a newly created subsidiary, acquired certain operating assets of Marlin Gas Transport, a supplier of mobile compressed natural gas utility and pipeline solutions. Marlin Gas Services provides a temporary solution for gas pipeline and gas distribution systems while safety and integrity work is being performed. See Schedule 1 for the Company's Legal Entity Structure and Schedule 2 for a listing of the Company's officers. Chesapeake's strategy is focused on growing earnings from a stable utility foundation and investing in related businesses and services that provide opportunities for returns greater than traditional utility returns.

C. Organization Structure

1. Regulated Energy

Natural Gas Distribution:

Chesapeake's Delaware and Maryland natural gas distribution divisions serve approximately 88,000 residential, commercial and industrial customers in central and southern Delaware and Maryland's Eastern Shore. The Company's Florida natural gas distribution operations consist of FPU's and FCG's natural gas operation. FPU's natural gas distribution operations serve approximately 97,000 residential, commercial and industrial customers in 25 counties in Florida. FCG'S natural gas distribution operations serve approximately 121,000 residential, commercial, and industrial customers in 8 counties in Florida. Sandpiper Energy distributes propane and natural gas to approximately 11,000 residential, commercial and industrial customers in Worchester County, Maryland. Elkton Gas Company natural gas distribution serve approximately 7,000 residential, commercial and industrial customers in Elkton, Maryland.

Electric Distribution:

The Company's electric distribution operation, which was acquired in the FPU merger, distributes electricity to approximately 33,000 customers in four counties in northeast and northwest of Florida.

Natural Gas Transmission:

ESNG operates a 517-mile interstate pipeline system that transports natural gas from various points in Pennsylvania to Chesapeake's Delaware and Maryland natural gas distribution divisions, as well as to other utilities and industrial customers in southern Pennsylvania, Delaware and on the Eastern Shore of Maryland. ESNG also provides swing transportation service and contract storage services. PPC transports natural gas to FPU in Nassau County, Florida, utilizing the 16-mile pipeline from the Duval/Nassau County line to Amelia Island in Nassau County, Florida, which PPC jointly owns with the Peoples Gas System, as well as other pipelines solely owned by PPC. PPC provides natural gas transportation services to customers in Florida. PPC has twenty-three contracts with both affiliated and non-affiliated customers to provide firm transportation service. All of the contracts provide a fixed annual transportation fee. FCG also provides transportation services to customers in Florida and owns approximately 80 miles of pipeline, including almost 40 miles in Palm Beach County.

2. <u>Unregulated Energy</u>

Natural Gas Infrastructure:

Aspire provides natural gas supplies to various local gas cooperatives and local distribution companies in over 40 counties throughout Ohio. Aspire Energy primarily sources gas from hundreds of conventional producers and performs gathering and processing functions to maintain the quality and reliability of its gas for its wholesale customers.

Propane Distribution:

Sharp serves approximately 50,000 customers throughout Delaware, Maryland Virginia, North Carolina, South Carolina and Pennsylvania. Sharp AutoGas fuels over 1,500 vehicles and is available at 59 propane fueling stations in Delaware, Maryland, Virginia and Pennsylvania. The Company's Florida propane distribution operation services to approximately 17,000 customers in parts of Florida.

Other:

Eight Flags, one of Chesapeake's unregulated energy subsidiaries, is engaged in the operation of a Combustion Heat and Power ("CHP") plant in Nassau County, Florida. This CHP plant consists of a natural-gas-fired turbine and associated electric generator. Eight Flags sells the power generated from the CHP plant to FPU for distribution to its retail electric customers pursuant to a 20-year power purchase agreement. It also sells the steam to an industrial CHP plant under a separate 20-year contract.

Marlin Gas Services provides a temporary solution for gas pipeline and gas distribution systems while safety and integrity work is being performed. The assets have the capacity to transport more than 7 billion cubic feet of natural gas annually using one of the largest fleets of tube trailers dedicated to the transportation of compressed natural gas ("CNG"). Marlin offers solutions to address supply interruption scenarios and provide other unique applications where pipeline supplies are not available or cannot meet customer requirements.

3. <u>Other</u>

The Company's other segments consist of other unregulated subsidiaries that own real estate leased to Chesapeake and its subsidiaries. Skipjack, Inc. and Eastern

Shore Real Estate, Inc. own and lease office buildings in Delaware and Maryland to affiliates of Chesapeake. Chesapeake Investment Company is an affiliated investment company incorporated in Delaware.

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Section II – System Setup and Settlement Process

A. General System Setup and Process Overview

1. Computer Systems Information

Chesapeake uses the Epicor Enterprise ("Epicor") system for its General Ledger. It also uses Epicor along with DocLink to process Accounts Payable transactions. It uses Epicor for Service Enterprise ("E4SE") to process inventory transactions (for materials and supplies). It uses UKG UltiPro ("UKG") to record time sheets electronically and to process payroll. Payroll journal entries are exported from the UKG system and imported into Epicor for all payroll and payroll related expenses. It uses PowerPlan to accumulate detailed information about projects, including capital construction and retirement projects. PowerPlan is also used to record depreciation, AFUDC, income taxes, property taxes and lease-related entries. It also uses Utilities International ("UI") for automating allocations.

2. General Ledger and Account Segment Setup

Each financial reporting unit ("FRU") (like FPU-Electric) has a distinct general ledger based on account segment uniqueness. The account string consists of four segments. The first segment identifies the FRU. For internal management reporting purposes, some financial reporting units have been further subdivided to include service territories. The general ledger for each company is defined as all accounts that begin with the same FRU designation, typically the first two digits. The second segment is the department code. The department is used for both internal management reporting and for cost settlement purposes. The third segment is the expense type or natural account. The expense type is used for SEC and internal management reporting. The fourth segment is the FERC designation for the regulated entities or activity code for unregulated reporting units. For internal management reporting purposes, some of the FERC accounts have been subdivided into multiple segments.

An example of a complete account for FPU-Electric would be FE44-EL441-6110-5800. The first segment FE44 identifies it as the FPU-Electric (Northwest) FRU. The second segment (EL441) is the Electric Line Operations-NW Department. The third segment (6110) is the expense type code for Regular Salaries. The fourth segment (5800) is the FERC account for Supervision and Engineering (580 per the Code of Federal Regulations ("CFR")). A listing of each of the four account segments is attached. Segment 1 includes each FRU with a balance and/or activity during 2023. Segments 2 through 4 include those with a balance and/or activity the FPU-Electric General Ledgers. See Schedule 3.

The general ledger for the FPU Electric FRUs are defined as any account string that has an FRU designation that begins with FE.

Any account string that has an FRU designation that ends with the designation FE is used as a sub-ledger to track detail information about internal department costs for capital construction projects, capital retirement projects, and billable projects. The sub-ledgers are cleared during the month end process to the appropriate account on the FPU Electric general ledger.

In addition, costs are accumulated in special FRUs that are ultimately settled to other financial reporting entities, including FPU Electric. Accounts beginning with a number followed by three zeros is one of these FRUs. Account strings with a financial reporting unit of 4000 are typically used to temporarily accumulate Florida/FPU department costs; however, any allocation FRU can be utilized. During the month end close all costs are allocated out of each of these accounts. Account strings with FRU's, which begin with CU or FC, are used to accumulate corporate department costs. During the month end close, these costs are settled to other financial reporting entities.

3. Overview of the Settlement Process

A flow chart of the settlement process is attached as Schedule 4. Expenses are either directly expensed to an FRU (for example, FE00), or they are accumulated in a temporary reporting unit (for example, 4000, CU90 or CU91) by department and settled to the appropriate FRUs during the month end close process.

B. Direct Expenses

Expenses that can be directly identified to a particular FRU are directly charged to that unit. These expenses are coded with a complete account string, allowing reporting by FERC account, expense type, department and FRU. Many of the expenses originating from Accounts Payable are directly charged. The exception is for general department expenses defined below. Examples of the types of costs directly charged include outside services, fees, and operating and maintenance charges for dedicated facilities. Inventory issuance of material and supplies used for operations or maintenance are directly charged. Journal entries for items like depreciation and prepaid expenses are directly charged. Journal entry accruals for performance incentive are also directly charged. Commissions are directly charged from the payroll system. The transactional detail recorded in the FPUC's

General Ledgers includes information that allows the charges to be quickly analyzed and traced back to the source documents.

C. <u>Indirect Expenses</u>

Florida/FPU costs that cannot be directly identified to a particular FRU are primarily accumulated in account strings with a financial reporting designation of 4000. They are identified with a particular department or cost center with the second segment field. They are also identified with a particular expense type in the third segment field. Only benefits, workers compensation fees, and payroll taxes are assigned a FERC account in the fourth segment field. All other costs have a FERC designation of 0000 in the fourth segment field. They are assigned both the FRU and FERC account in the settlement process.

Corporate Costs that cannot be directly identified to a particular FRU are accumulated in account strings with a financial reporting designation of CU90, CU91 or FC90. They too are identified with a particular department or cost center with the second segment field and have a particular expense type in the third segment field. All corporate costs are also assigned the appropriate General and Administrative FERC account in the fourth segment field. Costs charged to 6000 (the FRU for Corporate Time Tracking departments) follow the same rules as those coded to 4000, where benefits, workers compensation and payroll taxes are assigned a FERC account in the fourth segment, but other costs use a designation of 0000 in that fourth segment.

The following are examples of different types of indirect costs that are recorded in these accounts.

1. Costs Generated from the Payroll System (UKG)

Payroll costs include regular salaries, overtime salaries, on call salaries, seasonal salaries, paid time off, and sick time. Benefit costs include life insurance, long-term disability ("LTD"), accidental death and dismemberment ("ADD"), administrative fees and accruals for medical, dental and prescription claims. Also included are 401K retirement benefits. Worker's compensation fees and payroll taxes are generated from the payroll system as well. The employees are assigned to the same department in both the payroll system and the general ledger. This designation, along with the mapping process of earnings code or deduction code to an expense account, is used to generate a journal entry out of UltiPro that is imported into the general ledger.

2. Costs Generated from Accounts Payable

The majority of these expenses are for employee related expenses, vehicle related expenses or other department specific expenses. Employee related expenses include lodging and travel, meals, seminars and training, cell phones, uniforms, memberships and subscriptions, supplies and other miscellaneous expenses. Vehicle related expenses include fuel, registration renewal, repairs and other miscellaneous expenses. Department specific expenses are for non-employee departments like shared facilities or business information systems ("BIS"). For shared facilities departments, accounts payable charges would include items like utilities, janitorial, lawn care, supplies, postage and maintenance expenses. For BIS departments the accounts payable charges would include items like data lines, supplies, software, etc. Some miscellaneous benefits charges, like other benefits are also processed through accounts payable.

3. Costs Generated from a Journal Entry

Some indirect expenses are processed through a journal entry. These include depreciation of vehicles and the depreciation of equipment associated with a particular department. Prepaid expenses like vehicle insurance, software maintenance, postage, mailroom forms and directors' fees are also processed by a journal entry. Corrections, reclasses, and accruals are other examples.

D. Florida/FPU Department Settlement

1. Direct Payroll Distribution

Payroll expenses for Florida/FPU departments are distributed to the FPU FRUs based on individual time tracking or individual fixed methodology. Direct payroll expenses are the payroll dollars earned for regular or overtime hours. Every pay period, each employee's regular and overtime hours are entered into an electronic time sheet in the web-based software UKG. This information is used to create payroll journal entries for each pay period. Each payroll journal entry contains the pay period, the department number and the amount. If the payroll is associated with a self-constructed asset, the project number is also included.

For employees with a fixed settlement methodology, time is entered utilizing a general task into UKG. The standard payroll journal entry, which is exported from UKG, records the payroll expense for each department on the temporary reporting unit. UI, the software used to automate allocations, maintains the information needed to create the expense account string on each FRU as well as the percentage of the employee's payroll that should be charged to that account. UI generates the journal entry to record the proper payroll expense to each account string with the offset accounts being the temporary accounts charged by the standard payroll journal entry.

For employees with a time-tracking settlement methodology, time is entered into UKG to specific projects. The projects are set up with the information needed to create the expense account string. This data includes both the financial reporting unit (segment one) and FERC account (segment four) for expense projects. Capital projects also contain a designator for the specific capital project. The standard payroll journal entry records the amount to the appropriate account. Payroll expenses for unproductive time, like sick time or paid time off, remain in the temporary group of accounts and are settled with the other indirect expenses

2. Settlement of Employee Departments

For fixed settlement departments, the other indirect expenses for departments with employees are settled using the fixed allocation percentages maintained in UI. For time-tracking departments, the other indirect expenses for departments with employees are settled by department based on the direct payroll distribution (dollars for regular time plus overtime). Employee-related and vehicle-related expenses are assigned both the FRU and the FERC account based on the distributed payroll. For example, if twenty percent of the construction department's payroll costs were distributed to FPU-Electric's Supervision and Engineering account, then twenty percent of that month's department employee related expenses, vehicle expenses, etc. would also be settled to the FPU-Electric

Supervision and Engineering account. Benefits, worker's compensation and payroll tax accounts would be settled to FPU-Electric on the same basis, but would retain the appropriate FERC account. Amounts related to the Company's employee incentive plan are allocated using FERC 9200 for the majority of departments allocating to expense (Safety departments allocate to FERC 9250). This is consistent with the FERC treatment when the distribution of this expense was a direct accrual, but is different from that of other expenses. The settlement is automated by UI, and done for each type of expense. Since the accounts are not blended during the settlement process, the transaction can be traced back to the original source documents and the settlement amount traced to the allocation documentation. Please see Schedule 5 for the methodologies.

3. Settlement of Other Departments

Non-employee departments, like shared facilities are settled based on a specified allocation basis, since there are no direct payroll costs. Please see Schedule 5 for the methodologies. Each expense type is settled systematically with UI. Since the accounts are not blended during the settlement process, the transaction can be traced back to the original source documents and the settlement amount traced to the allocation documentation.

E. Corporate Department Settlement

The indirect expenses for corporate departments are settled to the FPU FRU's by department based on a fixed allocation rate. The allocation methodology varies by department. Please see Schedule 5 for the methodologies. The settlement is automated by UI, and done for a group of expenses. The allocation preserves the department classification, the general expense type (which is designated by the first two characters of segment three, expense type) and the FERC account. The transaction can be traced back to the original source documents and the settlement amount traced to the allocation documentation.

F. Corporate Resource Clearing

General corporate charges are directly charged to the Corporate Resource Clearing financial reporting units (CU99, CU97 and FC99). Corporate Resource Clearing is allocated to the FPU FRUs based on their fixed allocation rates. The settlement is automated by UI, and done for a group of expenses. The allocation is done under a special department tag of CU900 for CU99, CU901 for CU97 and FP900 for FC99, but it preserves the general expense type and the FERC account. The transactions can be traced back to CU99, CU97 or FC99, and then traced to the original source documents and settlement amounts.

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Section III – Description of Costs Shared with an Affiliate

A. Florida Electric Departments Allocations to Affiliates

Depending on the function and location of Florida Electric Departments, they can allocate to regulated utilities (natural gas and electric) and unregulated units of FPU. Some departments may be allocated to other Chesapeake units. The allocations are made using the process for Florida/FPU departments described in Section II.

B. Corporate Departments and Corporate Resource Clearing Allocations to Affiliates

Corporate Departments are allocated to various divisions and subsidiaries of Chesapeake Utilities in accordance with the policy to allocate the costs to the business unit that either causes the cost being incurred or benefits from the cost being incurred. General Corporate Cost accumulated in the Corporate Resource Clearing Company is also allocated to various divisions and subsidiaries in compliance with policy. The allocations to the FPU FRU's are made using the process for Corporate Departments and Corporate Resource Clearing described in Section II.

Business Structure

Chesapeake Utilities Corporation

Natural Gas

- **Distribution**
  - Chesapeake Utilities
  - Florida Public Utilities Company
  - Sandpiper Energy, Inc.
  - Elkton Gas Company
  - Pivotal Utility Holdings, Inc (doing business as Florida City Gas)
- **Transmission**
  - Eastern Shore Natural Gas Co.
  - Peninsula Pipeline Company, Inc.
- **Combined Heat and Power**
  - Eight Flags Energy, LLC
- **Midstream Gathering and Processing Services**
  - Aspire Energy of Ohio, LLC
- **Compressed Natural Gas**
  - Marlin Gas Services, LLC
  - Marlin Compression, LLC
- **Renewable Natural Gas**
  - Blue Peake LNG, LLC
  - Amelia Renewables, LLC

Propane

- **Distribution**
  - Sharp Energy, Inc.
  - Sharpgas, Inc.
  - Florida Public Utilities Company
  - Flo-Gas Corporation

Electricity

- **Distribution**
  - Florida Public Utilities Company

Other

- **Intercompany Real Estate**
  - Skipjack, Inc.
  - Eastern Shore Real Estate, Inc.
- **Home Services**
  - Florida Public Utilities Company
- **Investment Company**
  - Chesapeake Investment Company

CHESAPEAKE UTILITIES CORPORATION

Schedule 2

Chesapeake Utilities Corporation
Florida Public Utilities - Electric
Officers
As of December 2023

Officers:

Jeffry M. Householder
Director and Chief Executive Officer

Beth W. Cooper
Executive Vice President, Chief Financial Officer, Treasurer and Assistant Corporate Secretary

James F. Moriarty
Executive Vice President, General Counsel, Corporate Secretary and Chief Policy & Risk Officer

Vikrant A. Gadgil
Senior Vice President and Chief Information Officer

Jeffrey S. Sylvester
Senior Vice President and Chief Operating Officer

Kevin J. Webber
Senior Vice President and Chief Development Officer

William Hughston
Senior Vice President and Chief Human Resources Officer

Shane E. Breakie
Vice President, Sustainability and Organic Growth

Joseph D. Steinmetz
Vice President and Controller

Michael D. Galtman
Senior Vice President and Chief Accounting Officer

Cheryl M. Martin
Senior Vice President, Regulatory and External Affairs

Michael D. Cassel
Vice President, Governmental and Regulatory Affairs

Devon S. Rudloff
Assistant Vice President, Human Resources

William D, Hancock
Assistant Vice President, Energy Logistics and Pipelines

Stacie L. Roberts
Vice President, Corporate Governance

Jason L. Bennett
Assistant Vice President, Regulatory Affairs and Business Transformation

Lindsay Orr Foy
Assistant Vice President and Associate General Counsel

Schedule 2

Kelley A. Parmer
Assistant Vice President, Customer Care

Danielle Mulligan
Assistant Vice President of Strategic Communications and Community Affairs

Noah Russell
Assistant Vice President and Assistant Treasurer

Puru Buddha
Assistant Vice President of Enterprise Applications

Andrena Burd
Assistant Vice President, Risk Management

George Navo
Assistant Vice President, Financial Reporting

Mailing Address:

Chesapeake Utilities Corporation
500 Energy Lane
Dover, Delaware 19901

Chesapeake Utilities Corporation		
Florida Public Utilities -- Electric		
Account Segment 1		
Financial Reporting Unit (FRU)		
Code	**Long Description**	**FRU**
1000	DNG Alloc	10
2000	DPROP Alloc	20
3000	FL Alloc	30
4000	FPU Alloc	40
4001	FPU Warehouse/Stores Alloc	40
5000	Aspire Ohio Alloc	50
6000	CORP Alloc	60
91A1	Aspire Energy of Ohio CWIP	AE01
91AX	Aspire Energy Express CWIP	AX
91CF	Central Florida Gas CWIP	CF
91CG	Florida City Gas CWIP	CG
91CU	Chesapeake Parent CWIP	CU
91DE	Delaware Division CWIP	DE
91DP	Delaware PDS CWIP	DP
91EF	Eight Flags CWIP	EF
91EK	Elkton CWIP	EK
91ES	Eastern Shore CWIP	ES
91FC	FPU Parent CWIP	FC
91FE	FPU Electric CWIP	FE
91FF	Flo-Gas CWIP	FF
91FI	FPU Indiantown CWIP	FI
91FN	FPU Natural Gas CWIP	FN
91FR	FPU Renewables CWIP	FR
91FT	Ft. Meade CWIP	FT
91MD	Maryland Division CWIP	MD
91MS	Marlin Gas Services CWIP	MS
91PC	Peninsula Pipeline CWIP	PC
91RN	Amelia Renewables CWIP	RN
91SC	Sharp CGS CWIP	SC
91SD	Sharp Diversified CWIP	SD
91SF	Sharp Florida CWIP	SF
91SG	Sharpgas CWIP	SG
91SK	Skipjack CWIP	SK
91WC	Sandpiper CWIP	WC
92CF	Central Florida Gas RWIP	CF
92DE	Delaware Division RWIP	DE
92FE	FPU Electric RWIP	FE
92FF	Flo-Gas RWIP	FF
92FI	FPU Indiantown RWIP	FI
92FN	FPU Natural Gas RWIP	FN

Chesapeake Utilities Corporation		
Florida Public Utilities -- Electric		
Account Segment 1		
Financial Reporting Unit (FRU)		
Code	**Long Description**	**FRU**
92FT	Ft. Meade RWIP	FT
92MD	Maryland Division RWIP	MD
93A1	Aspire Energy of Ohio SWIP	AE01
93CF	Central Florida Gas SWIP	CF
93DE	Delaware Division SWIP	DE
93ES	Eastern Shore SWIP	ES
93FE	FPU Electric SWIP	FE
93FN	FPU Natural Gas SWIP	FN
93MD	Maryland Division SWIP	MD
93PC	Peninsula Pipeline SWIP	PC
94CU	Chesapeake Parent Special Sub-ledger	CU
94DE	Delaware Division Special Sub-ledger	DE
94EK	Elkton Special Sub-ledger	EK
94FC	FPU Parent Special Sub-ledger	FC
94FE	FPU Electric Special Sub-ledger	FE
94FF	Flo-Gas Special Sub-ledger	FF
94FN	FPU Natural Gas Special Sub-ledger	FN
94MD	Maryland Division Special Sub-ledger	MD
94WC	Sandpiper Special Sub-ledger	WC
95CF	Central Florida Gas Damages	CF
95DE	Delaware Division Damages	DE
95EK	Elkton Damages	EK
95FE	FPU Electric Damages	FE
95FN	FPU Natural Gas Damages	FN
95MD	Maryland Division Damages	MD
95WC	Sandpiper Damages	WC
96CG	Florida City Gas Margin SL	CG
AE01	Aspire Energy of Ohio LLC	AE01
AP00	Propane Distribution-Midwest	AP
AX00	Aspire Energy Express, LLC	AX
CF00	Central Florida Gas	CF
CF10	Central Florida Gas-Tri-County	CF
CF20	Central Florida Gas-Citrus County	CF
CG00	Florida City Gas	CG
CN00	Marlin Compression, LLC	CN
CN01	Marlin Compression-Dover Station	CN
CN02	Marlin Compression-Savannah Station	CN
CU00	Chesapeake (Parent Company) Gen	CU
CU90	Chesapeake (Parent Company) Alloc	CU
CU91	Chesapeake (Parent Company) Alloc X Cap	CU

Chesapeake Utilities Corporation		
Florida Public Utilities -- Electric		
Account Segment 1		
Financial Reporting Unit (FRU)		
Code	Long Description	FRU
CU98	Chesapeake (Parent Company) Transit Cost	CU
CU99	Chesapeake (Parent Company) OH	CU
DE00	Delaware Division	DE
DN00	Distributed Energy	DN
DP00	Delaware Propane Distribution Systems	DP
EF00	Eight Flags	EF
EK00	Elkton Gas Company	EK
EL00	Elim-Top Level	EL00
EL10	Elim-Natural Gas	EL10
EL15	Elim-DE	DE
EL16	Elim-MD	MD
EL17	Elim-WC	WC
EL18	Elim-ES	ES
EL20	Elim-Propane	EL20
EL21	Elim-OnSight Renewables & Subs	EL21
EL25	Elim-Propane Distribution	EL25
EL30	Elim-Information Services	EL30
EL48	Elim-FPU Regulated Energy	EL48
EL49	Elim-FPU Top Level	EL49
EL50	Elim-Other	EL50
EL51	Elim-Betw. Other & Unregulated Energy	EL51
ER00	Eastern Shore Real Estate	ER
ES00	Eastern Shore Natural Gas	ES
ES01	ESNG CP12-461	ES
ES02	ESNG CP13-498	ES
ES03	ESNG CP15-18	ES
ES10	ESNG CP03-80 Expansion	ES
ES20	ESNG CP06-53 Expansion	ES
ES30	ESNG CP10-76 Expansion	ES
ES40	ESNG CP17-28 Expansion	ES
FC00	Florida Public Utilities Parent	FC
FC80	Florida Public Utilities Parent BU	FC
FC90	Florida Public Utilities Parent Alloc	FC
FC99	Florida Public Utilities Parent-OH	FC
FE00	FPU Electric	FE
FE44	FPU Electric-Northwest	FE
FE45	FPU Electric-Northeast	FE
FF00	FPU Flo-Gas	FF
FF41	FPU Flo-Gas-South	FF
FF43	FPU Flo-Gas-Central	FF

Chesapeake Utilities Corporation		
Florida Public Utilities -- Electric		
Account Segment 1		
Financial Reporting Unit (FRU)		
Code	Long Description	FRU
FF44	FPU Flo-Gas-Northwest	FF
FF45	FPU Flo-Gas-Northeast	FF
FF46	FPU Flo-Gas-Winter Haven	FF
FF47	FPU Flo-Gas-Hernando	FF
FF48	FPU Flo-Gas-Newberry	FF
FF49	FPU Flo-Gas-Lake Okeechobee	FF
FF70	FPU Flo-Gas-Wholesale	FF
FG00	Florida CGS-General	FG
FG10	Florida CGS-Tri-County	FG
FG20	Florida CGS-Citrus County	FG
FG30	Florida CGS-Treasure Coast	FG
FI00	FPU Indiantown	FI
FM00	FPU Merchandise & Jobbing	FM
FM41	FPU M&J-South	FM
FM43	FPU M&J-Central	FM
FM44	FPU M&J-Northwest	FM
FM45	FPU M&J-Northeast	FM
FN00	FPU Natural Gas	FN
FN41	FPU Natural Gas-South	FN
FN43	FPU Natural Gas-Central	FN
FN45	FPU Natural Gas-Northeast	FN
FR00	FPU Renewables	FR
FT00	Ft. Meade	FT
IN00	Chesapeake Investment Company	IN
LN00	Blue Peake LNG, LLC	LN
MD00	Maryland Division	MD
MP00	Maryland Propane Distribution Systems	MP
MS00	Marlin Gas Services, LLC	MS
OR00	OnSight Renewables, LLC	OR
PC00	Peninsula Pipeline Company, Inc.	PC
PE00	Peninsula Energy (the Division)	PE
PP00	Delmarva Propane Distribution Systems	PP
PP10	Delmarva PDS-Dover	PP
PP20	Delmarva PDS-Salisbury	PP
PP40	Delmarva PDS-Easton	PP
PP50	Delmarva PDS-Georgetown	PP
PP60	Delmarva PDS-Pocomoke	PP
PS00	PESCO, Inc.	PS
PS30	PESCO Midwest	PS
PS95	PESCO-Cont Ops	PS

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Chesapeake Utilities Corporation		
Florida Public Utilities -- Electric		
Account Segment 1		
Financial Reporting Unit (FRU)		
Code	**Long Description**	**FRU**
RN00	Peake Renewables, LLC	RN
RN01	Amelia-CleanBay Biogas Investment	RN
RN02	Amelia-Full Circle Dairy	RN
RN03	Amelia-Solar/CB Westover	RN
RN10	Amelia-Planet Found	RN
SC00	Sharp CGS-General	SC
SC10	Sharp CGS-Dover	SC
SC20	Sharp CGS-Salisbury	SC
SC40	Sharp CGS-Easton	SC
SC50	Sharp CGS-Georgetown	SC
SC60	Sharp CGS-Pocomoke	SC
SC80	Sharp CGS-Honey Brook	SC
SC98	Sharp CGS-Corporate Services	SC
SC99	Sharp CGS-Corporate Overhead	SC
SD00	Sharp Diversified-Corporate	SD
SD01	Sharp Diversified-Mount Joy	SD
SD02	Sharp Diversified-Wilmington & Shallotte	SD
SD03	Sharp Diversified-Dunn	SD
SD04	Sharp Diversified-Rich Square & Ahoskie	SD
SD05	Sharp Diversified-Wallace	SD
SD06	Sharp Div-Wake Forest/Greensboro/Sanford	SD
SD07	Sharp Diversified-Sanford	SD
SD08	Sharp Diversified-Wilmington	SD
SE00	Sharp Energy, Inc.	SE
SF00	Sharp Florida-General	SF
SF10	Sharp Florida-Tri-County	SF
SF20	Sharp Florida-Citrus County	SF
SF30	Sharp Florida-Treasure Coast	SF
SG00	Sharpgas-General	SG
SG05	Sharpgas-Community Gas Systems	SG
SG10	Sharpgas-Dover	SG
SG11	Sharpgas-National	SG
SG19	Sharpgas-Solar	SG
SG20	Sharpgas-Salisbury	SG
SG25	Sharpgas-Cecil County	SG
SG30	Sharpgas-Belle Haven	SG
SG40	Sharpgas-Easton	SG
SG45	Sharpgas-Glen Burnie	SG
SG50	Sharpgas-Georgetown	SG
SG60	Sharpgas-Pocomoke	SG

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Chesapeake Utilities Corporation		
Florida Public Utilities -- Electric		
Account Segment 1		
Financial Reporting Unit (FRU)		
Code	Long Description	FRU
SG70	Sharpgas-Transport	SG
SG80	Sharpgas-Cecil County	SG
SG81	Sharpgas-Allentown	SG
SG82	Sharpgas-Poconos	SG
SG83	Sharpgas-Crane	SG
SG84	Sharpgas-Commercial and Industrial	SG
SG85	Sharpgas-Jacksonville	SG
SG86	Sharpgas-West Point	SG
SG98	Sharpgas-Corporate Services	SG
SG99	Sharpgas-Corporate Overhead	SG
SK00	Skipjack, Inc.	SK
SV00	Chesapeake Service Company	SV
WC00	Sandpiper Energy, Inc.	WC
XX10	Natural Gas Adj	FN
XX11	Electric Adj	FE
XX12	Central Florida Gas Adj	CF
XX13	Indiantown Adj	FI
XX14	Ft. Meade Adj	FT
XX15	Florida City Gas Adj	CG
XX50	Other Adj	FC

Chesapeake Utilities Corporation	
Florida Public Utilities -- Electric	
Account Segment 2	
Department	
Code	Long Description
00000	No Department
A1501	VP-Aspire Energy of Ohio
AA700	Accounting Accruals-Direct
AA740	Accounting Accruals-Direct FPU
AA770	Accounting Accruals-CCare DMV
AA800	Accounting Accruals-Corporate Services
AC800	Business Unit Accounting
AC803	Process Improvement
AC804	Financial Planning & Analysis
AC805	Strategic Growth Services & Analytics
AC806	Accounts Payable
AC807	Fixed Asset Accounting
AC900	Corporate Accounting
AC901	Tax Accounting
AU900	Audit Committee
BD900	Board of Directors
BM410	Mgr, Operations Technical Services
BT900	Business Transformation
CA110	Natural Gas Distribution Acct North
CA400	Natural Gas Distribution Acct South
CB773	CC-Back Office-Payment Processing
CB781	FPU-CC-Back Office-Billing/Admin
CB782	FPU-CC-Back Office-Collections
CE771	Customer Experience
CF781	FPU-CC-Front Office-Customer Service
CI711	Continuous Improvement Projects
CI712	Continuous Improvement Program
CI770	Continuous Improvement
CM900	Communications
CM901	Communications/Public Relations
CM902	Public Relations & Strategic Comm.
CS771	CC-Solutions
CU900	Capital Resource Clearing
CV400	Conservation Manager-FPU
DI900	Diversity & Inclusion ERGs
DI901	Diversity & Inclusion
DV770	Business Development
EA770	Environmental Affairs
EG900	Environmental, Social & Governance
EL441	Electric Line Operations-NW

Chesapeake Utilities Corporation	
Florida Public Utilities -- Electric	
Account Segment 2	
Department	
Code	Long Description
EL442	Electric Service Operations-NW
EL451	Electric Line Operations-NE
EL452	Electric Service Operations-NE
EN403	Engineering-NF
EN440	Engineering-NW
EN450	Engineering-NE
FC400	Facilities-FPU
FC401	Electric Substation
FM800	Facilities Management
FP900	Capital Resource Clearing-FPU
GA400	Governmental Affairs North
GM410	General Manager-SF
GM440	Director, Electric Operations
GM450	Director, System Planning & Engineering
GV900	Corporate Governance
GW900	Capital Committee
HR900	Human Resources
HR942	Retiree Benefits-FPU
IA800	Internal Audit
IR900	Investor Relations
IT800	IS Staff-Dover
IT801	Financial System
IT804	HR and Payroll System
IT805	System Support
IT806	Network Support
IT807	Desktop Support
IT809	ECIS
IT810	Cyber Security
IT811	Applications
IT812	Business Applications
IT813	BIS Project Management
IT814	Solutions
MG122	Manager of Gas Conversions
MG125	Engineering Manager
MG710	VP Transmission
MG713	President-FPU
MG770	SVP-Natural Gas
MG771	AVP-Customer Engagement & Operations
MG773	Sr. Manager CC-Back Office-Billing/Admin
MG774	Sr. Manager CC-Back Office-Collections

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Chesapeake Utilities Corporation	
Florida Public Utilities -- Electric	
Account Segment 2	
Department	
Code	Long Description
MG775	Director Planning & Analysis
MG776	Director Procedures & Training
MG777	VP-Sustainability & Organic Growth
MG781	VP-Operations Services
MG782	Sr. Manager CC-Front Office-Support
MG784	Energy Logistics
MG901	Chief Executive Officer
MG902	Chief Operating Officer
MG903	Chief Financial Officer
MG904	Controller
MG906	EVP & General Counsel
MG907	Asst General Counsel
MG908	Chief Information Officer
MG909	Chief Human Resource Officer
MG913	Chief Accounting Officer
MG914	SVP Propane & Energy Delivery Devel
MG916	AVP-Enterprise Applications
MG917	AVP-Risk Management
MK410	Utility Organic Growth
MK412	Energy Conservation
MK700	Marketing Communications
MK701	Community Affairs
MK702	Creative Services
MK703	Marketing & Comm-Nat. Gas & Electric
MK704	Marketing & Comm-Bus. Development
MK710	Non-Utility Organic Growth
OB301	PESCO Building
OB440	Marianna-NW
OB450	Fernandina Office-NE
OB453	Florida Corporate Office
OB780	Ecoplex-Florida Customer Care
OB800	Silver Lake
OB803	Energy Lane
OB804	Newark
OB805	Middletown
OB806	Compass Pointe
OC413	SF Ops/Admin Center
OC441	NW Marianna Propane Operations
OC450	Fernandina Operations Center
OC453	Northeast Control Building

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Chesapeake Utilities Corporation	
Florida Public Utilities -- Electric	
Account Segment 2	
Department	
Code	**Long Description**
OP450	Gas Operations-Fernandina
PM900	Project Management
PU800	Purchasing
RA400	Regulatory Affairs-Distribution South
RA711	Regulatory Affairs-Distribution
RA712	Regulatory Strategy & Alternative Energy
RA901	VP-Regulatory Affairs
RA902	Regulatory & Governmental Affairs
RA903	Regulatory Affairs & Bus. Transformation
RM800	Risk Management
RM840	Risk Management-Regulated
SC900	Security
SM400	Safety-FPU
SM800	Safety
SR770	System Replacement-Sh Svc
SR800	System Replacement-Corp Svc
ST400	Storm Protection Plan
SU900	Corporate Support
TM900	Treasury Management
WH410	Warehouse-SF
WH440	Warehouse-NW
WH450	Warehouse-NE
XX900	Out of period adjustments-Corp OH

Chesapeake Utilities Corporation			
Florida Public Utilities -- Electric			
Account Segment 3			
Expense Type (Natural Account)			
Code	Long Description	BS/IS	Account Type (System)
1010	Plant in Service	BS	Fixed Assets
1060	Completed Construction Not Classified	BS	Fixed Assets
1070	CWIP	BS	Fixed Assets
1071	SWIP	BS	Fixed Assets
1072	Damage Claims	BS	Fixed Assets
107A	CWIP Accruals	BS	Fixed Assets
1080	Accumulated Depreciation	BS	Accumulated Depreciation
1089	RWIP	BS	Accumulated Depreciation
108S	Accumulated Negative Salvage Value	BS	Accumulated Depreciation
108V	Accum Depr-Cost Pool Clearing Vehicles	BS	Accumulated Depreciation
108Z	Accum Depr-Cost Pool Clearing Offset	BS	Accumulated Depreciation
1170	Petty Cash	BS	Cash
1220	Accounts Receivable	BS	Accounts Receivable
1225	Provision for Bad Debts	BS	Accounts Receivable
1275	Accounts Receivable Unbilled Rev-Margin	BS	Accounts Receivable
1276	Accounts Receivable Unbilled Rev-Fuel	BS	Accounts Receivable
1277	Misc. Customer Accounts Receivable	BS	Accounts Receivable
1299	Miscellaneous Accounts Receivable	BS	Accounts Receivable
12CR	Accounts Receivable Credits	BS	Accounts Receivable
1310	IC with Delmarva Natural Gas	BS	Inter-Company Receivables
1330	IC with Florida	BS	Inter-Company Receivables
1340	IC with FPU Alloc (40)	BS	Inter-Company Receivables
13A1	IC with Aspire Energy of Ohio	BS	Inter-Company Receivables
13CU	IC with CU	BS	Inter-Company Receivables
13EF	IC with Eight Flags	BS	Inter-Company Receivables
13FC	IC with FPU Parent	BS	Inter-Company Receivables
13FE	IC with FPU Electric	BS	Inter-Company Receivables
13FN	IC with FPU Natural Gas	BS	Inter-Company Receivables
1431	Construction/Service Inventory	BS	Raw Materials Inventory
1434	Cycle Count Adjustment	BS	Raw Materials Inventory
1435	Physical Inventory Adjustment	BS	Raw Materials Inventory
1437	Standard Cost Changes	BS	Raw Materials Inventory
1438	Purchase Price Variance	BS	Raw Materials Inventory
1500	Prepaid Taxes	BS	Pre-paid Expenses
1510	Prepaid Insurance	BS	Pre-paid Expenses
1530	Prepaid Rent	BS	Pre-paid Expenses
1550	Prepaid Other	BS	Pre-paid Expenses
1600	Conservation Cost Recovery Asset	BS	Other Current Assets
1606	Storm Regulatory Asset	BS	Other Current Assets
1607	Amortization of Storm Regulatory Asset	BS	Other Current Assets

Chesapeake Utilities Corporation			
Florida Public Utilities -- Electric			
Account Segment 3			
Expense Type (Natural Account)			
Code	Long Description	BS/IS	Account Type (System)
1612	SPP Under Collections	BS	Other Current Assets
1620	Self Insurance Asset	BS	Other Current Assets
1691	Unrecovered Purch Gas/Elec Cost	BS	Other Current Assets
16CO	Regulatory Asset-COVID-19	BS	Other Current Assets
16DA	Amort of Storm Accumulated Depreciation	BS	Other Current Assets
16DS	Storm Accumulated Depreciation	BS	Other Current Assets
1706	Storm Regulatory Asset	BS	Other Long-term Assets
1752	Regulatory Asset-Federal Tax to 35%	BS	Other Long-term Assets
1760	Deferred Rate Case	BS	Other Long-term Assets
1781	Retirement Plans	BS	Other Long-term Assets
1799	Regulatory Asset	BS	Other Long-term Assets
17DS	Storm Accumulated Depreciation	BS	Other Long-term Assets
17PG	Unrecovered PGC-Non-Current	BS	Other Long-term Assets
1990	Clearing Account	BS	Other Long-term Assets
1999	Miscellaneous Deferred Charges	BS	Other Long-term Assets
2100	AP Hand Accrual	BS	Accounts Payable
2110	Accounts Payable-Unmatched Receipts	BS	Accounts Payable
2112	Gas Bills Payable	BS	Accounts Payable
2210	Customer Deposits	BS	Other Current Liabilities
2230	Customer Advances-Construction	BS	Other Current Liabilities
2330	Accrued Interest on Customer Deposits	BS	Interest Payable
2401	Income Tax Liability-State	BS	Income Tax Payable
2420	Income Tax Liability-Federal	BS	Income Tax Payable
2500	ADIT Federal	BS	Deferred Income Taxes
2501	ADIT State	BS	Deferred Income Taxes
252L	ADIT Fed NOL Carryforward	BS	Deferred Income Taxes
25DP	ADIT Depreciation	BS	Deferred Income Taxes
25TX	ADIT Tax Rate Change	BS	Deferred Income Taxes
2600	Conservation Cost Recovery Liability	BS	Other Current Liabilities
2620	Self Insurance-Current	BS	Other Current Liabilities
26ST	Storm Regulatory Liability	BS	Other Current Liabilities
2781	Property Taxes	BS	Other Current Liabilities
2782	Franchise Tax	BS	Other Current Liabilities
2785	Accrued State Regulatory Tax	BS	Other Current Liabilities
2788	Accrued Gross Receipts Tax	BS	Other Current Liabilities
2789	Accrued Utility Tax	BS	Other Current Liabilities
27FL	FL Taxes Other	BS	Other Current Liabilities
2805	Storm Reserve	BS	Other Long-term Liabilities
280R	Regulatory Liability-Tax Rate Change	BS	Other Long-term Liabilities
280S	Storm Interest Regulatory Liability	BS	Other Long-term Liabilities

Chesapeake Utilities Corporation			
Florida Public Utilities -- Electric			
Account Segment 3			
Expense Type (Natural Account)			
Code	**Long Description**	**BS/IS**	**Account Type (System)**
2900	Accrued Pensions	BS	Other Long-term Liabilities
2920	Other Post Retirement Benefits	BS	Other Long-term Liabilities
2990	Miscellaneous Long-term Liabilities	BS	Other Long-term Liabilities
3400	Retained Earnings (Auto)	BS	Retained Earnings
3410	Retained Earnings (Beg Bal/Manual)	BS	Retained Earnings
4010	Fuel	P&L	Revenue - Sales
4015	Base	P&L	Revenue - Sales
4016	Storm Recovery	P&L	Revenue - Sales
4020	Franchise Tax	P&L	Revenue - Sales
4025	Gross Receipts Tax	P&L	Revenue - Sales
4200	Revenue	P&L	Revenue - Sales
4890	Other Revenue	P&L	Revenue - Other
4952	Unbilled Revenue	P&L	Revenue - Sales
4953	Conservation Revenue	P&L	Revenue - Sales
4999	Miscellaneous Revenue	P&L	Revenue - Sales
499A	Allowances & Adjustments	P&L	Revenue - Sales
499B	Bill Collection Charge	P&L	Revenue - Sales
499E	Reestimate Service Charge	P&L	Revenue - Sales
499I	Initial Estimate of Service Charge	P&L	Revenue - Sales
499P	Returned Payment Charge	P&L	Revenue - Sales
499R	Diconnect/Reconnect Charge	P&L	Revenue - Sales
499V	Disconnect for Rule Violation Charge	P&L	Revenue - Sales
5011	Salaries	P&L	Salary and Wage Expense
5012	Overtime/Comp Time/On Call	P&L	Salary and Wage Expense
5014	Bonus/Incentive Pay	P&L	Salary and Wage Expense
5015	Temporary Services	P&L	Salary and Wage Expense
5020	Lodging & Travel	P&L	Other Operating Expenses
5021	Meals	P&L	Other Operating Expenses
5023	Seminars & Training	P&L	Other Operating Expenses
5024	Cell Phones	P&L	Other Operating Expenses
5025	Uniforms	P&L	Other Operating Expenses
5026	Memberships & Subscriptions	P&L	Other Operating Expenses
5029	Supplies & Misc Dept Expenses	P&L	Other Operating Expenses
5031	Vehicle Fuel	P&L	Other Operating Expenses
5032	Vehicle Depreciation	P&L	Depreciation Expense
5033	Vehicle Insurance	P&L	Other Operating Expenses
5039	Other Vehicle Operating Exp.	P&L	Other Operating Expenses
504D	Inter-Dept. Benefits	P&L	Other Operating Expenses
505D	Inter-Dept. Pyrl Tx	P&L	Other Operating Expenses
5060	Legal	P&L	Other Operating Expenses

Chesapeake Utilities Corporation			
Florida Public Utilities -- Electric			
Account Segment 3			
Expense Type (Natural Account)			
Code	**Long Description**	**BS/IS**	**Account Type (System)**
5061	Consulting & Sub-Contractors	P&L	Other Operating Expenses
5069	Other Outside Services	P&L	Other Operating Expenses
5080	Advertising	P&L	Other Operating Expenses
5081	Printing & Printing Materials	P&L	Other Operating Expenses
5082	Outdoor Banners & Signage	P&L	Other Operating Expenses
5083	Print Advertising	P&L	Other Operating Expenses
5086	Printing & Production	P&L	Other Operating Expenses
5089	Other Communications Expenses	P&L	Other Operating Expenses
5090	Customer Satisfaction	P&L	Other Operating Expenses
5800	Cost of Gas	P&L	Purchases
5810	Cost of Gas Estimate	P&L	Purchases
5830	Cost of Gas/Purchased Power PGA	P&L	Purchases
5881	Franchise Tax	P&L	Purchases
5882	Gross Receipts/Utility Tax	P&L	Purchases
5883	PSC Assessment	P&L	Purchases
5890	Cost of Gas/Electric Other	P&L	Purchases
5954	Conservation Recovery	P&L	Other Operating Expenses
6100	Salaries & Commissions	P&L	Salary and Wage Expense
6110	Salaries	P&L	Salary and Wage Expense
6120	Overtime/Comp Time/On Call	P&L	Salary and Wage Expense
6140	Bonus/Incentive Pay	P&L	Salary and Wage Expense
6141	Short-term Cash Bonus	P&L	Salary and Wage Expense
6143	Stock Bonus	P&L	Salary and Wage Expense
6144	Signing Bonus	P&L	Salary and Wage Expense
6149	Other Awards	P&L	Salary and Wage Expense
6150	Temporary Services	P&L	Salary and Wage Expense
6165	Severance-Employee	P&L	Salary and Wage Expense
6200	Department Expenses	P&L	Other Operating Expenses
6210	Lodging & Travel	P&L	Other Operating Expenses
6220	Meals	P&L	Other Operating Expenses
6230	Seminars & Training	P&L	Other Operating Expenses
6240	Cell Phones	P&L	Other Operating Expenses
6250	Uniforms	P&L	Other Operating Expenses
6260	Memberships & Subscriptions	P&L	Other Operating Expenses
6290	Supplies & Misc Dept Expenses	P&L	Other Operating Expenses
6300	Vehicle Expenses	P&L	Other Operating Expenses
6310	Vehicle Fuel	P&L	Other Operating Expenses
6320	Vehicle Depreciation	P&L	Depreciation Expense
6330	Vehicle Insurance	P&L	Other Operating Expenses
6390	Other Vehicle Expenses	P&L	Other Operating Expenses

Chesapeake Utilities Corporation			
Florida Public Utilities -- Electric			
Account Segment 3			
Expense Type (Natural Account)			
Code	**Long Description**	**BS/IS**	**Account Type (System)**
6400	Health-related Benefits	P&L	Other Operating Expenses
6410	Workers Compensation	P&L	Other Operating Expenses
6420	Benefit Claims, Opt Out Cr, P/R W/H	P&L	Other Operating Expenses
6425	Benefit Withholding	P&L	Other Operating Expenses
6430	Benefit Administrative Fees	P&L	Other Operating Expenses
6490	Other Health-related Benefits	P&L	Other Operating Expenses
649D	Inter-Dept Benefits	P&L	Other Operating Expenses
6600	Other Benefits	P&L	Other Operating Expenses
6620	401K Stock Match	P&L	Other Operating Expenses
6630	401K Cash Match	P&L	Other Operating Expenses
6640	401K SERP Match	P&L	Other Operating Expenses
6670	Tuition Reimbursement	P&L	Other Operating Expenses
6690	Other Benefits	P&L	Other Operating Expenses
6700	Other HR Charges-Allocated	P&L	Other Operating Expenses
6730	Relocation Expenses	P&L	Other Operating Expenses
6800	Company Events & CHOICE	P&L	Other Operating Expenses
7000	Communications	P&L	Other Operating Expenses
7020	Advertising	P&L	Other Operating Expenses
7021	Design Development	P&L	Other Operating Expenses
7022	Video & Photography	P&L	Other Operating Expenses
7023	Digital Communications	P&L	Other Operating Expenses
7024	Events & Promotional Items	P&L	Other Operating Expenses
7025	Mandatory Advertising	P&L	Other Operating Expenses
7026	Sponsorships	P&L	Other Operating Expenses
7030	Printing & Printed Materials	P&L	Other Operating Expenses
7050	Shipping & Delivery	P&L	Other Operating Expenses
7090	Other Communication Expenses	P&L	Other Operating Expenses
7100	Credit, Collections & Customer Service	P&L	Other Operating Expenses
7110	Coll. Agency & Cr. Reports	P&L	Other Operating Expenses
7120	Bad Debts	P&L	Doubtful Accounts Expense
7190	Other Customer Related Expenses	P&L	Other Operating Expenses
7200	Outside Services & Other	P&L	Other Operating Expenses
7210	Audit Fees	P&L	Other Operating Expenses
7215	Tax Preparation Fees	P&L	Other Operating Expenses
7220	Legal	P&L	Other Operating Expenses
7230	Consulting	P&L	Other Operating Expenses
7250	Service Contractor Costs	P&L	Other Operating Expenses
7290	Other Outside Services	P&L	Other Operating Expenses
7300	Fees & Assessments	P&L	Other Operating Expenses
7320	Bank Fees	P&L	Other Operating Expenses

Chesapeake Utilities Corporation			
Florida Public Utilities -- Electric			
Account Segment 3			
Expense Type (Natural Account)			
Code	**Long Description**	**BS/IS**	**Account Type (System)**
7330	Merchant Payment Fees	P&L	Other Operating Expenses
7350	Right of Way Charges	P&L	Other Operating Expenses
7360	Discounts	P&L	Other Operating Expenses
7390	Other Fees & Assessments	P&L	Other Operating Expenses
7400	Investor Relations Expenses	P&L	Other Operating Expenses
7500	Insurance Allocation	P&L	Other Operating Expenses
7510	Property Insurance	P&L	Other Operating Expenses
7520	Self Insurance	P&L	Other Operating Expenses
7521	General Liability	P&L	Other Operating Expenses
7522	Excess Liability (Umbrella)	P&L	Other Operating Expenses
7523	Comprehensive Crime	P&L	Other Operating Expenses
7524	D&O Liability	P&L	Other Operating Expenses
7525	Employment Practices	P&L	Other Operating Expenses
7526	Fiduciary Liability	P&L	Other Operating Expenses
7528	Credit Insurance	P&L	Other Operating Expenses
7529	Errors & Omissions	P&L	Other Operating Expenses
7540	Broker Fees	P&L	Other Operating Expenses
7600	Safety	P&L	Other Operating Expenses
7620	Safety Training	P&L	Other Operating Expenses
7630	Safety Equipment	P&L	Other Operating Expenses
7690	Other Safety Costs	P&L	Other Operating Expenses
7700	Other Operating Expenses	P&L	Other Operating Expenses
7710	Rent-External	P&L	Other Operating Expenses
7717	Leases	P&L	Other Operating Expenses
7720	Utilities-Telephone	P&L	Other Operating Expenses
7730	Utilities-Gas & Elec	P&L	Other Operating Expenses
7740	Water, Sewer, Cleaning, Lawn	P&L	Other Operating Expenses
7750	Postage & Express Mail	P&L	Other Operating Expenses
7785	Other Depreciation	P&L	Depreciation Expense
7790	Other Facilities Costs	P&L	Other Operating Expenses
7800	Other Maintenance Expenses	P&L	Other Operating Expenses
7810	Equipment & Hardware Maintenance	P&L	Other Operating Expenses
7820	Software Maintenance	P&L	Other Operating Expenses
7830	Facilities Maintenance	P&L	Other Operating Expenses
8010	Miscellaneous Service Revenue	P&L	Revenue - Sales
8110	Depreciation	P&L	Depreciation Expense
8120	Amortization	P&L	Amortization Expense
8200	Taxes Other than Income	P&L	Other Operating Expenses
8210	Payroll Taxes	P&L	Other Operating Expenses
821D	Inter-Dept Pyrl Tx	P&L	Other Operating Expenses

Chesapeake Utilities Corporation			
Florida Public Utilities -- Electric			
Account Segment 3			
Expense Type (Natural Account)			
Code	Long Description	BS/IS	Account Type (System)
8220	Property Taxes	P&L	Other Operating Expenses
8290	Misc Taxes Other	P&L	Other Operating Expenses
8310	State Income Tax	P&L	Income Tax Expense
8320	Federal Income Tax	P&L	Income Tax Expense
8500	DIT Debit	P&L	Income Tax Expense
8501	State DIT Debit	P&L	Income Tax Expense
8600	DIT Credit	P&L	Income Tax Expense
8601	State DIT Credit	P&L	Income Tax Expense
8710	Interest	P&L	Interest Expense
8720	Interest on Short-term debt	P&L	Interest Expense
8730	Interest on Customer Deposits	P&L	Interest Expense
9011	Salaries	P&L	Salary and Wage Expense
9012	Overtime/Comp Time/On Call	P&L	Salary and Wage Expense
9014	Bonus/Incentive Pay	P&L	Salary and Wage Expense
9022	Meals	P&L	Other Operating Expenses
9024	Cell Phones	P&L	Other Operating Expenses
9025	Uniforms	P&L	Other Operating Expenses
9029	Supplies & Misc Dept Expenses	P&L	Other Operating Expenses
9031	Vehicle Fuel	P&L	Other Operating Expenses
9032	Vehicle Depreciation	P&L	Depreciation Expense
9033	Vehicle Insurance	P&L	Other Operating Expenses
9039	Other Vehicle Operating Exp.	P&L	Other Operating Expenses
904D	Inter-Dept. Benefits	P&L	Other Operating Expenses
905D	Inter-Dept. Pyrl Tx	P&L	Other Operating Expenses
9190	Other Income	P&L	Revenue - Other
9210	Charitable Contribution	P&L	Other Operating Expenses
9280	NonOp Expenses-Not Deductible for Tax	P&L	Other Operating Expenses
9290	Other NonOperating expense	P&L	Other Operating Expenses
9291	OPRB	P&L	Other Operating Expenses
9292	Pension Expense	P&L	Other Operating Expenses
9310	NonOp IT State	P&L	Income Tax Expense
9320	NonOp IT Federal	P&L	Income Tax Expense
9999	Income Summary	IS	Income Summary

Chesapeake Utilities Corporation		
Florida Public Utilities -- Electric		
Account Segment 4		
FERC / Activity Codes		
Code	Long Description	
1010	Plant in Service	
1060	Completed Construction Not Classified	
1070	Construction Work in Progress	
1072	Damage Claims	
1080	Accumulated Depreciation	
1089	Retirement Work in Progress	
108S	Accumulated Depreciation-AARC	
1140	Acquisition Adjustment	
1150	Accum Amort Acquisition Adjustment	
1350	Petty Cash	
1420	Accounts Receivable	
1430	Other Accounts Receivable	
1440	Provision for Uncollectible Accounts	
1460	Inter-company AR	
1540	Plant Materials & Operating Supplies	
1650	Prepayments	
1730	Accrued Utility Revenue	
1823	Other Regulatory Assets	
1840	Clearing Accounts	
1850	Temporary Facilities	
1860	Miscellaneous Deferred Debits	
1900	Accumulated Deferred Income Taxes	
2160	Retained Earnings	
2281	Accum Provision for Property Insurance	
2282	Accum Provision for Injuries & Damages	
2283	Accum Provision for Pensions & Benefits	
2320	Accounts Payable	
2350	Customer Deposits	
2365	Accrued Income Tax-Current	
2367	Accrued Income Tax-Prior	
2370	Accrued Interest	
2410	Tax Collections Payable	
2413	Sales Tax	
2520	Customer Advances for Construction	
2530	Other Deferred Credits	
2540	Other Regulatory Liabilities	
254P	Other Regulatory Liabilities-Protected	
2820	ADIT Property	
2822	ADIT Property-Long-term	
2829	ADIT Long-term 109	

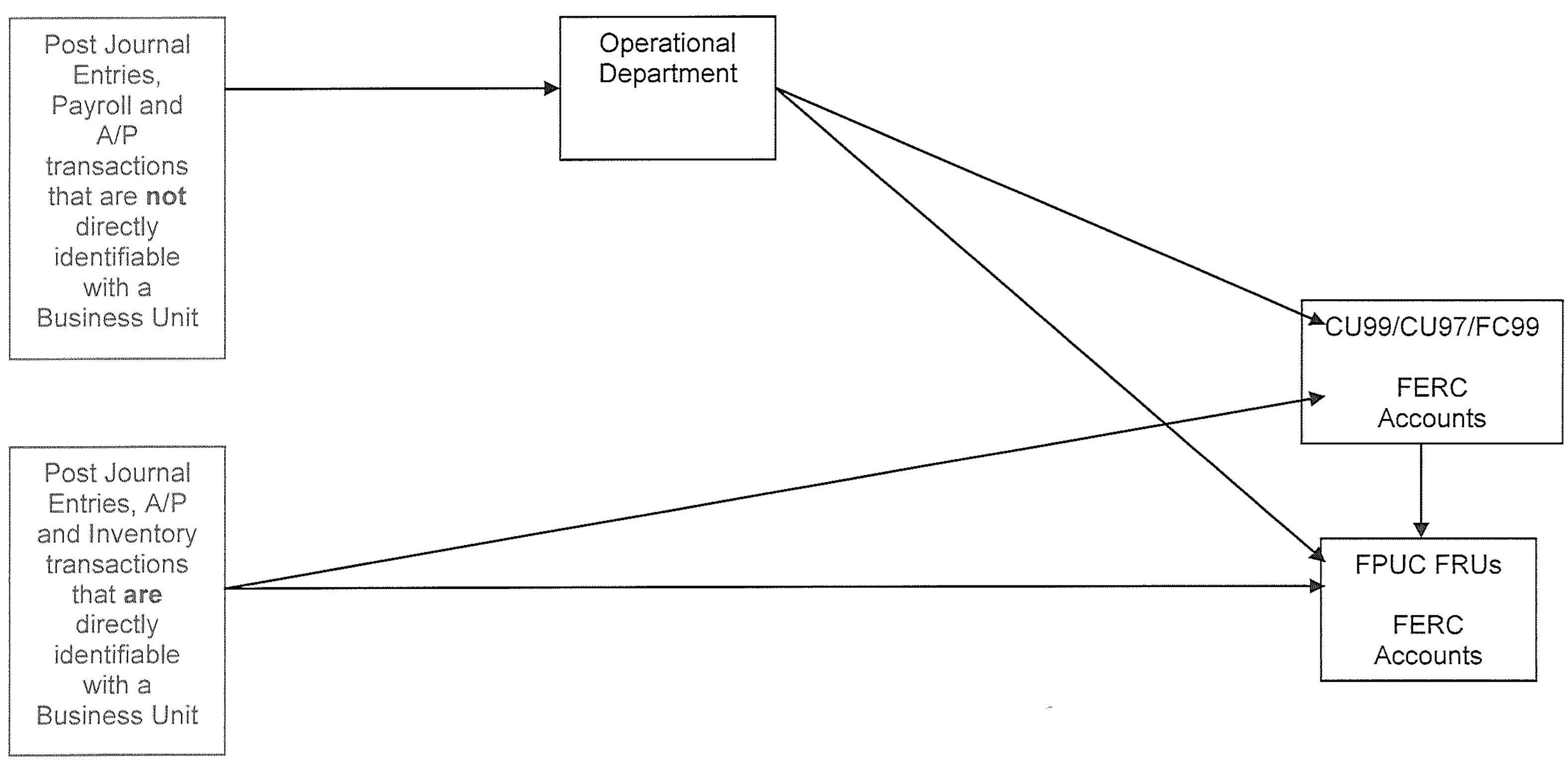
Chesapeake Utilities Corporation		
Florida Public Utilities -- Electric		
Account Segment 4		
FERC / Activity Codes		
Code	**Long Description**	
2830	ADIT Other	
2832	ADIT Other-Long-term	
4030	Depreciation	
4032	Negative Salvage Value-Distribution	
4050	Amortization of other gas plant	
4073	Regulatory Debits	
4081	Taxes other than income taxes	
4091	Income taxes	
4092	NonOperating Income taxes	
4101	Provision for DIT-Debit	
4111	Provision for DIT-Credit	
4150	Revenue-Merch, Jobbing & Contract Work	
4160	Expense-Merch, Jobbing & Contract Work	
4210	Misc. NonOperating income	
4261	Donations	
4264	Civic, Political & Related Activities	
4265	Other deductions	
4270	Interest on LTD	
4280	Amortization of DD&E	
4281	Amortization of Loss on Reacquired Debt	
4310	Other interest	
4320	AFUDC	
4400	General [ELEC = RESIDENTIAL SALES]	
4420	Commercial & Industrial	
4421	Industrial (Comm & Indus Sales)	
4422	Commercial Large (Comm & Indus Sales)	
4423	Industrial General Service Large Demand	
4430	Outdoor Lights	
4440	Public Street & Highway Lighting	
4480	Interdepartmental Sales	
4490	Accrual [ELEC = OTHER SALES]	
4500	Forfeited Discounts	
4510	Miscellaneous Service Revenues	
4540	Rent from Electric Property	
4560	Other Electric Revenues	
456S	Other Electric Revenues-SPP	
456V	Other Electric Revenues-COVID	
5550	Purchased Power	
5551	Purchased Power-Over/Under Recovery	
5570	Other Expenses	

Chesapeake Utilities Corporation	
Florida Public Utilities -- Electric	
Account Segment 4	
FERC / Activity Codes	
Code	Long Description
5600	Operation Supervision & Engineering
5620	Station Expenses
5700	Maintenance of Station Equipment
5710	Maintenance of Overhead Lines
5800	Operation Supervision & Engineering
5810	Repair Customer Equipment [ELEC = LOAD DISPATCH]
5820	Appliance Installations [ELEC = STATION EXP]
5831	Overhead Line Expenses
5832	Remove/Reset Transformers
5840	New Customer Hookup
5850	Street Lighting & Signal System Expenses
5860	Meter Expenses
5871	Customer Installation Exp-Area Light
5872	Customer Installation Exp-Other
5881	Misc Distribution Exp-Maps & Records
5882	Misc Distribution Exp-Other
5900	Maintenance Supervision & Engineering
5910	Maintenance of Structures
5920	Maintenance of Station Equipment
5931	Maint of OH Lines-Poles/Towers/Fixtures
5932	Maint of Overhead Lines-Conductors
5933	Maint of Overhead Lines-Services
5940	Maintenance of Underground Lines
5950	Maint of Line Transformers-Duct/Buried
5951	Maint of Line Transformers-OH
5960	Maintenance of St Lighting & Signal Sys
5970	Maintenance of Meters
5980	Maintenance of Misc Distribution Plant
9010	Supervision-Customer Accounting
9020	Meter Reading
9030	Customer Records & Collections
9040	Uncollectible Accounts
906V	Customer Svc & Informational Exp Cnsrv
908V	Customer Assistance-Conservation
909V	Information & Instruct Advertising-Cnsrv
910V	Miscellaneous Customer Service/Info-Cnsr
9110	Sales Supervision
9130	Advertising
9200	Administrative & General Salaries
9210	Office Supplies & Expenses

Chesapeake Utilities Corporation		
Florida Public Utilities -- Electric		
Account Segment 4		
FERC / Activity Codes		
Code	**Long Description**	
9230	Outside Services	
9240	Property Insurance	
9250	Injuries & Damages	
9260	Empl Pensions & Benefits	
9301	General Advertising-A&G	
9302	Miscellaneous General Expenses	
9310	A&G Rents	
9320	Maintenance-General Plant	
9350	Maintenance-General Plant	
9999	Income Summary	

Schedule 4

Chesapeake Utilities Corporation
Cost Settlement Flow Chart



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Chesapeake Utilities Corporation
Florida Public Utilities -- Electric
Department Strategy Methodology

Dept #	Department Name	Type	TT/Fixed/Other	Allocation Basis - For Fixed or Other
RA903	Regulatory Affairs & Bus. Transformation	Corporate	Fixed	Distrigas* to Divisions or Subsidiaries/Estimated time spent
RM800	Risk Management	Corporate	N/A - Direct Charge	n/a
RM840	Risk Management-Regulated	Corporate	N/A - Direct Charge	n/a
SC900	Security	Corporate	Fixed	Distrigas* to Divisions or Subsidiaries
SM400	Safety-FPU	Business Unit	Fixed	Assigned duties / Estimated time spent
SM800	Safety	Corporate	Fixed	Distrigas* to Divisions or Subsidiaries
SR770	System Replacement-Sh Svc	Business Unit - Shared	Fixed	DNGD & FL (NGD & Electric) Avg Customers
SR800	System Replacement-Corp Svc	Corporate	Fixed	DNGD & FL (NGD & Electric) Avg Customers
ST400	Storm Protection Plan	Business Unit	N/A - Direct Charge	n/a
SU900	Corporate Support	Corporate	Fixed	Distrigas* to Divisions or Subsidiaries
TM900	Treasury Management	Corporate	Fixed	Distrigas* to Divisions or Subsidiaries/Estimated time spent
WH410	Warehouse-SF	Business Unit	Stores	Inventory movements
WH440	Warehouse-NW	Business Unit	Fixed/Stores	Fixed / Inventory movements
WH450	Warehouse-NE	Business Unit	Fixed/Stores	Fixed / Inventory movements

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Chesapeake Utilities Corporation
Florida Public Utilities -- Electric
Department Strategy Methodology

Dept #	Department Name	Type	TT/Fixed/Other	Allocation Basis - For Fixed or Other
A1501	VP-Aspire Energy of Ohio	Business Unit	Fixed	Distrigas* to Divisions or Subsidiaries/Estimated time spent
AA700	Accounting Accruals-Direct	Business Unit	N/A - Direct Charge	n/a
AA770	Accounting Accruals-CCare DMV	Business Unit - Shared	N/A - Direct Charge	n/a
AA800	Accounting Accruals-Corporate Services	Corporate	N/A - Direct Charge	n/a
AC800	Business Unit Accounting	Corporate	Fixed	Distrigas* to Divisions or Subsidiaries
AC803	Process Improvement	Corporate	Fixed	Roll up of Departments Managed + Estimated time spent
AC804	Financial Planning & Analysis	Corporate	Fixed	Distrigas* to Divisions or Subsidiaries
AC805	Strategic Growth Services & Analytics	Corporate	Fixed	Distrigas* to Divisions or Subsidiaries/Estimated time spent
AC806	Accounts Payable	Corporate	Fixed	AP Invoices
AC807	Fixed Asset Accounting	Corporate	Fixed	Capital Expenditures
AC900	Corporate Accounting	Corporate	Fixed	Distrigas* to Divisions or Subsidiaries
AC901	Tax Accounting	Corporate	Fixed	Distrigas* to Divisions or Subsidiaries
AU900	Audit Committee	Corporate	N/A - Direct Charge	n/a
BD900	Board of Directors	Corporate	Fixed	Capital Expenditures
BM410	Mgr, Operations Technical Services	Business Unit	N/A - Direct Charge	n/a
BT900	Business Transformation	Corporate	Fixed	Distrigas* to Divisions or Subsidiaries
CA110	Natural Gas Distribution Acct North	Business Unit	Fixed	Distrigas* to Divisions or Subsidiaries
CA400	Natural Gas Distribution Acct South	Business Unit	Fixed	Distrigas* to Divisions or Subsidiaries
CB773	CC-Back Office-Payment Processing	Business Unit - Shared	Fixed	DNGD & FL - 50% Avg Customers & 50% Avg 3 YR Margins
CB781	FPU-CC-Back Office-Billing/Admin	Business Unit - Shared	Fixed	FL (NGD & Electric) Avg Customers
CB782	FPU-CC-Back Office-Collections	Business Unit - Shared	Fixed	FL (NGD & Electric) Avg Customers
CE771	Customer Experience	Business Unit - Shared	Fixed	DNGD & FL - 50% Avg Customers & 50% Avg 3 YR Margins
CF781	FPU-CC-Front Office-Customer Service	Business Unit - Shared	Fixed	FL (NGD & Electric) Avg Customers
CI711	Continuous Improvement Projects	Business Unit	Fixed	Distrigas* to Divisions or Subsidiaries
CI712	Continuous Improvement Program	Business Unit	Fixed	Distrigas* to Divisions or Subsidiaries
CI770	Continuous Improvement	Business Unit - Shared	Fixed	Distrigas* to Divisions or Subsidiaries
CM900	Communications	Corporate	Fixed	Distrigas* to Divisions or Subsidiaries
CM901	Communications/Public Relations	Corporate	Fixed	Distrigas* to Divisions or Subsidiaries
CM902	Public Relations & Strategic Comm.	Corporate	Fixed	Distrigas* to Divisions or Subsidiaries
CS771	CC-Solutions	Business Unit - Shared	Fixed	DNGD & FL - 50% Avg Customers & 50% Avg 3 YR Margins
CU900	Capital Resource Clearing	Corporate	Fixed	Distrigas* to Divisions or Subsidiaries
DI900	Diversity & Inclusion ERGs	Corporate	Fixed	Distrigas* to Divisions or Subsidiaries
DI901	Diversity & Inclusion	Corporate	Fixed	Distrigas* to Divisions or Subsidiaries
DV770	Business Development	Business Unit - Shared	Fixed	Distrigas* to Divisions or Subsidiaries
EA770	Environmental Affairs	Business Unit - Shared	Fixed	Distrigas* to Divisions or Subsidiaries/Estimated time spent
EG900	Environmental, Social & Governance	Corporate	Fixed	Capital Expenditures
EL441	Electric Line Operations-NW	Business Unit	Time Tracking	n/a
EL442	Electric Service Operations-NW	Business Unit	Time Tracking	n/a
EL451	Electric Line Operations-NE	Business Unit	Time Tracking	n/a
EL452	Electric Service Operations-NE	Business Unit	Time Tracking	n/a
EN403	Engineering-NF	Business Unit	Time Tracking	n/a

Chesapeake Utilities Corporation
Florida Public Utilities -- Electric
Department Strategy Methodology

Dept #	Department Name	Type	TT/Fixed/Other	Allocation Basis - For Fixed or Other
EN440	Engineering-NW	Business Unit	Time Tracking	n/a
EN450	Engineering-NE	Business Unit	Time Tracking	n/a
FC400	Facilities-FPU	Business Unit	N/A - Direct Charge	n/a
FC401	Electric Substation	Business Unit	N/A - Direct Charge	n/a
FM800	Facilities Management	Corporate	Fixed	Distrigas* to Divisions or Subsidiaries
FP900	Capital Resource Clearing-FPU	Corporate	Fixed	Distrigas* to Divisions or Subsidiaries
GA400	Governmental Affairs North	Business Unit	Fixed	Distrigas* to Divisions or Subsidiaries/Estimated time spent
GM410	General Manager-SF	Business Unit	Fixed	Assigned duties / Estimated time spent
GM440	Director, Electric Operations	Business Unit	Fixed	Assigned duties / Estimated time spent
GM450	Director, System Planning & Engineering	Business Unit	Fixed	Assigned duties / Estimated time spent
GV900	Corporate Governance	Corporate	Fixed	Capital Expenditures
GW900	Capital Committee	Corporate	Fixed	Capital Expenditures
HR900	Human Resources	Corporate	Fixed	Distrigas* to Divisions or Subsidiaries
IA800	Internal Audit	Corporate	Fixed	Distrigas* to Divisions or Subsidiaries
IR900	Investor Relations	Corporate	Fixed	Capital Expenditures
IT800	IS Staff-Dover	Corporate	Fixed	Distrigas* to Divisions or Subsidiaries
IT801	Financial System	Corporate	Time Tracking/Fixed	Distrigas* to Divisions or Subsidiaries
IT804	HR and Payroll System	Corporate	Fixed	Payroll
IT805	System Support	Corporate	Fixed	Distrigas* to Divisions or Subsidiaries
IT806	Network Support	Corporate	Fixed	Distrigas* to Divisions or Subsidiaries
IT807	Desktop Support	Corporate	Fixed	Distrigas* to Divisions or Subsidiaries
IT809	ECIS	Corporate	Fixed	FL (NGD & Electric) Avg Customers
IT810	Cyber Security	Corporate	Fixed	Distrigas* to Divisions or Subsidiaries
IT811	Applications	Corporate	Time Tracking/Fixed	Distrigas* to Divisions or Subsidiaries
IT812	Business Applications	Corporate	Time Tracking/Fixed	Distrigas* to Divisions or Subsidiaries
IT813	BIS Project Management	Corporate	Fixed	Distrigas* to Divisions or Subsidiaries
IT814	Solutions	Corporate	Time Tracking/Fixed	DNGD & FL - 50% Avg Customers & 50% Avg 3 YR Margins
MG122	Manager of Gas Conversions	Business Unit	Fixed	Distrigas* to Divisions or Subsidiaries
MG125	Engineering Manager	Business Unit	Fixed	Distrigas* to Divisions or Subsidiaries
MG710	VP Transmission	Business Unit	Fixed	Assigned duties / Estimated time spent
MG713	President-FPU	Business Unit	N/A - Direct Charge	n/a
MG771	AVP-Customer Engagement & Operations	Business Unit - Shared	Fixed	DNGD & FL - 50% Avg Customers & 50% Avg 3 YR Margins
MG773	Sr. Manager CC-Back Office-Billing/Admin	Business Unit - Shared	Fixed	DNGD & FL - 50% Avg Customers & 50% Avg 3 YR Margins
MG774	Sr. Manager CC-Back Office-Collections	Business Unit - Shared	Fixed	DNGD & FL - 50% Avg Customers & 50% Avg 3 YR Margins
MG775	Director Planning & Analysis	Business Unit - Shared	Fixed	DNGD & FL - 50% Avg Customers & 50% Avg 3 YR Margins
MG776	Director Procedures & Training	Business Unit - Shared	Fixed	DNGD & FL - 50% Avg Customers & 50% Avg 3 YR Margins
MG777	VP-Sustainability & Organic Growth	Business Unit - Shared	Fixed	Roll up of Departments Managed + Estimated time spent
MG781	VP-Operations Services	Business Unit - Shared	Fixed	Distrigas* to Divisions or Subsidiaries
MG782	Sr. Manager CC-Front Office-Support	Business Unit - Shared	Fixed	DNGD & FL - 50% Avg Customers & 50% Avg 3 YR Margins
MG784	Energy Logistics	Business Unit - Shared	Fixed	Distrigas* to Divisions or Subsidiaries
MG901	Chief Executive Officer	Corporate	Fixed	Assigned duties / Estimated time spent

Chesapeake Utilities Corporation
Florida Public Utilities -- Electric
Department Strategy Methodology

Dept #	Department Name	Type	TT/Fixed/Other	Allocation Basis - For Fixed or Other
MG902	Chief Operating Officer	Corporate	Fixed	Assigned duties / Estimated time spent
MG903	Chief Financial Officer	Corporate	Fixed	Roll up of Departments Managed + Estimated time spent
MG904	Controller	Corporate	Fixed	Roll up of Departments Managed + Estimated time spent
MG906	EVP & General Counsel	Corporate	Fixed	Assigned duties / Estimated time spent
MG907	Asst General Counsel	Corporate	Fixed	Distrigas* to Divisions or Subsidiaries
MG908	Chief Information Officer	Corporate	Fixed	Distrigas* to Divisions or Subsidiaries/Estimated time spent
MG909	Chief Human Resource Officer	Corporate	Fixed	Distrigas* to Divisions or Subsidiaries/Estimated time spent
MG913	Chief Accounting Officer	Corporate	Fixed	Roll up of Departments Managed + Estimated time spent
MG914	SVP Propane & Energy Delivery Devel	Corporate	Fixed	Roll up of Departments Managed + Estimated time spent
MG916	AVP-Enterprise Applications	Corporate	Time Tracking/Fixed	Distrigas* to Divisions or Subsidiaries
MG917	AVP-Risk Management	Corporate	Fixed	Distrigas* to Divisions or Subsidiaries
MK410	Utility Organic Growth	Business Unit	Fixed	Assigned duties / Estimated time spent
MK412	Energy Conservation	Business Unit	Time Tracking	n/a
MK700	Marketing Communications	Business Unit	Fixed	Distrigas* to Divisions or Subsidiaries/Estimated time spent
MK701	Community Affairs	Business Unit	Fixed	Distrigas* to Divisions or Subsidiaries/Estimated time spent
MK702	Creative Services	Business Unit	Fixed	Distrigas* to Divisions or Subsidiaries/Estimated time spent
MK703	Marketing & Comm-Nat. Gas & Electric	Business Unit	Fixed	Distrigas* to Divisions or Subsidiaries/Estimated time spent
MK704	Marketing & Comm-Bus. Development	Business Unit	Fixed	Distrigas* to Divisions or Subsidiaries
MK710	Non-Utility Organic Growth	Business Unit	Fixed	Roll up of Departments Managed + Estimated time spent
OB301	PESCO Building	Business Unit	Fixed	Assigned duties / Estimated time spent
OB440	Marianna-NW	Business Unit	Fixed	Assigned duties / # of Customers
OB450	Fernandina Office-NE	Business Unit	N/A - Direct Charge	n/a
OB453	Florida Corporate Office	Business Unit	Fixed	Distrigas* to Divisions or Subsidiaries
OB780	Ecoplex-Florida Customer Care	Business Unit - Shared	Fixed	FL - Avg 3-YR Margins
OB800	Silver Lake	Corporate	Fixed	Distrigas* to Divisions or Subsidiaries
OB803	Energy Lane	Corporate	Fixed	Distrigas* to Divisions or Subsidiaries
OB804	Newark	Corporate	Fixed	Distrigas* to Divisions or Subsidiaries
OB805	Middletown	Corporate	Fixed	Distrigas* to Divisions or Subsidiaries
OB806	Compass Pointe	Corporate	Fixed	Distrigas* to Divisions or Subsidiaries
OC413	SF Ops/Admin Center	Business Unit	Fixed	Assigned duties / # of Customers
OC441	NW Marianna Propane Operations	Business Unit	Fixed	Assigned duties / # of Customers
OC450	Fernandina Operations Center	Business Unit	Fixed	Assigned duties / # of Customers
OC453	Northeast Control Building	Business Unit	Fixed	Assigned duties / Estimated time spent
OP450	Gas Operations-Fernandina	Business Unit	Time Tracking	n/a
PM900	Project Management	Corporate	Time Tracking/Fixed	n/a
PU800	Purchasing	Corporate	Fixed	Distrigas* to Divisions or Subsidiaries
RA400	Regulatory Affairs-Distribution South	Business Unit	N/A - Direct Charge	n/a
RA711	Regulatory Affairs-Distribution	Business Unit	Fixed	Assigned duties / Estimated time spent
RA712	Regulatory Strategy & Alternative Energy	Business Unit	Fixed	Distrigas* to Divisions or Subsidiaries
RA901	VP-Regulatory Affairs	Corporate	Fixed	Assigned duties / Estimated time spent
RA902	Regulatory & Governmental Affairs	Corporate	Fixed	Assigned duties / Estimated time spent

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Chesapeake Utilities Corporation
Florida Public Utilities -- Electric
Department Strategy Methodology

Dept #	Department Name	Type	TT/Fixed/Other	Allocation Basis - For Fixed or Other
RA903	Regulatory Affairs & Bus. Transformation	Corporate	Fixed	Distrigas* to Divisions or Subsidiaries/Estimated time spent
RM800	Risk Management	Corporate	N/A - Direct Charge	n/a
RM840	Risk Management-Regulated	Corporate	N/A - Direct Charge	n/a
SC900	Security	Corporate	Fixed	Distrigas* to Divisions or Subsidiaries
SM400	Safety-FPU	Business Unit	Fixed	Assigned duties / Estimated time spent
SM800	Safety	Corporate	Fixed	Distrigas* to Divisions or Subsidiaries
SR770	System Replacement-Sh Svc	Business Unit - Shared	Fixed	DNGD & FL (NGD & Electric) Avg Customers
SR800	System Replacement-Corp Svc	Corporate	Fixed	DNGD & FL (NGD & Electric) Avg Customers
ST400	Storm Protection Plan	Business Unit	N/A - Direct Charge	n/a
SU900	Corporate Support	Corporate	Fixed	Distrigas* to Divisions or Subsidiaries
TM900	Treasury Management	Corporate	Fixed	Distrigas* to Divisions or Subsidiaries/Estimated time spent
WH410	Warehouse-SF	Business Unit	Stores	Inventory movements
WH440	Warehouse-NW	Business Unit	Fixed/Stores	Fixed / Inventory movements
WH450	Warehouse-NE	Business Unit	Fixed/Stores	Fixed / Inventory movements

FPSC EXH NO. 59
ADMITTED

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FPUC’s Response to Staff’s Second Data Request (No. 1)

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition for rate increase by Florida Public Utilities Company.	DOCKET NO. 20240099-EI

FPUC'S RESPONSES TO STAFF'S SECOND DATA REQUESTS

1. Please refer to MFR Schedule B-6, page 4 of 6; E-3a; E-3b; E-5; and E-13d. Are only LEDs, and no other lamp types, included in FPUC's development of rate base, expense, and revenue for lighting services, as reflected in these MFR schedules? If not, please explain which other lamps are included and how.

Company Response:

No, the Company has included light fixtures that are not LED in MFR Schedule B-6. MFR B-6, line 30 is the 13-month average of Account 371 projected for 2025 and line 31 is the 13-month average of Account 373 projected for 2025.

The year-end balance of these accounts on B-8, page 7, line 32-35 consist of the following:

a. **The assets include lighting conductors, luminaires, light poles, services, and conduit for the lights that were in service in 2023. Other lights included in the 2023 balance were High Pressure Sodium, Metal Halide, or Mercury Vapor lights. The Continuing Property Records (CPR) do not separate out the luminaires by the light type. However, according to our billing records, 830 are LED lights at 7/31/2024.**
   Separately, the Company intends to pursue approval of a conservation program to convert remaining non-LED lights to LED's. As part of that planned program, the Company will verify all existing lights and determine an appropriate conversion period which will be included as part of the proposed conservation program.

b. **The 2024 and 2025 plant additions projected do not include a change out program to replace the High Pressure Sodium, Metal Halide, or Mercury Vapor lights that are in**

the 2023 balances. However, all new customer lights and planned service work on lights as needed during this time period would replace lights with LED lights and a portion of this work is included blanket work orders for revenue producing plant and renewal and replacement work that were included in the 2024 and 2025 plant additions. However, the planned conservation conversion program of the non-LED lights has not been included in the 2024 and 2025 projected additions. As part of the anticipated conservation filing, the normal maintenance projections that have been included in the rate case will be excluded from the conservation filing.

MFR Schedule E-3a agrees to the total projected rate base on B-1 page 3 and has been allocated to lighting based on the current cost of service percentages determined in the cost of service study. The rate base used as a basis for allocation included the net costs of the assets described above for B-8.

MFR Schedule E-3b agrees to the expenses in C-1 page 3 and has been allocated to lighting based on the current cost of service percentages determined in the cost of service study. The total expenses would include costs related to lighting based on the assets described in a and b above.

The revenue reflected in MFR Schedule E-5 assumes that a proposed conservation program would be approved and that all lights would be converted to LED through a conservation program. If the conservation program is approved but ultimately deviates from the test year projections, then a true up may be necessary, which the Company anticipates would take place in the conservation cost recovery clause.

MFR Schedule E-13d is the proposed rate design and likewise assumes that all lights would be converted to LED through a conservation program at the end of 2025. However, the timing of the actual conversion may vary depending on the approval and specifics regarding the anticipated conservation program. If the conversions are not completed by the end of the test year, a true-up may be required in the conservation program for the change in revenue requirement on the new LED lights.

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FPUC's Response to Staff's Third Data Request (Nos. 1-14)

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition for rate increase by Florida Public Utilities Company.	DOCKET NO. 20240099-EI

FPUC'S RESPONSES TO STAFF'S THIRD SET OF DATA REQUESTS

1. Please provide a list, by category, of all technology costs FPUC anticipates recovering through the Technology Cost Recovery Rider (TCRR). In your response, include the anticipated implementation date and detailed description of each new project.

Company Response:

At this time, the only project the Company anticipates recovering thru the TCRR is the Enterprise Resource Planning (ERP) system that will integrate systems such as the general ledger with the Customer Information System which has been implemented this year. The Company is still determining the scope and timing of the ERP project. At this time, the financial processes (including treasury management), supply chain processes, asset management processes, and human resource processes are being considered for the project. As discussed in Witness Gadgil's testimony, the investment in this project is expected to optimize our workforce needs and reduce future costs. The Company hopes to complete the ERP project by September 2026. Any future use would only be proposed for technology capital investments over $500,000 on a consolidated basis once placed in service.

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2. Please provide the projected term of the TCRR as well as the anticipated initial implementation of the TCRR.

Company Response:

Any TCRR investment and costs would be rolled in to the next rate case and the TCRR rider would be set to zero for any future additional investments.

3. If the Commission approves the TCRR, please describe whether FPUC has any plans to move the assets to base rates in the future.

Company Response:

Yes, all TCRR investments would be rolled into rate base and expenses in the next rate case.

4. Please provide any prior Commission orders in which the Commission has approved new and updated technology costs to be recovered through a rider surcharge.

Company Response:

The Company is not aware of any orders approving a technology rider. However, technology changes rapidly and a recovery mechanism for these investments would save the customers the additional costs related to preparation of rate cases or limited proceedings. The rider would also allow the Company to implement beneficial prudent technology improvements on a more regular basis over time benefiting customers with additional service capabilities as well as allow more efficient and effective technology improvements to drive the most effective operations. In addition, it is worth noting that this rider is similar to the GRIP, GUARD, and SAFE programs. Although the underlying purpose differs, the technology being implemented is ultimately necessary and will provide well-defined benefits to customers. Likewise, the recovery mechanism is very similar to those existing programs.

5. Please provide estimated initial monthly TCRR charges for all rate classes.

Company Response:

At this time, the Company does not have a complete estimate for the ERP project. However, as stated in the tariff, the Company would provide the information to the Commission in advance of any rider implementation so it could review for prudency.

6. Paragraph 24 of the petition refers to FPUCs intention to close all non-LED lighting tariffs to new customers and that a replacement program will be introduced in the conservation docket. Since FPUC was informed by staff that the conservation docket is not the appropriate docket to introduce the new lighting program, please explain whether FPUC believes that it needs to revise and resubmit any of the testimony and or schedules filed in Docket No. 20240099-EI.

Company Response: No, the Company does not plan to revise and resubmit any of the testimony and/or schedules filed in Docket No. 20240099-EI. The Company will be requesting approval of the program as an additional component of its 90-day filing to be made in compliance with Rule 25-17.0021(4), F.A.C.

7. Proposed Original Sheet No. 6.016 adds language stating that the company will not issue a bill for service of less than 15 days but that the partial month amount will be added to the next full bill. Please explain if the partial month amount will be shown as a separate line item on the customer's bill.

Company Response:

This amount will not be shown as a separate item on the customer's bill but will be included

in the next bill. The bill will show the billing period start and end and display the number of days within that period.

8. Proposed Original Sheet No. 6.021 (Miscellaneous Service Charges), indicates that the Initial establishment of service is proposed to be increased from $61 to $125. Please explain the increase in cost differences.

Company Response:

MFR E-13b describes each component in detail including hours to complete and rates. The following is a summary comparison of the four major types of costs. More detailed information is contained in MFR E-13b.

Summary of E-13b:	Docket 20140025-EI	Docket 20240099-EI	Difference
Administrative Labor	10.51	14.18	3.67
Clerical Labor	6.24	10.63	4.39
Service Labor	30.76	62.41	31.65
Transportation Cost	13.50	37.34	23.84
	61.01	124.56	63.55

The main reasons for the increase are:

a. The first three categories increased due to an increase in the average hourly rate.

b. The clerical labor increased due to an increase in time from .25 hours to .35 hours.

c. Transportation costs have increased significantly since 2014 due to increased vehicle costs, fuel, and insurance.

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9. Proposed Original Sheet No. 7.026, Hurricane Michael Surcharge, shows that the GSLD- 1 class would be billed $190,208 annually. Please provide cost support to show the calculation of that amount.

Company Response:

The amount was calculated using the rate for Hurricane Michael/Dorian storm surcharge of $0.01280 times the 2020 Budgeted KWH filed in Docket 20190156-EI of 14,860,000 for Industrial customers. The KWH filed in that docket were used to generate the surcharge rate of $0.01280. By using this amount, the Company ensures recovery of the initial amount requested for these two customers. The change is necessary due to the change in firm usage due to the non-firm energy tariff.

10. With reference to current Fifth Revised Sheet No. 50 (Rate Schedule GSLD-1, proposed Original Sheet No. 7.010), please state why the company is proposing that the Conservation Costs will not be applicable to the GSLD-1 rate class. Has this change been proposed in the 20240002-EG docket?

Company Response:

GSLD-1 customers' KWHs were not included in the calculation of the conservation rates proposed for 2025. Witness Craig's testimony in that docket discussed elimination of the GSLD-1 and Standby customers. (See, September 12 Craig Testimony at pg. 3). Moreover, and given that the change to special contracts is uncertain, removal of these customers is still reasonable, because there are no conservation programs that impact either of these two customers and they have never taken advantage of any conservation assistance.

11. Current Original Sheet No. 51 (proposed Original Sheet No. 7.011) has a proposed revision to the Minimum Demand (Non-Coincident Peak (NCP) Billing Demand) language to state that the Maximum Demand NCP Billing Demand shall be the greatest one hour average load in any month. Why is FPUC proposing to revise the fifteen minute average load to a one hour average load?

Company Response:

During the 2014 rate proceeding, the wholesale energy provider used a 15 minute interval for billing purposes which necessitated using the 15 minute interval to accurately assess the GSLD-1 customer's impact on the monthly wholesale energy bill. However, the current wholesale energy provider uses a one hour interval for billing purposes which necessitated the modification in order to accurately assess the GSLD-1 customer's impact on the monthly wholesale energy bill. This ensures the GSLD-1 customer is billed for the monthly bill impact.

12. On page 21 of his direct testimony, witness Haffecke, states that the one large industrial standby tariff customer would be moved to the GLSD1 tariff. Please state if the customer has been informed of this proposed change and, if yes, whether the customer agrees with FPUC's proposal. If not, please explain when FPUC plans to discuss this with the customer. In your response, discuss the impacts on the customer's bill as a result of being moved to the GSLD1 tariff.

Company Response:

The one large industrial standby customer has been contacted regarding the proposed

change that would move them to the GSLD-1 tariff. The customer has questions regarding the change and we are currently working through the process of providing information to the customer at this time. However, the majority of the questions are related to the purchased power charges including termination of the experimental non-firm energy tariff and not the GSLD1 tariff charges being addressed in this proceeding. The base Transmission Demand Charge would represent a decrease in cost to the customer. The Excess Reactive Demand Charge will be a new charge but, based on the review of previous bills, this will not come into play based on the power factor at the facility.

13. On page 22 of his direct testimony, witness Haffecke, states that the Company is proposing to close all lighting classes other than the LED class. In Order PSC-2022-0132-TRF-EI, the Commission approved FPUC's petition to close the existing lighting tariff to new business and to introduce a new LED lighting tariff. Please explain how this proposal differs from what the Commission approved in 2022.

Company Response:

It does not differ. This was an error in Witness Haffecke's testimony that will be corrected.

14. Referring to Customer Expectations on page 10, lines 11-21, of witness Haffeke's direct testimony, please clarify whether these proposed costs would be recovered through the proposed Technology Cost Recovery Rider or base rates.

Company Response:

The section of the testimony referred to relates to the new customer information system

which is already being implemented in 2024. The ERP project, which is the only project currently expected to be requested in the TCRR in the near term is mainly discussed in Witness Gadgil's testimony on page 16.

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FPUC's Response to Staff's Fourth Data Request (Nos. 1-12)

(Including All Attachments)

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition for rate increase by Florida Public Utilities Company.	DOCKET NO. 20240099-EI

FPUC'S RESPONSES TO STAFF'S FOURTH SET OF DATA REQUESTS

1. Please provide the data shown in MFR Schedule F-7 in Excel format with cells and formulas unlocked.

Company Response:

Please refer to the blue tabs with the suffix "MFR" in the attached Excel Spreadsheet DR 4.1 for the data in MFR Schedule F-7.

2. Please refer to FPUC witness Taylor's direct testimony, page 7, lines 3-5. Witness Taylor states, "The projections of normal UPC developed from the regression analysis, and normal HDD and CDD, were multiplied by Company-provided customer count forecasts to calculate projected Normal usage in kWh."

   a) Please explain how the "Company-provided" customer count forecasts, as shown on MFR Schedule F-7, page 17 of 21, were derived.

   b) If regression modeling was utilized when developing FPUC's customer forecast, please explain how the regression equations were developed. Include in your response the selection of independent variables and how they were applied to specific rate classes and business units. Please also include summary statistics for each equation.

c) Please explain and provide a numeric example, using the residential class, of FPUC's following customer forecast adjustment statement in MFR Schedule F-5, Page 1: "Forecasts of the number of customers in each service classification were developed using a time trend based on 2020 to 2023 data and adjusted *with a forecasted number of customers by class.*" (italics added)

d) MFR Schedule F-7 provides model description of UPC models. To the extent FPUC prepared "adjustment" forecasts of number of customers by class not based on time trend, as indicated in MFR Schedule F-5, Page 1, please provide the same detail pertaining to such customer forecast models as was provided for FPUC's UPC models, or provide detail based on whatever modeling methodology was used.

e) For FPUC's UPC models, explain why FPUC determined not to include economic variables, as it did in last rate proceeding (Docket No. 20140025-EI), such as real personal income, or electricity price in its models.

f) Why did FPUC use a time trend model for projecting customer growth rather than taking an econometric approach, as it did in last rate proceeding (Docket No. 20140025-EI), using typical drivers of change in customers such as population, real personal income, etc.

Company Response:

a. Forecasts for the number of customers in each service classification were developed using a time trend based on 2020 to 2023 data, adjusted by known factors and growth estimates for service territories and rate classes.

b. Regression modeling was not used to develop FPUC's customer forecast.

c. Using the May 2024 Northeast Residential customer forecast (15,611) as an example, the average of monthly 2023 Northeast Residential customers (15,599) was adjusted by an estimated growth rate of 0.10% and then adjusted by a seasonality rate of 99.976%. Please refer to the attached file DR 4.2c.

d. An example was provided in the response to c above and shown in the attached file DR 4.2c.

e. FPUC did not include real personal income and electricity prices in models to forecast normal UPC for several reasons. The first and primary reason for this is the relatively short-term nature of the forecast (to 2025). Electricity demand is relatively inelastic (i.e., insensitive) to personal income and electricity prices over the short term. The inclusion of income and price are more appropriate for longer-term demand forecasts (e.g., 5-20 years). The primary short-term driver of electricity demand is weather (CDD and HDD), and the forecasts were developed to reflect electricity consumption under normal weather conditions. Second, in the UPC regressions developed, there was no obvious indication of significant omitted variables, such as price. Weather alone (with a constant, and time-trend as appropriate) was adequate to provide a reasonable and accurate normal demand forecast. A time-trend variable was used when statistically appropriate, and this time-trend may reflect factors such as efficiency gains and response to changes in prices overtime.

f. As answered in e) above. A time-trend with adjustments for known factors within service territories and rate classes is appropriate for a short-term forecast. Given the relatively small and localized nature of FPUC's service areas, FPUC's internal knowledge regarding customer growth may be more accurate than a forecast based on macroeconomic data.

3. Please provide the Company's billed kWh projections (in Excel format, with cells and formulas unlocked) from May 2024 to December 2025 (for Residential, Commercial Small, and Commercial rate classes) for both the Northeast and Northwest Service Territories, as described by witness Taylor on page 6, lines 21-23, and page 7, lines 1 of his direct testimony.

Company Response:

For Residential, Commercial Small and Commercial customer classes please refer to the attached file DR 4.1. The forecast data is in tabs, *Northeast Forecast Detail* and *Northwest Forecast Detail.*

4. Please refer to MFR E-13c, which details the demand billing determinants for the GSD, GSDL, and GSLD1 rate classes.

   a) Please provide the Company's historical and forecasted demand for each applicable rate class. Please also provide the historical and forecasted demand by division (Northeast and Northwest) and system total (Northeast + Northwest).

   b) Please explain how the demand charges for the test year were developed, and by whom.

   c) Please provide (in Excel format, with cells and formulas unlocked) all models/forecasts, including assumptions, data, equations, and summary statistics for both the model and the forecast used to derive the demand charges shown in MFR E- 13c.

Company Response:

a. Please refer to the attached file DR 4.4a 4c. KW Forecast.

b. A three-year average usage was used to develop the usage amounts. These amounts were determined by a Financial Analyst. That analyst reviewed the forecasts with members of the operations team. They reviewed all the customers' data with management and field personal to determine if the results were reasonable. During that review, it was determined that one of a customer's building was being demolished. An adjustment was made for that customer.

c. Please refer to the response to a above.

5. Please refer to witness Taylor's direct testimony, page 5, lines 20-22.

a) Please explain why FPUC elected to utilize a 10-year historical period to calculate normal weather. Please provide any supporting documentation

b) Please compare the 10-year normal weather data (CDDs and HDDs) to the weather data period utilized in FPUC's last rate case (Docket No. 20140025-EI).

Company Response:

a. Normal weather was calculated using a 10-year historical period to balance a longer-term (20-30 year) calculation and recent shorter-term climate trends.

b. In FPUC's prior rate case, the normal period was stated to be "for the period 1999-forward"[1], so an approximately 15-year normal period. Currently, a 10-year normal period is being used.

[1] Docket No. 20140025-EI, Direct Testimony of Robert J. Camfield, p. 19, lines 2-4, "The monthly normal weather CDDs and HDDs are equal to the average CDDs and HDDs for the respective month, for the period 1999-forward".

6. How do FPUC's models account for specific events for the 2025 test year, such as new housing developments, port expansions, and/or new commercial expansions/contractions in the service area, which may significantly impact customers, sales, and demand?

Company Response:

Customer growth is expected to be minimal in 2025. In the northeast, there is no additional space for new development on the island. Much of the development on Amelia Island is related to demolition or remodeling of existing structures rather than construction of new development. The Northwest Florida Division is more rural and still working to recover from Hurricane Michael and has had very little growth. Operations personnel that are familiar with development that has occurred met with Atrium and discussed growth opportunities that would impact sales and demand in determination of the forecast.

7. Please identify all FPSC dockets or other filings in which FPUC presented the same customer and usage forecasts used in this proceeding and explain how they were used in those dockets or other filings.

Company Response:

The KWH usage projected in the rate proceeding for 2025 was used in Schedule E-1 page 3 filed in the fuel docket, 20240001-EI, to compute fuel rates for 2025.

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8. Please identify all FPSC dockets which were opened after April 2024 in which FPUC filed customer or usage forecasts which were different from the forecasts used in this proceeding. For each such docket, explain why a different forecast was used and how those differed from the forecasts in the instant case.

Company Response:

The electric conservation 2025 projection filed in Docket 20240002-EG and the storm protection plan cost recovery projection for 2025 in Docket 20240010-EI were started before Atrium completed its projection of usage. Each used very early versions of KWH projections. The Company hires an expert to perform a much more sophisticated analysis of usage for a base rate proceeding. It is also important to note, that with clause dockets which have a true-up mechanism, any variance in actuals and projections result in a surcharge or refund in future periods and as such FPUC does not hire experts to calculate the projections for those filings.

9. When discussing the Large Commercial and Industrial Rate Class usage forecasts, witness Taylor testifies that, "FPUC personnel developed forecasts for their largest customers

within the Commercial Large and Industrial classes to account for any changes in load expected for these customers."

a) Please provide the 2024 historic base year +1 and the 2025 test year customer and energy sales forecasts for the Commercial Large and Industrial rate classes.

b) Please describe how the load forecasts for the Commercial Large and Industrial classes were developed, including how customer or usage growth, if any, was accounted for.

Company Responses:

a. **Please refer to the attached file DR 4.9a – Large Com Ind Cust Sales Forecast (2024 2025).**

b. **The Company first developed a 3-year average of past usage for each rate class. The individual customer data was reviewed with operations management, operations field personnel, and marketing personnel to determine any known changes and the reasonableness of the 3-year average. Because these service areas are small and the Northeast territory is fully developed, there has been minimal growth in these areas and none is expected in 2025.**

10. Beginning with the first forecasted monthly data point (May 2024) that FPUC used for its model projections by service territory through the most recent month for which actual data is available, please provide the following:

a) A side-by-side comparison of FPUC's monthly projected customer count and UPC to FPUC's actual monthly customer count and UPC (for each rate class).

b) A causative explanation for any forecast-to-actual deviations greater than 15 percent for UPC and 3 percent for customers.

Company Response:

a) **Please see Excel spreadsheet, DR 4.1. The side-to-side comparisons, with percent**

forecast-to-actual deviations are in columns M to AG in tabs, *Northeast Forecast Detail* and *Northwest Forecast Detail*.

b) **No UPC forecast-to-actual deviation exceeded 15-percent, and no customer count forecast-to-actual deviation exceeded 3-percent.**

11. Please provide 0 Year through 3 Year company forecast error rates for Total Customers and Total Energy Sales, for 2020, 2021, 2022, and 2023, with average error rate data, as shown below:

Year	Accuracy of Total Customers Forecasts*					
	Forecast Error Rate (%)				0-3 Year Error (%)	
	Years Prior**				Average	Absolute Average
	3 Years	2 Years	1 Year	0 Years		
2020						
2021						
2022						
2023						
Average						

*The Company's officially adopted annual forecast of total customers for both service territories

**Examples: In the column '3 Years,' row '2020', enter the percent error in the Company's 2017 forecast of 2020 customers. Similarly, in the column '0 Years', row '2023', enter the percent error in the Company's 2023 forecast of 2023 customers.

Year	Accuracy of Total Energy Sales Forecasts*					
	Forecast Error Rate (%)				0-3 Year Error (%)	
	Years Prior**				Average	Absolute Average
	3 Years	2 Years	1 Year	0 Years		
2020						
2021						
2022						
2023						
Average						

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*The Company's officially adopted annual forecast of total energy sales for both service territories

**Examples: In the column '3 Years,' row '2020', enter the percent error in the Company's 2017 forecast of 2020 total energy sales. Similarly, in the column '0 Years', row '2023', enter the percent error in the Company's 2023 forecast of 2023 total energy sales.

Company Response:

Please refer to the attached file DR 4.11 AvB Tables-Customers and Volumes.

12. For each customer class, and by division (Northeast, Northwest), please provide FPUC's annual actual customers, UPC and demand for 2015 through 2023, annual actual/forecast of customers, UPC, and demand for 2024, and annual forecast of customers, UPC, and demand for 2025. Please provide in an Excel spreadsheet.

Company Response:

Please see Excel spreadsheet, DR 4.1 for Residential, Commercial Small and Commercial customer classes. Actual billed demand, number of customers and UPC through April 2024 was used. The forecast is from May 2024 through December 2025. The data is in tabs, *Northeast Forecast Detail*, *Northwest Forecast Detail*, *NE Hist Data – MFR* and *NW Hist Data – MFR*.

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FPUC’s Response to Staff’s Fifth Data Request (Nos. 1-3)

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition for rate increase by Florida Public Utilities Company.	DOCKET NO. 20240099-EI

FPUC'S RESPONSES TO STAFF'S FIFTH SET OF DATA REQUESTS

1. Please refer to the Direct Testimony of Florida Public Utilities Company (FPUC or Company) witness William Haffecke, page 19, line 9, through line 12 for the following requests.

   a. Please provide a citation for where the cost of the S&P Global Platts package can be found within the Minimum Filing Requirements (MFRs).

   b. Please provide the projected 2025 test year expense for this subscription.

   c. Please explain, with specificity, what this package will be used for and how it aids the Company in serving its customers.

   d. Are the costs for this subscription allocated between FPUC and other Chesapeake-owned utilities? If so, please indicate the total unallocated cost.

Company Response:

a. The costs referred to in Witness Haffecke's testimony for S& P Global Platts is included on MFR C-7 page 7 for account 581.

b. The total projected cost for the subscription is $71,136 and $26,887 was allocated to electric.

c. Natural gas cost is a major part of our purchased power agreement with FPL. Therefore, Platts is used in calculating projected fuel costs.

d. Yes, the cost is allocated. Please refer to answer b above.

2. Please refer to FPUC's Responses to Staff's First Data Request, No. 16, MS Excel file, "Staff DR 1.16 Schedules," Tab 16.IT809, line 20, column I for the following request. Please explain the specific reason(s) for the allocated cost amount change from months 7 through 12, as opposed to months 1-6 where the cost is constant month to month.

Company Response:

The allocation percentages did not change for the months in 2023. The amounts allocated are based on the actual costs each month that are charged to that department. The actual costs were related to payments and accruals made to Vertex who works on the ECIS billing system. The detail was included in 1.16 on tab 16.trx.

3. Please refer to FPUC's MFRs, Schedule C-10, filed in both Docket No. 20140025-EI and Docket No. 20240099-EI. In FPUC's 2014 rate case, the 2015 projected test year rate case expense was $770,721, while the 2025 projected test year rate case expense is $1,530,907. Please discuss the factors that contributed to the 98.6 percent increase in rate case expense.

Company Response:

In addition to the inflationary and customer growth impacts to the 2015 level of expenses both internal and external related, of approximately $267,748 based on applying a inflation and growth factor of 1.3474, the remaining increase primarily relates to the Company's level of staffing and the needed outside resources and expertise to prepare and file rate proceedings. Rather than include this level of internal personnel in the annual salary expenses to be recovered in base rates, it was more appropriate to include them in rate case expense and amortize over the four-year period. The Company expects that the level of personnel and outside resources included in the rate case expense will not continue over the period that the rates will be in effect, and accordingly it was more appropriate to recover the

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costs in the amortization. The customers benefit because costs included in rate case expense are amortized over a four year period rather than the whole amount incurred in the annual expense. The Company's projected rate case expense is based on specific forecasts from the consultants retained to assist in preparation and support of this rate case. This includes attorneys and experts in schedule preparation, cost of equity, billing determinants, rate design and tariff updates and is based on market based costs that are not necessarily the same as inflation and growth rate impacts. We also do not retain all of the internal expertise in all areas to help facilitate the preparation of a rate cases.. Instead, we hire the necessary expertise and extra assistance necessary to help complete the process when we do find a rate proceeding necessary.

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FPUC's Response to Staff's Sixth Data Request (Nos. 1-27)

(Including All Attachments)

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition for rate increase by Florida Public Utilities Company.	DOCKET NO. 20240099-EI

FPUC'S RESPONSES TO STAFF'S SIXTH SET OF DATA REQUESTS

Please refer to MFR Schedule B-11, line numbers 2, 4, and 6 through 11 for the following questions:

1. Please detail the necessity for each of the listed additions.

Company Response:
Blankets -The blanket projects are used to allow for the installation of new or replacement of existing equipment that is involved primarily with providing service to new or existing customers. These blankets are used typically for smaller jobs where meters, poles, conductor, conduit and lights are used in service work to respond to customer request. These blankets allow for more quickly responding to customer requests without the need to set up separate jobs.

Install New 75-MVA Transformer- The replacement of the 75 MVA transformer at the Step Down substation is necessary to ensure reliable power for Amelia Island. During the 1970's, the Step Down substation was upgraded to include three (3) 50 MVA transformers to ensure reliable power to Amelia Island should one of the transformers fail while in service. Since that time, load on Amelia Island has grown to the point that it is necessary to have three (3) 75 MVA transformers to ensure reliable power for Amelia Island. One transformer was replaced in 2021. The replacement of the second transformer began in 2023 and closed to plant in 2024. The third transformer is projected to be replaced in 2025. Currently, if one of the 75 MVA transformers were to fail, there are certain times in which the remaining 75 MVA and older 50 MVA transformer would not ensure reliable power.

AIP Substation- This 69/12 KV substation is served by a radial 69 KV line that provides service to the south end of Amelia Island. The metal clad switchgear in the substation was

placed into service during the 1970's and has reached the end of its useful life as noted by the testing and resulting repairs that have been necessary over the last 15 years. The dual 40 MVA transformers are relatively new and will be utilized in the new substation design. Since there are no alternative construction sites available, the new substation will be constructed at the same location using the existing transformers. Additionally, the total load currently served by this substation can't be served from another substation so the rebuild is critical.

JL Terry Substation- This project involves the replacement of a 30 MVA transformer at the JLTerry substation with a 40 MVA transformer. The new transformer is needed for increase load growth on the substation and to match impedance with the other 40 MVA transformer that is in service in the substation. The existing 30 MVA transformer will be relocated to the Step Down substation to replace a 70+ year old 20 MVA transformer. This again is needed for load growth in the substation and to better match the impedance of the other transformer located at this site.

Purchase of NW Florida Substations-Under the current transmission agreement for the Northwest Florida Division, the interconnection point between FPUC and FPL is located at the low voltage side of the substation transformer. Based upon the location of the interconnection point, it was necessary for FPL to pass along substation cost associated with providing purchased power to FPUC in the form of a distribution charge which was incorporated into the purchased power cost. In relocating the interconnection point to the high voltage side of the substation transformer, the additional distribution cost will no longer be required for four of the five substations which helps reduce purchased power cost by approximately $1.400,000 annually. The fifth substation is configured in such a way that two customers are provided service from the same transformer which would not allow the relocation of the interconnection point. The distribution charge at this substation will continue. The purchase of these assets will be priced at the current depreciated book value plus any engineering/construction necessary to provide separation, security and reliability to the substations.

Replacements of NW Florida Substations-Within the purchased assets in the NW FL Division, there are certain assets, mainly substation transformers, which need to be replaced due to the age of the equipment. There are also certain modifications necessary for the substations to provide additional resiliency standards, such as the addition of redundant transformers.

Smart Meter Conversion- Smart Meter Conversions using Automated Metering Infrastructure (AMI) has become the standard in the utility industry in that it provides many benefits related to meter reading technology. Currently, FPUC utilizes traditional electric meters read by meter readers with some of those meters equipped with ERT modules that allow those meters to be read via radio as the meter readers pass within close proximity to the meter. With the new system, all the older meters will be replaced with AMI capable meters that will allow those meters to be read remotely. These new meters will communicate with a new system that will allow for collection of significant amounts of data that will be fed into other systems for usage data, billing, customer service and outage data. This system will provide a safer work environment in that meter readers will not be routinely entering private property, will reduce the number of miles driven and will allow meter disconnects/reconnects to occur remotely reducing customer and meter readers interactions that may be strained. This system will also provide efficiencies in that meters can be accessed to get updated reading at any time, can be accessed to determine if the power is on and providing tamper alerts. Additionally, this should allow customers to have more up to date information on usage and billing which should assist with improving customer service

Install Batteries for Substation- This project will involve the installation of utility scale batteries in substation(s) which will be interconnected with the FPU distribution system. The installation of these batteries will provide several benefits for FPU and the customers. These benefits include the ability to store and release energy as needed to provide a reliable and efficient solution for managing the fluctuations in energy supply and demand from the FPU purchased power providers. The ability to store energy during off peak hours or from renewable energy resources release the energy during certain peak hours will help reduce peak demand and purchased power cost.

2. Please provide a brief description of the anticipated activities associated with each of the listed additions.

Company Response:
Blankets-Please refer to attached file DR 6.2 Blankets

Install New 75-MVA Transformer-The transformer installed in 2023 was completed in early 2024. Please refer to the attached file DR 6.2 Install 75MVA Transformer 2025.

AIP Substation-Please refer to DR 6.2 AIP Substation Rebuild.

JL Terry Substation-Please refer to DR 6.2 JL Terry Station Equipment.

Purchase of NW Florida Substations-The development of the final contract for the purchase is still in development but, is planned to be completed in November 2024. Engineering resources representing both parties are still completing the final engineering plans that would allow the final contract and associated cost to be developed and executed.

Replacements of NW Florida Substations-Please refer to DR 6.2 Refurbish NW Fl Substations.

Smart Meter Conversion-This project is a 2026/2027 project for which we will begin a review of technologies and vendors during 2025 with purchase and installation during the second half of 2026.

Install Batteries for Substation-This project is a 2026 project for which we will begin a review of technologies and vendors during 2025 with purchase and installation during the second half of 2026.

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3. Please provide a timeline for each of the listed additions detailing the anticipated activities. As part of this response, please indicate the completion status of each activity, and the anticipated completion date for each activity pending completion.

Company Response:

Blankets –This is an ongoing work process that is dictated by customer needs and requests during the year. Please refer to the total estimates provided in DR 6.2.

Install New 75-MVA Transformer-The majority of the costs for one transformer was in construction work in process at December 31, 2023. Minor Costs were added in 2024 and the project was closed to plant in April 2024. An additional project is planned to begin in October 2025 and be completed in December 2025. The transformer has been ordered and is to be delivered and installed with completion in November 2025 and projected closing to plant in December 2025.

AIP Substation-This project is currently in the late stages of engineering design and material procurement. There was some work done inApril 2024. The rest of the construction work is to begin in November 2024 and is expected to be completed by April 2025 and transferred to plant in May 2025.

JL Terry Substation-This project is currently in the late stages of engineering, design, and material procurement. The work on JL Terry is expected to begin in January 2025 and be completed by November 2025. It is projected to be transferred to plant in November 2025.

Purchase of NW Florida Substations-This project is underway with completion targeted for no later than February 2025. It is expected to close to plant in March 2025.

Replacements of NW Florida Substations- Engineering on this project is currently in the development phase with actual construction costs expected to begin in May 2025 and be completed and transferred to plant in December 2025.

Smart Meter Conversion-Project development is currently underway. Dates for this project have not been determined at this time.

Install Batteries for Substation-This project is still in the discussion phase. Completion would be at the end of 2026.

4. Please provide the estimated total cost that FPUC is requesting be included in base rates for each of the listed additions. As part of this response, please provide an itemized breakdown of what is included in the cost estimate, and explain how the cost estimate was developed.

Company Response:

Please refer to the files in DR 6.2 for the itemized breakdown of what is included in each estimate. Also, please refer to the file DR 6.4 and DR 6.14 Revenue Requirement for the revenue requirement for each project requested.

Blankets –Please refer to the file DR 6.2 Blanket. Blanket projects have been utilized for a number of years which provide excellent data that allows estimates to be trended with known factors impacting those trended amounts. This method continues to be the most accurate way to develop estimates for these accounts.

Install New 75-MVA Transformer-This cost estimate was developed using transformer costs from the manufacturer and installation costs which occurred with the previous two replacements at this location.

AIP Substation-This cost estimate was developed by the engineering contractor in consultation with FPU personnel during the development of the engineering and construction package for this project.

JL Terry Substation- This cost estimate was developed by the engineering contractor in consultation with FPU personnel during the development of the engineering and construction package for this project.

Purchase of NW Florida Substations-The cost estimate for the assets, engineering and additions needed to keep assets separated by company, included was from the purchased power provider from which the equipment will be purchased.

Replacements of NW Florida Substations-These estimates were developed by using a portion of the engineering and construction cost for substation replacements from an engineering contractor.

Smart Meter Conversion-These estimates were obtained and updated from a previous project aimed at a Smart Meter Conversion estimate. Because the referenced MFR was asking for projected costs beyond the test year, the Company has no associated costs included in this filing.

Install Batteries for Substation-The estimate for this project was a high level estimate that may change based on many variables. Because the referenced MFR was asking for projected costs beyond the test year, the Company has no associated costs included in this filing.

5. Please explain the process FPUC intends to use to select third party contractors for each addition requiring contractor selections. For the additions that the Utility has already selected contractors for, please explain how the contractor was selected, indicate whether the selected contractor was the least cost contractor and if not, why not, and provide the reason for dismissal for all other contractors considered, if any.

Company Response:

Chesapeake Utilities Corporation has a purchase policy in which amounts greater than $250,000 O&M and $1,000,000 Capital are sent out as a Request For Proposal (RFP). The submittals from the companies are reviewed and scored based on Safety, Diversity, Price,

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Quality of the Bid, and experience the company has with the vendor. This means that the lowest price might not always win the bid. For specialized items, to maintain standardization, the company will go back to the same vendor as awarded previously.

Blankets –For this project, FPU typically uses internal resources and company purchased material utilizing the purchasing guidelines established.

Install New 75-MVA Transformer - For this project, the previous suppliers and contractors will be utilized based on the success and efficiency of the two previous transformer replacements.

AIP Substation - For this project, the engineering and construction contractor with whom an existing contract had been established is being utilized for the engineering. Other purchases or services will be handled in accordance with purchasing guidelines.

JL Terry Substation- For this project, the engineering and construction contractor with whom an existing contract had been established is being utilized for the engineering. Other purchases or services will be handled in accordance with purchasing guidelines.

Purchase of NW Florida Substations - Since this project is a purchase of the assets from the purchased power provider, the costs are being provided by that entity.

Replacements of NW Florida Substations - For this project, the engineering and construction contractor with whom an existing contract had been established is being utilized for the engineering. Other purchases or services will be handled in accordance with purchasing guidelines.

Smart Meter Conversion- The final selection on this project has not been completed, but purchasing guidelines will be adhered to.

Install Batteries for Substation- The final selection on this project has not been completed, but purchasing guidelines will be adhered to.

6. Please provide the estimated total O&M expense associated with each of the listed additions. As part of this response, please provide an itemized breakdown of what is included in the cost estimate, and detail how third party contractors will be selected to conduct O&M activities.

Company Response:

Other than increasing 2023 expenses for inflation and customer growth, the only additional costs added in the filing are as follows (please see MFR C-7 page 7 and 8). Although not specifically related to particular plant improvements, the engineering and supervision of these projects will be a part of the duties covered by the employees. These employees will be tasked with coordinating both capital and expense-related projects, which may include oversight or actual performance of the work involved.

a. **Additional internal engineering costs due to additional substation maintenance planning, additional vegetation management, transmission/distribution relay modifications and monitoring feeder loading for a total cost of $61,041. Please refer to file DR 6.6 GM450 engineering increase. The costs are internal employee or material costs.**

b. **The additional IMC Technician in the NE region cost of $79,045 in 2024 since some salary was already included in 2023. Please refer to file DR 6.6 IMC Technician NE. The cost is an internal cost.**

c. **The additional IMC Technician in the NW region which includes salary, equipment and supplies, annual training and an increase in expenses for substation maintenance. Please refer to file DR 6.6 IMC Technician NW.**

d. **Necessary substation maintenance cost of $106,000 related to existing substations. Please refer to file DR 6.6 NE Substation Mtc Schedule and Costs and DR 6.6 NW Substation Mtc Schedule and Costs. The expense will result from both internal and**

external resources. Materials included here will be obtained through the internal purchasing guideline. For maintenance needs, these will be provided by a contractor with whom an existing contract had been established is being utilized for the associated work.

e. **Electric Line Operation Supervisor NE cost of $52,500. Please refer to file DR 6.6 Line Operations Supervisors. This is an internal source.**

f. **Electric Line Operation Supervisor NW cost of $73,500. Please refer to DR 6.6 Line Operations Supervisors. This is an internal source.**

g. **Increased inventory usage cost of $97,414. The expenses related will be obtained through the internal purchasing guidelines.**

7. For each of the listed additions, please identify all alternatives FPUC considered to minimize the rate impact to customers. If no alternatives were considered, please explain why for each.

Company Response:

Blankets - For this project, FPU typically uses internal resources and company purchased material utilizing the purchasing guidelines established which is the preferred method. These costs are based on current FPUC specifications for distribution construction.

Install New 75-MVA Transformer- For this project, the engineering and construction contractor with whom an existing contract had been established is being utilized for the engineering. Since the contractor was previously vetted against other contractors, this contractor was deemed the best choice for this job. Although the sizing of the transformer was dictated by the load being served, alternatives such as other vendors, delivery times, and installation methods were considered, with this installation being considered the most efficient and cost-effective. Other purchases or services will be handled in accordance with

purchasing guidelines.

AIP Substation- For this project, the engineering and construction contractor with whom an existing contract had been established is being utilized for the engineering. Since the contractor was previously vetted against other contractors this contractor was deemed the best choice for this job. This contractor reviewed alternatives with FPUC on how to provide reliable energy for the south end of Amelia Island. Other possible substation locations were reviewed without success due to the limited property. Consideration was also given to additional maintenance of existing equipment but this was considered at the end of life and could not be utilized. The contractor also evaluated a number of options for the best method of replacing the substation in place to minimize outage related to the replacement. Other purchases or services will be handled in accordance with purchasing guidelines.

JL Terry Substation- For this project, the engineering and construction contractor with whom an existing contract had been established is being utilized for the engineering. Since the contractor was previously vetted against other contractors this contractor was deemed the best choice for this job. The contractor reviewed various methods of providing the additional backup transformer capacity to the substation to ensure reliability while utilizing the existing transformer in the best manner possible. Other purchases or services will be handled in accordance with purchasing guidelines.

Purchase of NW Florida Substations- This is considered sole source purchase as the equipment and a portion of the substation is owned by the purchased power provider. FPUC did evaluate not purchasing these assets and continuing to pay the distribution charge. However, the long-term cost to customers will be better served by making this purchase and avoiding the distribution charge. The construction of new substations were also considered but was not cost effective or efficient use of resources.

Replacements of NW Florida Substations- For this project, the engineering and construction contractor with whom an existing contract had been established is being utilized for the engineering. Since the contractor was previously vetted against other contractors this

contractor was deemed the best choice for this job. The review and prioritization of the replacements was reviewed with priority items being included in the project. However, this review and prioritization is ongoing and will monitored going forward. Other purchases or services will be handled in accordance with purchasing guidelines.

Smart Meter Conversion- Final selection of the contractor or system has not been concluded at this time. We evaluated several methods of collecting meter readings to look for cost savings and improving efficiency. The current method was compared to a drive by (AMR) method and the Automated Metering Infrastructure (AMI). The study indicated that both the AMR and AMI were much more efficient but did not provide significant overall cost savings compared to the current method. However, the AMI provided the most efficiency and also had the ability to provide almost instant information regarding the status of the service which allowed a much quicker response to outages. This allows the outage information and scope of the outage to be provided to responders which improves the outage restoration. The system allow allows usage information to be provided to customers more reliably

Install Batteries for Substation- FPUC is continuing to monitor technology and equipment cost moving forward to ensure this is a cost effective program. At this point is appears that using this technology to reduce cost overall for customers is the best long term solution. Final selection of the contractor or system has not been concluded at this time.

8. For each of the listed additions, please explain in detail how denying each addition would affect FPUC.

Company Response:

Blankets -This work is related to new or replacement equipment needed to continue providing the same level of service to new and existing customers. This would have a negative impact in many areas should this be denied.

Install New 75-MVA Transformer- Denial of this project could put the reliability of Amelia

Island in jeopardy should one of the other transformers fail during high load conditions. The remaining 75 MVA transformer and the existing 50 MVA transformer may not have the capacity to provide reliable service to the entire island.

AIP Substation- Denial of this project could put the reliability of the southern end of Amelia Island in jeopardy should 1970's vintage metal clad switchgear fail while in service. The entire customer load can't be served from other substations which would result in rolling load curtailing or blackouts for an extended period of time.

JL Terry Substation-Denial of this project could have a reliability impact on the northern end of Amelia Island should the one of the transformers be damaged while in service. Previously, during most load conditions, one of the transformers could handle the load requirements should it be necessary to remove the other transformer for maintenance or emergencies. However, with the load growth and unmatched transformer impedances, the 30 MVA may not be able to handle the load should the larger transformer be required to be taken out of service.

Purchase of NW Florida Substations-Denial of this project would result in the yearly $1,400,000 in decreased purchased power cost from not occurring and not being passed along to FPUC customer through the purchased power adjustment.

Replacements of NW Florida Substations- Denial of this project would result in aging equipment not being replaced and redundant transformers not being installed which would ultimately impact the reliability of substations in the NW Florida area.

Smart Meter Conversion-This project is not in the current rate request. However, denial of this project in future cases would delay the implementation of the AMI system which is now the utility standard in metering systems. This would also delay the efficiencies and customer information benefits that are provided with this type of transition.

Install Batteries for Substation- Although denial of this project would not impact this

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proceeding, the efficiency and cost benefits associated with the storage and releasing of energy in the utility scale battery systems would not be afforded to FPUC or customers.

9. Please refer to line number 2, and MFR Schedule B-13, line number 20. Please explain the difference in the costs listed for this project on these schedules.

Company Response:

The reason for the difference is that B-11 shows what is closed to plant for just one division because that division's blanket's exceeded the requirement of the schedule. For the blanket projects, they generally are closed monthly but are usually a month behind the actual addition to construction work in process. B-13, column (4) includes both divisions' blankets and is based on the amounts projected in the construction work in process balance and not what was closed to plant. B-13, column (11) is based on the 13-month average balance of the blanket work orders for both divisions.

10. Please refer to line number 4, and MFR Schedule B-13, page 3, line number 15. Please explain the difference in the costs listed for this project on these schedules.

Company Response:

The estimated November balance of Construction work in process was inadvertently input in B-13, line 15 column (4) instead of the December balance of $2.7 million before it was closed to plant in service. B-13 line 15, column (11) has the appropriate 13-month average balance for what is in the construction work in process account for this project and the error does not affect any other schedule balances.

Please refer to MFR Schedule B-13, page 3, line numbers 16, 21, 24 through 25, and 28 through 30 for the following questions:

11. Please detail the necessity for each of the listed projects.

Company Response:

Upgrade Lightening Arrestors- This project involves the upgrade of existing 69 KV transmission lighting arrestors previously used that, based on reliability and frequent failures, are at the end of life. There have been excessive outages due to these lighting arrestors on the radial transmission lines that resulted in extended outages to the entire substation. These arrestors have been in service for a number of years and exposed to numerous lighting events since installation and must be replaced.

Replace Live Fronts- Live front equipment on the FPUC system has been in service for many years, is outdated technology, and is not reliable. This type of equipment has been responsible for numerous outages and causes significant safety concerns when working on or around equipment that has exposed high-voltage parts within easy reach.

Self Healing Project- This project is focused on improving the reliability for customers by providing the ability to automatically switch over to a back-up energy supply when the normal energy supply is interrupted.

Replace Unjacketed Cable- This project has been underway for a number of years and is related to the unreliability of the unjacketed primary voltage cable. The unjacketed cable has an exposed concentric neutral, has been in service for a number of years and is at the end of it useful life. The newer jacketed cable has the concentric neutral covered, has provided excellent reliability and is needed to provide reliable service for customers.

SD Substation 69KV Loop and Switch- This project is part of a long term project to provide back up 69 KV transmission service to the substations on Amelia Island. This project will allow modifications to the Step Down Substation in preparation to provide more reliable transmission service to the other substations on Amelia Island.

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Substation Upgrades This project is primarily part of a long-range plan of providing back up transmission service to the substations on Amelia Island. These substation upgrades will occur in order to have the JL Terry and Step Down Substations capable of accepting the additional circuit necessary to provide this back up transmission service to the substations. Additionally, this project contains replacement of switches at the Caverns Road Substation

Minor Projects- Endeavor Project, Substation Voltage Regulator, Electronic Reclosures, and Remove Manholes- These projects are each intended to make replacements to equipment that is no longer reliable and is at or near the end of its useful life.

12. Please provide a brief description of the anticipated activities associated with each of the listed projects.

Company Response:

Upgrade Lightening Arrestors-Please refer to DR 6.12 Upgrade Lightening Arrestors.
Replace Live Fronts-Please refer to DR 6.12 Replace Live Fronts.
Self Healing Project-Please refer to DR 6.12 Self Healing.
Replace Unjacketed Cable-Please refer to DR 6.12 Unjacked Cable.
SD Substation 69KV Loop and Switch-Please refer to DR 6.12 69 KV Loop and Switch.
Substation Upgrades Please refer to DR 6.12 Stepdown Cost and DR 6.12 Bypass Loop.
Minor Projects:
Endeavor Project Please refer to DR 6.12 Endeavor Project.
Voltage Regulator-Please refer to DR 6.12 Voltage Regulator Replacement Estimates.
Electronic Reclosures-Please refer to DR 6.12 Reclosure Estimate.
Remove Manholes-Please refer to DR 6.12 Manhole Cost Sheet.

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13. Please provide a timeline for each of the listed projects detailing the anticipated activities. As part of this response, please indicate the completion status of each activity, and the anticipated completion date for each activity pending completion.

Company Response:

Upgrade Lightening Arrestors-10 are being added in 2024 and 10 in 2025. Each year's additions are projected to close in December.

Replace Live Fronts 5 are being replaced in 2024 and 5 in 2025 with the projects closing in December of each year.

Self Healing Project-6 units are projected to be installed in 2024 and 6 in 2025. Each year's additions are projected to close in December.

Replace Unjacketed Cable-Projected to replace 3,500 feet a year in 2024 and in 2025. Each year's additions are projected to close in December.

SD Substation 69KV Loop and Switch-Projected to start in October 2024 for 2 switches and close in December 2024. Projected to start in February 2025 for 5 switches and close in May 2025.

Substation Upgrades This project is currently underway and will continue with work through the end of 2025 to perform substation upgrades.

Minor Projects:
Endeavor Project-$25K in 2024 closed in December, $375K equally over months in 2025 and close in December 2025.
Substation Voltage Regulator-3 in 2024 and 3 in 2025 allocated equally each month and closed in December for each year.
Electronic Reclosures-4 each year spread evenly and closed in December of each year.

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Remove Manholes- 4 in 2025 starting in January and closing in December.

14. Please provide the estimated total cost that FPUC is requesting be included in base rates for each of the listed projects. As part of this response, please provide an itemized breakdown of what is included in the cost estimate, and explain how the cost estimate was developed.

Company Response:
Please refer to the response in DR 6.12 for the itemized breakdown of the costs by project. Also refer to the file DR 6.4 and 6.14 Revenue Requirement for the revenue requirement for the projects requested. The explanation of cost development on these estimates follows:

Upgrade Lightening Arrestors-Cost estimates for this project were provided by the contractor who will be replacing the lighting arrestors while the transmission line is energized.

Replace Live Fronts – Cost estimates on this project we generated internally based on previous similar work that has been completed using company personnel.

Self Healing Project - Cost estimates on this project have been generated internally with input from the vendors providing the equipment based who provided estimates on equipment and installation costs.

Replace Unjacketed Cable - Cost estimates on this project we generated internally based on previous similar work that has been completed using company personnel.

SD Substation 69KV Loop and Switch - Cost estimates for this project were provided by the contractor who will be completing both the engineering and construction of the work.

Substation Upgrades Closed Quarterly- Cost estimates for this project were provided by the contractor who will be completing both the engineering and construction of the work.

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Minor Projects: Endeavor Project, Substation Voltage Regulator, Electronic Reclosures, and Remove Manholes - Cost estimates on these projects we generated internally based on previous similar work that has been completed using company personnel.

15. Please explain the process FPUC intends to use to select third party contractors for each project requiring contractor selections. For the projects that the Utility has already selected contractors for, please explain how the contractor was selected, indicate whether the selected contractor was the least cost contractor and if not, why not, and provide the reason for dismissal for all other contractors considered, if any.

Company Response:
Chesapeake Utilities Corporation has a purchase policy in which amounts greater than $250,000 O&M and $1,000,000 Capital are sent out as a request for proposal. The submittals from the companies are reviewed and scored based on Safety, Diversity, Price, Quality of the Bid, and experience the company has with the vendor. This means that the lowest price might not always win the bid. For specialized items, to maintain standardization, the company will go back to the same vendor as awarded previously.

Upgrade Lightening Arrestors- For this project, the engineering and construction contractor with whom an existing contract had been established is being utilized for the engineering. Other purchases or services will be handled in accordance with purchasing guidelines.

Replace Live Fronts – This project is being engineered and constructed internally. Other purchases or services will be handled in accordance with purchasing guidelines.

Self Healing Project - This project is being engineered and constructed internally. Other purchases or services will be handled in accordance with purchasing guidelines.

Replace Unjacketed Cable - This project is being engineered and constructed internally. Other purchases or services will be handled in accordance with purchasing guidelines.

SD Substation 69KV Loop and Switch - For this project, the engineering and construction contractor with whom an existing contract had been established is being utilized for the engineering. Other purchases or services will be handled in accordance with purchasing guidelines.

Substation Upgrades Closed For this project, the engineering and construction contractor with whom an existing contract had been established is being utilized for the engineering. Other purchases or services will be handled in accordance with purchasing guidelines.

Minor Projects: Endeavor Project, Substation Voltage Regulator, Electronic Reclosures, and Remove Manholes - These projects are being engineered and constructed internally. Other purchases or services will be handled in accordance with purchasing guidelines.

16. Please provide the estimated total O&M expense associated with each of the listed projects. As part of this response, please provide an itemized breakdown of what is included in the cost estimate, and detail how third party contractors will be selected to conduct O&M activities.

Company Response:

Please refer to the response to DR 6.6. There are no additional costs added to expense.

17. For each of the listed projects, please identify all alternatives FPUC considered to minimize the rate impact to customers. If no alternatives were considered, please explain why for each.

Company Response:

Upgrade Lightening Arrestors- Lighting arrestors are an integral part of the 69 KV transmission system and must be in service to provide optimal service to provide reliable service to customers. The alternative of how to replace these was considered which involved

performing the replacements while the transmission system was energized or de-energized. Although slightly more time consuming and expensive to replace the arrestors while energized, it was determined that keeping the power on to a large part of Amelia Island was an important aspect of this project than the minimal rate impact for customers.

Replace Live Fronts – Replacing this equipment is critical as previously described from both a safety and reliability aspect and must occur. It was determined that for this type project the use of internal resources for both construction and purchasing was advantageous compared to outsourcing of this project. Completion of this project using internal resources will minimize the rate impact on customers while improving overall reliability and safety.

Self Healing Project –The major reason for this project is to improve the reliability to customers. It was determined that for this type project the use of internal resources for both construction and purchasing was advantageous compared to outsourcing of this project. Completion of this project using internal resources will minimize the rate impact on customers while improving overall reliability.

Replace Unjacketed Cable - Replacing this equipment is critical as previously described from a reliability aspect and must occur. It was determined that for this type project the use of internal resources for both construction and purchasing was advantageous compared to outsourcing of this project. Completion of this project using internal resources will minimize the rate impact on customers while improving overall reliability and safety.

SD Substation 69KV Loop and Switch – This project is part of a long-range plan of providing back up transmission service to the substations on Amelia Island. Due to some of the complexities of this type project, it was determined that outsourcing both the engineering and construction was the most efficient method of beginning this project. Although there is customer rate impact involved, the overall improvement in reliability by providing back up transmission service to the substations should take precedence.

Substation Upgrades-This project is primarily the substation upgrades part of a long-range

plan of providing back up transmission service to the substations on Amelia Island. Due to some of the complexities of this type project, it was determined that outsourcing both the engineering and construction was the most efficient method of beginning this project. Although there is customer rate impact involved, the overall improvement in reliability by providing back up transmission service to the substations should take precedence.

Minor Projects: Endeavor Project, Substation Voltage Regulator, Electronic Reclosures, and Remove Manholes - The major reason for these projects is to improve the reliability to customers. It was determined that for these type project the use of internal resources for both construction and purchasing was advantageous compared to outsourcing of this project. Completion of this project using internal resources will minimize the rate impact on customers while improving overall reliability.

18. For each of the listed projects, please explain in detail how denying each project would affect FPUC.

Company Response:

Upgrade Lightening Arrestors- The replacement of arrestors must be completed in some manner. However, the denial of this project as proposed will require a change to replacement of arrestors while the 69 KV transmission line is de-energized which will result in extended outages to significant areas of Amelia Island.

Replace Live Fronts -Denial of this project can't delay the completion of this project. Due to the safety and reliability concerns associated with this project, this project must move ahead, primarily due to the safety aspect.

Self Healing Project – Denial of this project will have a direct negative impact on the reliability of the electric system moving forward which will also negatively impact customer service and satisfaction.

Replace Unjacketed Cable - Denial of this project will have a direct negative impact on the reliability of the electric system moving forward which will also negatively impact customer service and satisfaction.

SD Substation 69KV Loop and Switch - Denial of this project will have a direct negative impact on the reliability of the electric system moving forward which will also negatively impact customer service and satisfaction.

Substation Upgrades Denial of this project will have a direct negative impact on the reliability of the electric system moving forward which will also negatively impact customer service and satisfaction.

Minor Projects: Endeavor, Substation Voltage Regulator, Electronic Reclosures, Remove Manholes - Denial of this project will have a direct negative impact on the reliability of the electric system moving forward which will also negatively impact customer service and satisfaction.

Please refer to MFR Schedule C-7(2025), page 1, line numbers 8 through 27 for the following questions:

19. Please provide a brief description of what is included in the costs for each of the transmission and distribution O&M categories.

Company Response:

Please refer to the attached file DR 6.19 for the detail by account.

20. Please detail how vendors are selected to conduct O&M activities.

Company Response:
Chesapeake Utilities Corporation has a purchase policy in which amounts greater than $250,000 O&M and $1,000,000 Capital are sent out as a request for proposal. The submittals from the companies are reviewed and scored based on Safety, Diversity, Price, Quality of the Bid, and experience the company has with the vendor. This means that the lowest price might not always win the bid. For specialized items, to maintain standardization, the company will go back to the same vendor as awarded previously.

21. Please provide historic O&M costs in the format of this schedule for the years 2013 through 2023 for each of the identified transmission and distribution O&M categories.

Company Response:

Please refer to the attached file DR 6.21.

Please refer to the direct testimony of witness Haffecke for the following questions:

22. Please refer to page 12 for the following questions:

a) Please refer to lines 19 through 20. Please confirm that FPUC will be acquiring these assets from FPL. If not, please indicate where FPUC will be acquiring these assets from.

b) Please refer to lines 19 through 20. Please identify the purchase price for each acquisition, and explain how the price was determined for each.

c) Please refer to lines 22 through 23. Please detail the signs of aging FPUC has discovered. As part of this response, please detail what actions FPUC intends to take

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to update the aging equipment.

d) Please refer to lines 22 through 23. Please detail all customer and system benefits FPUC believes the acquisition of these assets will provide.

Company Response:

a. These assets will be acquired from FPL.

b. The final purchase price is still under review as the necessary engineering and construction modifications are determined. The estimated value of $4,200,000 was determined and provided by FPL. These are broken down below by substation.

- **Caverns Road Substation and Radial 115 KV transmission line. - $1,490,000**
- **Chipola Substation - $740,000**
- **Marianna Substation - $1320,000**
- **Altha Substation - $650,000**

c. The initial indication of equipment reliability is the age of the equipment, some of which appear to have been in service for many years. After acquisition, review of previous testing results and additional testing will occur in order to determine how to proceed with the equipment. Based on the testing results, some issues may be addressed with maintenance activities while other issues will require replacement of the equipment. In parallel with maintenance or replacement, redesign of certain substation will occur to allow for the installation of a redundant transformer to further improve the reliability.

d. The first major benefit of these project is to eliminate the distribution facilities charge from the wholesale power billing which will have a direct impact on reducing the purchased power adjustments for all customers. The next major benefit is improved long term reliability. This will result from a review of the equipment, which is primarily substation transformers, and perform the necessary replacements and maintenance as determined by the testing of equipment. Additionally, there will be some redesign of the substation buss with plans to add back up transformers to the substation to redundancy purposes.

23. Please refer to page 13 for the following questions:

a) Please refer to lines 1 through 5. Please identify the anticipated reduction in distribution charges FPUC expects as a result of relocating the interconnection point. As part of this response, please explain how this amount was determined.

b) Please refer to lines 12 through 13, and MFR Schedule C-7, page 7. Please confirm that FPUC is requesting that the costs associated with the addition of two IMC Technicians, one in each of FPUC's service territories, be included in base rates. As part of this response, please explain how denying this request would affect FPUC.

c) Please refer to lines 12 through 13. Please detail why FPUC needs to add two IMC Technician positions, and identify when FPUC intends to fill each position.

d) Please refer to lines 12 through 13. Please indicate whether or not FPUC intends for the addition of the IMC Technician positions to be permanent. If so, please explain why a permanent position is necessary.

e) Please refer to lines 12 through 13. Please identify the anticipated salary for each IMC Technician position. As part of this response, please explain how this amount was determined, and outline the anticipated responsibilities of the position.

f) Please refer to lines 12 through 13. Please identify the number of work hours per week expected for the IMC Technician position.

g) Please refer to lines 12 through 13. Please explain how the responsibilities the IMC Technicians will be handling are currently addressed by FPUC. As part of this

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response, please explain why these responsibilities cannot continue to be addressed without the addition of this position.

h) Please refer to lines 12 through 13. If the IMC Technician's anticipated responsibilities were previously addressed by another FPUC employee, please identify the position and remaining responsibilities of the employee, identify the current salary of the employee, and if the responsibilities of the employee will be reduced, please indicate if their salary will be decreased. If so, please identify the new salary, and if not, please explain.

i) Please refer to lines 13 through 14. Please provide a cost breakdown of the other expenses that will be necessary for the addition of the IMC Technician position.

j) Please refer to lines 14 through 15. Please detail the process FPUC intends to use to select outside contractors.

k) Please refer to lines 14 through 15. Please explain if the outside contractors can complete the activities that the IMC Technician would be responsible for. If so, please explain why FPUC opted against using outside contractors for these activities.

l) Please refer to lines 17 through 18. Please detail the signs of aging FPUC has discovered. As part of this response, please detail what actions FPUC intends to take to update the aging equipment.

m) Please refer to lines 17 through 18. Please identify the regulations FPUC is intending to comply with.

Company Response:

a. The reduction of the distribution facilities charge will be approximately $1,400,000 annually. This charge is determined by FPL which is based on the return necessary for these assets that provide service only to FPU at the four substation locations.

b. Yes, the cost for the IMC Technicians in each area will be included in base rates. These positions are primarily the personnel who are responsible for the operation and maintenance of substations. There is existing FPUC owned substation equipment in both the NE FL and NW FL substations. The personnel also work with contractors for specialized work in the substation to ensure work is perform efficiently and securely at these very important locations. Without these positions, reliability and security issues could result.

c. The two divisions are located over 300 miles apart and having dedicated personnel for each division allows for a focus on substations operations. The position in NE FL was filled in the third quarter of 2023 while the position in NW FL was filled in the third quarter of 2024.

d. These will be permanent positions.

e. The IMC Technician in both divisions will have a base hourly salary of $47.43/hour with overtime work being paid at 1.5 times that rate. Overtime can be significant based on maintenance activities and associated line construction work requiring switching operations in the substations. These positions will be responsible for all activities within the substations. This will include inspections, performing necessary switching activities, collection of substation load readings, documentation of relay operations, equipment maintenance activities, substation battery maintenance, and assist contractors when needed and to ensure the substations are maintained in a clean and orderly manner.

f. The weekly work hours for the IMC Technician will be a minimum of 40 hours per week. The will be a varying amount of overtime work that will be required due to

maintenance activities, switching activities and outages that may occur.

g. These positions are currently filled and are being handled accordingly. There was a time where getting qualified personnel in place was difficult and many of the duties were not completed in accordance with manufacturers maintenance guidelines. However, failure to complete the necessary maintenance activities on a consistent basis in the long term risk serious substation equipment failures.

h. Both divisions now have two IMC Technicians in place with all of them being paid at the $47.43/hour base rate of pay. All of these employees routinely work overtime as needed for maintenance and capital related work activities. In both divisions, one of the IMC Technicians focuses on metering related items while the other focuses on substation related items. During the time where there was only one IMC Technician in each division, that person had to perform both substation and metering related duties. This resulted in maintenance activities lacking in both the substation and metering operations.

i. _These costs are included in the backup files provided in DR 6.6 IMC Technician NE and DR 6.6 IMC Technician NW.

j. Chesapeake Utilities Corporation has a purchase policy in which amounts greater than $250,000 O&M and $1,000,000 Capital are sent out as a request for proposal. The submittals from the companies are reviewed and scored based on Safety, Diversity, Price, Quality of the Bid, and experience the company has with the vendor. This means that the lowest price might not always win the bid. For specialized items, to maintain standardization, the company will go back to the same vendor as awarded previously.

k. FPUC will utilize a combination of internal and contractor resources as needed. For more routine activities, internal resources will be used to perform the majority of the task in the substation. For more specialized, technical activities it is necessary to use contactor that have the training, experience and tools to carry out that task which internal resources do not have. However, security within the substation is a very

serious issue for which we utilize internal resources to be on site whenever contractors are in the substations. These IMC Technicians provide for the security of the substation and also get to oversee what is being performed which further increases internal resource knowledge.

l. Please see question 22(c) above.

m. Currently the NW FL Division is registered with the North American Electric Reliability Corporation (NERC) as a Transmission Owner and Distribution Provider based on the makeup of the FPUC substations and transmission lines. The Federal Energy Regulatory Commission (FERC) has delegated authority to NERC to ensure the reliability of the bulk electric system in North American. NERC, along with SERC Reliability Corporation, requires utilities to comply with certain procedures based on the company operations. There are a number of the procedures in which FPUC must comply many of which involve testing, maintenance and documentation of substation operations.

24. Please refer to page 16, lines 14 through 17 for the following questions:

a) Please indicate if the substation rebuild referenced here is outside of the substation rebuilds referenced on page 13, lines 17 through 18 of witness Haffecke's testimony. If so, please identify the substation, and explain why this project is necessary.

b) Please indicate whether these improvements will take place in FPUC's Northeast or Northwest territory.

Company Response:

a. Yes, the substation upgrades described on page 13 are for the new substations being rebuilt in the NE FL Division (AIP and JL Terry) and the NW FL substations ae discussed on page 12 line 18 thru Page 13 line 15. Please refer to the response to Staff's Data request 6 number 8 as to why these additions are necessary.

b. Please refer to a above.

25. Please refer to page 16, lines 20 through 21. Please provide the estimated total cost that FPUC is requesting be included in base rates for removing failing manholes. As part of this response, please explain how the cost estimate was developed.

Company Response:

This estimated cost was developed internally based on previous engineering, material and replacement labor cost for the replacement of manholes. Please refer to file DR 6.25 Manhole costs.

26. Please refer to page 17, lines 10 through 15. Please identify any safety incidents that have occurred from 2018 to the present related to uninsulated live front equipment.

Company Response:

FPUC is fortunate that there have been no safety incidents related to live front equipment during this time. When working around this equipment, it is very easy to visualize how easily an accident could occur with this type of equipment as the exposed live parts are very accessible.

27. Please refer to page 19, line 21, through page 20, line 2 for the following questions:

a) Please detail why FPUC needs to add a supervisor position in both its Northeast and Northwest territories, and identify when FPUC intends to fill each position. As part of this response, please explain how denying this request would affect FPUC.

b) Please indicate whether or not the addition of the supervisor position in both FPUC's Northeast and Northwest territories will be permanent. If so, please explain why a permanent position is necessary, and outline the anticipated responsibilities of the position.

c) Please identify the anticipated salary for each supervisor position. As part of this response, please explain how this amount was determined.

d) Please identify the number of work hours per week expected for each position.

e) Please explain how the responsibilities the supervisor positions will be handling are currently addressed by FPUC. As part of this response, please explain why these responsibilities cannot continue to be addressed without the addition of these positions.

f) Please identify the position and remaining responsibilities of the employee(s) currently handling the new supervisors' anticipated duties. As part of this response, please identify the current salary(ies) of the employee(s), and if the responsibilities of the employee(s) will be reduced, please indicate if their salary(ies) will be decreased. If so, please identify the new salary(ies), and if not, please explain.

Company Response:

a. FPUC needs to add a supervisor in both NE FL and NW Fl Divisions to provide oversight of our distribution line crews, monitor material usage/spend, oversee time coding, facilitate training and qualifications, apprenticeship oversight, ensure compliance of safety equipment, monitor fleet compliance/performance, oversee compliance work, adherence to construction standards, perform field safety observations, and performance reviews. This position would also assist with the oversight of contracting distribution line workers and vegetation contractors. FPUC currently has these two positions filled. Denying this request would leave FPUC

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understaffed and limit the ability to have quality oversight of our internal and external resources. Additional projects would lack the necessary oversight and management. Outsourcing of training, an apprenticeship program, fleet compliance, and quality control of construction standards would add additional contracted resources.

b. The additional supervisor positions would be permanent. The supervisor positions will provide oversight of our distribution line crews, monitor material usage/spend, oversee time coding, facilitate training and qualifications, apprenticeship oversight, ensure compliance of safety equipment, monitor fleet compliance/performance, oversee compliance work, adherence to construction standards, perform field safety observations, and performance reviews. This position would also assist with the oversight of contracting distribution line workers and vegetation contractors.

c. Salary compensation would be $105,000 per year for each respective position. This salary was devised by a comprehensive review by our talent acquisition department focusing on similar positions across the industry. Filing estimates include a 30% allocation to capital projects in the NW Fl Division and a 50% allocation to capital projects in the NE Fl Division.

d. A 40-hour work week along with "on-call" after hour responsibilities would apply to both positions. The "on-call" responsibilities would fall into a rotation of other management employees to ensure oversight of emergent issues after normal business hours. The supervisors will also be expected to work major events impacting the affected utility.

e. FPUC currently leverages the Manager of Electric Operations, Engineering and Safety staff, as well as contractors to facilitate the responsibilities described in the supervisor role. The supervisors are used to provide direct oversight of our distribution line workers, due to the complexity of the work and the need to ensure

the safest and most efficient work environment. A portion of these salaries are capitalized and the tasks of the supervisor role on capital projects is covered in parts by Engineering, Safety, and contractors. While this has historically worked for FPUC the increased workload and additionally complexity make it necessary to find an additional supervisor position. This will help to consolidate the work required by the role back into a single source.

f. As has been described above, the supervision being provided by these two Line Supervisors has not been provided in an effective or efficient manner. These two positions are bringing an additional level of supervision that is necessary to not only assist the construction personnel, but, to allow other personnel to focus on other tasks that have not been completed due to the work load requirements. To be clear, these positions are adding needed supervision that has not been previously adequately provided.

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FPUC’s Response to Staff’s Seventh Data Request (Nos. 1-8)

(Including All Attachments)

(Confidential DN. 09755-2024)

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition for rate increase by Florida Public Utilities Company.	DOCKET NO. 20240099-EI

FPUC'S RESPONSES TO STAFF'S SEVENTH SET OF DATA REQUESTS

1. Please refer to Florida Public Utilities Company (Company or FPUC) Minimum Filing Requirements (MFR), Schedule B3-a, page 3 of 3, "Florida Common (2025)," for the following request. Please explain, with specificity, how the "Allocations Percentages" (i.e., "14.70%," "16.91%," "28.00%," "17.57%," and "19.52%") shown on this Schedule were developed. Please also provide the calculations showing all steps.

Company Response:

Please refer to the Confidential DR 7.1 file attached for the calculations of the percentages shown above.

2. Please refer to MFR Schedule B-9 (2025), page 9 of 12 for the following request. During its review of the Company's depreciation expense-related data contained in the MFRs, staff observes a number of significant differences between FPUC's proposed depreciation expense and its estimated expense for certain accounts.[1] The specific accounts are as follows: Account 303.2 – Intangible Plant CIS, Account 350.2 – Rights of Way, Account 352E – Structures & Improvements, Account 353E – Station Equipment, Account 354E – Towers & Fixtures, Account 355C – Poles & Fixtures - Concrete, Account 355S – Poles & Fixtures SPP, and Account 365S – Overhead Conductors & Devices. Please explain the difference in the Company proposed and staff estimated depreciation expense for each account listed in the table below:

Account No.	Account Title	Dep. Rate[2] (%)	P.I.S. 13-Month Average ($)	Total Depreciation Accrued ($)	Staff Estimated Expense ($)	Difference ($)
303.2	Intangible Plant CIS	5.00	6,766,016	251,282	338,301	(87,019)
350.2	Rights of Way	1.30	17,629	19	229	(210)
352E	Structures & Improvements	1.40	1,950,167	2,501	27,302	(24,801)
353E	Station Equipment	1.90	11,927,779	51,773	226,628	(174,855)
354E	Towers & Fixtures	1.00	224,802	107,831	2,248	105,583
355C	Poles & Fixtures - Concrete	2.00	3,904,731	10,629	78,095	(67,465)
355S	Poles & Fixtures - SPP	2.00	2,121,968	61,197	42,439	18,758
365S	Overhead Conductors & Devices	2.10	11,324,543	163,478	237,815	(74,337)

[1]Staff estimated the account-level depreciation expense by multiplying the 13-month average plant in service balance by the associated approved deprecation rate.

[2]Order No. PSC-2023-0384-PAA-EI, issued December 21, 2023, in Docket No. 20230079-EI, *In re: Petition for approval of 2023 depreciation study by Florida Public Utilities Company.*

Company Response:

Our calculation of depreciation expense for these accounts contained formula errors and

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the SPP poles were calculated using the wood rate and not the concrete rate. However, any balances, correct or incorrect, for the SPP plant have been removed in their entirety in MFR B-2 (2025), B-1 (2025), C-3 (2025) and C-1 (2025). Therefore, the differences have no effect on this filing. The attached file DR 7.2 provides the calculation of depreciation expense with the corrected formulas and the change to accumulated depreciation. Items changed were highlighted in yellow. The effect on the MFRs is also provided in the attached file. The revenue requirement using the Supplemental A filing is understated by $226,986 due to this error.

3. Please refer to MFR Schedule B-7 (2025), page 10 of 12, line 8 for the following request.

   Please explain why Account 391.4 – System Software has a negative plant balance of ($35,527).

Company Response:

Some asset adjustments were inadvertently loaded into the Power Plan system with the wrong vintage which caused amortized accounts to not auto retire at the same time as the assets. The Company is in the process of correcting the issue. Once corrected, this should no longer be an issue.

4. Please refer to MFR Schedule B-9 (2025), page 10 of 12, line 41 for the following request. Please explain why Account 391.4 – System Software has a negative reserve balance of ($88,131) and a negative accrual of ($3,553).

Company Response:

Please refer to the response to Staff's Data Request 7 number 3.

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5. Please refer to MFR Schedule B-9 (2025), page 10 of 12, lines 55 and 56 for the following request. For accounts 392.2 and 392.3, the reserve activity indicates retirements of ($234,000), and ($26,000), respectively. Please explain why there is no net salvage associated with the retirement of these transportation equipment-related investments.

Company Response:

Due to materiality, the Company does not budget salvage for vehicles. To provide the salvage effect to staff, we estimated using the depreciation study salvage rates. Since the depreciation study did not have any salvage rate for heavy trucks, we conservatively used the 7.16% salvage rate from the 2023 depreciation study for light trucks for both the retirement estimate for light and heavy duty trucks for both 2024 and 2025, the revenue requirement is overstated by $3,239.

6. Please refer to MFR Schedule B-7 (2025), page 10 of 12, lines 6-7, 9, and 11, and MFR Schedule B-9 (2025), page 10 of 12, lines 39-40, 42, and 44 for the following request. Please explain why accounts 391.2, 391.3, 393.0, and 395.0 all have reserve balances with no associated plant in service balances.

Company Response:

On Schedule B-9 (2025), the titles for account 3911 and 3912 are reversed. The accumulated depreciation on line 39 actually relates to the $4,171 plant balance on B-7 (2025) and the difference in 3912 is discussed in the response to Staff Data Request 7, number 8. The reason for the discrepancy between plant and accumulated depreciation for accounts 391.1, 391.3, 393 and 395 all relate to the problem discussed in the response to

Staff's Data Request 7, number 3.

7. Please refer to MFR Schedule B-9 (2025), page 10 of 12, lines 39 and 40 for the following request. Please explain why Account 391.2 – Computer Hardware, and Account 391.3 – Furniture & Fixtures, have negative reserve balances of ($50) and ($143), respectively.

Company Response:

Please refer to the response to Staff's Data Request 7 number 6.

8. Please refer to MFR Schedule B-7 (2025), page 10 of 12, line 5, and MFR Schedule B-9 (2025), page 10 of 12, un-numbered line (account 391.1) the following request. Please explain why Account 391.1 – Computer and Peripheral, which is amortized (5 year), has a plant balance of $4,171 with a nearly double corresponding reserve balance of $8,135.[3]

Company Response:

The account numbers on B-9 (2025) were reversed. Line 39 is account 3911 with an ending balance of $784 and the un-numbered line is account 3912 with a balance of $8,135. The plant balance for account 3912 is zero and the reason for the difference is the same reason provided in the response to Staff's Data Request 7 number 3.

E792

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FPUC’s Response to Staff’s Eighth Data Request (Nos. 1-19)

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition for rate increase by Florida Public Utilities Company.	DOCKET NO. 20240099-EI

FPUC'S RESPONSES TO STAFF'S EIGHTH SET OF DATA REQUESTS

For questions 1-6, please refer to the direct testimony of witness Napier:

1. Please explain if any Enterprise Resource Planning (ERP) costs of FPUC have been excluded in this proceeding for recovery.

Company Response:

Yes, none of the ERP costs allocated to FPUC were not included for recovery through base rates in this proceeding. Instead, these costs were reflected as Allowance for Funds Used During Construction (AFUDC.) The Company took this approach because it contemplates the technology rider being placed in service. Once the ERP project is completed, the Company would anticipate seek recovery for the ERP project through that mechanism, at a later date, probably in 2026 or 2027.

2. Page 26, Lines 4-5 refers to technological enhancements Chesapeake Utilities Corporation (CUC) has implemented, the parent company of FPUC. Is CUC also benefitting from the ERP projects? If yes, how are the ERP costs allocated between CUC and FPUC?

Company Response:

The ERP project will benefit all of CUC's business units. The costs will be allocated to the business units based on the Distrigas allocation discussed in Witness Galtman's testimony.

The projected 2025 Distrigas allocation to this business unit is 5%. The 2026 and 2027 allocation percentages are expected to be similar.

3. Referring to page 26, lines 5-14, the witness states that implementing the Technology Cost Recovery Rider (TCRR or Rider) mechanism will help save customers additional costs of a subsequent rate case, avoid single issue rate cases, or limited proceedings. Please explain how costs will be saved by implementing the Rider as opposed to other methods stated above. Additionally, please provide estimated cost savings of implementing the proposed Rider vs. filing a rate case or a limited proceeding.

Company Response:

The Company believes use of a rider mechanism, such as the TCRR, saves our customers additional costs in two primary ways. First, rider mechanisms are more administratively efficient to prepare and file. This is primarily because the Company can focus on that one issue with internal resources rather than having to hire external consultants to cover a wider range of topics. This directly benefits our customers by reducing costs associated with preparation and filing. Second, using a rider mechanism, also allows the Company to avoid the additional costs associated with rate case expense. Processing a full rate proceeding could add upwards of $1.5 million of additional costs for our customers by way of rate case expense.

4. Please explain if the ERP is included or is a part of the (TCRR).

Company Response:

As discussed in response to number 1 above, the Company has not included the ERP costs for recovery in this proceeding. The Company plans to request recovery of these costs in a TCRR mechanism if approved. To be clear, the TCRR is the proposed mechanism by which

the Company would anticipate recovering the ERP costs and potentially similar types of costs. While the Company has incurred costs associated with ERP to date, those costs have been excluded because they include AFUDC. The ERP project is not yet complete and will not be completed before the end of the year. It is the Company's proposal that the TRCC be approved, and that when the ERP project is completed, the TRCC will be the mechanism used to recover the costs of the ERP, rather than recovery through base rates.

5 What are the customer bill impacts (for the applicable customer classes), of the proposed TCRR for 2025 through 2030?

Company Response:

The Company is in the process of developing a technology roadmap for an ERP system implementation that is intended to improve operations through the use of technology, reduce manual processes, increase efficiency in operations and standardize processes across all business units. At this time we estimate the total cost of the ERP systems to be between $50 million to $70 million. The ERP systems are still being evaluated to finalize the suite of applications that will be implemented as part of this transformational technology project. At a minimum, the ERP system will include a new system that will support Finance & Accounting, Purchasing, and supply chain inventory, project management, asset management and regulatory reporting. In addition to these processes, the Company is also considering an integrated Human Resource Information System (HRIS) that will be integrated into the overall ERP system. These systems may be phased in over a period of two to five years. The Company has engaged a third-party expert to assist in the scoping exercise and anticipates the initial project roadmap to be completed in the first half of 2025.

E815

Since we are still in the process of determining the extent and costs of the ERP project and any phases, we currently do not have a projection of the bill impacts. The Company will also identify which systems would be replaced which is why we can't predict which costs are being eliminated yet. In accordance with the tariff page, the costs and bill impacts would be provided to the Commission prior to implementation of the rider. At this time, the Company expects the increase to a typical residential customer bill to be less than 1% in 2027.

6. Please explain why the Company proposed a January to December 12-month term to implement the proposed TCRR, as opposed to a different 12-month term.

Company Response:

This period was chosen in order to be consistent with our other filings for similar type costs such as the fuel, conservation, and SPPCRC that are filed on a calendar year basis.

7. Please state the Commission's jurisdiction to approve the proposed TCRR rider?

Company Response:

While the proposed TCRR rider has some unique aspects, it is not unlike the following mechanisms administered by the Commission that provide for recovery of significant capital costs and related expenses associated with a specific project or specialized program:

> **Peoples Gas – Rider CI/BS - Order No. PSC-12-0476-TRF-GU, issued on September 18, 2012 in Docket No. 20110320-GU;**
> **FPUC – GRIP - Order No. PSC-2012-0490~TRF-GU, issued September 12, 2012, in Docket No. 20120036-GU;**
> **FPUC - GUARD Order No. PSC-2023-0235-PAA~ GU, issued August 15, 2023, in Docket No. 20230029-GU; and**
> **FCG – SAFE - Order No. PSC-2015- 0390-TRF-GU, issued September 15, 2015, in Docket No. 20150116-GU.**

The Commission has determined that it has jurisdiction to approve such riders under its general regulatory and rate-making authority as set forth in Sections 366.04, 366.05, and

E816

366.06, F.S.

Albeit in a different proceeding, the Commission has succinctly stated its broad authority in this regard as follows:

> **Section 366.04(1), F.S., grants us exclusive jurisdiction to regulate and supervise each public utility with respect to its rates and service. In addition, Section 366.041, F.S., authorizes us to consider, among other things in fixing rates, the cost of providing service and the value of such service to the public. Section 366.06(1), F.S., provides that, in setting rates, we shall investigate and determine the actual legitimate costs of the property of each utility company actually used and useful in the public service. Section 366.05, F.S., gives us the power to prescribe fair and reasonable rates and charges. The Legislature declared in Section 366.01, F.S., that Chapter 366, F.S., is an exercise of the police power of the state for the protection of the public welfare, and all the provisions of Chapter 366, F.S., shall be liberally construed for the accomplishment of that purpose.[1]**

ORDER NO. PSC-2018-0566-FOF-EU, page 4.

Consistent with this statement of ratemaking authority, the Commission has authority to approve the requested TRCC. Moreover, if approved, the Commission will still have full authority to investigate and determine whether the costs submitted for recovery through the TRCC are actual legitimate costs of the utility and ensure that the costs are associated with technology that it used and useful in service to the public.

It should also be noted that, while the gas programs listed above were generally targeted and designed to serve a specific purpose, so too is the TRCC. Moreover, because the subject matter that qualifies for recovery through the proposed mechanism is limited and the costs ultimately allowed for recovery will be allocated pursuant to the cost of service approved by the Commission, the added layer of cost, complexity and time associated with a rate case or limited proceeding, particularly close on the heels of another rate case, would serve no significant benefit other than to inflate costs that would then be passed on to ratepayers.

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[1] See also, Citizens of State v. Public Serv. Comm'n, 425 So. 2d 534 (Fla. 1982)

8. With reference to witness Gadgil's direct testimony, page 9, lines 1-11, please state if the new CIS billing system, based on a SAP platform, went online in August of this year. If not, when is the new billing system is expected to be operational? Also, please state what SAP stands for.

Company Response:

The CIS went online on August 26, 2024 as stated in Witness Gadgil's testimony. Once the CIS went online, the Company moved into the stabilization phase which ensures that the system is functioning as designed and meeting the standards set by the Company. That stabilization period lasted until October 1, 2024, at which time the CIS was completed and placed in service. There are some continuing costs incurred to fine tune the implementation. "SAP" is a software company that owns the software being used for CIS implemented in August 2024. Originally the name was based on the industry nomenclature of, Systems, Applications and Products (SAP).

9. Referring to witness Taylor's direct testimony, page 15, lines 20-22 states that the Company has been replacing the high pressure sodium, metal halide and mercury vapor lights with LED fixtures and plans to complete the transition during the second half of 2024. Please provide an update of this transition progress as of October 2024.

Company Response:

Due to the extensive storm activity in Florida this year, the Company has not been able to complete the transition. In addition, the Company anticipates requesting recovery of the costs that remain and have not been included in this rate proceeding, in our annual conservation filing in December.

10. Referring to witness Gadgil's testimony, for all the planned new technology implementation and improvements in cyber security projects, please state for each project:

   a. Costs and expenses included in the MFRs

   b. Costs and expenses to be included for cost recovery in the proposed TCRR rider

Company Response:

a. **The following projects, and associated costs for technology improvements and cyber-security projects have been included in the MFR's for this case:**

   - **The new CIS system, as discussed in response to Staff's data request 1 number 17 - included 13-month average rate base additions of $6,517,085, operation and maintenance expense of $356,083 and depreciation expense of $337,690.**
   - **A lead cyber-security position - $12,500.**
   - **Cyber-security monitoring and asset maintenance costs - $37,500.**

   These expenses are detailed in MFR C-7 page 8.

b. **The only costs being contemplated for recovery in the TCRR are the costs associated with the ERP project, as discussed in response to number 1 above.**

For questions 11 – 19, please refer to schedule E-7 in Dockets 20140025-EI and 20240099-EI:

11. Referring to Schedule E-7, page 3 of 6, please explain the decrease in the hourly transportation rate for (pickup) from $13.50 in Schedule E-7, page 2 of 6 in FPUC's last rate case (Docket No. 20140025-EI) to $3.98 in Schedule E-7, page 2 of 6 in Docket No. 20240099-EI.

Company Response:

This hourly transportation rate was developed by averaging all the actual vehicles used for field service activities during 2023. The primary reasons for the reduction in the hourly transportation rate are related to the use of more efficient vehicles and a lower cost of fuel now versus the time during the Company's last rate proceeding.

12. Please explain the wording change from Service Labor (Docket No. 20140025-EI) to Construction labor (Docket No. 20140025-EI) when calculating the service charge for the Initial Establishment of Service.

Company Response:

The Company changed the wording from Service Labor, used in the Company's last rate proceeding, to Construction Labor to more appropriately reflect the activity being done by the line crew personnel.

13. Referring to Schedule E-7, page 3 of 6, please explain the wording change from Transportation (Pickup) (Docket No. 20140025-EI) to Transportation (Bucket) when calculating the service charge for the Initial Establishment of Service.

Company Response:

The Company changed the wording because it more appropriately reflects the activity being performed. In this case, the line crew personnel are required to use a bucket truck to run the service to the customer and then set the meter.

14. Referring to Schedule E-7, page 4 of 6, please explain the reasons for the increase in the amount of time (in hours) for clerical (0.16 to 0.35), service (0.50 to 0.75), and transportation (0.50 to 0.75) to re-establish service or make changes to an existing account.

Company Response:

The work currently being done is more complex than what was done in 2014. This is due to increased security of customer data and an increase in data obtained from the customer because the system is more structured than it was in 2014.

15. Referring to Schedule E-7, page 5 of 6, please explain why construction and transportation will now take an extra hour along with two different transportation methods (pickup and bucket) being used for Reconnect after Disconnect for violation of rules shown in section – 13 Discontinuance of Service (After Hours).

Company Response:

The reason for the two different transportation methods is that a pickup truck is used to

disconnect the service during normal hours and a bucket truck is used after hours to reconnect the power after the rule violation has been corrected. The main reason for the increase in time and that a bucket truck has to be used for reconnection is that the Company no longer has an in house two-man evening crew in place. Currently, the reconnection involves calling out our line crew after hours which involves a three-hour minimum.

16. Referring to Schedule E-7, page 6 of 6, please explain the need for administrative labor in the Collection Charge as the last rate case (Docket No. 20140025-EI) did not have time allotted to administrative labor.

Company Response:

The increase in administrative labor and the additional time is more representative of the actual time required. The cost in 2014 did not include an allocation of the employees' supervisors' time.

17. Referring to Schedule E-7, page 6 of 6, please explain the increase in time allotted for clerical labor, service labor, and transportation for the Collection Charge.

Company Response:

The increase in clerical labor, service labor and transportation and the additional time is more representative of the actual time required because the 2014 cost did not include an allocation of the employees supervisors' time.

18. Referring to Original Sheet No. 6.017, regarding Customer's Liabilities, would a customer be allowed to reconnect after tampering with the Company's meters?

Company Response:

Yes, once the customer has paid the applicable charges and any back-billing, the Company will reconnect the customer.

E822

19. Please state in which schedule the tampering penalty charges are shown. If the tampering penalty charges are not provided in Schedule E, please provide cost support for the tampering penalties for both the $500 for residential customers and $2,500 for non-demand general service customers' penalties.

Company Response:

The Company did not complete a Schedule E for the tampering penalty charges because the charges as proposed by the Company are not cost based. The amount is a penalty and meant to discourage and prevent customers from tampering with Company equipment and was thought to be representative of charges by other companies.

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FPUC's Response to Staff's Ninth Data Request (Nos. 1-3)

(Including All Attachments)

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition for rate increase by Florida Public Utilities Company.	DOCKET NO. 20240099-EI

FPUC'S RESPONSES TO STAFF'S NINTH SET OF DATA REQUESTS

1. Please refer to Florida Public Utilities Company's (FPUC or Company) Minimum Filing Requirements (MFRs), Schedule D-1a and Schedule D1-a (Supplement) for the 2025 projected test year, Column K, labeled "Interest Expense," for the following requests:

   a) In Schedule D-1a, please explain why the total interest expense does not equal the sum of the above components in the column.

   b) In Schedule D-1a and Schedule D1-a (Supplement), please explain why both interest expenses associated with long term debt are equal despite having different long term debt cost rates.

   c) In Schedule D-1a and Schedule D1-a (Supplement), please provide the interest calculations under Column K for long term debt, short term debt, customer deposits, and the total interest expense.

Company Response:

a. **The amounts in column K were hard coded from the last rate case filing and not changed to a formula. Please refer to the attached file for correction of the filing. The filed revenue requirement is overstated by $732,820. Please refer to the attached DR 9.1a and b.**

b. Please refer to DR 9.1a above.

c. Please refer to DR 9.1a above.

2. Please refer to Direct Testimony of FPUC witness Michelle Napier, page 18, lines 3 through 9, for the following requests:

a) Please provide a citation for where the interest and income tax synchronization adjustment and its calculation can be found within the MFRs and electronic MFRs.

b) Please provide a step-by-step breakdown of the calculation used to achieve the $5,950 interest synchronization adjustment.

Company Response:

a. The interest synchronization formulas are in the Excel version of the MFR's on the C-1 (2023), (2024), and 2025 file on line 54 columns F-I. On the schedules, after the interest synchronization adjustments are made, the amount needed should come to zero. There may be $1.00 shown due to rounding.

b. Please refer to file DR 9.2b Interest Sync Calculation for the formulas.

3. Please provide details on the estimated additional project cost of $587,280 for the General Ledger System CWIP that can be found on MFR Schedule B-13, page 2 of 2.

Company Response:

This amount was based on a very early estimate of the ERP project costing $29,504,881 before the full extent of the project was determined. This amount was allocated at 6% to electric when this early estimate was made. As discussed in the response to Staff's Data Request 8 number 5, the ERP estimate is not complete. In addition, the amount in construction work in process was removed from rate base on MFR B-1 because it

included an allowance for funds used during construction in the estimate. Therefore, it is not included in the calculation of base rates.

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide the company's 13-month average cost of capital for the test year, the prior year, and historical base year.

COMPANY: Florida Public Utilities Company
Consolidated Electric Division
DOCKET NO.: 20240099-EI

Type of Data Shown:
x Projected Test Year Ended 12/31/2025
Prior Year Ended 12/31/2024
Historic Year Ended 12/31/2023
Witness: Noah Russell

PROJECTED TEST YEAR, 2025

Line No.	Class of Capital	(A) Company Total Per Books	(B) Specific Adjustments	(C) Pro Rata Adjustments	(D) System Adjusted	(E) Jurisdictional Factor	(F) Pro-Rata Allocation	(G) Jurisdictional Capital Structure	(H) Ratio	(I) Cost Rate	(J) Weighted Cost Rate	(K) Interest Expense
	Regulatory Capital Structure, 2015											
1	Long Term Debt	1,331,883,955			1,331,883,955	100%	4.27%	56,888,413	37.91%	5.21%	1.98%	2,963,886
2	Short Term Debt	169,856,296			169,856,296	100%	4.27%	7,255,028	4.83%	5.81%	0.28%	421,808
3	Preferred Stock	0			0	100%	4.27%	0	0.00%	0.00%	0.00%	
4	Common Equity	1,502,431,540	1,886,844		1,504,318,384	100%	4.27%	64,253,557	42.82%	11.30%	4.84%	
5	Customer Deposits	4,001,097			4,001,097	100%		4,001,097	2.67%	2.20%	0.06%	87,959
6	Deferred Income Taxes	13,206,708			13,206,708	100%		13,206,708	8.80%	0.00%	0.00%	
7	Regulatory Tax Liability	4,448,275			4,448,275	100%		4,448,275	2.96%	0.00%	0.00%	
8	ITC- Weighted Cost	0			0	100%		0	0.00%	8.29%	0.00%	0
9												
10	TOTAL	3,025,827,871	1,886,844		3,027,714,715			150,053,078	100.00%		7.15%	3,473,654
11												
12												

Line No.	Class of Capital	Company Total Per Books	Ratio	Cost Rate	Weighted Cost Rate
13					
14					
15					
16	**Conventional Capital Structure, 2025**				
17	Long Term Debt	1,331,883,955	44.31%	5.21%	2.31%
18	Short Term Debt	169,856,296	5.65%	5.81%	0.33%
19	Preferred Stock	0	0.00%	0.00%	0.00%
20	Common Equity	1,504,318,384	50.04%	11.30%	5.65%
21	TOTAL	3,006,058,635	100.00%		8.29%

Pro-Rata Factors:

Rate Base	150,053,096
Direct Components	21,656,080
	128,397,015
Pro-Rata Factor	4.27%

Supporting Schedules: B-1 (2025), B-3 (2025), D-3, D-4a, D-5, D-6

Recap Schedules:

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide the company's 13-month average cost of capital for the test year, the prior year, and historical base year.

COMPANY: Florida Public Utilities Company
Consolidated Electric Division
DOCKET NO.: 20240099-EI

Type of Data Shown:
x Projected Test Year Ended 12/31/2025
Prior Year Ended 12/31/2024
Historic Year Ended 12/31/2023
Witness: Noah Russell

PROJECTED TEST YEAR, 2025 SUPPLEMENT

Line No.	Class of Capital	(A) Company Total Per Books	(B) Specific Adjustments	(C) Pro Rata Adjustments	(D) System Adjusted	(E) Jurisdictional Factor	(F) Pro-Rata Allocation	(G) Jurisdictional Capital Structure	(H) Ratio	(I) Cost Rate	(J) Weighted Cost Rate	(K) Interest Expense
	Regulatory Capital Structure, 2025											
1	Long Term Debt	1,331,883,955			1,331,883,955	100%	4.27%	56,888,413	0.3791	4.51%	1.71%	2,565,667
2	Short Term Debt	169,856,296			169,856,296	100%	4.27%	7,255,028	0.0483	5.81%	0.28%	421,808
3	Preferred Stock	0			0	100%	4.27%	0	0.0000	0.00%	0.00%	
4	Common Equity	1,502,431,540	1,886,844		1,504,318,384	100%	4.27%	64,253,557	0.4282	11.30%	4.84%	
5	Customer Deposits	4,001,097			4,001,097	100%		4,001,097	0.0267	2.20%	0.06%	87,959
6	Deferred Income Taxes	13,206,708			13,206,708	100%		13,206,708	0.0880	0.00%	0.00%	
7	Regulatory Tax Liability	4,448,275			4,448,275	100%		4,448,275	0.0296	0.00%	0.00%	
8	ITC- Weighted Cost	0			0	100%		0	0.0000	7.98%	0.00%	0
9												
10	TOTAL	3,025,827,871	1,886,844		3,027,714,715			150,053,078	1.0000		6.89%	3,075,435
11												
12												

Line No.	Class of Capital	Company Total Per Books	Ratio	Cost Rate	Weighted Cost Rate	
15						
16	**Conventional Capital Structure, 2025**					
17	Long Term Debt	1,331,883,955	44.31%	4.51%	2.00%	Note 1
18	Short Term Debt	169,856,296	5.65%	5.81%	0.33%	
19	Preferred Stock	0	0.00%	0.00%	0.00%	
20	Common Equity	1,504,318,384	50.04%	11.30%	5.65%	
21	TOTAL	3,006,058,635	100.00%		7.98%	

Pro-Rata Factors:

Rate Base	150,053,096
Direct Components	21,656,080
	128,397,015
Pro-Rata Factor	4.27%

21

21 Note 1: To benefit the electric customers, the debt interest rate has been reduced for the higher cost debt attributed to the acquisition of City Gas. Please refer to D-4a Supplement Schedules.

Supporting Schedules: B-1 (2025), B-3 (2025), D-3, D-4a, D-5, D-6 Recap Schedules:

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 20240099-EI

EXPLANATION: Provide the amount of interest expense used to calculate net operating income taxes on Schedule C-22. If the basis for allocating interest used in the tax calculation differs from the basis used in allocating current income tax expense, the differing bases should be clearly identified.

Type of Data Shown:
_x_ Projected Test Year Ended 12/31/25
___ Prior Year Ended 12/31/24
_x__ Historical Test Year Ended 12/31/23
Witness: Russell

Line No.	Description	(1) Historical Base Year Ended 2023	(2) Test Year Ended 2025
1	Interest on Long Term Debt	1,256,705	2,565,667
2			
3	Amortization of Debt Discount, Premium, Issuing	10,432	3,396
4	Expense & Loss on Reacquired Debt		
5			
6	Interest on Short Term Debt	341,119	421,808
7			
8	Interest on Customer Deposits	87,248	87,959
9			
10	Other Interest Expense		
11			
12	Less Allowance for Funds Used During Construction		
13			
14			
15	Total Interest Expense	1,695,504	3,078,830

Supporting Schedules: D-1 (2023) (2025)   Recap Schedules: C-22 (2023) (2025)

E830

FPSC EXH NO. 67

ADMITTED

E831

SCHEDULE C-22 (2025) | STATE AND FEDERAL INCOME TAX CALCULATION | PAGE 1 OF 2

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: PROVIDE THE CALCULATION OF STATE AND FEDERAL INCOME TAXES FOR THE HISTORICAL BASE YEAR AND THE PROJECTED TEST YEAR

COMPANY: FLORIDA PUBLIC UTILITIES
Consolidated Electric Division

DOCKET NO.: 20240099-EI

Type of Data Shown:
__x_ Projected Test Year Ended 12/31/25
____ Prior Year Ended 12/31/24
____ Historical Test Year Ended 12/31/23
Witness: Galtman

LINE NO.	DESCRIPTION	CURRENT TAX STATE	CURRENT TAX FEDERAL	CURRENT TAX TOTAL	DEFERRED TAX STATE	DEFERRED TAX FEDERAL	DEFERRED TAX TOTAL
1	NET UTILITY OPERATING INCOME	$ 2,986,683	$ 2,986,683				
2	ADD INCOME TAX ACCOUNTS	(19,896)	(19,896)				
3	LESS INTEREST CHARGES (FROM C-23)	(3,075,435)	(3,075,435)				
4							
5	TAXABLE INCOME PER BOOKS	$ (108,648)	$ (108,648)				
6							
7	TEMPORARY ADJUSTMENTS TO TAXABLE INCOME (LIST)						
8							
9	Book to Tax depreciation	(6,316,533)	(6,316,533)		6,316,533	6,316,533	
10	Pension and postretirement benefits	(114,616)	(114,616)		114,616	114,616	
11	Short-term bonus	73,422	73,422		(73,422)	(73,422)	
12	Conservation	(219,649)	(219,649)		219,649	219,649	
13	Deferred litigation cost - regulatory asset	(38,209)	(38,209)		38,209	38,209	
14	Purchased power adjustment	0	0		0	0	
15	Rate case expenses	(4,750)	(4,750)		4,750	4,750	
18	Storm reserve	(1,199,870)	(1,199,870)		1,199,870	1,199,870	
19	Customer based intangible	(35,700)	(35,700)		35,700	35,700	
20	Other regulatory assets and liabilities	154,500	154,500		(154,500)	(154,500)	
21		0	0		0	0	
22		(80,929)	(80,929)		80,929	80,929	
23		(23,983)	(23,983)		23,983	23,983	
24		(7,601)	(7,601)		7,601	7,601	
25							
26							
27							
28	TOTAL TEMPORARY DIFFERENCES	$ (7,813,917)	$ (7,813,917)		$ 7,813,917	$ 7,813,917	
29							
30	PERMANENT ADJUSTMENTS TO TAXABLE INCOME (LIST)						
31							
32	Non-deductible meals						
	Amortization of tax gain regulatory liability						
33							
34	TOTAL PERMANENT ADJUSTMENTS	$ 0	$ 0				
35							
36	STATE TAXABLE INCOME (L5+L28+L34)	$ (7,922,565)			$ 7,813,917		
37	STATE INCOME TAX (5.5% OR APPLICABLE RATE OF L36)	$ (435,741)			$ 429,765		
38	ADJUSTMENTS TO STATE INCOME TAX (LIST)						
39	Prior period tax adjustment				1,738		
40	Florida decoupling tax adjustment				0		
41							
42							
43	TOTAL ADJUSTMENTS TO STATE INCOME TAX	$ 0			$ 1,738		
44							
45	STATE INCOME TAX	$ (435,741)		$ (435,741)	$ 431,503		$ 431,503

SUPPORTING SCHEDULES: C-2 (2025) | RECAP SCHEDULES: C-1 (2025)

SCHEDULE C-22 (2025) | STATE AND FEDERAL INCOME TAX CALCULATION | PAGE 2 OF 2

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: PROVIDE THE CALCULATION OF STATE AND FEDERAL INCOME TAXES FOR THE HISTORICAL BASE YEAR AND THE PROJECTED TEST YEAR

COMPANY: FLORIDA PUBLIC UTILITIES
Consolidated Electric Division

DOCKET NO.: 20240099-EI

Type of Data Shown:
__x_ Projected Test Year Ended 12/31/25
____ Prior Year Ended 12/31/24
____ Historical Test Year Ended 12/31/23
Witness: Galtman

LINE NO.	DESCRIPTION	CURRENT TAX STATE	CURRENT TAX FEDERAL	CURRENT TAX TOTAL	DEFERRED TAX STATE	DEFERRED TAX FEDERAL	DEFERRED TAX TOTAL
46	FEDERAL TAXABLE INCOME (L5+L28+L34-L37state)		$ (7,486,824)			$ 7,382,414	
47	FEDERAL INCOME TAX (21% OR APPLICABLE RATE)		$ (1,572,233)			$ 1,550,307	
48							
49	ADJUSTMENTS TO FEDERAL INCOME TAX						
50	ORIGINATING ITC		$			$ 0	
51							
52	WRITE OFF OF EXCESS DEFERRED TAXES					$ 0	
53							
54	OTHER ADJUSTMENTS (LIST)						
55	Prior period tax adjustment						
56	Amortization of deferred tax step-up and shortfall - tax gross-up						
57	Reverse of prior year consolidated NOL						
58	Other Adjustments					6,268	
59	TOTAL ADJUSTMENTS TO FEDERAL INCOME TAX		$ 0			$ 6,268	
60							
61	FEDERAL INCOME TAX		$ (1,572,233)	$ (1,572,233)		$ 1,556,575	$ 1,556,575
62							
63	ITC AMORTIZATION					$	
64						$ 0	$ -
65							
66							
67							
68							
69							
70							
71							
72							

LINE NO.	SUMMARY OF INCOME TAX EXPENSE:	FEDERAL	STATE	TOTAL
75	CURRENT TAX EXPENSE	(1,572,233)	(435,741)	(2,007,974)
76	DEFERRED INCOME TAXES	1,556,575	431,503	1,988,078
77	INVESTMENT TAX CREDITS, NET	0		0
78	TOTAL INCOME TAX PROVISION	(15,658)	(4,238)	(19,896)

SUPPORTING SCHEDULES: C-2 (2025) | RECAP SCHEDULES: C-1 (2025)

E831

FPSC EXH NO. 67
ADMITTED

E832

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 20240099-EI

EXPLANATION: Provide the calculation of jurisdictional net operating income for the test year, the prior year and the most recent historical year.

Type of Data Shown:
__x_ Projected Test Year Ended 12/31/25
____ Prior Year Ended 12/31/24
____ Historical Test Year Ended 12/31/23
Witness: Napier

Line No.		(1) Total Company Per Books	(2) Non-Electric Utility	(3) Total Electric (1)-(2)	(4) Jurisdictional Factor	(5) Jurisdictional Amount (3)x(4)	(6) Jurisdictional Adjustments (Schedule C-2)	(7) Adjusted Jurisdictional Amount (5)+(6)
1	Operating Revenues:							
2	Sales of Electricity	110,052,874		110,052,874	100%	110,052,874	(85,677,286)	24,375,589
3	Other Operating Revenues	(11,796,021)		(11,796,021)	100%	(11,796,021)	12,774,378	978,357
4	Total Operating Revenues	98,256,853		98,256,853	100%	98,256,853	(72,902,908)	25,353,946
5								
6	Operating Expenses:							
7	Operation & Maintenance:							
8	Fuel			-	100%	-	-	-
9	Purchased Power	52,150,543		52,150,543	100%	52,150,543	(52,150,543)	-
10	Other	20,084,163		20,084,163	100%	20,084,163	(3,838,470)	16,245,692
11	Depreciation	5,584,900		5,584,900	100%	5,584,900	(304,626)	5,280,274
12	Amortization	8,093,606		8,093,606	100%	8,093,606	(7,632,424)	461,182
13	Decommissioning Expense			-	100%	-	-	-
14	Taxes Other Than Income Taxes	9,376,855		9,376,855	100%	9,376,855	(7,019,075)	2,357,780
15	Income Taxes	(2,007,974)		(2,007,974)	100%	(2,007,974)	(503,837)	(2,511,811)
16	Deferred Income Taxes-Net	1,988,078		1,988,078	100%	1,988,078	-	1,988,078
17	Investment Tax Credit-Net	-		-	100%	-	-	-
18	(Gain)/Loss on Disposal of Plant			-	100%	-	-	-
19	Total Operating Expenses	95,270,170		95,270,170	100%	95,270,170	(71,448,975)	23,821,195
20								
21	Net Operating Income	2,986,683		2,986,683	100%	2,986,683	(1,453,933)	1,532,751
22								
23								
24								

Supporting Schedules: C-2 (2025), C-4 (2025), C-5 (2025), C7 (2025)

Recap Schedules:

Tax Computation:

Interest/Income Tax Synchronization:

Pre-Tax NOI	1,009,018
Less: Interest	3,075,435
Total	(2,066,417)

E832

FPSC EXH NO. 67

ADMITTED

E833

Tax Rate	0.25345
Income Taxes	(523,733)
Taxes Per C-1	(523,733)
Interest/Income Sync	(0)

Income Tax Per C-22	(2,007,974)
Def per C-22	1,988,078
	(19,896)
Above:	(19,896)

FPSC EXH NO. 67

ADMITTED

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 20240099-EI

EXPLANATION: Provide the calculation of the requested full revenue requirements increase.

Type of Data Shown:
X Projected Test Year Ended 12/31/2025
___ Prior Year Ended 12/31/2024
___ Historical Test Year Ended 12/31/2023
Witness: Haffecke

Line No	Description	Source		Amount	Filed	Difference
1.	Jurisdictional Adjusted Rate Base	Schedule B-1		$ 150,053,096	$ 150,053,096	(0)
2.	Rate of Return on Rate Base Requested	Schedule D-1		6.89%	6.89%	
3.	Jurisdictional Net Operating Income Requested	Line 1 x Line 2		$ 10,336,088	$ 10,338,658	(2,570)
4.	Jurisdictional Adjusted Net Operating Income	Schedule C-1		$ 1,532,751	$ 991,558	
5.	Net Operating Income Deficiency (Excess)	Line 3 - Line 4		$ 8,803,337	$ 9,347,100	(543,763)
6.	Earned Rate of Return	Line 4/Line 1	1.02%			
7.	Net Operating Income Multiplier	Schedule C-44		1.3477	1.3477	
8.	Revenue Increase (Decrease) Requested	Line 5 x Line 7		$ 11,864,094	$ 12,596,914	(732,820)
9.	Increase in Service Charges and Other Revenues	Schedule E		$ 164,495	$ 164,495	0
10.	Increase in Base Rate Revenues	Line 8 less Line 9		$ 11,699,599	$ 12,432,419	(732,820)
11	Increase Transferred from SPP					
12	Net Increase			$ 11,699,599	$ 12,432,419	(732,820)
13						
14	Note: This schedule represents the Company's requested revenue requirement and includes the rate of return computed using the Company's alternate proposal for cost of debt.					

Supporting Schedules: B-1, C-1, D-1, C-5, C-44 Recap Schedules:

E834

As Filed:

Interest/Income Tax Synchronization:

Pre-Tax NOI	1,009,018	NOI before interest sync $985,608 plus income tax of $(1,964,668) and deferred tax of $1,988,078
Less: Interest	940,130	As filed
Total	68,887	
Tax Rate	0.25345	
Income Taxes	17,459	
Taxes Per C-1	23,410	Before interest sync was recorded
Interest/Income Sync	(5,951)	

Corrected:

Interest/Income Tax Synchronization:

Pre-Tax NOI	1,009,018	NOI before interest $1,532,751 plus income tax of $(2,511,811) and deferred tax of $1,988,078
Less: Interest	3,075,435	
Total	(2,066,417)	
Tax Rate	0.25345	
Income Taxes	(523,733)	
Taxes Per C-1	(517,782)	Before interest sync was recorded
Interest/Income Sync	(5,951)	

68

FPUC’s Response to Staff’s Tenth Data Request (Nos. 1-5)

(Including All Attachments)

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition for rate increase by Florida Public Utilities Company.	DOCKET NO. 20240099-EI

FPUC'S RESPONSES TO STAFF'S TENTH SET OF DATA REQUESTS

1.) Please complete the below table, which details the total number of complaints by type and year that were received by FPUC from January 2020 through October of 2024.

	Type of Complaints	
	Quality of Service	Billing Issues
2020		
2021		
2022		
2023		
2024 (January – October)		
Total		

Company Response:

	Type of Complaints	
	Quality of Service	Billing Issues
2020	7	4
2021	7	21
2022	8	20
2023	8	22
2024 (January – October)	6	24
Total	36	91

2.) Please refer to the direct testimony of witness Estrada for the following questions:

a. Please refer to page 6, lines 1 through 4. Please identify and explain the specific improvements in timing and accuracy of billing through the new Customer Information System (NCIS).

b. Please refer to page 6, lines 4 through 7. Witness Estrada identifies potential future enhancements such as a customer portal and preference management. What are the anticipated in-service dates for these identified enhancements? If there are none, please explain why.

c. Please refer to page 9, lines 1 through 3. Please explain how FPUC currently communicates with communities where fieldwork is to be performed.

Company Response:

a. The new CIS included an automated process for the billing and invoicing processes. For example, meter reads are now automatically reviewed upon entry, allowing the system to identify outliers such as unexpectedly high or low readings, and if necessary, create an exception. This exception process offers improved accuracy in billing as there will be manual intervention for review and adjustments, only if needed. Another improvement in the automation for billing and invoicing is that it reduces manual processing time, allowing bills to be prepared and ready for issuance more quickly than before. This process also has an exception process where the system will detect missing or unusual data that can be reviewed and adjusted, if necessary, prior to being released to the customer.

b. The expected in-service date for the customer self-service portal, and core notification and preference management functionality, is the end of 2025. In addition to the core notification and preference management functionality, a future enhancement of that core notification will include optional outbound communications (i.e. SMS, emails, etc.).

c. Currently, appointments for customer-requested field work are confirmed with the customer at the time of request. If a customer should miss an appointment, a door hanger is left and a follow-up call is made for rescheduling. For most company-planned work, a door hanger is placed at the customer's premises advising of the planned work. A future

enhancement of the notification and preference management system will include optional outbound communications (i.e. SMS, email, etc.) to customers about work at their location.

3.) Please refer to the direct testimony of witness Gadgil for the following questions:

a. Please refer to page 8, lines 17 through 19. Please elaborate on the "industry standards and regulations" stated here. Please explain how the new SAP solution will ensure compliance with these standards and regulations.

b. Please refer to page 9, line 5. Please provide the estimated implementation date for the NCIS.

c. Please refer to page 9, lines 13 through 14. Please elaborate on the "industry benchmarks" referenced on these lines. Further, please explain how FPUC determined the additional costs for the NCIS are consistent with those benchmarks.

d. Please refer to page 9, lines 18 through 19. Please explain in greater detail why FPUC believes that retaining the legacy platform would "lead to higher costs in the future."

e. Please refer to page 10, lines 12 through 14. Please elaborate on the "industry-standard platform" that FPUC is currently in the process of selecting. Please also state when FPUC anticipates making its selection.

Company Response:

a. SAP's platform is designed to address several critical security and compliance requirements. The key standards and regulations that are referenced are:

- **NIST Standards: The solution adheres to the foundational standards promulgated by the National Institute of Standards and Technology (NIST), which serve as the basis for industry models such as the industry C2M2 Capability Maturity Model. This alignment ensures robust data security, particularly in safeguarding sensitive information and enforcing stringent access controls. By complying with NIST standards, the solution upholds the core security pillars of confidentiality, integrity, and availability, thereby contributing to operational security and resilience.**
- **PCI-DSS Best Practices: While the Payment Card Industry Data Security Standard (PCI-DSS) is not required, the solution proactively incorporates its best practices to ensure the protection of customer payment information. This approach ensures adherence to the highest level of data protection, which is important for handling customer payments.**
- **SOX Compliance: To ensure financial integrity and reporting accuracy, the solution provides comprehensive audit trails and robust access controls in compliance with the Sarbanes-Oxley Act (SOX). These measures promote transparency and accountability in financial processes, which are essential for regulatory compliance and stakeholder trust.**
- **NERC CIP Compliance: Recognizing our role as an electric utility and the criticality of protecting vital infrastructure, the solution incorporates access controls, comprehensive logging, and robust auditing practices to safeguard both the physical and cyber aspects of our operations.**

To ensure ongoing compliance, the solution is equipped with built-in tools for data encryption, granular user access controls, comprehensive logging, detailed audit trails, and automated security updates. Furthermore, it supports automated reporting and audit capabilities, streamlining the process of adhering to relevant standards and regulations. Our commitment to continuous monitoring enables us to proactively identify and address any potential compliance deviations, ensuring that the highest standards of data protection and cybersecurity are consistently maintained.

b. The new CIS system went live on August 26, 2024, and, after a stabilization period, was capitalized October 1, 2024. Some additional costs are expected to occur and be closed by year end 2024.

c. To address obsolescence in our current Customer Information System (CIS) and meet evolving customer demands, Chesapeake embarked on a comprehensive technology upgrade project. Recognizing the complexity of this undertaking, we engaged leading industry analyst firms to ensure a cost-effective and robust solution.

In 2021, Ernest & Young (E&Y) conducted an initial assessment and developed a technology upgrade plan, benchmarking potential costs against their extensive experience with similar utility CIS upgrades. This provided a preliminary cost range and helped define the scope of the project.

In 2022, we partnered with TMG, a leading utility industry analyst firm, to guide platform selection and system integration. TMG's base model for estimation, along with their comprehensive database of over 5,000 CIS requirements, enabled a rigorous evaluation of potential vendors in the Billing, front office, back office area.

After a thorough RFP process that included SAP, Oracle, and other niche firms, SAP was selected based on fit regarding the requirements, total costs and overall long term fit.

Recognizing that systems integration is critical to the success of a CIS implementation and represents a significant portion of the project cost, we commissioned TMG to lead a separate RFP process for this component. Leading firms, including E&Y, Deloitte, IBM, and HCL, were evaluated on utility experience, methodology, quality of team and cost. To ensure cost competitiveness, vendor bids were compared against industry benchmarks and normalized costs for similar utility projects, with vendors providing valuable comparative data.

Ultimately, IBM was selected as the systems integrator based on multiple evaluation factors that included, cost, capabilities, and strength of implementation team. A detailed work statement was established to govern project execution and ensure alignment with Chesapeake's objectives.

d. Retaining the legacy platform would result in substantial and escalating costs over time.

The legacy system, developed in the 1990s, was built on an IBM AS/400 framework. However, it gradually evolved into a niche product, with minimal industry adoption and limited product development. This stagnation ultimately rendered the system obsolete, with its development entirely discontinued.

In light of today's demands on the electrical grid, our customers require access to secure, reliable, accurate, and readily available information. Unfortunately, the legacy system lacks native capabilities to meet these modern requirements. Any updates to meet such standards would require either extensive in-house development or the addition of third-party services, both of which present challenges and added costs.

Moreover, since the core system was built 30 years ago, finding qualified developers with legacy system expertise has become increasingly difficult and costly. The shrinking pool of available professionals with knowledge of these outdated technologies makes it challenging to locate developers who can effectively build, support, and maintain this environment. This limitation introduces dependency risks on a few remaining experts, further increasing operational costs and potentially jeopardizing system reliability.

Attempting to integrate the legacy system with third-party add-ons to deliver modern capabilities introduces multiple risks. Such integrations increase system complexity, administrative overhead, and cybersecurity vulnerabilities. Older systems, with unpatched codebases, are inherently more vulnerable to contemporary cyber threats. Additionally, linking these outdated systems—which lack foundational security protocols—to modern software or cloud-based services is complex and, in some instances, impossible due to the rigidity and constraints of the legacy infrastructure.

Maintaining this legacy system in its current state would also contribute to higher annual support costs, even without any feature upgrades. Hardware inevitably ages and will require replacement. The legacy applications, built decades ago, demand costly updates to remain compatible with newer hardware. This need for constant intervention not only drives up maintenance costs but also increases the frequency of necessary system outages, affecting overall service reliability and customer satisfaction.

e. This testimony refers to the recently implemented CIS system based on the industry standard SAP platform. Please refer to the response to 3b for the in-service date.

4.) Please refer to the direct testimony of witness Haffecke for the following questions:

a. Please refer to page 10, lines 17 through 19. Please provide the estimated total capital cost and O&M expenses for the NCIS. As part of this response, please provide an itemized breakdown of what is included in the cost estimate.

b. Please refer to page 15, lines 19 through 20. Please explain where the dispatcher and/or management are located.

c. Please refer to page 15, lines 22 through 23. Please provide the communication range for the two-way radio system.

d. Please refer to page 16, lines 7 through 8. Please provide the estimated implementation date for the two-way radio system.

e. Please refer to page 16, line 10. Please provide the estimated total O&M expenses for the two-way communication system. As part of this response, please provide an itemized breakdown of what is included in the cost estimate.

f. Please refer to page 18, line 10. Please provide the estimated total cost of the security cameras. As part of this response, please provide an itemized breakdown

of what is included in the cost estimate.

g. Please refer to page 18, lines 14 through 16. Please provide the estimated implementation date for the security cameras. As part of this response, please provide the number of substations and operation offices that would have security cameras installed along with the number of security cameras.

h. Please refer to page 20, lines 12 through 15 provide the estimated total O&M expenses associated with the security system service and plan monitoring. As part of this response, please provide a description of what the security system service and plan monitoring includes and an itemized breakdown of what is included in the cost estimate.

Company Response:

a. Please refer to the file DR10.4a - Estimated CIS Cost Calculation, for the detailed CIS

expenses of $356,083 O&M and $337,690 depreciation expense and file DR 10.4b - Estimated CIS Capital Cost, for the capital estimate of $6,912,623.

b. Dispatchers and Management are located at both Operations Centers (NE and NW).

c. We do not currently know the range. A propagation study is being performed in both divisions to determine the number of repeaters required so that there will be complete coverage of both areas.

d. It is estimated that the radio system will be fully implemented by December 31, 2024.

e. The costs related to the two-way radio system were capital costs to purchase the radios. Therefore, there are no O&M expenses related to the radio system.

f. Please refer to the attached file DR 10.4f - Estimated Camera Cost and Monitoring.

g. The installation of cameras will begin in November in Fernandina and then in Marianna and expect all to be completed by the end of 2024. There will be 27 total cameras as follows:

Fernandina Beach Operations Center will have 5 cameras.

The Eight Flags substation in NE FL will have 1 camera.

The JL Terry substation in NE Fl, the Daugherty substation in NE Fl, the Marianna Operations Center, the Chipola substation in NW Fl, the Altha substation in NW Fl, the Caverns substation in NW Fl, and the Marianna substation in NW Fl will all have 3 cameras each.

h. The capital estimates include multi-sensor and dual cameras, a control house at each location with card readers, electric strike, door contacts, request to exit motion, and headend equipment. There will be 30 days of Cloud storage and 30 days on-premises video retention for each site or 60 days of storage. The estimated operating and maintenance costs are outlined below for the security system service and security health monitoring at

each of the identified locations. These recurring monthly charges reflect a turn-key solution to the health and maintenance of our video management system to include parts and labor.

Security health monitoring (SHM) includes the remote monitoring of our security cameras, network video recorders, access control panels, and any IP based security system to include patch management and technical support 24/7. As many of these systems are outside the Chesapeake network, recurring monthly cellular costs based on internet connection access fees apply. Please refer to the attached file DR 10.4f - Estimated Camera Cost and Monitoring.

5.) Please refer to the direct testimony of witness Napier for the following questions:

a. Please refer to page 23, lines 12 through 13. Please provide FPUC projections for the account to be underfunded.

b. Please refer to page 23, lines 14 through 15. Please provide FPUC projections for the increase in the reserve and expenses.

c. Please refer to page 25, lines 20 through 21. Please provide an example of how the Technology Cost Recovery Rider (TCRR) will be used.

Company Response:

a. **Please refer to the attached file DR 10.5a - Storm Reserve Estimate.**
b. **Please refer to the response to a above.**
c. **Please refer to Staff's Data Request 8 number 1 and 5.**

1CX Annual Summary

Total Cost (Capital, Regulatory Asset and O&M)

	Post Project Ongoing Costs			
	2025-Post Project	2026-Post Project	2027-Post Project	2028-Post Project
Labor: CPK	-	-	-	-
Labor: Other Consultant/Temps	-	-	-	-
Labor: CPK Consultant (DS)	-	-	-	-
Labor: PM Consultant	-	-	-	-
Labor: CPK Bubble	-	-	-	-
Labor	**$ -**	**$ -**	**$ -**	**$ -**
SAP Cloud (PCE + SaaS)	673,628	734,867	734,867	734,867
SAP Licenses - FSM	458,326	499,992	499,992	499,992
SAP On-Prem	3,520	3,520	3,520	3,520
SAP data migration	-	-	-	-
IFS Mitigation - FSM	-	-	-	-
Redwood BPA (Batch Jobs)	91,667	100,000	100,000	100,000
Storm Runner (Performance Testing)	91,667	100,000	100,000	100,000
One Source (Tax Software)	91,667	100,000	100,000	100,000
Azure DevOps	45,833	50,000	50,000	50,000
VPN	22,917	25,000	25,000	25,000
O365	91,667	100,000	100,000	100,000
Software	**$ 1,570,891**	**$ 1,713,379**	**$ 1,713,379**	**$ 1,713,379**
Hardware - CIS	-	-	-	-
Hardware - FSM	-	-	-	-
Hardware Costs (TV, PC, Team etc)	**$ -**	**$ -**	**$ -**	**$ -**
Vertex ECIS Data Migration	-	-	-	-
Kubra Bill Print / Payment / Design	-	-	-	-
Salesforce Integration with SAP	137,500	150,000	150,000	150,000
IFS Changes and Integration	-	-	-	-
TMG Platform	-	-	-	-
TMG SI Selection	-	-	-	-
QA Project Health Check	-	-	-	-
Legal	-	-	-	-
FCG Customer Portal	172,500	230,000	430,000	500,000
Other	-	-	-	-
3rd Party Consulting	**$ 310,000**	**$ 380,000**	**$ 580,000**	**$ 650,000**
IBM SI - CIS	-	-	-	-
IBM SI - FSM	-	-	-	-
IBM - OCM extended support	-	-	-	-
IBM - Additional				
IBM eHub				
SI Costs	**$ -**	**$ -**	**$ -**	**$ -**
SAP CAS	91,667	100,000	100,000	100,000
SAP Max Attention / Value Add	91,667	100,000	100,000	100,000
SI AMS - Support/Managed Service Costs	550,000	600,000	600,000	600,000
BIS Servicedesk Consultant	73,333	80,000	80,000	80,000
Service / Managed Support	**$ 806,667**	**$ 880,000**	**$ 880,000**	**$ 880,000**
Total excluding Contingency	**$ 2,687,558**	**$ 2,973,379**	**$ 3,173,379**	**$ 3,243,379**
Contingency	**$ -**	**$ -**	**$ -**	**$ -**
Total with Contingency	**$ 2,687,558**	**$ 2,973,379**	**$ 3,173,379**	**$ 3,243,379**

$1.2M per year with 50% capex

Total Costs 4 years	$ 12,077,696
Average Cost per year	$ 3,019,423.92
Remove ECIS costs in 2023	(452,088.00)
Add Average ECIS costs over 4 years	90,000.00
Average ECIS Costs in 4 years	
Net ECIS Reduction	
Cost Increase for CIS system	$ 2,657,335.92
Allocation Customer Ratio	13.40%
Allocation of four year average of costs	$ 356,083.01

FPSC EXH NO. 68

ADMITTED

E848

Depreciation Expense in Filing:	Depreciation at 5%	Plant
CIS closed in October 2024	$ 250,336.35	$ 5,006,727.00
CIS estimated Closed January 2025	$ 87,353.57	$ 1,905,896.00
Total CIS depreciation expense in filing	$ 337,689.92	$ 6,912,623.00

Projected Costs for Customer Information System

	Total Projection in Millions (000,000)
Labor: CHPK	$ 13.6
Labor: External Surge Staffing (CC)	0.9
Labor: SI (IBM System Implementer)	28.2
Labor: OCM (IBM Organizational Change Management)	0.1
Labor: 3rd Party Vertex Data Costs	0.4
Other 3rd Party	5.3
Travel Expenses CHPK and Third Parties	1.7
Service / Managed Support	1.7
Hardware	0.6
Software License (+2 years M&S)	6.9
Newark Rent	0.4
KPMG Security and controls	1.9
AFUDC	1.1
Contingency	9.0
Total	**$71.7**

Actual Estimate	**$ 71,651,790**
Allocation to Electric at 6/24	**$ 6,912,625**

	8 Flags substation	Feranandina Beach Operations Center	Daugherty Substation	Amelia Island Plantation Substation	Marianna Operations Cener	4 Substations in Marianna	JL Terry Substation	Total
Investment:								
Equipment	4,470	34,380	17,555	17,555	41,364	70,220	17,555	203,099
Installation	1,760	12,920	9,785	9,785	15,504	39,140	9,785	98,679
Programming	440	880	880	880	880	3,520	880	8,360
Project Management and Engineering	1,080	1,760	1,620	1,620	2,112	6,480	1,620	16,292
	7,750	49,940	29,840	29,840	59,860	119,360	29,840	326,430
On-Going Expense:					-			
Video Health Monitoring, Service Plan, SSA, and Cloud Storage	489	9,480	3,336	3,336	5,688	13,344	3,336	39,009
Internet Access		2,700	2,400	2,400	4,515	9,600	2,400	24,015
						-		-
	489	12,180	5,736	5,736	10,203	22,944	5,736	63,024

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Storm Reserve Estimate:

Balance at 12/23	983,558.00	
2024 Accrual	121,620.00	
Storm Cost Estimate 2024	(1,342,237.00)	Note A
Estimated Balance 12/24	(237,059.00)	
2025 Accrual	121,620.00	
Storm Cost Estimate 2025	(619,454.00)	Note B
Estimated Under-recovery 12/25	(734,893.00)	
Amount of reserve that should be maintained in the reserve per Order No. PSC-2019-0014-FOF-EI	1,500,000.00	
Total amount needed to get to the $1.5M	2,234,893.00	
Over 5 years	446,978.60	

Note A:

This is an estimate based on actual costs of $520,974 as of April 2024 which when annualized would have been $1,562,922, and the actual 2023 storm costs of $1,321,490. Storm costs in 2024 to date are $778,816.58 and we are still getting new storms. Because the 2023 storm season was projected to be extremely active, the Company used an amount close to the 2023 cost but less than the 2024 annualized amount.

Note B:

This is an estimate assuming a less active storm season. The amount was an average of actual 2020-2023 costs plus the estimated 2024 cost.

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FPUC’s Response to Staff’s Eleventh Data Request (Nos. 1-12)

(Including All Attachments)

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition for rate increase by Florida Public Utilities Company.	DOCKET NO. 20240099-EI

FPUC'S RESPONSES TO STAFF'S ELEVENTH SET OF DATA REQUESTS

1. Please refer to Florida Public Utilities Company's (FPUC or Company) Responses to Staff's Fifth Set of Data Requests, response No. 3, for the following request. Please explain how the Company ensures that any work preformed by native FPUC staff is separated by retail/jurisdictional work versus rate case work that would be charged to rate case expense.

Company Response:

The Company does not staff at a level to allow for preparation of rate proceedings. Therefore, additional resources are necessary beyond our normal staffing levels in order to prepare rate cases and handle the extra work load. The Company utilized temporary internal staff, 100% dedicated to the Company's rate case cycles in progress, and have charged their time to each rate case appropriately. Expenses for staff working on regular compliance filings and accounting are allocated to O&M based on the MMM Distrigas. The Company has not charged any time related to regular normal work to rate case expense. To be clear, only expenses related to rate cases, which is above and beyond normal payroll levels, have been charged to the rate case, thereby eliminating the possibility of duplicating expense recovery. In addition, if the rate case personnel were not charging to rate case expense, the O&M costs recovered would be an increase over the current level of expense and passed through to our customers in base rates. Because this level is not expected to

continue, it is more appropriate to charge rate case expense and is ultimately an overall benefit for our ratepayers. Also, at the end of the rate case cycles, this staff may either work on another rate case or be reassigned to fill in vacancies on projects and open positions.

2. Please refer to the total of line 9 of Minimum Filing Requirements (MFR) Schedule C-7 (2023), page 1 of 4, and the total of line 9 of MFR Schedule C-7 (2024), page 1 of 6, for the following request. Please explain the factor(s) that lead to the increase in 2024 "Supervision and Engineering operating & maintenance" (O&M) expense over 2023.

Company Response:

As shown on MFR C-7, the amount is calculated as follows:

	Payroll	Non-Payroll	Total
2023 Actual Costs (C-7(2023) p 2)	**$327**	**$15,901**	**$16,228**
Less Depreciation Expense included in Depreciation in MFR (C-7 (2023) p 2)		**(45)**	**(45)**
Net Adjusted 2023	**$327**	**$15,856**	**$16,183**
Trend Factors	**1.0350**	**1.0284**	
Trended Projection 2024	**$338**	**$16,306**	**$16,644**
Over/Under Adj. from C-7 page 7-8	**0**	**$12,000**	**$12,000**
2024 Projected Year End	**$338**	**$28,306**	**$28,644**

Consistent with other rate case filings, the Company uses trend factors for revenue, customer growth, and inflation and combinations of those to forecast expenses for projected years. Those projected amounts are reviewed to determine if there are new costs that will be

occurring in the projected years which are over and above the factored amounts. The over and above adjustments for 2024 and 2025 have been provided on C-7 (2025) page 7 and 8. The trend factors are provided on MFR Schedule C-7 (2024) page 5. The factors used are in columns D & E of the C-7 schedule. The payroll factor represents the projected pay increases for the year and are discussed in company witness Devon Rudloff-Daffinson's testimony.

Support for the customer growth and inflation factors is provided in the attached file DR 11.1 Growth and Inflation budget. The projected inflation factors were provided by company witness Noah Russel and are included in his testimony.

The $12,000 over/under adjustment for this account is described on MFR C-7 (2024,2025) page 7 and is related to a transmission engineering study taking place in the first quarter of 2024. It is done once every five years and, therefore, not included in the 2023 expenses. Since it is performed every five years only $12,000 of the $60,000 cost was included as an increase over and above inflation and growth.

3. Please refer to the total of line 14 of MFR Schedule C-7 (2023), page 1 of 4, and the total of line 14 of MFR Schedule C-7 (2024), page 1 of 6, for the following request. Please explain the factor(s) that lead to the increase in 2024 "Operation Supervision & Eng" O&M expense over 2023.

Company Response:

As shown on MFR C-7, the amount is calculated as follows:

	Payroll	Non-Payroll	Total
2023 Actual Costs (C-7 (2023) p 2)	**$162,253**	**$83,637**	**$245,890**
Less Depreciation Expense included in Depreciation in (MFR (C-7(2023) p 2)		**(2,211)**	**(2,211)**
Net Adjusted 2023	**$162,253**	**$81,426**	**$243,679**
Trend Factors	**1.0350**	**1.0315**	
Trended Projection 2024	**$167,932**	**$83,989**	**$251,921**
Over/Under Adj. from C-7 page 7-8	**$81,843**	**$11,430**	**$93,273**
2024 Projected Year End	**$249,775**	**$95,419**	**$345,194**

Please refer to the response to Staff's Data Request 11 number 2 for support for the forecasting methodology and trend factors. For this account the payroll factor was used for payroll and the customer growth factor times inflation for the non-payroll amount.

The over/under adjustments for this 580 account are described on MFR C-7 (2024,2025) page 7 and are related to increased costs in the Supervisor of Engineering allocations due to an increase in operation vs. capital duties related to additional substation management, vegetation management, transmission/distribution relay modifications and monitoring feed

loading. Please refer to the attached file DR 11.3a GM450 allocation changes for additional support.

An additional adjustment was related to the increase in the Damage Prevention department costs due to an increase in damaged underground services and the need for the customers to be more aware about calling 811 before digging. Please refer to DR 11.3b MG119 allocation change.

4. Please refer to the total of line 15 of MFR Schedule C-7 (2023), page 1 of 4, and the total of line 15 of MFR Schedule C-7 (2024), page 1 of 6, for the following request. Please explain the factor(s) that lead to the increase in 2024 "Load dispatching" O&M expense over 2023.

Company Response:

As shown on MFR C-7, the amount is calculated as follows:

	Payroll	Non-Payroll	Total
2023 Actual Costs (C-7 (2023) p 2)	$15,499	$7,624	$23,123
Trend Factors	1.0381	1.0315	
Trended Projection 2024	$16,090	$7,864	$23,954
Over/Under Adj. from C-7 page 7-8	0	$26,280	$26,280
2024 Projected Year End	$16,090	$34,144	$50,234

The trend factors are provided on MFR Schedule C-7 (2024) page 5. The factors used are in columns D & E of the C-7 schedule. Please refer to the response to Staff's Data Request 11 number 2 for forecasting methodology and support for the trend factors. The factors used for this account were payroll times customer growth for payroll accounts and inflation times customer growth for non-payroll accounts.

As discussed in the response to Staff's Data Request 5.1, the $26,280 over/under adjustment for this account is described on MFR C-7 (2024,2025) page 7 and is related to an allocation of a subscription for S & P Global Platts, which is a subscription used to review and forecast costs in our purchase power agreements.

5. Please refer to the total of line 16 of MFR Schedule C-7 (2023), page 1 of 4, and the total of line 16 of MFR schedule C-7 (2024), page 1 of 6, for the following request. Please explain the factor(s) that lead to the increase in 2024 "Station Expenses" O&M expense over 2023.

Company Response:

As shown on MFR C-7, the amount is calculated as follows:

	Payroll	Non-Payroll	Total
2023 Actual Costs (C-7 (2023) p 2)	**$66,733**	**$18,878**	**$85,611**
Less Depreciation Expense included in Depreciation in MFR (C-7 (2023) p 2)		**(3,237)**	**(3,237)**
Net Adjusted 2023	**$66,733**	**$15,641**	**$82,374**
Trend Factors	**1.0381**	**1.0315**	
Trended Projection 2024	**$69,276**	**$16,134**	**$85,410**
Over/Under Adj. from C-7 page 7-8	**$76,960**	**$0**	**$76,960**
2024 Projected Year End	**$146,236**	**$16,134**	**$162,370**

The trend factors are provided on MFR Schedule C-7 (2024) page 5. The factors used are in columns D & E of the C-7 schedule. Please refer to the response to Staff's Data Request 11 number 2 for forecasting methodology and support for the trend factors. The factors used for this account were payroll times customer growth for payroll accounts and inflation times customer growth for non-payroll accounts.

The $76,960 over/under adjustment for this account is described on MFR C-7 (2024,2025) page 7 and is related to the annualization of the IMC Technician's salary in the NE region

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who was hired in September 2023 and, therefore not included for most of 2023. Support for this position was included in the file attached to Staff's Data Request 6, number 6 titled DR 6.6 IMC Technician NE.

6. Please refer to the total of line 16 of MFR Schedule C-7 (2024), page 1 of 4, and the total of line 16 of MFR Schedule C-7 (2025), page 1 of 8, for the following request. Please explain the factor(s) that lead to the increase in 2025 "Station Expenses" O&M expense over 2024.

Company Response:

As shown on MFR C-7, the amount is calculated as follows:

	Payroll	Non-Payroll	Total
2023 Actual Costs (C-7 (2023) p 2)	$66,733	$18,878	$85,611
Less Depreciation Expense included in Depreciation in MFR (C-7 (2023) p 2)		(3,237)	(3,237)
Net Adjusted 2023	$66,733	$15,641	$82,374
Trend Factors for 2 years 2024 and 2025	1.0778	1.0586	
Trended Projection 2025	$71,923	$16,558	$88,481
Over/Under Adj. from C-7 page 7-8	$200,545	$73,582	$274,127
2025 Projected Year End	$272,468	$90,140	$362,608

The trend factors are provided on MFR Schedule C-7 (2024) page 5. The factors used are in columns D & E of the C-7 schedule. Please refer to the response to Staff's Data Request 11 number 2 for forecasting methodology and support for the trend factors. The factors used for this account were payroll times customer growth for payroll accounts and inflation times

customer growth for non-payroll accounts.

The over/under adjustments for this account are described on MFR C-7 (2024,2025) page 7. The first is related to the annualization of the IMC Technician's salary in the NE region who was hired in September 2023 and, therefore not included for most of 2023. Support for this position was included in the file attached to Staff's Data Request 6, number 6 titled DR 6.6 IMC Technician NE.

The second relates to the salary for an IMC Technician in the NW Fl division in 2025 and additional equipment, supplies and annual maintenance costs. Support for these costs was included in the file attached to Staff's Data Request 6, number 6 titled DR 6.6 IMC Technician NW.

7. Please refer to the total of line 17 of MFR Schedule C-7 (2023), page 1 of 4, and the total of line 17 of MFR Schedule C-7 (2024), page 1 of 6, for the following request. Please explain the factor(s) that lead to the increase in 2024 "Operation of Overhead Lines" O&M expense over 2023.

Company Response:

As shown on MFR C-7, the amount is calculated as follows:

	Payroll	Non-Payroll	Total
2023 Actual Costs (C-7 (2023) p 2)	**$32,009**	**$10,850**	**$42,859**
Less Depreciation Expense included in Depreciation in MFR (C-7 (2023) p 2)		**(1,069)**	**(1,069)**
Net Adjusted 2023	**$32,009**	**$9,782**	**$41,790**
Trend Factors	**1.0381**	**1.0315**	
Trended Projection 2024	**$33,228**	**$10,090**	**$43,318**
Over/Under Adj. from C-7 page 7-8	**0**	**$70,000**	**$70,000**
2024 Projected Year End	**$33,228**	**$80,090**	**$113,318**

The trend factors are provided on MFR Schedule C-7 (2024) page 5. The factors used are in columns D & E of the C-7 schedule. Please refer to the response to Staff's Data Request 11 number 2 for forecasting methodology and support for the trend factors. The factors used for this account were payroll times customer growth for payroll accounts and inflation times customer growth for non-payroll accounts.

The $70,000 over/under adjustment for this account is described on MFR C-7 (2024,2025) page 7 and is related to joint use pole inspections that will begin in the 4th quarter of 2024 and occur annually and are not in Storm Protection Plan cost recovery.

8. Please refer to the total of line 25 of MFR Schedule C-7 (2023), page 1 of 4, and the total of line 25 of MFR Schedule C-7 (2024), page 1 of 6, for the following request. Please explain the factor(s) that lead to the increase in 2024 "Distribution Expenses" O&M expense over 2023.

Company Response:

As shown on MFR C-7, the amount is calculated as follows:

	Payroll	Non-Payroll	Total
2023 Actual Costs (C-7 (2023) p 2)	**$192,138**	**$33,770**	**$225,908**
Less Depreciation Expense included in Depreciation in MFR (C-7 (2023) p 2		**(1,805)**	**(1,805)**
Net Adjusted 2023	**$192,138**	**$31,965**	**$224,103**
Trend Factors	**1.0381**	**1.0315**	
Trended Projection 2024	**$199,459**	**$32,971**	**$232,431**
Over/Under Adj. from C-7 page 7-8	**$9,473**	**0**	**$9,473**
2024 Projected Year End	**$208,932**	**$32,971**	**$241,903**

The trend factors are provided on MFR Schedule C-7 (2024) page 5. The factors used are in columns D & E of the C-7 schedule. Please refer to the response to Staff's Data Request 11 number 2 for forecasting methodology and support for the trend factors. The factors used for this account were payroll times customer growth for payroll accounts and inflation times customer growth for non-payroll accounts.

The $9,473 over/under adjustment for this account is described on MFR C-7 (2024,2025) page 7 and is related to a portion of a person's salary that was capitalized in 2023 to assist

with implementation of the new customer information system but is now performing operation and maintenance duties using the new field service management system within the new CIS system. Because the salary was not in 2023, the costs are over and above 2023 inflated for growth and inflation. Please refer to the file DR 11.8 EN403 change in duties for additional support.

9. Please refer to the total of line 25 of MFR Schedule C-7 (2024), page 1 of 4, and the total of line 25 of MFR Schedule C-7 (2025), page 1 of 8, for the following request. Please explain the factor(s) that lead to the increase in 2025 "Distribution Expenses" O&M expense over 2024.

Company Response:

As shown on MFR C-7, the amount is calculated as follows:

	Payroll	Non-Payroll	Total
2023 Actual Costs (C-7 (2023) p 2)	$192,138	$33,770	$225,908
Less Depreciation Expense included in Depreciation in MFR (C-7 (2023) p 2		(1,805)	(1,805)
Net Adjusted 2023	$192,138	$31,965	$224,103
Trend Factors for 2 years 2024 and 2025	1.0778	1.0586	
Trended Projection 2025 (rounding involved)	$207,081	$33,838	$240,918
Over/Under Adj. from C-7 page 7-8	$29,412	0	$29,412
2025 Projected Year End (rounding)	$236,493	$33,838	$270,330

The trend factors are provided on MFR Schedule C-7 (2024) page 5. The factors used are in

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columns D & E of the C-7 schedule. Please refer to the response to Staff's Data Request 11 number 2 for forecasting methodology and support for the trend factors. The factors used for this account were payroll times customer growth for payroll accounts and inflation times customer growth for non-payroll accounts.

The $29,412 over/under adjustment for this account is described on MFR C-7 (2024, 2025) page 7 and is related to a portion of a person's salary that was capitalized in 2023 to assist with implementation of the new customer information system but is now performing operation and maintenance duties using the new field service management system. Because the salary was not in 2023, the costs are over and above 2023 inflated for growth and inflation. Please refer to the file DR 11.8 EN403 change in duties for additional support.

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10. Please refer to the total of line 24 of MFR Schedule C-7 (2023), page 1 of 4, and the total of line 24 of MFR Schedule C-7 (2024), page 1 of 6, for the following request. Please explain the factor(s) that lead to the increase in 2024 “Misc Distribution O&M” expense over 2023.

Company Response:

There were no costs included on line 24 in either C-7 (2023) or C-7 (2024).

11. Please refer to the total of line 24 of MFR Schedule C-7 (2024), page 1 of 4, and the total of line 24 of MFR Schedule C-7 (2025), page 1 of 8, for the following request. Please explain the factor(s) that lead to the increase in 2025 “Misc Distribution” O&M expense over 2024.

Company Response:

There were no costs included on line 24 in either C-7 (2024) or C-7 (2025).

12. Please refer to MFR Schedule C-35, page 1 of 1, for the following requests.

a) Please refer to line 9. Please explain the factor(s) that lead to the increase in 2023 "Medical Insurance" benefit amount.

b) Please refer to line 14. Please explain the factor(s) that lead to the increase in 2024 "Worker's Compensation" benefit amount.

c) Please refer to line 16. Please explain the factor(s) that lead to the increase in 2025 "401K" benefit amount.

d) Please refer to line 18. Please explain the factor(s) that lead to the decrease in 2023 "Relocation Expenses".

e) Please refer to line 19. Please explain the factor(s) that lead to the decrease in 2023 "Retiree Benefits".

f) Please refer to line 20. Please explain the factor(s) that lead to the increase in 2023 "Other health-related benefits".

g) Please refer to line 20. Please explain the factor(s) that lead to the decrease in 2024 and 2025 "Other health-related benefits".

h) Please refer to line 21. Please explain the factor(s) that lead to the increase in 2023 "Other benefits" over 2022 and the decrease in 2024 "Other benefits" over 2023.

i) Please refer to line 21. Please detail and explain what costs are being recorded to "other benefits" for the 2023, 2024, and 2025 test years.

Company Response:

MFR Schedule C-35 is based on total Chesapeake costs and budgets, consistent with our last filing. Costs included in MFR C-7, which are used for the revenue requirement are based on trending for payroll increases, customer growth, and/or inflation. In addition, known

changes were included in the over/under adjustments detailed on MFR C-7 (2024, 2025) page 7 and 8. An additional schedule providing information related to only the electric division is also attached as DR 1.12 C-35 Electric.

However, the following responses relate to your questions on MFR Schedule C-35:

a. **Chesapeake is self-insured. Overall claims for employees and their dependents participating in Chesapeake's health care plans increased in 2023.**
b. **Workers' compensation expense reflect exposure for all claims for that given moment. The total claim volume fluctuates monthly as does the exposure based on medical bills, property damage and bodily injury settlements. The workmen's comp insurance amount in 2023 includes a reduction to adjust for prior years' claims dating back to 2021. The 2024 and 2025 budgeted amounts were forecasted for projected claims and does not include any forecasted reductions related to prior year claims.**
c. **The 2025 total corporate costs on this MFR were based on $7,180.68 per employee times the 1,335 employees. The 2024 amount was calculated based on $6,641.80 per employee.**
d. **Relocation expense is based on the number of new employees hired that qualify and meet the criteria to receive a relocation reimbursement as well as their salary level. In 2022, four employees received relocation reimbursement and in 2023, six employees received reimbursement. 2022 relocation expense is higher with slightly fewer employees because one of the employees was an executive which qualified for a higher amount of reimbursement.**
e. **Retiree benefits decreased from 2022 to 2023 as a person passed away and that person's benefit ended.**

f. **Factors contributing to the increase in other health-related benefits are health care savings contributions, accidental death & dismemberment insurance, and long-term and short-term disability insurance.**

g. **The amounts that increased 2023's expenses discussed in question 12f, were not all forecast forward for 2024 and 2025.**

h. **Other benefits for 2023 increased due to a new employee recognition platform named "Gratitude" which allows employees to express appreciation for each other which creates a positive work culture. The recipient of the gratitude gets to choose a reward. There was also a slight increase in car allowances and retirement gifts. The projections for 2024 did not include a forecast for all of these costs. For the amounts included, please refer to the response to question 12i.**

i. **Service awards, gratitude awards, safety awards, retirement gifts, and car allowances are included in other benefits.**

O & M COMPOUND MULTIPLIER CALCULATION

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: For each year since the benchmark year, provide the amounts and percent increases associated with customers and average CPI. Show the calculation for each compound multiplier.

COMPA FLORIDA PUBLIC UTILITIES
CONSOLIDATED GAS DIVISIONS

	Total Customers ELECTRIC			Average CPI-U (1982 = 100)			
Year	Amount	% Increase	Compound Multiplier	Amount	% Increase	Compound Multiplier	Inflation and Growth Compound Multiplier
2023	33,090		1.0000	304.702		1.0000	1.00000
2024 Forecast	33,188	0.30%	1.0030	313.352	2.84%	1.0284	1.03150
2025 Forecast	33,290	0.31%	1.0061	320.604	2.31%	1.0522	1.05860

Supporting Schedules:

Recap Schedules C-37

0.0271 Increase 2025

Actual CPI-U
http://data.bls.gov/timeseries/CUUR0000SA0

Forecast
http://www.statista.com/statistics/244993/projected-consumer-price-index-in-the-united-states/

FPSC EXH NO. 69

ADMITTED

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CPI-All Urban Consumers (Current Series)
Original Data Value

Series Id: CUUR0000SA0

Not Seasonally Adjusted

Series Title: All items in U.S. city average, all urban consumers, not seasonally adjusted
Area: U.S. city average
Item: All items
Base Period: 1982-84=100
Years: 2008 to 2018

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	HALF1	HALF2	Average	
2008	211.080	211.693	213.528	214.823	216.632	218.815	219.964	219.086	218.783	216.573	212.425	210.228	214.429	216.177	215.303	
2009	211.143	212.193	212.709	213.240	213.856	215.693	215.351	215.834	215.969	216.177	216.330	215.949	213.139	215.935	214.537	
2010	216.687	216.741	217.631	218.009	218.178	217.965	218.011	218.312	218.439	218.711	218.803	219.179	217.535	218.576	218.056	
2011	220.223	221.309	223.467	224.906	225.964	225.722	225.922	226.545	226.889	226.421	226.230	225.672	223.598	226.280	224.939	
2012	226.665	227.663	229.392	230.085	229.815	229.478	229.104	230.379	231.407	231.317	230.221	229.601	228.850	230.338	229.594	
2013	230.280	232.166	232.773	232.531	232.945	233.504	233.596	233.877	234.149	233.546	233.069	233.049	232.366	233.548	232.957	
2014	233.916	234.781	236.293	237.072	237.900	238.343	238.250	237.852	238.031	237.433	236.151	234.812	236.384	237.088	236.736	
2015	233.707	234.722	236.119	236.599	237.805	238.638	238.654	238.316	237.945	237.838	237.336	236.525	236.265	237.769	237.017	
2016	236.916	237.111	238.132	239.261	240.229	241.018	240.628	240.849	241.428	241.729	241.353	241.432	238.778	241.237	240.007	
2017	242.839	243.603	243.801	244.524	244.733	244.955	244.786	245.519	246.819	246.663	246.669	246.524	244.076	246.163	245.120	
2018	247.867	248.991	249.554	250.546	251.558	251.989	252.006	252.146	252.439	252.885	252.038	251.233	250.089	252.125	251.104	
2019	251.712	252.776	254.202	255.548	256.092	256.143	256.572	256.558	256.759	257.346	257.208	256.974	254.412	256.903	263.120	
2020	257.971	258.678	258.115	256.389	256.394	257.797	259.101	259.918	260.280	260.388	260.229	260.474	257.557	260.065	258.811	
2021	261.582	263.014	264.877	267.054	269.195	271.696	273.003	273.567	274.310	276.589	277.948	278.802	270.970	275.703	270.970	
2022	281.148	283.716	287.504	289.109	292.296	296.311	296.276	296.171	296.808	298.012	297.711	296.797	292.655	288.347	296.963	
2023	299.170	300.840	301.836	303.363	304.127	305.109	305.691	307.026	307.789	307.671	307.051	306.746	304.702	302.408	304.702	
2024	308.417	310.326	310.866	312.093	313.326	314.563	314.815	315.067	315.319	315.231	315.143	315.055			313.352	Per Noah Russel
2025	316.126	317.201	318.279	319.361	320.447	321.537	321.955	322.373	322.792	322.592	322.391	322.191			320.604	Per Noah Russel

Actual CPI-U
http://data.bls.gov/timeseries/CUUR0000SA0

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FPSC EXH NO. 69

ADMITTED

E872

		Salary Allocation	Benefit OH 38.9%	Payroll Tax	Total
GM 450-Director System Planning & Engineering		147,393			
2023 Allocation					
Capital	100.00%	147,393			
2024 Allocation					
Capital	44.00%	64,852.92			
Eight Flags	16.80%	24,762.02			
Electric Exp.	39.20%	57,778.06	22,475.66	4,420.02	84,673.74
Inlated for Growth and Inflation 2024		59,430.51	23,118.47	4,546.43	87,095.41
Inflated fpr Growth and Inflation 2025		61,041.08	23,744.98	4,669.64	89,455.70

2024 Restructure of Supervisor of Engineering (GM450) departmental duties resulting in increased expense allocations to electric due to additional time related to substation maintenance planning, more focus on vegetation management, transmission/distribution relay modifications, and monitoring feeder loading.

E872

MG 119 Department Damage Prevention

Because of more underground facilities, beginning in 2024, the Damage Prevention Department (MG119) is being allocated to the electric division. Costs are being spent in order to provide a more active presence on the website and to local activities to reinforce the need to call 811 and follow up when damages occur.

				FE expense			
2023 Salaries		539,362.35		32,901.10			
Inflate Growth and Inflation 2024		554,788.11		33,842.07			
Inflate Growth and Inflation 2025		569,822.87		34,759.20			
Allocation 2023							
capital	100%		0.389	Benefit OH			
			0.389	Benefit OH			
Allocation 2024:					6.10%		
FE Expense	6.10%			Benefit OH	Allocated	Payroll Tax	Allocated
		357,193	21,788.77		Electric		Electric
Portion of Above Related to Payroll		367,409	22,411.93				
Inflate Growth and Inflation 2024		377,365	23,019.30	142,921.99	8,718.24	28,106.77	1,714.51
Inflate Growth and Inflation 2025				146,795.18	8,954.51	28,868.46	1,760.98

E874

FPSC EXH NO. 69

ADMITTED

Current Expense being capitalized during implementation of tl

Function	CIS Position Num.	Dept #	Position Tracking	Employee Number	HC Type	Actual % time 1CX Jan-23	Actual % time 1CX Feb-23	Actual % time 1CX Mar-23	Actual % time 1CX Apr-23	Actual % time 1CX May-23	Actual % time 1CX Jun-23	Actual % time 1CX Jul-23	Actual % time 1CX Aug-23	Actual % time 1CX Sep-23	Actual % time 1CX Oct-23	Actual % time 1CX Nov-23	Actual % time 1CX Dec-23	Actual % time 1CX Avg
Operation:	43	EN403: Er	P0829-FPU-	90193	FTE	0%	0%	50%	45%	90%	88%	90%	78%	95%	100%	95%	70%	67%

Function	Actual $ Salary 1CX Jan-23	Actual $ Salary 1CX Feb-23	Actual $ Salary 1CX Mar-23	Actual $ Salary 1CX Apr-23	Actual $ Salary 1CX May-23	Actual $ Salary 1CX Jun-23	Actual $ Salary 1CX Jul-23	Actual $ Salary 1CX Aug-23	Actual $ Salary 1CX Sep-23	Actual $ Salary 1CX Oct-23	Actual $ Salary 1CX Nov-23	Actual $ Salary 1CX Dec-23	Actual $ Salary 1CX 2023	Dept #	% to FE00	FE00 1CX Salary	FE00 1CX IPP	$10,602 FE00 1CX Benefits	6.00% FE00 1CX 401k	FE00 1CX Other Overhead	7.65% FE00 1CX Payroll Tax	FE00 1CX Total Labor to Allocate
Operation:	-	-	2,178	2,677	5,344	5,169	5,317	6,904	5,612	5,907	5,612	4,135	48,856	EN403	56.2%	27,457	N/A	3,978	1,647		2,100	35,183

	FE	Total	
Account 588.1	27,457	48,856	56.20%
Account 926	5,626	10,010	
	2,100	3,738	
	35,183	62,604	

2024 FE	2024 Total	2025 FE	2025 Total
9,473	16,855	29,412	52,335
1,941	3,453	6,026	10,723
725	1,289	2,250	4,004
12,138	21,598	37,688	67,061

In 2023, this employee was working on a capital project which has been completed. The employee's duties will now be related to operating and maintenance projects. She will now work with the Field Service Management System that was part of the CIS conversion.

E874

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide the following Payroll and Fringe Benefits data for the historical test year and two prior years. If a projected test year is used, provide the same data for the projected test year and for prior years to include two historical years.

COMPANY: FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 20240099-EI

Type of Data Shown:
_x__ Projected Test Year Ended 12/31/25
_x__ Prior Year Ended 12/31/24
_x__ Historical Test Year Ended 12/31/23
Witness: Galtman

Line		12/31/2022			Historic Test Year 12/31/2023			Projected Test Year 12/31/2024			Projected Test Year 12/31/2025		
No.		Amount	% Increase	CPI	Amount	%Increase	CPI	Amount	%Increase	CPI	Amount	%Increase	CPI
1	Electric Division												
2													
3	Gross Payroll	6,775,527	N/A	9.59%	7,499,887	10.69%	2.61%	8,476,986	13.03%	2.84%	9,133,671	7.75%	2.31%
4	Gross Average Salary Per Employee	88,534	N/A	9.59%	91,295	3.12%	2.61%	99,554	9.05%	2.84%	106,021	6.50%	2.31%
5													
6	Fringe Benefits												
7													
8	Life Insurance	15,056	N/A	9.59%	1,197	-92.05%	2.61%	1,287	7.50%	2.84%	1,383	7.50%	2.31%
9	Medical Insurance	433,610	N/A	9.59%	707,367	63.13%	2.61%	760,417	7.50%	2.84%	817,457	7.50%	2.31%
10	Retirement Plan	(342,132)	N/A	9.59%	65,105	-119.03%	2.61%	(48,585)	-174.63%	2.84%	(48,883)	0.61%	2.31%
11	Employee Savings Plan	-	N/A	9.59%	-	0.00%	2.61%	-	0.00%	2.84%		0	2.31%
12	Federal Insurance Contributions Act	518,328	N/A	9.59%	603,429	16.42%	2.61%	648,821	7.52%	2.84%	700,350	7.94%	2.31%
13	Federal & State Unemployment Taxes	3,793	N/A	9.59%	4,149	9.38%	2.61%	4,306	3.78%	2.84%	4,455	3.46%	2.31%
14	Worker's Compensation	(2,454)	N/A	9.59%	27,009	-1200.62%	2.61%	28,058	3.89%	2.84%	29,773	6.11%	2.31%
15	Other-Specify			9.59%	-		2.61%			2.84%		0.00%	2.31%
16	401K	460,543	N/A	9.59%	569,038	23.56%	2.61%	591,768	3.99%	2.84%	657,600	11.12%	2.31%
17	Tuition Reimbursement	886	N/A	9.59%	1,028	16.04%	2.61%	1,105	7.50%	2.84%	1,188	7.50%	2.31%
18	Relocation Expenses	65,796	N/A	9.59%	19,008	100.00%	2.61%	20,434	7.50%	2.84%	21,967	7.50%	2.31%
19	Other health-related benefits (Note 1)	89,569	N/A	9.59%	14,541	-83.77%	2.61%	15,631	7.50%	2.84%	16,804	7.50%	2.31%
20	Other benefits (Note 2)	38,239	N/A	9.59%	45,239	18.31%	2.61%	48,632	7.50%	2.84%	52,280	7.50%	2.31%
21			N/A	9.59%		0.00%	2.61%		0.00%	2.84%	-	0.00%	2.31%
22	Sub Total-Fringes	1,281,233	N/A	9.59%	2,057,111	60.56%	2.61%	2,071,875	0.72%	2.84%	2,254,373	8.81%	2.31%
23													
24	Total Payroll and Fringes	8,056,760	N/A	9.59%	9,556,998	18.62%	2.61%	10,548,860	10.38%	2.84%	11,388,043	7.96%	2.31%
25													
26	Average Employees	77	N/A		82	7.34%		85	3.65%		86	1.17%	
27													
28	Payroll and Fringes Per Employee	105,276	N/A	9.59%	116,336	10.51%	2.61%	123,886	6.49%	2.84%	132,189	6.70%	2.31%
29													
30													
31	Note 1: Includes employee assistance program costs, family medical leave, long-term care and disability insurance.												
32	Note 2: Includes service awards, safety awards, and car allowances.												
33													
34													
35													

Supporting Schedules: Recap Schedules:

E875

FPSC EXH NO. 70
ADMITTED

70

FPUC's Response to Staff's Twelfth Data Request (Nos. 1-4)

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition for rate increase by Florida Public Utilities Company.	DOCKET NO. 20240099-EI

FPUC'S RESPONSES TO STAFF'S TWELFTH SET OF DATA REQUESTS

1. Referring to FPUC's responses in staff's third data request, please provide a response to question #2 regarding the term of the TCRR (e.g.: 2025-2030, 2025-2035 etc.) and its intended implementation date.

Company Response:

The Company expects the first use of the TCRR would be in late 2026 or 2027 and continue until the Company's next rate case when the investment and costs would be incorporated into base rates.

2. Referring to FPUC's response in staff's third data request #4, please expand upon the statement that "the technology being implemented is ultimately necessary and will provide well-defined befits to customers."

Company Response:

As noted in the third set of data requests, question #1, the Company anticipates utilizing the TCRR to recover an investment in an Enterprise Resource Planning System (ERP) which will be integrated with the Customer Information System that was placed into service during 2024. The Company currently executes its financial processes (including treasury management), supply chain processes, asset management processes and human resources processes using a number of manual processes. As a result, the Company has implemented a number of manual processes to transfer data between applications, facilitate data

reporting and analytics and ensure that the appropriate level of internal controls are in place. Additionally, with multiple technology applications the effort to ensure the appropriate level of cyber security is maintained is increased to ensure that the appropriate level of security is maintained for each application.

With the implementation of the CIS application, the Company has begun to transition its technology to a single platform that utilizes a consistent process across all of its business units, streamlines internal controls, and centralizes cyber-security processes that currently are executed across multiple business units using multiple applications. In connection with this initiative, the Company has selected SAP as the ERP platform. Implementation of an ERP is intended to eliminate manual processes, integrate processing and data processing and increase efficiency of internal controls across multiple operating cycles, including: human resources, supply chain, enterprise asset management, revenue and finance. The Company expects that the implementation of this technology will streamline operations, improve reporting and analytics, and increase the level of controls within its operations. This will result in an improved level of control and cost sharing across CUC's business units which will benefit its customers.

3. Referring to the First Revised Sheet No. 23 (legislative version)/proposed Sheet No. 6.012 (clean version), regarding deposits for binding cost estimates for undergrounding facilities, please provide reasons for the proposed revisions to deposit amounts for new construction and for conversions.

Company Response:

The new deposit amounts have been updated to reflect the changes in labor and transportation costs since 2014 when the existing deposits were developed. The detail was

provided as Exhibit "WH-4" to Witness Haffecke's testimony, which is reattached here for convenience.

4. Referring to Sheet No. 6.023 regarding temporary service charges, please explain why FPUC is proposing a Temporary Service charge of $135.00 when Schedule E-7, page 6 of 6 calculations indicates the actual cost to be $128.57.

Company Response:

After review, it was determined that the Administrative labor was input at .2 hours instead of the actual .25 hour. With this correction, the actual total cost would be $132.74 which we rounded up to $135.

FPSC EXH NO. 70

ADMITTED

E880

NEW CONSTRUCTION DEPOSITS

Exhibit: "WH-4"
Docket #20240099-EI
William Haffecke

Per Hour Labor Cost:	$ 60.57	*Average Lineworker cost ($37.16) plus Overhead of 63%*

Engineering Rate:	15% of Total Labor Costs

Materials (OH 1 Mile - Urban Commercial) *Assumes 3PH Line Extension to Single Customer*					
Item	Hours/Unit	Amount	Unit Type	Total Hours	Note and assumptions
Poles and Fixtures	1.5	28	Per Pole	42	45/1 Poles and Standard Fixtures (1 pole per 200')
OH Wire and Devices	2.5	27	Per Span	52	Wire Only
Insulator	0.5	28	Per Pole	14	3 Insulators per pole
Grounding	0.5	28	Per Pole	14	Grounding and Rod
OH Transformer Bank	3	1	Per Pole	3	Assumes one 3PH customer 150 kVA Bank
		Total Hours:		125	
		Total Lineworkers:		4	
		Total Cost:		$ 30,285.00	
		Engineering:		$ 4,542.75	

Materials (OH 1 Mile - Urban Residential) *Assumes 1PH Line Extension to Single Customer*					
Item	Hours/Unit	Amount	Unit Type	Total Hours	Note and assumptions
Poles and Fixtures	1	28	Per Pole	28	40/1 Poles and Standard Fixtures (1 pole per 200')
OH Wire and Devices	1.5	27	Per Span	52	Wire Only
Insulator	0.1	28	Per Pole	2.8	1 Insulators per pole
Grounding	0.5	28	Per Pole	14	Grounding and Rod
OH Transformer Bank	1	1	Per Pole	1	Assumes one transformer 50kVA or less
		Total Hours:		97.8	
		Total Lineworkers:		4	
		Total Cost:		$ 23,694.98	
		Engineering:		$ 3,554.25	

Materials (OH 1 Mile - Urban Residential) *Assumes 1PH Line Extension to Single Customer*					
Item	Hours/Unit	Amount	Unit Type	Total Hours	Note and assumptions
Poles and Fixtures	1	23	Per Pole	23	40/1 Poles and Standard Fixtures (1 pole per 250')
OH Wire and Devices	1.5	22	Per Span	52	Wire Only
Insulator	0.1	23	Per Pole	2.3	1 Insulators per pole
Grounding	0.5	23	Per Pole	11.5	Grounding and Rod
OH Transformer Bank	1	1	Per Pole	1	Assumes one transformer 50kVA or less
		Total Hours:		89.8	
		Total Lineworkers:		4	
		Total Cost:		$ 21,756.74	
		Engineering:		$ 3,263.51	

E880

CONVERSION DEPOSITS

Exhibit: "WH-4"
Docket #20240099-EI
William Haffecke
Page 2 of 3

Per Hour Labor Cost:	$ 60.57	*Average Lineworker cost ($37.16) plus Overhead of 63%*

Engineering Rate:	15% of Total Labor Costs

Materials (OH 1 Mile - Urban Commercial) *Assumes 3PH Line Conversion for Single Customer*					
Item	Hours/Unit	Amount	Unit Type	Total Hours	Note and assumptions
Poles and Fixtures	1.5	28	Per Pole	42	45/1 Poles and Standard Fixtures (1 pole per 200')
OH Wire and Devices	2.5	27	Per Span	52	Wire Only
Insulator	0.5	28	Per Pole	14	3 Insulators per pole
Grounding	0.5	28	Per Pole	14	Grounding and Rod
OH Transformer Bank	3	1	Per Pole	3	Assumes one 3PH customer 150 kVA Bank
		Total Hours:		125	
		Removal Hour		62.5	*Estimated at 1/2 the Installation Estimate
		Total Lineworkers:		4	
		Total Labor Cost:		$ 45,427.50	
		Engineering:		$ 6,814.13	

Materials (OH 1 Mile - Urban Residential) *Assumes 1PH Line Extension to Single Customer*					
Item	Hours/Unit	Amount	Unit Type	Total Hours	Note and assumptions
Poles and Fixtures	1	28	Per Pole	28	40/1 Poles and Standard Fixtures (1 pole per 200')
OH Wire and Devices	1.5	27	Per Span	52	Wire Only
Insulator	0.1	28	Per Pole	2.8	1 Insulators per pole
Grounding	0.5	28	Per Pole	14	Grounding and Rod
OH Transformer Bank	1	1	Per Pole	1	Assumes one transformer 50kVA or less
		Total Hours:		97.8	
		Removal Hour		48.9	*Estimated at 1/2 the Installation Estimate
		Total Lineworkers:		4	
		Total Cost:		$ 35,542.48	
		Engineering:		$ 5,331.37	

Materials (OH 1 Mile - Rural Residential) *Assumes 1PH Line Conversion for Single Customer*					
Item	Hours/Unit	Amount	Unit Type	Total Hours	Note and assumptions
Poles and Fixtures	1	23	Per Pole	23	40/1 Poles and Standard Fixtures (1 pole per 250')
OH Wire and Devices	1.5	22	Per Span	52	Wire Only
Insulator	0.1	23	Per Pole	2.3	1 Insulators per pole
Grounding	0.5	23	Per Pole	11.5	Grounding and Rod
OH Transformer Bank	1	1	Per Pole	1	Assumes one transformer 50kVA or less
		Total Hours:		89.8	
		Removal Hours:		44.9	*Estimated at 1/2 the Installation Estimate
		Total Lineworkers:		4	
		Total Cost:		$ 32,635.12	
		Engineering:		$ 4,895.27	

CONVERSION DEPOSITS (continued)

Low Density per Lot Estimate (assumes service to ≈ 100 Lots - 4 sevices per Transformer)					
Item	Hours/Unit	Amount	Unit Type	Total Hours	Note and assumptions
Poles and Fixtures	1	25	Per Pole	25	Assumes 1 40/1 pole per 4 lots
OH Wire and Devices	1.5	24	Per Span	52	Wire Only
Insulator	0.1	25	Per Pole	2.5	1 Insulators per pole
Grounding	0.5	25	Per Pole	12.5	Grounding and Rod
OH Transformer Bank	25	1	Per Service	25	Assumes one transformer 50kVA or less per lot
		Total Hours:		117	
		Removal Hour		58.5	*Estimated at 1/2 the Installation Estimate
		Total Lineworkers:		4	
		Total Cost:		$ 42,520.14	
		Engineering:		$ 6,378.02	
		ENG PER LOT:		$ 63.78	Assuming 100 Lots

High Density per Lot Estimate (assumes service to 150 Lots - 6 services per transformer)					
Item	Hours/Unit	Amount	Unit Type	Total Hours	Note and assumptions
Poles and Fixtures	1	25	Per Pole	25	Assumes 1 40/1 pole per 6 lots
OH Wire and Devices	1.5	24	Per Span	52	Wire Only
Insulator	0.1	25	Per Pole	2.5	1 Insulators per pole
Grounding	0.5	25	Per Pole	12.5	Grounding and Rod
OH Transformer Bank	25	1	Per Pole	25	Assumes one transformer 50kVA or less per lot
		Total Hours:		117	
		Removal Hour		58.5	*Estimated at 1/2 the Installation Estimate
		Total Lineworkers:		4	
		Total Cost:		$ 42,520.14	
		Engineering:		$ 6,378.02	
		ENG PER LOT:		$ 42.52	Assuming 150 Lots

Lot Calculation
One side of a 1 acre square lot ≈ 210'
Acres in one straight mile ≈ 25 (5280/210)
High Density 6 Dwellings per Acre
Low Density 4 Dwellings per Acre
Assume 1 Lot per Dwelling

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FPUC's Response to Staff's Thirteenth Data Request (Nos. 1-9)

(Including All Attachments)

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition for rate increase by Florida Public Utilities Company.	DOCKET NO. 20240099-EI

FPUC'S RESPONSES TO STAFF'S THIRTEENTH SET OF DATA REQUESTS

Trend Factor Issue (Issue 4)

1. Please refer to the direct testimony of witness Michelle Napier, page 20, lines 4-19.

   Please provide a definition of the CPI used by the utility to determine its (non-payroll) inflation trend factor. Address in your response what inputs are incorporated to arrive at average CPI.

Company Response:

Historical CPI is based on a U.S. city average of all urban consumers which is not seasonally adjusted. The Company used the December 31, 2023 Bloomberg Weighted Average CPI Forecast to calculate average CPI for 2024 and 2025. These forecasts are derived from the latest monthly and quarterly surveys conducted by Bloomberg and from forecasts submitted by various banks. By using the Bloomberg Weighted Average, the Company is incorporating more than 40 different economist's expectations to calculate average CPI. No other sources of forecasted average CPI were considered as alternatives. The Company believes the average of multiple economists' expectations appropriately incorporates various expectations into the CPI forecast used for 2024 and 2025.

E884

2. Please refer to the direct testimony of witness Michelle Napier, page 20, lines 4-19.

Please identify what date(s) and source(s) of CPI was(were) used to develop the 2024 and 2025 values shown on MFR Schedule C-33, Performance Indices.

Company Response:

Please refer to the response to number 1 and the attached file DR 13.2 CPI data. For the forecast periods, the Bloomberg Weighted Average CPI Forecast was used.

3. Using the source specified in the response to question 2 on the previous page, provide the most recent forecast of average CPI for 2024 and 2025 and the date of the data source relied upon to calculate it.

Company Response:

Please refer to the response to 1 and 2. Please refer to the attached file "DR 13.3 Updated CPI data" for the most recent CPI forecast. This reflects actual CPI data through October 2024 and forecasted data for November 2024 – December 2025. The Company used the September 30, 2024 Bloomberg Weighted Average CPI Forecast to generate the updated amounts for this request.

The updated amounts reflected in DR 13.3 are not materially different from what was used in the rate case filing.

4. Please refer to the direct testimony of witness Michelle Napier, page 20, lines 15-16.

   a) Please describe how FPUC determined that the proposed inflation trend factor, based on average CPI, is the "most appropriate" trend factor to use in this proceeding.

   b) Discuss whether FPUC considered other sources for an inflation trend factor, including, but not limited to, the PCE (Personal Consumption Expenditures Price Index). Address in your response how the utility evaluated the reasonableness of the average CPI it used against other sources.

Company Response:

a. **Average CPI is the trend factor that was used and approved in FPUC's last electric rate case, as well as the Company's 2022 Florida natural gas rate case. We reviewed these factors based on the actual account data and found the type of factors used historically to be reflective of past changes. Moreover, it was consistent with our last electric filing and gas rate case, which promotes consistency across all of our Florida regulated operations. Anything that would change the trended data, either up or down outside of these trends, was reflected in the over/under adjustments in MFR C-7 (2024, 2025) page 7 and 8. As discussed below in part b, CPI and PCE would produce a similar result based on the September 30, 2024 forecasts.**

b. **As discussed in response to No. 1 herein, no other sources of forecasted average CPI were considered as alternatives. However, as demonstrated in the attached file "DR 13.4 CPI vs PCE" both CPI and PCE would produce a similar trend factor for this proceeding.**

   Furthermore, the 2025 2.31 percent increase used in this proceeding is in line with

Federal Reserve Chair Jerome Powell's targeted rate for inflation.

Miscellaneous Service Revenue (Issue 27)

5. Please refer to MFR Schedule E-13b (for the Projected Test Year ended 12/31/25), to answer the following questions:

a) MFR Schedule E-13b (Page 1 of 1) for the Projected Test Year Ended 12/31/2025 reflects that the utility is projecting 289 service charge transactions for Type 1 service charges (Initial Establishment of Service). Please state the number of transactions that were recorded for this metric in each of the years between 2020 – 2023 (actuals), and the number estimated for 2024.

b) MFR Schedule E-13b (Page 1 of 1) for the Projected Test Year Ended 12/31/2025 reflects that the utility is projecting 3,619 service charge transactions for Type 2 service charges (Re-established Service or Make Changes to Existing Account). Please state the number of transactions that were recorded for this metric in each of the years between 2020 – 2023 (actuals), and the number estimated for 2024.

c) MFR Schedule E-13b (Page 1 of 1) for the Projected Test Year Ended 12/31/2025 reflects that the utility is projecting 304 service charge transactions for Type 3 service charges (Temporary Disconnect then Reconnect Service Due To Customer Request). Please state the number of transactions that were recorded for this metric in each of the years between 2020 – 2023 (actuals), and the number estimated for 2024.

d) MFR Schedule E-13b (Page 1 of 1) for the Projected Test Year Ended 12/31/2025 reflects that the utility is projecting 245 service charge transactions for Type 4 service charges (Reconnect after Disconnect for Rule Violation in normal hours).

Please state the number of transactions that were recorded for this metric in each of the years between 2020 – 2023 (actuals), and the number estimated for 2024.

e) MFR Schedule E-13b (Page 1 of 1) for the Projected Test Year Ended 12/31/2025 reflects that the utility is projecting 6 service charge transactions for Type 5 service charges (Reconnect after Disconnect for Rule Violation after hours). Please state the number of transactions that were recorded for this metric in each of the years between 2020 – 2023 (actuals), and the number estimated for 2024.

f) MFR Schedule E-13b (Page 1 of 1) for the Projected Test Year Ended 12/31/2025 reflects that the utility is projecting 1,973 service charge transactions for Type 6 service charges (Collection Charge). Please state the number of transactions that were recorded for this metric in each of the years between 2020 – 2023 (actuals), and the number estimated for 2024.

g) MFR Schedule E-13b (Page 1 of 1) for the Projected Test Year Ended 12/31/2025 reflects that the utility is projecting 0 service charge transactions for Type 7 service charges (Temporary Service). Please state the number of transactions that were recorded for this metric in each of the years between 2020 – 2023 (actuals), and the number estimated for 2024.

h) MFR Schedule E-13b (Page 1 of 1) for the Projected Test Year Ended 12/31/2025 reflects that the utility is projecting 1,179 service charge transactions for Type 8 service charges (Returned Check Charge). Please state the number of transactions that were recorded for this metric in each of the years between 2020 – 2023 (actuals), and the number estimated for 2024.

i) MFR Schedule E-13b (Page 1 of 1) for the Projected Test Year Ended 12/31/2025 reflects that the utility is projecting 1,437 service charge transactions for Type 9 service charges (Miscellaneous Allowance and Adjustments). Please state the number of transactions that were recorded for this metric in each of the years between 2020 – 2023 (actuals), and the number estimated for 2024.

Company Response:

a. **Please refer to the attached file "DR 13.5 2020-2024 Misc Service fees".**
b. **Please refer to the file referenced in 5a above.**
c. **Please refer to the file referenced in 5a above.**
d. **Please refer to the file referenced in 5a above.**
e. **Please refer to the file referenced in 5a above.**
f. **Please refer to the file referenced in 5a above.**
g. **Please refer to the file referenced in 5a above.**
h. **Please refer to the file referenced in 5a above.**
i. **Please refer to the file referenced in 5a above.**
j. **Please refer to the file referenced in 5a above.**

6. Please refer to MFR Schedule C-5 for the Prior Year Ended 12/21/24 (Line 19), which reflects that the Jurisdictional Miscellaneous Service Revenue for that period was $162,665. Please demonstrate the calculation of this amount.

Company Response:

Please refer to the attached file DR 13.6 2024 Estimated Revenue.

7. Please refer to MFR Schedule C-5 for the Historical Prior Year Ended 12/21/23 (Line 19), which reflects that the Jurisdictional Miscellaneous Service Revenue for that period was

$213,028. Please demonstrate the calculation of this amount.

Company Response:

Please refer to the attached file DR 13.7 2023 Misc Revenue.

Conservation Clause Removal (Issue 31)

8. Please refer to MFR Schedule C-2 (for the Projected Test Year ended 12/31/25), and explain how FPUC determined the Conservation Revenue adjustment of ($883,887) presented in Column 2.

Company Response:

To forecast the revenue for the conservation clause, the forecast billing determinants of number of customers and kilowatt hours were multiplied by the 2024 approved conservation rate. The regulatory assessment fee amount was calculated on the forecast revenue. The difference between the revenue and the regulatory assessment fee of $883,887 was projected to be the conservation expenses plus either the under or over-recovery true up amount. On MFR C-7 (2025) accounts 906-910 are specifically conservation related. Therefore, these expenses were adjusted in the forecast to equal $883,138 and Taxes Other Than Income Tax was adjusted by $749 in order to project a zero effect on base rates which is the goal of the clause. The Company further notes that, on a historical basis, the Company segregates conservation revenue and expenses from base revenue and expenses by recording these costs in separate accounts. As in the conservation clause docket, if the costs and expenses are not the same, the over or under amount is recorded as an over or under-recovery. Therefore, the conservation clause has a zero effect on base rate calculations.

9. Please refer MFR Schedule C-2 (for the Projected Test Year ended 12/31/25), and describe the “Other” Operating Expense of ($883,138) presented in Column 2. Include in your response how FPUC determined the adjustment amount ($883,138).

Company Response:

Please refer to the response to question number 8.

FPSC EXH NO. 71

ADMITTED

CPI-All Urban Consumers (Current Series)
Original Data Value

Series Id: CUUR0000SA0

Not Seasonally Adjusted

Series Title: All items in U.S. city average, all urban consumers, not seasonally adjusted
Area: U.S. city average
Item: All items
Base Period: 1982-84=100
Years: 2008 to 2018

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	HALF1	HALF2	Average	
2008	211.080	211.693	213.528	214.823	216.632	218.815	219.964	219.086	218.783	216.573	212.425	210.228	214.429	216.177	215.303	
2009	211.143	212.193	212.709	213.240	213.856	215.693	215.351	215.834	215.969	216.177	216.330	215.949	213.139	215.935	214.537	
2010	216.687	216.741	217.631	218.009	218.178	217.965	218.011	218.312	218.439	218.711	218.803	219.179	217.535	218.576	218.056	
2011	220.223	221.309	223.467	224.906	225.964	225.722	225.922	226.545	226.889	226.421	226.230	225.672	223.598	226.280	224.939	
2012	226.665	227.663	229.392	230.085	229.815	229.478	229.104	230.379	231.407	231.317	230.221	229.601	228.850	230.338	229.594	
2013	230.280	232.166	232.773	232.531	232.945	233.504	233.596	233.877	234.149	233.546	233.069	233.049	232.366	233.548	232.957	
2014	233.916	234.781	236.293	237.072	237.900	238.343	238.250	237.852	238.031	237.433	236.151	234.812	236.384	237.088	236.736	
2015	233.707	234.722	236.119	236.599	237.805	238.638	238.654	238.316	237.945	237.838	237.336	236.525	236.265	237.769	237.017	
2016	236.916	237.111	238.132	239.261	240.229	241.018	240.628	240.849	241.428	241.729	241.353	241.432	238.778	241.237	240.007	
2017	242.839	243.603	243.801	244.524	244.733	244.955	244.786	245.519	246.819	246.663	246.669	246.524	244.076	246.163	245.120	
2018	247.867	248.991	249.554	250.546	251.558	251.989	252.006	252.146	252.439	252.885	252.038	251.233	250.089	252.125	251.104	
2019	251.712	252.776	254.202	255.548	256.092	256.143	256.572	256.558	256.759	257.346	257.208	256.974	254.412	256.903	263.120	
2020	257.971	258.678	258.115	256.389	256.394	257.797	259.101	259.918	260.280	260.388	260.229	260.474	257.557	260.065	258.811	
2021	261.582	263.014	264.877	267.054	269.195	271.696	273.003	273.567	274.310	276.589	277.948	278.802	270.970	275.703	270.970	
2022	281.148	283.716	287.504	289.109	292.296	296.311	296.276	296.171	296.808	298.012	297.711	296.797	292.655	288.347	296.963	
2023	299.170	300.840	301.836	303.363	304.127	305.109	305.691	307.026	307.789	307.671	307.051	306.746	304.702	302.408	304.702	
2024	308.417	310.326	310.866	312.093	313.326	314.563	314.815	315.067	315.319	315.231	315.143	315.055			313.352	Per Noah Russel testimony
2025	316.126	317.201	318.279	319.361	320.447	321.537	321.955	322.373	322.792	322.592	322.391	322.191			320.604	Per Noah Russel testimony

Actual CPI-U
http://data.bls.gov/timeseries/CUUR0000SA0

CPI for All Urban Consumers (CPI-U)
1-Month Percent Change

Series Id:	CUUR0000SA0
Not Seasonally Adjusted	
Series Title:	All items in U.S. city average, all urban consumers, not
Area:	U.S. city average
Item:	All items
Base Period:	1982-84=100
Years:	2010 to 2024

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2010	0.3	0.0	0.4	0.2	0.1	-0.1	0.0	0.1	0.1	0.1	0.0	0.2
2011	0.5	0.5	1.0	0.6	0.5	-0.1	0.1	0.3	0.2	-0.2	-0.1	-0.2
2012	0.4	0.4	0.8	0.3	-0.1	-0.1	-0.2	0.6	0.4	0.0	-0.5	-0.3
2013	0.3	0.8	0.3	-0.1	0.2	0.2	0.0	0.1	0.1	-0.3	-0.2	0.0
2014	0.4	0.4	0.6	0.3	0.3	0.2	0.0	-0.2	0.1	-0.3	-0.5	-0.6
2015	-0.5	0.4	0.6	0.2	0.5	0.4	0.0	-0.1	-0.2	0.0	-0.2	-0.3
2016	0.2	0.1	0.4	0.5	0.4	0.3	-0.2	0.1	0.2	0.1	-0.2	0.0
2017	0.6	0.3	0.1	0.3	0.1	0.1	-0.1	0.3	0.5	-0.1	0.0	-0.1
2018	0.5	0.5	0.2	0.4	0.4	0.2	0.0	0.1	0.1	0.2	-0.3	-0.3
2019	0.2	0.4	0.6	0.5	0.2	0.0	0.2	0.0	0.1	0.2	-0.1	-0.1
2020	0.4	0.3	-0.2	-0.7	0.0	0.5	0.5	0.3	0.1	0.0	-0.1	0.1
2021	0.4	0.5	0.7	0.8	0.8	0.9	0.5	0.2	0.3	0.8	0.5	0.3
2022	0.8	0.9	1.3	0.6	1.1	1.4	0.0	0.0	0.2	0.4	-0.1	-0.3
2023	0.8	0.6	0.3	0.5	0.3	0.3	0.2	0.4	0.2	0.0	-0.2	-0.1
2024 - Actual / Forecast	0.5	0.6	0.6	0.4	0.2	0.0	0.1	0.1	0.2	0.1	(0.2)	(0.2)
2025 - Forecast	0.5	0.5	0.5	0.3	0.3	0.3	0.0	0.0	0.0	0.0	0.0	0.0

US Consumer Price Index (YoY %) Bloomberg
95) Chart 96) Histogram Economic Forecasts: Contributors
United States Browse Consumer Prices (YoY%) Yearly Quarterly
Q3 24 Actual 2.6 Q3 24 Forecast 2.6

	Q3 24	Q4 24	Q1 25	Q2 25	Q3 25	Q4 25	Q1 26	Q2 26
Median	2.6	2.5	2.2	2.1	2.3	2.3	2.3	
Mean	2.6	2.6	2.3	2.2	2.4	2.4	2.4	
Bloomberg Weighted Average	2.6	2.5	2.3	2.2	2.3	2.4	2.4	
High	2.6	3.5	4.0	5.0	5.0	4.9	3.2	
Low	2.6	2.2	1.7	1.6	1.8	1.9	2.0	
Responses	5	53	53	53	53	52	31	
Oct. Survey		2.5	2.2	2.2	2.3	2.3	2.3	
Sept. Survey	2.6	2.5	2.1	2.1	2.2	2.3	2.2	

CPI for All Urban Consumers (CPI-U)
Original Data Value

Series Id:	CUUR0000SA0
Not Seasonally Adjusted	
Series Title:	All items in U.S. city average, all urban consumers, not
Area:	U.S. city average
Item:	All items
Base Period:	1982-84=100
Years:	2010 to 2022

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Average
2010	216.687	216.741	217.631	218.009	218.178	217.965	218.011	218.312	218.439	218.711	218.803	219.179	218.056
2011	220.223	221.309	223.467	224.906	225.964	225.722	225.922	226.545	226.889	226.421	226.230	225.672	224.939
2012	226.665	227.663	229.392	230.085	229.815	229.478	229.104	230.379	231.407	231.317	230.221	229.601	229.594
2013	230.280	232.166	232.773	232.531	232.945	233.504	233.596	233.877	234.149	233.546	233.069	233.049	232.957
2014	233.916	234.781	236.293	237.072	237.900	238.343	238.250	237.852	238.031	237.433	236.151	234.812	236.736
2015	233.707	234.722	236.119	236.599	237.805	238.638	238.654	238.316	237.945	237.838	237.336	236.525	237.017
2016	236.916	237.111	238.132	239.261	240.229	241.018	240.628	240.849	241.428	241.729	241.353	241.432	240.007
2017	242.839	243.603	243.801	244.524	244.733	244.955	244.786	245.519	246.819	246.663	246.669	246.524	245.120
2018	247.867	248.991	249.554	250.546	251.588	251.989	252.006	252.146	252.439	252.885	252.038	251.233	251.107
2019	251.712	252.776	254.202	255.548	256.092	256.143	256.571	256.558	256.759	257.346	257.208	256.974	255.657
2020	257.971	258.678	258.115	256.389	256.394	257.797	259.101	259.918	260.280	260.388	260.229	260.474	258.811
2021	261.582	263.014	264.877	267.054	269.195	271.696	273.003	273.567	274.310	276.589	277.948	278.802	270.970
2022	281.148	283.716	287.504	289.109	292.296	296.311	296.276	296.171	296.808	298.012	297.711	296.797	292.655
2023	299.170	300.840	301.836	303.363	304.127	305.109	305.691	307.026	307.789	307.671	307.051	306.746	304.702
2024 - Actual / Forecast	308.417	310.326	312.332	313.548	314.069	314.175	314.540	314.796	315.301	315.664	314.970	314.277	313.535
2025 - Forecast	315.881	317.494	319.115	320.041	320.969	321.900	322.021	322.142	322.264	322.366	322.468	322.571	320.769
2022- Quarterly Year Over Year Change	[redacted]		8.0%	[redacted]		8.6%	[redacted]		8.3%	[redacted]		7.1%	
2023- Quarterly Year Over Year Change			5.8%			4.0%			3.5%			3.2%	
2024- Quarterly Year Over Year Change			3.2%			3.2%			2.6%			2.5%	

E893

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ADMITTED

Bureau of Labor Statistics

E894

2025 - Quarterly Year Over Year Change [redacted] 2.3% [redacted] 2.2% [redacted] 2.3% [redacted] 2.4%

Compound Multiplier Calculation

Year	Amount	% Increase	Compound Multiplier
2023	304.702		1.0000
2024	313.535	2.90%	1.0290
2025	320.769	2.31%	1.0527

E894

FPSC EXH NO. 71

ADMITTED

Inflation Forecasts
CPI vs. PCE

EHPIUS 2.60 As Of 09/30/24 Percent
US Consumer Price Index (YoY %) Bloomberg

95) Chart 96) Histogram Economic Forecasts: Contributors

United States Browse Consumer Prices (YoY%) Yearly Quarterly

Q3 24 Actual 2.6 Q3 24 Forecast 2.6

	Q3 24	Q4 24	Q1 25	Q2 25	Q3 25	Q4 25	Q1 26	Q2 26
Median	2.6	2.5	2.2	2.1	2.3	2.3	2.3	
Mean	2.6	2.6	2.3	2.2	2.4	2.4	2.4	
Bloomberg Weighted Average	2.6	2.5	2.3	2.2	2.3	2.4	2.4	
High	2.6	3.5	4.0	5.0	5.0	4.9	3.2	
Low	2.6	2.2	1.7	1.6	1.8	1.9	2.0	
Responses	5	53	53	53	53	52	31	
Oct. Survey		2.5	2.2	2.2	2.3	2.3	2.3	
Sept. Survey	2.6	2.5	2.1	2.1	2.2	2.3	2.2	

GDPCPRIY 2.3 As Of 09/30/24 %
US GDP Personal Consumption Price Index... Bureau of Economic Analysis

95) Chart 96) Histogram Economic Forecasts: Contributors

United States Browse PCE Price Index (YoY%) Yearly Quarterly

Q3 24 Actual 2.3 Q3 24 Forecast 2.3

	Q3 24	Q4 24	Q1 25	Q2 25	Q3 25	Q4 25	Q1 26	Q2 26
Median	2.3	2.4	2.1	2.0	2.1	2.1	2.0	
Mean	2.3	2.4	2.2	2.1	2.1	2.2	2.1	
Bloomberg Weighted Average	2.3	2.4	2.2	2.1	2.1	2.2	2.1	
High	3.4	3.0	5.5	4.7	4.8	4.7	3.2	
Low	2.0	2.0	1.7	1.5	1.6	1.5	1.8	
Responses	52	52	51	51	51	52	37	
Oct. Survey	2.2	2.3	2.1	2.0	2.1	2.1	2.1	
Sept. Survey	2.3	2.3	2.0	1.9	2.0	2.1	2.0	

FPSC EXH NO. 71

ADMITTED

E896

	Tariff Description	Revenue Code	Revenue Code Description		*2020*	*2021*	*2022*	*2023*	*Actual 1/24 to 8/24*	*Projected 2024*	
a	1. Initial establishment of service	ESET	Elec Initial Est Service	$61	495	291	301	443	164	288	Note: 2024 was estimated based on the first quarter of 2024 actuals
b	2. Re-establish or Make Change to Account	ECONN	Elec Re-Est Service or Change	$26	4,653	4,710	4,121	4,124	2,261	3,608	Note: 2024 was estimated based on the first quarter of 2024 actuals
c	3. Temporary disconnect then reconnect Service	EUPGD	Elec Temp Disc/Re-Connect	$65	294	237	277	314	180	303	
d	4. Reconnection of Service -Reconnect After Disconnect for Rule Violation(normal hours)	ESONP	Elec -Connect Non Pay	$52	181	196	160	295	247	244	
e	5. . Reconnection of Service- After Disconnect for Rule Violation(after hours)	SONPA	Elec -Connect Non Pay Aft Hrs	$178	1	1	3	11	5	6	
f	7. Collection Charge	MSBC	Misc Service Rev-Bill Collect	$16	1,106	2,040	2,305	1,959	1,827	1,967	
g	Temporary Facility			$85							
h	Returned Check Charge	ENSF			615	808	1,018	1,175	745	1,175	
i	Miscellaneous Allowance and Adjustments	ALAD			(732)	(2,050)	(1,751)	(1,437)	(728)	(1,437)	

E896

FPSC EXH NO. 71

ADMITTED

FPSC EXH NO. 71

ADMITTED

	Tariff Description	Revenue Code	Revenue Code Description		Projected 2024	Revenue Projected
a	1. Initial establishment of service	ESET	Elec Initial Est Service	$61	288	17,568.00
b	2. Re-establish or Make Change to Account	ECONN	Elec Re-Est Service or Change	$26	3,608	93,808.00
c	3. Temporary disconnect then reconnect Service	EUPGD	Elec Temp Disc/Re-Connect	$65	303	19,695.00
d	4. Reconnection of Service -Reconnect After Disconnect for Rule Violation(normal hours)	ESONP	Elec -Connect Non Pay	$52	244	12,688.00
e	5. . Reconnection of Service- After Disconnect for Rule Violation(after hours)	SONPA	Elec -Connect Non Pay Aft Hrs	$178	6	1,068.00
f	7. Collection Charge	MSBC	Misc Service Rev-Bill Collect	$16	1,967	31,472.00
g	Temporary Facility			$85		
h	Returned Check Charge	ENSF	Per Statute		1,175	51,454.00
i	Miscellaneous Allowance and Adjustments	ALAD			(1,437)	(65,088.00)
						162,665.00

FPSC EXH NO. 71

ADMITTED

	Tariff Description	2023	
a	1. Initial establishment of service	27,049	
b	2. Re-establish or Make Change to Account	107,234	
c	3. Temporary disconnect then reconnect Service	20,410	
d	4. Reconnection of Service -Reconnect After Disconnect for Rule Violation(normal hours)	15,362	
e	5. . Reconnection of Service- After Disconnect for Rule Violation(after hours)	1,958	
f	7. Collection Charge	31,348	
g	Temporary Facility		
h	Returned Check Charge	51,454	
i	Miscellaneous Allowance and Adjustments	(68,098)	
	Write off of Temporary Facility Balance	26,311	Not forecast since it doesn't happen every year.
		213,028	

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FPUC's Response to Staff's Fourteenth Data Request (No. 1)

(Including All Attachments)

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition for rate increase by Florida Public Utilities Company.	DOCKET NO. 20240099-EI

FPUC'S RESPONSES TO STAFF'S FOURTEENTH SET OF DATA REQUESTS

1. Please refer to Florida Public Utilities Company's (FPUC or Company) Reponses to Staff's 7th and 9th Data Requests, specifically the attachments titled "DR 7.2." and "DR 9.1a and b" for the following request. Please submit an accompanying C-2 (2025) Schedule that accounts for the depreciation adjustments indicated in DR 7.2 and that fully reflects the income tax adjustments indicated in response DR 9.1.

Company Response:

Please refer to the attached file "DR 14.1 Revised C-2(2025 with 7.2 and 9.1".

FPSC EXH NO. 72

ADMITTED

E902

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 20240099-EI

EXPLANATION Provide a schedule of net operating income adjustments for the test year, the prior year and the most recent historical year. Provide the details of all adjustments on Schedule C-3.

Type of Data Shown:
__x_ Projected Test Year Ended 12/31/25
____ Prior Year Ended 12/31/24
____ Historical Test Year Ended 12/31/23
Witness: Napier, Haffecke

EXPLANATION: Provide a schedule of net operating income adjustments for the test year, the prior year and the most recent historical year. Provide the details of all adjustments on Schedule C-3.

Type of Data Shown:
__x_ Projected Test Year Ended 12/31/25
____ Prior Year Ended 12/31/24
____ Historical Test Year Ended 12/31/23
Witness: Napier, Haffecke

Line No.		Adjustments Jurisdictional Amount Schedule c1 Col. 5	Adjustments (1) Eliminate Fuel	(2) Eliminate Conservation	(3) Remove Franchise & Gross Rec.	(4) Remove Storm Revenue & Expense	(5) Eliminate SPP Revenue and Expense	(6) Non-Utility	Adjustments (7) Economic Development	(8) EEI Dues	(9) Transfer Costs To SPP	(11) Interest/ Income Tax Sync	(12) Substation Adjustment		Total Adjustments	Adjusted Jurisdictional NOI
1	Operating Revenues:															
2	Sales of Electricity	110,052,874	(65,063,104)	(883,887)	(6,479,844)	(7,856,775)	(5,393,676)								(85,677,286)	24,375,589
3	Other Operating Revenues	(11,796,021)	12,875,012				(100,634)								12,774,378	978,357
4	Total Operating Revenues	98,256,853	(52,188,092)	(883,887)	(6,479,844)	(7,856,775)	(5,494,310)	-	-		-	-	-		(72,902,908)	25,353,946
5																
6	Operating Expenses:															
7	Operation & Maintenance:															
8	Fuel (nonrecoverable)	-													-	-
9	Purchased Power	52,150,543	(52,150,543)												(52,150,543)	-
10	Other	20,084,163		(883,138)		(21,057)	(1,949,879)		(953)	(7,939)	(975,504)				(3,838,470)	16,245,692
11	Depreciation	5,876,763					(563,304)	(615)					211,288		(352,631)	5,524,132
12	Amortization	8,093,606				(7,632,424)									(7,632,424)	461,182
13	Decommissioning Expense	-													-	-
14	Taxes Other Than Income Taxes	9,376,855	(44,218)	(749)	(6,479,844)	(6,663)	(487,601)								(7,019,075)	2,357,780
15	Income Taxes	(2,081,130)		-	0	(49,836)	(631,984)	156	241	2,012	247,241	(5,950)	(53,551)		(491,670)	(2,572,800)
16	Deferred Income Taxes-Net	1,988,078													-	1,988,078
17	Investment Tax Credit-Net	-													-	-
18	(Gain)/Loss on Disposal of Plant	-													-	-
19																
20	Total Operating Expenses	95,488,878	(52,194,761)	(883,887)	(6,479,844)	(7,709,980)	(3,632,768)	(459)	(711)	(5,927)	(728,263)	(5,950)	157,737	-	(71,484,813)	24,004,064
21																
22	Net Operating Income	2,767,976	6,669	-	0	(146,795)	(1,861,542)	459	711	5,927	728,263	5,950	(157,737)	-	(1,418,094)	1,349,881
23																
24																

Supporting Schedules: C-3 (2025) Recap Schedules: C-1 (2025) Recap Schedules: C-1 (2025)

E902

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FPUC’s Response to Staff’s Fifteenth Data Request (Nos. 1-3)

(Including All Attachments)

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition for rate increase by Florida Public Utilities Company.	DOCKET NO. 20240099-EI

FPUC'S RESPONSES TO STAFF'S FIFTEENTH SET OF DATA REQUESTS

1. Has FPUC made the appropriate adjustments to remove all storm hardening revenues and expenses recoverable through the SPPCRC for the 2025 projected test year?

a) Please explain how FPUC made the appropriate test year adjustments to remove revenues and expenses recoverable through the SPPCRC and where this is shown in the filings.

b) Explain how FPUC ensures that there is no double recovery between base rate revenue and SPPCRC revenue.

c) Does FPUC have an audit process to ensure that the methodologies used to track costs recovered through its various storm hardening and protection riders, including the SPPCRC, are appropriately implemented and followed? If not, why not?

d) What percentage of FPUC's storm hardening revenue and expense is recovered through the SPPCRC and what percentage is recovered through base rates?

Company Response:

a. First, to calculate 2024 revenues, the Company multiplied the SPPCRC rates for each year times the projected billing determinants of customers and usage to arrive at revenue included in MFR C-5 for 2024 and 2025 and removed the same amounts on C-2 for 2024 and 2025.

E904

For expenses, Company has separate subaccounts for the SPPCRC costs. The Company increased 2023 costs for the accounts that included these SPP costs by inflation and growth in MFR C-7 for 2024 and 2025, and therefore, used the same methodology to determine the amount of SPP costs included in the filing by increasing the 2023 SPP costs using the same inflation and growth. In addition, MFR C-7 (2024, 2025) pages 7 and 8 reflect an increase to adjust these costs to the amounts projected in the Company's SPPCRC 2024 and 2025 filings. These total amounts were then removed on MFR C-2 for 2024 and 2025. However, in removing these costs, the Company inadvertently removed the 2024 cost for inspection instead of the 2025 inspection cost which resulted in expenses net of taxes for 2025 being overstated by $57,238.

Amounts were also removed for depreciation, taxes other than income tax, and income tax. The calculations of all are provided on the attached file "DR 15.1a for SPP Adjustments".

b. Actual revenues and expenses are recorded to specific general ledger accounts so they can be identified and incorporated in the reports filed for SPPCRC.

c. Yes, when new programs are approved by the Commission and a regulatory asset/liability is created, there is testing by internal audit to ensure amounts are recorded as approved. Also, costs determined by staff for filings are reviewed by several levels of managers and are audited by the PSC auditors.

d. When the Storm Protection Plan Cost Recovery Clause was implemented, the Company determined what costs that would now be reported in the recovery clause were included in the base rate calculation in Docket 20140025-EI. These costs amounted to $975,504 and have been consistently removed from the SPPCRC filings. Since base rates are again being proposed in this docket, the Company in now proposing the removal from base

rates of all Storm Hardening/SPP related costs and that those costs be recovered, going forward, through the SPPCRC clause. Therefore, the Company has removed the $975,504 as a separate adjustment on MFR C-2 (2025). The intent being that no tree trimming, pole inspection or other SPPCRC-related costs be included in base rates.

2. Provide a description of the methodology(ies) used by FPUC to track costs recovered through the SPPCRC, and exclude them from the components of the base revenue requirement in this proceeding.

Company Response:

Please refer to the response to question 1 above.

3. Please identify all SPPCRC includable costs that FPUC recorded, by account, in 2023 and expects to record in 2024 and 2025.

Company Response:

Please refer to the response to question 1 above.

	2023	2024	2025
2023 Costs included in C-7 (2023)			
Filing Costs included in line 14 acct. 580 (segment 3 code 7230)	14,976		
Inspection Costs included in line 36 acct. 5931 (segment 3 code 7250)	181,662		
Tree Trimming Costs included in line 37 acct. 5932 (seg 3 code 7250)	1,810,198		
	2,006,836		
Inflate 2023 for Growth and Inflation Using index rate 13 on C-7 (2024)		2,070,051	2,124,404
Additional Costs on C-7 page 7 & 8 for 5931 and 5932		821,251	877,649
		2,891,302	3,002,053
Less Amount in Base Rates		(975,504)	(975,504)
		1,915,798	2,026,549
Per C-3 Adj for O & M SPP		(1,915,798)	(1,949,879)
Difference		0	76,670
Amount included in C-7 for SPP Base Rate Costs			975,504
Adjustment to Remove Amount Above in Base Rates C-3			(975,504)
Difference			-
Revenue per C-5 based on usage times approved rate		2,386,888	5,393,676
SPP Under-recovery		746,556	100,634
Total Revenue in Filing for SPP		3,133,444	5,494,310
Adjustment to Remove SPP Revenue on C-3		(2,386,888)	(5,393,676)
Adjustment to Remove SPP Under-Recovery on C-3		(746,556)	(100,634)
		(3,133,444)	(5,494,310)
Difference		-	-
Taxes Other Than Income Tax			
RAF on Revenue on C-5 at .000848		2,657	4,659
Property Tax:			
Plant per B-2		6,020,487	24,147,089
Tax Rate		2%	2%
		120,410	482,942

Total Tax Other Than Income	123,067	487,601
Adjustment C-3	(120,410)	(487,601)
Difference	2,657	(0)
Depreciation Expense:		
Depreciation 355S Per B-9	8,248	61,197
Depreciation 364S Per B-9	89,670	276,150
Depreciation 365S Per B-9	30,944	163,478
Depreciation 356S Per B-9	1,928	14,474
	130,790	515,299
Adjustment on C-3	(130,790)	(515,299)
Difference	-	-
Income Tax:		
Tax Calculated at Revenue Less Expense above times .25345	(244,272)	(624,719)
Adjustment on C-2	244,953	644,151
	681	19,432
Tax Calculated at Revenue Less Expense times .25345 on amount in base rates		(247,241)
Adjustment on C-2		247,241
		(0)
Net over-recovery of expenses	(1,976)	(57,238)

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FPUC’s Response to Staff’s Sixteenth Data Request (Nos. 1-3)

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition for rate increase by Florida Public Utilities Company.	DOCKET NO. 20240099-EI

FPUC'S RESPONSES TO STAFF'S SIXTEENTH SET OF DATA REQUESTS

1. Please explain why no adjustment was made to Working Capital when removing non-utility plant.

Company Response:

The Company propane, merchandising, and jobbing, as well as all other non-regulated business accounting are not merged with the electric division costs or revenues. Instead, each business maintains its own balance sheet and income statement. The only non-utility plant was related to five vehicles used by employees that work on other business units. Any payroll or costs related to those employees were charged directly to those non-regulated business units. Only a portion of the plant and accumulated depreciation assets related to the other business units were on the electric books.

2. Please explain why Account 228.3 - Accrued Pension & Post Retirement Medical for the Consolidated Electric Division, located on Minimum Filing Requirement (MFR) Schedule B-3 (2025), Page 6 of 6, is a positive $6,543,474; while the same account for the Florida Common Division Allocation on MFR Schedule B-3A (2025) Page 3 of 3 is a negative $6,482,906.

Company Response:

The difference between the allocated portion of the balance from Florida Common on MFR

E910

B-3A and the amount in the electric business unit represents the net benefit plan liability or over funded status. The liability continues to decline over time based on the actuarial data. The Company expects benefit payments for both the pension plan and the OPRB plan will continue to decline over time. Although both plans are frozen for new participants, the assets continue to perform at a level that enables them to meet future obligations and reduce the Company's requirement to have to make contributions to cover any shortfalls.

3. Please explain why there are no retirements associated with the following accounts found on MFR Schedule B-7 (2025):

    a) Account 3970 – Communication Equipment on page 10 of 12.
    b) Account 3911 – Computer and Periphery on page 12 of 12.
    c) Account 3912 – Computer Hardware on page 12 of 12.
    d) Account 3914 – System Software on page 12 of 12.
    e) Account 3920 – Transportation Equipment on page 12 of 12.

Company Response:

a. When a plant account is amortized instead of depreciated, retirements are no longer made since the asset automatically retires at the end of the amortization period.

b. Twenty percent of this equipment is for new additions, not replacements of old equipment. The Company does not budget for retirements of the corporate common equipment because the net effect on rate base is zero. Therefore, in the rate case filing, the retirement was overlooked. Since five percent of the additions are allocated to electric, $16,962 of additions in electric do not have the associated retirement. If the equipment retired costs the same as the new additions, the only change would be a reduction of depreciation expense of $3,392.

c. Most of this equipment is for new additions, not replacements of old equipment except for an addition of $230,446 for NAS Disk space storage. The Company does not budget for retirements of the corporate common equipment because the net effect on rate base is zero. Therefore, in the rate case filing, the retirement was overlooked. Since five percent of the additions are allocated to electric, $11,522 of additions in electric do not have the associated retirement. If the equipment retired costs the same as the new additions, the only change would be a reduction of depreciation expense of $2,204.

d. This software is for new additions, not replacements of old equipment.

e. These vehicles being replaced will be re-deployed to other employees. At this time no vehicles have been identified for retirement.

FPSC EXH NO. 75

ADMITTED

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FPUC's Response to Staff's Seventeenth Data Request (Nos. 1-3)

(Including All Attachments)

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition for rate increase by Florida Public Utilities Company.	DOCKET NO. 20240099-EI

FPUC'S RESPONSES TO STAFF'S SEVENTEENTH SET OF DATA REQUESTS

1. Please refer to Florida Public Utilities Company (Company or FPUC) Minimum Filing Requirements (MFR), Schedules D-1 and B-22 (both B-22 Schedules). Please explain why the "Net Accumulated Deferred Income Taxes" balances on Schedules B-22 do not equal the "Deferred Income Tax" balance on Schedule D-1A.

Company Response:

The reason the two schedules do not equal is because the B-22 schedules are based on year end balances and the D-1 and D-1A schedules are based on 13-month average balances. The allocated amount on B-22 page 2 is based on the 13-month average allocated amount. Please refer to the attached reconciliation "DR 17 Reconciliation B-3, B-22, D-1".

2. Please refer to FPUC's MFR Schedules B-3 (2025) page 6 of 6, lines 66 & 67, and Schedule D-1a page 3 of 3, line 6. Please explain why the 13-month average balances for the Accumulated Deferred Income Taxes are different on these two schedules.

Company Response:

Please refer to the attached reconciliation "DR 17 Reconciliation B-3, B-22, D-1".

3. Please refer to FPUC's MFR Schedules B-3 (2025) page 6 of 6, line 62 and Schedule D-1a line 7. Please explain why the 13-month average balances for the Regulatory Tax Liability are different between these two schedules.

Company Response:

MFR Schedule D-1a line 7 includes the allocated 13-month average amount of $15,552 from MFR B-3A (2025) line 61 plus the 13-month average amount of $4,432,723 from B-3 (2025) line 62. The two balances total the Regulatory Tax liability on D-1a and D-1a supplement (2025) line 7 of $4,448,275.

Reconciliation of Deferred Taxes Between MFR's

Account	Line	Year End: MFR B-3 and B-3A (2025)	13-Month Average: MFR B-3 and B-3A (2025)	13-Month Average: Allocation Factor	13-Month Average: Allocated Amount	
B-3 Account 1900 (Debit-Asset Account)	line 32	(627,174)	(627,174)	100.0%	(627,174)	
B-3 Account 282 (Credit Account)	line 66	20,867,225	19,947,573	100.0%	19,947,573	
B-3 Account 283 (Debit Account)	line 67	(9,018,525)	(6,200,609)	100.0%	(6,200,609)	
Year-End agrees to B-22 page 1		11,221,526	13,119,790		13,119,790	
B-3A Account 2820	line 65	289,155	301,636	14.7%	44,340	
B-3A Account 2830	line 66	(370,106)	(370,904)	14.7%	(54,523)	
B-3A Account 2832	line 67	497,444	497,444	19.5%	97,101	
Year-End agrees to B-22 page 2		416,493	428,176		86,919	Allocated amount agrees to B-22 page 2
Agrees to D-1a (2025) and D-1a Supplement	line 6				13,206,709	

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FPUC's Response to Staff's Eighteenth Data Request (Nos. 1-3)

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition for rate increase by Florida Public Utilities Company.	DOCKET NO. 20240099-EI

FPUC'S RESPONSES TO STAFF'S EIGHTEENTH SET OF DATA REQUESTS

1. Referring to FPUC's response No. 4 in Staff's Eighth Data Request, regarding Enterprise Resource Planning (ERP) costs incurred to date, please state the amount excluded from AFUDC.

Company Response:

There are currently no ERP costs that are excluded from AFUDC and all ERP related costs that have AFUDC have been removed from rate base. An estimated $21,385 of AFUDC related to the projected ERP was correctly removed in the 13-month average reduction to rate base of $731,263 in MFR B-1 (2025) line 7 for all CWIP that accrued AFUDC. Since AFUDC expense is below the line, there is no amount that would require an adjustment to Net Operating Income.

2. Referring to FPUC's response No. 5 in Staff's Eighth Data Request, regarding the estimated cost of $50-$70 million ERP system, please explain if the additional Human Resource Information System (HRIS) is included in the above estimated cost or if it would be an additional cost. If not included in the estimate, please state the additional estimated cost of HRIS.

Company Response:

Although the scope of the project, total amount, and how it will be implemented is still in the development stage, the $50-70 million projection in the response included all the items listed including the HRIS.

3. Please explain if the integration of HRIS into the ERP system is exclusively to be used by FPUC or if Chesapeake Utilities Corporation will also be benefitting from HRIS.

Company Response:

Yes, the entire project, including HRIS, will benefit all of Chesapeake Utilities Corporation. A portion of the total costs of $50 to $70 million would be allocated to FPUC electric.

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FPUC's Response to Staff's ' Nineteenth Data Request (Nos. 1-26)

(Including All Attachments)

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition for rate increase by Florida Public Utilities Company.	DOCKET NO. 20240099-EI

FPUC'S RESPONSES TO STAFF'S NINETEENTH SET OF DATA REQUESTS

1. Please refer to Florida Public Utilities Company's (FPUC or Company) electronic Minimum Filing Requirements (MFR), Schedule D, MS Excel tab D-4a, 25 supplement, for the following questions:

   a) Please explain the reasoning for the issuance of the future notes, SN28 and SN29, found on MS Excel rows 40 and 41.

   b) Please explain the methodology used to project the coupon rate of 5.75 percent accompanying the above-referenced notes.

   c) In reference to the question above, does FPUC expect the coupon rate of 5.75 percent to change?

   d) Do you still expect to issue SN28 on January 1, 2025? If not, what is the new expected issuance date?

Company Response:

1a. These issuances will help fund our growth capital construction program and maintain our target capital structure. As discussed in my testimony, CUC's target capital structure is 50to60 percent equity as a percentage of total capitalization (including short-term debt). Over time, we strive to approximate the midpoint of 55 percent equity to total capitalization. Earnings retained and

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reinvested in the business partially help the Corporation fund our growth capital construction program. Any capital spend that is in excess of earnings retained is initially funded with short-term debt. As projects come online, we issue additional long-term debt and equity to stay within the target capital range and accordingly, reduce our short-term debt balances.

1b. The analysis used to project the forecasted interest rate of 5.75% focused on the 10-year and 20-year duration Treasury rates. Attachment "DR 19.1 Treasury Rates and BBB Spreads" provides a chart of the 10-year and 20-year Treasury rates for January 1, 2023 through November 29, 2024. The attachment also provides the 5 -year historical BBB Index Spread for the last 5 years. To forecast the interest rate for the 2025 future issuances CUC took an average for the last twelve months ("LTM") for both the Treasury Rate and Spreads as of June 30, 2024 (which was the end of the most recent quarter and the most recent available data at the time of the analysis). The LTM average Treasury rate and BBB Corporate index spread were added together to create the all-in-rate for the forecasted issuances. This analysis produced an all-in-rate of 5.73% which was rounded to 5.75% for the Schedule D MFR's.

As discussed in my Testimony, Treasury rates have remained elevated in 2024, longer than originally expected and projected by the financial community. Any new issuances will increase the average long-term debt rate included in the calculation contained in the MFRs. These uncertain market conditions are expected to continue in 2025, which will likely leave Treasury rates at or around current levels. By using the average rate for the LTM, CUC is incorporating the current and expected rate environment into the 2025 forecasted issuances.

1c. As noted in response to 1b the coupon rate of 5.75% is a forecasted rate calculated at the time of the filing. The actual rate for any new debt placements will be determined at the time any new debt financing is executed. If we update the analysis to be the LTM as of November 30, 2024, also included in Attachment "DR 19.1 Treasury Rates and BBB Spreads", the all-in-rate has only moved by approximately 0.25%. This does not represent a material movement in all-in-rates since we filed the rate case. In addition, there is significant variability in the rates from day to day even intramonth, as illustrated in the month of November. Finally, as a new administration takes over in 2025, there remains overall uncertainty as to where long-term interest rates will land.

Also, CUC issued a portion of the forecasted debt in 2024. In November 2024 the Company executed a Note Purchase Agreement, pursuant to which CUC agreed to issue 5.20% senior notes due November 1, 2029 (five years) in the aggregate principal amount of $100,000,000. The original forecast assumed the issuance of notes with maturities between 10 and 20 years. The 5-year senior note fits nicely into the Company's debt maturity profile and allowed us to take advantage of a favorable coupon rate.

CUC still plans to issue the remaining $150,000,000 of forecasted debt in the first half of 2025 and will likely look towards the longer end of the curve (10-year to 20-year maturities). Based on tenor and timing, a 5.75% coupon rate is still a relevant rate for the forecasted issuance for these longer-term maturities.

1d. See 1c for an updated timing on the forecasted issuance of $250,000,000 of long-

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term debt in 2025.

2. Please refer to FPUC's response to Staff's 6th Data Requests, specifically No. 27, part E, for the following request. What amount of contracting expense, if any, will be reduced as a result of consolidating some of the work previously preformed by contractors to now be preformed by the two new line supervisors? Please specify the amount, if any, by the Northeast and Northwest Territories.

Company Response:

There will be no decrease in the contractor expenses based on the work being performed by the two new line supervisors. Currently, the contractor workforce resources exceed our internal workforce resources. Based on the number of contractor resources on our property, the contractor supervision of that group will remain at the current level in order to ensure the safest and most efficient work environment.

3. Please refer to FPUC's response to Staff's 11th Set of Data Requests, specifically No. 12, part G, for the following request. Which expenses for "other health-related benefits" where not included in the projected 2025 test year?

Company Response:

All other health benefits described in Staff's 11th Set of Data Requests, number 12f, were included in the projected test year. As stated in the first paragraph of the response, 2023 costs were trended and adjusted for other known items. Only the C-35, which was based on the total Chesapeake corporation, inadvertently excluded some costs identified as "other health related benefits" in its budget data for 2024 and 2025. Therefore, the response to Staff's 11th Set of Data Requests, item 12, included an electric specific schedule which correctly included the costs.

4. Please refer to MFR Schedule C-20, page 3 of 3, line 15, specifically the $2.286 million in total Company property tax expense shown for the test year ending on December 31, 2025, for the following requests.

   a) Please provide a copy of the computation of this test year amount, including all assumptions, data, and quantifications in MS Excel format with all formulas intact.

   b) Please provide the total Company property tax amounts for each calendar year 2020 through 2023.

Company Response:

a. Please refer to the attached file "DR 19.4a property tax calculation".

b. The balances in property tax expense follow:

2020 $1,346,998

2021 $1,359,277

2022 $1,439,738

2023 $1,333,960

5. Please refer to MFR Schedule C-20, page 2 of 3, line 15, specifically the $1.534 million in total Company property tax expense (actual and/or projected) for the year ended December 31, 2024, for the following request. Please provide a copy of the computation of this projected prior year amount including all assumptions, data, and quantifications in MS Excel format with all formulas intact.

Company Response:

Please refer to the attached file "DR 19.4a property tax calculation".

6. Please indicate if the employee positions that are reflected in FPUC's payroll cost calculations in the 2025 test year reflect the Company's historic experience with vacancies or are at full complement pursuant to authorized levels. Please explain your response.

Company Response:

The employee positions reflected in Electric's payroll cost calculations in the 2025 test year reflect the Company's historic experience with vacancies. The 2025 monthly average vacancy is 29. The 2024 and 2023 monthly average vacancy is 29 as well.

7. Please provide a description of FPUC's, or Chesapeake Utilities Corporation's (Chesapeake) current merit and cost of living wage increase policies including policies that are expected to be effective in the test year.

Company Response:

We believe our employees are our most valuable asset and recognize that each employee must be valued as an individual and treated fairly and equitably. The Company has an annual merit wage increase process that occurs every year at the beginning of April. There is a projected budget increase of 3.5% of payroll expenses. Managers are allotted their merit pool of dollars to allocate pay increases to their team members based on Performance Scores, individual contribution and internal pay equity related to the job market value of the role where the team member is in their salary range. For example, if an employee is at the maximum of their salary range, they may be "red circled" and receive their merit in a one-time lump sum award, instead of a pay increase. Please see the attached file "DR 19.7 Compensation Administration Manual". Chesapeake does not have a cost of living wage increase policy.

8. Please list, by account, all stock-based compensation expense that FPUC, or Chesapeake, has included in its cost of service for the years 2020 through 2023, prior year 2024, projected test year ending December 31, 2025, and including, but not limited to, executive stock options, performance share awards and any other stock-based compensation awards that will result in such costs being charged to FPUC during the projected test year. In addition, please provide a description of each distinct stock-based compensation program that will result in charges to FPUC during the test year.

Company Response:

The Long-Term Incentive plan (LTI) is based on several components that benefit all customers including Earning Per Share, Return on Equity, Capital Investments and Growth. If annual goals are met, the LTI is awarded in company stock.

Below is the LTI included in Electric's cost of service for 2020 through 2023, prior year 2024 and projected test year ending December 31, 2025.

Stock Based Compensation:

FERC	2020	2021	2022	2023	2024	2025
5800	$ 4,517	$ 24,913	$ 14,661	$ -	$ -	$ -
5810	-	-	3,111	-	-	-
9010	2,008	5,750	8,366	1,411	1,465	1,521
9200	244,861	249,787	261,187	290,875	301,959	313,496
Grand Total	**$ 251,386**	**$ 280,449**	**$ 287,324**	**$ 292,286**	**$ 303,424**	**$ 315,017**

9. For FPUC, please provide the level of related incentive compensation bonus payments included in prior year 2024, and projected test year ending December 31, 2025.

Company Response:

The Company has a TIP (Team Incentive Plan) for all non-executive employees. The Electric incentive compensation (TIP) bonus payments in 2024 and projected test year ending December 31, 2025 are below:

	Capital	Expense	Total
2024 TIP Payment	164,745	291,440	456,184
2025 TIP Payment	170,965	302,317	473,283

10. Please provide the number of FPUC employees that were eligible to receive incentive compensation for each year 2020 through 2023, and for each year indicate how many did not or will not receive an award.

Company Response:

The number of direct Electric and allocated (each allocated employee counted as 1 instead of percent charged) non-executive employees that were eligible to receive TIP incentive compensation for 2020 through 2023, and those not receiving an award is below:

Description	2019 Paid in 2020	2020 Paid in 2021	2021 Paid in 2022	2022 Paid in 2023	2023 Paid in 2024
Total # of Eligible Employees	242	249	262	277	292
Total # of Employees Received Award	241	249	260	277	292
Total # of Employees Did Not Receive Award	1	0	2	0	0

11. Please provide a listing of the total compensation of each corporate officer of FPUC or any other entity whose executive compensation costs are charged or allocated to FPUC for 2020 through 2023 (and projected amounts for the same cost for 2024, and 2025). Please indicate the separate amounts charged to O&M expense and capitalized, and breakdown the total compensation by type including, but not limited to, salary, deferred compensation, stock options, vehicle allowances, etc.

Company Response:

Below is a listing of total compensation for each officer allocating to Electric.

	2020	2021	2022	2023	2024	2025
O&M Expense	$ 823,249	$ 929,726	$ 864,786	$ 780,675	$ 810,391	$ 841,275
Capitalized	$ 121,779	$ 172,928	$ 99,185	$ 35,519	$ 36,872	$ 38,281
Total Officer Compensation Allocated to Electric	$ 945,028	$1,102,654	$ 963,971	$ 816,194	$ 847,264	$ 879,556
Salaries	$ 429,224	$ 505,308	$ 491,933	$ 362,911	$ 376,739	$ 391,134
Short-Term Bonus	$ 255,974	$ 290,069	$ 160,358	$ 152,564	$ 158,349	$ 164,368
Long-Term Bonus	$ 255,983	$ 301,476	$ 297,098	$ 292,475	$ 303,619	$ 315,220
Signing Bonus & Other Awards	$ 3,847	$ 5,801	$ 14,583	$ 7,403	$ 7,685	$ 7,979
Vehicle Allowance	$ -	$ -	$ -	$ 841	$ 871	$ 854
Total Officer Compensation Allocated to Electric	$ 945,028	$1,102,654	$ 963,971	$ 816,194	$ 847,264	$ 879,556

A small number of officers receive a vehicle allowance. Most officers have a company vehicle.

12. Please provide a description of each of FPUC's employee benefit program(s) or plan(s) currently in effect, and projected test year 2025, if different from the current program(s) or plan(s).

Company Response:

Chesapeake's employee benefits program is an integral part of our commitment to provide an appropriate employee value proposition. Our benefits package is designed to support employee health, well-being, and financial wellness. In addition to competitive salaries,

and an incentive plan, our current benefit offerings include health, dental and vision plans, 401(k) plans, flexible spending accounts, paid time off and sick leave. We provide life insurance, and Short Term and Long-Term Disability Insurance along with an employee assistance program (EAP), tuition reimbursement, volunteer opportunities, paid bereavement leave, jury duty leave, along with flexible and hybrid work schedules. Chesapeake will continue to keep the same benefit plan design with the introduction of 2 added benefits beginning in 2025. The two added benefits include paid parental leave and two additional floating holidays.

Paid Parental Leave is a type of leave that allows eligible employees to take paid time off of work due to the birth or adoption of a child. We believe this enhancement to our benefits will support our employees during the life-changing moments of the birth or adoption of a child and contributes to a supportive work environment that fosters engagement and improves the overall employee experience. Our new paid parental leave consists of:

- **Up to four weeks of paid leave for the birth or adoption of a child**
- **The benefit is available to employees whose child is born or adopted January 1, 2025 or after**
- **Eligibility mirrors FMLA (1 year of employment)**

Floating holidays are paid days off of work that employees schedule for their personal use. We recognize that our employees bring a wide variety of backgrounds, beliefs, and experiences to the workplace. These two additional floating holidays will provide our team members an opportunity to take time off for occasions that are meaningful to them, whether cultural, religious, or personal. We believe these changes reflect our dedication to provide an inclusive and welcoming work environment.

13. Please refer to the direct testimony of FPUC witness Rudolf Davison, pages 8-9, for the following request. Please provide a copy of the compensation study used to evaluate FPUC's compensation and benefit programs against the external market discussed in this section of testimony.

Company Response:

Please see the attached compensation market study (Exhibit DR 19.13a and DR 19.13b) performed by external consultant Willis Towers Watson.

The following questions pertain to witness Crowley's direct testimony.

14. Please provide the work papers used by witness Crowley to develop his cost of equity analysis, that is, the Discount Cash Flow model (DCF), Capital Asset Pricing Model (CAPM), and Risk Premium model. If the work papers include spreadsheets, please ensure all links and formulas are intact.

Company Response:

Please refer to the attached file "DR 19.14 Work papers".

Please note that when preparing the Excel file for delivery, a slight discrepancy was observed between the Crowley Testimony presentation of market capitalizations in Exhibits NAC-28 and the Excel file's presentation of these exhibits. For example, in Table 7, in which the Risk Premia estimate of Natural Gas required return was presented as 9.90% in the Crowley Testimony document, but is 9.89% in the Excel file. Similarly, in Exhibit NAC-12, the weighted average CAPM beta for the gas proxy group was presented as 0.77 when in fact the correct weighted average beta is 0.76. In NAC-32, the weighted average market

returns are also affected. This is because some market capitalization weights were updated for the analysis prior to filing, after some of the appendix exhibits were finalized. These slight differences do not affect the final recommendation because, due to the formula structure of the spreadsheet, these older market capitalization numbers ultimately do not feed into the recommendations.

Also, please note that the attached file "DR 19.4 Workpapers" contains hidden sheets, which are integral to the analysis, but are hidden for ease of presentation.

15. Witness Crowley's testimony was filed on August 22, 2024. Please explain why he used market data from 2021, 2022, and 2023 in his DCF analysis.

Company Response:

The DCF analysis in this filing is used as one approach used to estimate FPUC's cost of equity capital. The cost of equity is an opportunity cost that cannot be directly observed, borne by the equity owners of FPUC's common shares. Estimations of this cost could be made using one year of data. However, a drawback to using a single year of information is that any single year could prove to be anomalous, or otherwise unrepresentative of the true cost of equity borne over the period of time during which rates are set. By using data from the three most recent available years, the analysis avoids the possibility of estimating a value that happens to be anomalous or unrepresentative.

As a secondary consideration, the estimation of a utility's cost of equity reflects the investment community's required rate of return on equity for a given level of risk. Investors assess the required return in relation to market expectations, which are set not only with information from a single year, but from several years of embedded experience. An investor's required rate of return on equity, and therefore FPUC's cost of equity capital, is

likely to correspond to several years of utility return expectations. Incorporating multiple years of DCF results in the cost of equity estimate therefore is sensible.

16. Please provide a list of the sources for all of the market data in Exhibits NAC-11 through NAC-36.

Company Response:

Individual Company Data (Market Sample Data) –

- **CAPM Betas - ValueLine**
- **Share Price – Morningstar Data**
- **Shares Outstanding – Morningstar Data**
- **Dividends Per Share - Morningstar Data**
- **CPI & Employment Data – Federal Reserve Economic Data (FRED)**

US Historical Return Data-

- **Treasury Bills – Center for Research in Security Prices (CRSP)**
- **Market Capitalization Data - Center for Research in Security Prices (CRSP)**
- **Inflation Data- Center for Research in Security Prices (CRSP)**
- **Long Term Debt Data - Center for Research in Security Prices (CRSP)**

FPUC Short- and Long- Term Debt Data- Provided by FPUC

17. Did witness Crowley compare any risk factors of the gas proxy group to the risk factors of FPUC? If yes, please list and explain the risk comparison.

Company Response:

Yes. A qualitative assessment of the risk factors of the gas proxy group was considered with respect to FPUC. The gas distribution utilities in this sample provide gas delivery services to end use customers (i.e., homes and businesses), through a distribution pipeline network which transports commodity gas from the transmission pipelines to individual customer delivery points and meters, acting as the final link in the natural gas supply chain to consumers. In this regard, risk metrics of the gas proxy group closely compare to that of

FPUC's electric operations: both provide essential services required for a functioning economy; own and operate substantial, long-lived capital infrastructure; and operate in a regulated utility environment. The gas proxy group consists of investor-owned utilities. Thus, gas utilities face many of the same financial, regulatory, and cybersecurity risks as electric utility operations, like those of FPUC.

Importantly, FPUC's electric operation faces weather-related risks that would generally not affect the gas utilities in this sample. While, to some extent, all electric utilities face weather risks, the geographic location of FPUC, in a state that may encounter hurricanes and tropical storms, could lead to more damage to the infrastructure assets of FPUC's electric operations than the industry average. Indeed, FPUC's western division was devastated by Hurricane Michael (2018). All else equal, this would make the gas proxy companies less risky, and therefore the inclusion of gas companies could bias the cost of equity estimation downward.

18. Please refer to page 49, lines 5 through 8 for the following requests.

a) Please explain how witness Crowley calculated the overall market return.

b) Did witness Crowley use an arithmetic average or a geometric average?

c) Please list the source of the equity returns.

d) Please explain how witness Crowley estimated the expected inflation rate of 2.46 percent and the source of his information.

Company Response:

a) **The overall market return was calculated using a 30-year average of capital appreciation plus dividends from 1993 to 2023 using data from the Center for Research on Securities**

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Prices.

b) **Arithmetic measures of historical growth is our general approach. Arithmetic measures of growth better capture expectations of future value (market value, earnings, dividends, etc.), and takes account of the inherent risk associated with growth essentially recognizing growth as a stochastic time-series process. Geometric measures of historical growth can understate future value. In essence, the use of geometric metrics to estimate future experience is deterministic and, all too often, understates future prospects.**

c) **The Center for Research on Securities Prices.**

d) **The inflation estimate of 2.46 percent was calculated as the average of two estimates:**

(1) an estimate using Treasury Inflation Protected Securities ("TIPS") that relates 5 to 10 -year inflation expectations, as shown in Table 1:

Table 1: US Treasury Constant Maturity Minus TIPS

Implied Expectations of Inflation, Inferred from Financial Markets (%)					
				Expected Inflation: Years 5 - 10	
Time of Sample of Market Yields	U.S. Treasury Yield Differences: Constant Maturity minus TIPS* 5-year	7-year	10-year	Expectations, year 5 through year 10	Difference between 2nd and 1st 5-year
2022	2.95	2.85	2.69	2.44	-0.51
2023	2.43	2.47	2.46	2.49	0.06
2024	2.48	2.49	2.46	2.44	-0.04

* Adjusted for inflation and liquidity risk premia

(2) the average of three surveys for the years 2024 and 2025: the Livingston Survey conducted by the Federal Reserve Bank of Philadelphia, the Survey of Consumer Expectations by the University of Michigan, and the Survey of Professional Forecasters

also conducted by the Federal Reserve Bank of Philadelphia. The results of these surveys is summarized in Table 2 below:

Table 2: Inflation Expectations, Survey Responses

Forward Period	Time of Survey of Projections of Price	*Surveys of Markets and Forecasters*				
		Livingston Survey		SRC Survey of Consumer Expectations	Survey of Professional	
		CPI	PPI		CPI	PCE
2024	2023	2.50	2.10	3.92	2.57	2.39
2025	2024	2.20	1.90	3.00	2.38	2.10
2023-2028	2023				2.57	2.42
2024-2029	2024				2.30	2.05

19. Please list the source from where witness Crowley obtained the risk-free rates in Table 4 on page 50.

Company Response:

The "Low" risk-free rate in this table was calculated as the average of monthly market yields on 30-year Treasury securities between January 2018 and June 2024, excluding the pandemic year of 2020. The "High" risk-free rate in this table was calculated as the average of monthly market yields on 30-year Treasury securities from April 2023 to June 2024. These data were obtained from the Federal Reserve Bank of St. Louis.

20. Please explain how witness Crowley adjusted the CAPM Betas in Exhibits NAC-11, 12, and 13. What is the reason for the adjustments?

Company Response:

Estimated betas were adjusted for central tendency based on the methodology pioneered by Marshall Blume. The so-called Blume methodology derives from the work of Marshall Blume, as first presented in the article, "On the Assessment of Risk," Journal of Finance,

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Vol. 26, 1971. In this paper, Blume demonstrated that the estimated values of risk coefficients in one period are biased assessments of future values. His methodology, adopted in this analysis, corrects for this bias of betas to "regress toward the mean" by adjusting the beta values toward 1.0. The specifics of this adjustment can be found in column F of sheet "CAPM" in the attached file "DR 19.14 Work papers".

In this case, because the 2023 unadjusted betas are close to 1.0 (for example, the weighted average electric sample beta equals 0.97), the adjustment is very small (adjusted to 0.98).

The alternative approach to adjust the estimated raw Betas is the so-called Vasicek technique, as proposed by O.A. Vasicek in "A Note on Using Cross-Sectional Information in Bayesian Estimation of Security Betas," Journal of Finance, vol. 28, 1973. The drawback to the Vasicek approach is that considerable information is required for implementation.

21. Please explain how witness Crowley estimated the expected growth rates in Exhibits NAC-16, 17, and 18. Please list the source of the information.

Company Response:

The expected growth rates used in the DCF analysis were based on a weighted average of the ten-year average of earnings per share growth rates for each company in the sample plus the ten-year average of dividend per share growth. For a given company in the sample, the calculation is as follows:

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$$\textit{Expected Growth}$$

$$= \left[(0.1) * \left(\frac{1}{10}\sum_{t=1}^{10} \textit{EPS Growth Rate}\right)\right]$$

$$+ \left[(0.9) * \frac{1}{10}\sum_{t=1}^{10} \textit{Dividend per Share Growth Rate}\right)\right]$$

22. Please explain how witness Crowley calculated the historical market returns for the utility companies in Exhibits NAC-29, 30, and 31. Please list the source of the information.

Company Response:

The historical market returns were determined by calculating annual capital appreciation plus dividends for each year for each company in the sample. Data was obtained from ValueLine and Morningstar Data.

23. Please refer to Table 7 on page 55 for the following requests.

a) Please provide all calculations, source materials, and spreadsheets with formulas and links intact used to develop the Risk Premia Analysis Results.

b) Please describe and list the source and companies included in the Equity Returns for the Large-Cap Stocks.

c) Please describe and list the source and companies included in the Equity Returns for the Small-Cap Stocks.

d) Please describe and list the source and type of U.S. Treasury Debt for the LT US Debt, InT US Debt and T-Bills.

Company Response:

a) **For calculations, source materials, and spreadsheets, please see "DR 19.14 Work papers".**

b) **Returns on Large Cap equities were obtained from the Center for Research in Securities Prices. This data includes U.S. companies that comprise the top 85% of investable market capitalization.**

c) **Returns on Small Cap equities were obtained from the Center for Research in Securities Prices. This data includes US companies that fall between the top 85% and 98% of investable equity market capitalization**

d) **Data on returns to US Treasury debt was obtained from the Center for Research in Securities Prices.**

24. Please refer to page 38, line 16, Please explain the meaning of the phrase ". . .future returns harbored by investors may assume a pattern of non-constant growth?"

Company Response:

Models of equity cost rates that utilize expectations of growth, like those used in the DCF framework, often assume static, constant growth rates of earnings and dividends. On average, these model assumptions are plausible and are key to the projections of stock analysts which in turn shape the expectations of investors. However, for a particular utility during a particular period of time, growth may not proceed at a constant rate. Instead, businesses often experience periods of temporary weakening or strengthening of realized returns, resulting from various random events inherent to revenue and cost flows. Investors may also incorporate ad hoc assumptions related to this kind of non-constant growth when making investment decisions.

25. Please explain why witness Crowley chose to use a proxy group of gas utilities in addition to the electric utilities proxy group.

Company Response:

As stated in response to Question 17, gas utilities face many of the same financial, regulatory, and cybersecurity risks as electric utilities like FPUC electric operations. It is reasonable to include a parallel utility industry to capture market expectations related to these risks.

26. Please explain why witness Crowley did not compare the capital structures and equity ratios of the utilities in the gas and electric proxy groups to that of FPUC.

Company Response:

The sample selection process utilizes capital structure information to assess whether the

sample's debt-equity ratio reasonably compares to FPUC. However, the data was not presented in the filed exhibits. The sample has a weighted average debt to equity ratio of 1.23, compared to FPUC's debt-equity ratio, which ranges from 0.95 to 1.10 from 2021 to 2025 (see Table 9 in Witness Crowley testimony).

Table 1, below, displays the debt-equity ratio for the utilities in the sample from 2014 to 2023. The data indicate that debt-equity ratios can vary substantially over time and across utilities.

Table 1: Debt-Equity Ratios for Sample Utilities (2014-2023)

Company	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
ATMOS Gas	86%	91%	87%	90%	64%	69%	67%	62%	63%	63%
Allete	79%	86%	72%	70%	66%	60%	57%	60%	49%	49%
Alliant Energy	103%	94%	112%	101%	119%	109%	122%	121%	132%	128%
Black Hills	98%	133%	191%	182%	137%	142%	141%	157%	134%	115%
CenterPoint Energy	177%	229%	219%	176%	108%	170%	138%	165%	153%	182%
Chesapeake Utilities Corp	29%	48%	47%	52%	57%	122%	98%	100%	94%	110%
Evergy INC	110%	97%	101%	105%	67%	103%	105%	117%	122%	127%
Hawaiian Electric Industries	107%	105%	88%	95%	95%	99%	100%	103%	148%	153%
IDA CORP Inc	84%	85%	82%	77%	77%	70%	78%	75%	78%	95%
MGE Energy	61%	57%	53%	52%	62%	61%	59%	60%	61%	66%
New Jersey Resources Corp	31%	6%	10%	22%	11%	2%	129%	156%	160%	152%
Northwest Natural Holdin Co	112%	108%	86%	99%	121%	110%	131%	153%	128%	118%
Northwestern Energy Group	131%	126%	125%	117%	108%	110%	116%	109%	93%	96%
OGE Energy Corp	88%	80%	77%	76%	72%	80%	99%	123%	80%	107%
ONE Gas Inc	69%	66%	71%	79%	78%	85%	90%	178%	112%	81%
Otter Tail Corp	89%	87%	82%	86%	83%	89%	81%	83%	68%	63%
PNM Resources Inc	97%	128%	137%	140%	165%	154%	130%	160%	183%	187%
Pinnacle West Capital Corp	70%	73%	85%	95%	88%	89%	113%	120%	131%	130%
Portland General Electric Co	111%	92%	94%	100%	87%	100%	116%	121%	131%	122%
Southwest Gas Holdings Inc	109%	98%	92%	111%	97%	97%	100%	191%	185%	153%
Unitil Corp	131%	124%	136%	123%	134%	132%	148%	125%	129%	137%

Figure 1 displays this information graphically. The figure reflects the data in Table 1, and illustrates the dispersion of debt-equity ratios both between companies and across time.

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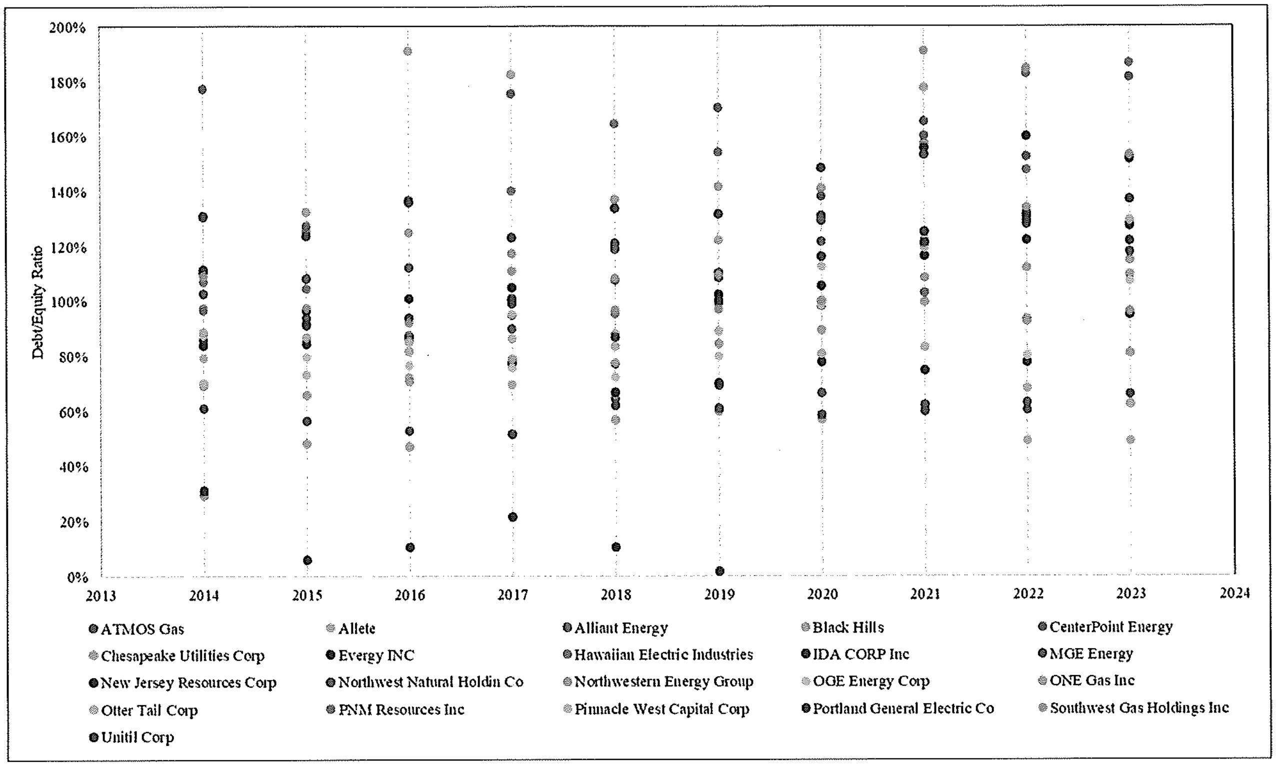
Figure 1: Debt-Equity Ratios for Sample Utilities (2014-2023)



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Daily Treasury Par Yield Curve Rates

https://home.treasury.gov/resource-center/data-chart-center/interest-rates/TextView?type=daily_treasury_yield_curve&field_tdr_date_value=2023

Date	10 Yr	20 Yr
12/10/2024	4.22	4.49
12/9/2024	4.20	4.47
12/6/2024	4.15	4.42
12/5/2024	4.17	4.43
12/4/2024	4.19	4.45
12/3/2024	4.23	4.50
12/2/2024	4.19	4.46
11/29/2024	4.18	4.45
11/27/2024	4.25	4.52
11/26/2024	4.30	4.56
11/25/2024	4.27	4.53
11/22/2024	4.41	4.67
11/21/2024	4.43	4.68
11/20/2024	4.41	4.66
11/19/2024	4.39	4.66
11/18/2024	4.42	4.70
11/15/2024	4.43	4.70
11/14/2024	4.43	4.69
11/13/2024	4.44	4.73
11/12/2024	4.43	4.70
11/8/2024	4.30	4.58
11/7/2024	4.31	4.62
11/6/2024	4.42	4.71
11/5/2024	4.26	4.55
11/4/2024	4.31	4.60
11/1/2024	4.37	4.68
10/31/2024	4.28	4.58
10/30/2024	4.29	4.60
10/29/2024	4.28	4.61
10/28/2024	4.28	4.61
10/25/2024	4.25	4.58
10/24/2024	4.21	4.54
10/23/2024	4.24	4.58
10/22/2024	4.20	4.55
10/21/2024	4.19	4.54
10/18/2024	4.08	4.44
10/17/2024	4.09	4.44
10/16/2024	4.02	4.36

Average			
	10 Yr	20 Yr	15 Yr (Average of 10 and 20)
Treasury Rate			
June YTD	4.30	4.57	4.44
LTM June '24	4.30	4.58	4.44
Nov YTD	4.19	4.49	4.34
LTM Nov '24	4.18	4.47	4.33
Spread (See BBB Corporate Index Tab)			
June YTD	1.14	1.14	1.14
LTM June '24	1.29	1.29	1.29
Nov YTD	1.13	1.13	1.13
LTM Nov '24	1.14	1.14	1.14
All-in-Rate			
June YTD	5.45	5.71	5.58
LTM June '24	**5.59**	**5.87**	**5.73**
Nov YTD	5.32	5.62	5.47
LTM Nov '24	5.32	5.62	5.47

10/15/2024	4.03	4.37
10/11/2024	4.08	4.44
10/10/2024	4.09	4.44
10/9/2024	4.06	4.41
10/8/2024	4.04	4.38
10/7/2024	4.03	4.37
10/4/2024	3.98	4.33
10/3/2024	3.85	4.24
10/2/2024	3.79	4.19
10/1/2024	3.74	4.14
9/30/2024	3.81	4.19
9/27/2024	3.75	4.15
9/26/2024	3.79	4.17
9/25/2024	3.79	4.18
9/24/2024	3.74	4.13
9/23/2024	3.75	4.12
9/20/2024	3.73	4.10
9/19/2024	3.73	4.11
9/18/2024	3.70	4.08
9/17/2024	3.65	4.02
9/16/2024	3.63	4.01
9/13/2024	3.66	4.05
9/12/2024	3.68	4.07
9/11/2024	3.65	4.03
9/10/2024	3.65	4.04
9/9/2024	3.70	4.08
9/6/2024	3.72	4.10
9/5/2024	3.73	4.11
9/4/2024	3.77	4.14
9/3/2024	3.84	4.21
8/30/2024	3.91	4.28
8/29/2024	3.87	4.24
8/28/2024	3.84	4.22
8/27/2024	3.83	4.21
8/26/2024	3.82	4.19
8/23/2024	3.81	4.18
8/22/2024	3.86	4.21
8/21/2024	3.79	4.15
8/20/2024	3.82	4.19
8/19/2024	3.86	4.23
8/16/2024	3.89	4.26
8/15/2024	3.92	4.28
8/14/2024	3.83	4.22
8/13/2024	3.85	4.25
8/12/2024	3.90	4.30
8/9/2024	3.94	4.33
8/8/2024	3.99	4.38

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8/7/2024	3.96	4.35
8/6/2024	3.90	4.28
8/5/2024	3.78	4.16
8/2/2024	3.80	4.19
8/1/2024	3.99	4.35
7/31/2024	4.09	4.44
7/30/2024	4.15	4.50
7/29/2024	4.17	4.51
7/26/2024	4.20	4.53
7/25/2024	4.27	4.59
7/24/2024	4.28	4.62
7/23/2024	4.25	4.56
7/22/2024	4.26	4.57
7/19/2024	4.25	4.55
7/18/2024	4.20	4.51
7/17/2024	4.16	4.46
7/16/2024	4.17	4.48
7/15/2024	4.23	4.56
7/12/2024	4.18	4.50
7/11/2024	4.20	4.51
7/10/2024	4.28	4.58
7/9/2024	4.30	4.59
7/8/2024	4.28	4.57
7/5/2024	4.28	4.57
7/3/2024	4.36	4.64
7/2/2024	4.43	4.71
7/1/2024	4.48	4.76
6/28/2024	4.36	4.61
6/27/2024	4.29	4.53
6/26/2024	4.32	4.55
6/25/2024	4.23	4.46
6/24/2024	4.25	4.48
6/21/2024	4.25	4.49
6/20/2024	4.25	4.49
6/18/2024	4.22	4.47
6/17/2024	4.28	4.52
6/14/2024	4.20	4.46
6/13/2024	4.24	4.50
6/12/2024	4.31	4.56
6/11/2024	4.39	4.62
6/10/2024	4.47	4.68
6/7/2024	4.43	4.64
6/6/2024	4.28	4.51
6/5/2024	4.29	4.52
6/4/2024	4.33	4.56
6/3/2024	4.41	4.63
5/31/2024	4.51	4.73

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5/30/2024	4.55	4.76
5/29/2024	4.61	4.82
5/28/2024	4.54	4.74
5/24/2024	4.46	4.65
5/23/2024	4.47	4.67
5/22/2024	4.43	4.63
5/21/2024	4.41	4.65
5/20/2024	4.44	4.68
5/17/2024	4.42	4.66
5/16/2024	4.38	4.62
5/15/2024	4.36	4.61
5/14/2024	4.45	4.69
5/13/2024	4.48	4.72
5/10/2024	4.50	4.74
5/9/2024	4.45	4.70
5/8/2024	4.48	4.73
5/7/2024	4.47	4.70
5/6/2024	4.49	4.73
5/3/2024	4.50	4.75
5/2/2024	4.58	4.82
5/1/2024	4.63	4.85
4/30/2024	4.69	4.90
4/29/2024	4.63	4.86
4/26/2024	4.67	4.89
4/25/2024	4.70	4.93
4/24/2024	4.65	4.88
4/23/2024	4.61	4.84
4/22/2024	4.62	4.84
4/19/2024	4.62	4.83
4/18/2024	4.64	4.85
4/17/2024	4.59	4.81
4/16/2024	4.67	4.88
4/15/2024	4.63	4.85
4/12/2024	4.50	4.73
4/11/2024	4.56	4.77
4/10/2024	4.55	4.76
4/9/2024	4.36	4.60
4/8/2024	4.42	4.65
4/5/2024	4.39	4.65
4/4/2024	4.31	4.57
4/3/2024	4.36	4.61
4/2/2024	4.36	4.61
4/1/2024	4.33	4.58
3/28/2024	4.20	4.45
3/27/2024	4.20	4.45
3/26/2024	4.24	4.49
3/25/2024	4.25	4.51

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3/22/2024	4.22	4.47
3/21/2024	4.27	4.53
3/20/2024	4.27	4.53
3/19/2024	4.30	4.54
3/18/2024	4.34	4.57
3/15/2024	4.31	4.55
3/14/2024	4.29	4.54
3/13/2024	4.19	4.45
3/12/2024	4.16	4.42
3/11/2024	4.10	4.36
3/8/2024	4.09	4.36
3/7/2024	4.09	4.35
3/6/2024	4.11	4.36
3/5/2024	4.13	4.39
3/4/2024	4.22	4.48
3/1/2024	4.19	4.46
2/29/2024	4.25	4.51
2/28/2024	4.27	4.53
2/27/2024	4.31	4.57
2/26/2024	4.28	4.53
2/23/2024	4.26	4.51
2/22/2024	4.33	4.58
2/21/2024	4.32	4.59
2/20/2024	4.27	4.56
2/16/2024	4.30	4.58
2/15/2024	4.24	4.54
2/14/2024	4.27	4.57
2/13/2024	4.31	4.59
2/12/2024	4.17	4.48
2/9/2024	4.17	4.48
2/8/2024	4.15	4.47
2/7/2024	4.09	4.41
2/6/2024	4.09	4.39
2/5/2024	4.17	4.46
2/2/2024	4.03	4.33
2/1/2024	3.87	4.21
1/31/2024	3.99	4.34
1/30/2024	4.06	4.40
1/29/2024	4.08	4.42
1/26/2024	4.15	4.49
1/25/2024	4.14	4.49
1/24/2024	4.18	4.52
1/23/2024	4.14	4.48
1/22/2024	4.11	4.44
1/19/2024	4.15	4.47
1/18/2024	4.14	4.48
1/17/2024	4.10	4.42

1/16/2024	4.07	4.43
1/12/2024	3.96	4.32
1/11/2024	3.98	4.32
1/10/2024	4.04	4.35
1/9/2024	4.02	4.33
1/8/2024	4.01	4.33
1/5/2024	4.05	4.37
1/4/2024	3.99	4.30
1/3/2024	3.91	4.21
1/2/2024	3.95	4.25
12/29/2023	3.88	4.20
12/28/2023	3.84	4.14
12/27/2023	3.79	4.10
12/26/2023	3.89	4.20
12/22/2023	3.90	4.21
12/21/2023	3.89	4.19
12/20/2023	3.86	4.17
12/19/2023	3.93	4.23
12/18/2023	3.95	4.23
12/15/2023	3.91	4.19
12/14/2023	3.92	4.21
12/13/2023	4.04	4.36
12/12/2023	4.20	4.48
12/11/2023	4.23	4.51
12/8/2023	4.23	4.49
12/7/2023	4.14	4.42
12/6/2023	4.12	4.40
12/5/2023	4.18	4.48
12/4/2023	4.28	4.61
12/1/2023	4.22	4.58
11/30/2023	4.37	4.72
11/29/2023	4.27	4.62
11/28/2023	4.34	4.70
11/27/2023	4.39	4.72
11/24/2023	4.47	4.79
11/22/2023	4.42	4.73
11/21/2023	4.41	4.75
11/20/2023	4.42	4.74
11/17/2023	4.44	4.80
11/16/2023	4.45	4.82
11/15/2023	4.53	4.87
11/14/2023	4.44	4.80
11/13/2023	4.63	4.95
11/10/2023	4.61	4.93
11/9/2023	4.62	4.97
11/8/2023	4.49	4.82
11/7/2023	4.58	4.91

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11/6/2023	4.67	5.00
11/3/2023	4.57	4.93
11/2/2023	4.67	4.99
11/1/2023	4.77	5.13
10/31/2023	4.88	5.21
10/30/2023	4.88	5.21
10/27/2023	4.84	5.19
10/26/2023	4.86	5.19
10/25/2023	4.95	5.27
10/24/2023	4.83	5.15
10/23/2023	4.86	5.19
10/20/2023	4.93	5.27
10/19/2023	4.98	5.30
10/18/2023	4.91	5.20
10/17/2023	4.83	5.14
10/16/2023	4.71	5.06
10/13/2023	4.63	4.97
10/12/2023	4.70	5.05
10/11/2023	4.58	4.92
10/10/2023	4.66	5.03
10/6/2023	4.78	5.13
10/5/2023	4.72	5.06
10/4/2023	4.73	5.05
10/3/2023	4.81	5.13
10/2/2023	4.69	5.00
9/29/2023	4.59	4.92
9/28/2023	4.59	4.90
9/27/2023	4.61	4.91
9/26/2023	4.56	4.86
9/25/2023	4.55	4.84
9/22/2023	4.44	4.70
9/21/2023	4.49	4.74
9/20/2023	4.35	4.57
9/19/2023	4.37	4.60
9/18/2023	4.32	4.57
9/15/2023	4.33	4.59
9/14/2023	4.29	4.57
9/13/2023	4.25	4.52
9/12/2023	4.27	4.54
9/11/2023	4.29	4.56
9/8/2023	4.26	4.52
9/7/2023	4.27	4.55
9/6/2023	4.30	4.56
9/5/2023	4.27	4.56
9/1/2023	4.18	4.48
8/31/2023	4.09	4.39
8/30/2023	4.12	4.42

8/29/2023	4.12	4.42
8/28/2023	4.20	4.48
8/25/2023	4.25	4.50
8/24/2023	4.23	4.49
8/23/2023	4.19	4.46
8/22/2023	4.34	4.61
8/21/2023	4.34	4.64
8/18/2023	4.26	4.55
8/17/2023	4.30	4.58
8/16/2023	4.28	4.55
8/15/2023	4.21	4.49
8/14/2023	4.19	4.46
8/11/2023	4.16	4.45
8/10/2023	4.09	4.41
8/9/2023	4.00	4.33
8/8/2023	4.02	4.35
8/7/2023	4.09	4.42
8/4/2023	4.05	4.36
8/3/2023	4.20	4.49
8/2/2023	4.08	4.35
8/1/2023	4.05	4.30
7/31/2023	3.97	4.22
7/28/2023	3.96	4.22
7/27/2023	4.01	4.26
7/26/2023	3.86	4.12
7/25/2023	3.91	4.14
7/24/2023	3.86	4.11
7/21/2023	3.84	4.10
7/20/2023	3.85	4.10
7/19/2023	3.75	4.01
7/18/2023	3.80	4.08
7/17/2023	3.81	4.10
7/14/2023	3.83	4.11
7/13/2023	3.76	4.07
7/12/2023	3.86	4.14
7/11/2023	3.99	4.22
7/10/2023	4.01	4.24
7/7/2023	4.06	4.27
7/6/2023	4.05	4.23
7/5/2023	3.95	4.17
7/3/2023	3.86	4.08
6/30/2023	3.81	4.06
6/29/2023	3.85	4.11
6/28/2023	3.71	4.00
6/27/2023	3.77	4.03
6/26/2023	3.72	4.01
6/23/2023	3.74	4.01

6/22/2023	3.80	4.06
6/21/2023	3.72	3.99
6/20/2023	3.74	4.01
6/16/2023	3.77	4.05
6/15/2023	3.72	4.02
6/14/2023	3.83	4.09
6/13/2023	3.84	4.12
6/12/2023	3.73	4.04
6/9/2023	3.75	4.05
6/8/2023	3.73	4.05
6/7/2023	3.79	4.12
6/6/2023	3.70	4.02
6/5/2023	3.69	4.03
6/2/2023	3.69	4.03
6/1/2023	3.61	3.98
5/31/2023	3.64	4.01
5/30/2023	3.69	4.06
5/26/2023	3.80	4.13
5/25/2023	3.83	4.16
5/24/2023	3.73	4.10
5/23/2023	3.70	4.08
5/22/2023	3.72	4.09
5/19/2023	3.70	4.07
5/18/2023	3.65	4.02
5/17/2023	3.57	3.96
5/16/2023	3.54	3.96
5/15/2023	3.50	3.92
5/12/2023	3.46	3.87
5/11/2023	3.39	3.82
5/10/2023	3.43	3.88
5/9/2023	3.53	3.94
5/8/2023	3.52	3.92
5/5/2023	3.44	3.85
5/4/2023	3.37	3.80
5/3/2023	3.38	3.79
5/2/2023	3.44	3.82
5/1/2023	3.59	3.95
4/28/2023	3.44	3.80
4/27/2023	3.53	3.88
4/26/2023	3.43	3.81
4/25/2023	3.40	3.77
4/24/2023	3.52	3.85
4/21/2023	3.57	3.90
4/20/2023	3.54	3.87
4/19/2023	3.60	3.90
4/18/2023	3.58	3.91
4/17/2023	3.60	3.92

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4/14/2023	3.52	3.85
4/13/2023	3.45	3.80
4/12/2023	3.41	3.75
4/11/2023	3.43	3.75
4/10/2023	3.41	3.74
4/7/2023	3.39	3.73
4/6/2023	3.30	3.66
4/5/2023	3.30	3.67
4/4/2023	3.35	3.72
4/3/2023	3.43	3.78
3/31/2023	3.48	3.81
3/30/2023	3.55	3.88
3/29/2023	3.57	3.91
3/28/2023	3.55	3.90
3/27/2023	3.53	3.90
3/24/2023	3.38	3.77
3/23/2023	3.38	3.78
3/22/2023	3.48	3.83
3/21/2023	3.59	3.90
3/20/2023	3.47	3.83
3/17/2023	3.39	3.76
3/16/2023	3.56	3.87
3/15/2023	3.51	3.82
3/14/2023	3.64	3.91
3/13/2023	3.55	3.85
3/10/2023	3.70	3.90
3/9/2023	3.93	4.09
3/8/2023	3.98	4.11
3/7/2023	3.97	4.11
3/6/2023	3.98	4.14
3/3/2023	3.97	4.12
3/2/2023	4.08	4.24
3/1/2023	4.01	4.17
2/28/2023	3.92	4.10
2/27/2023	3.92	4.11
2/24/2023	3.95	4.11
2/23/2023	3.88	4.04
2/22/2023	3.93	4.09
2/21/2023	3.95	4.12
2/17/2023	3.82	4.01
2/16/2023	3.86	4.05
2/15/2023	3.81	3.97
2/14/2023	3.77	3.94
2/13/2023	3.72	3.92
2/10/2023	3.74	3.96
2/9/2023	3.67	3.90
2/8/2023	3.63	3.86

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2/7/2023	3.67	3.87
2/6/2023	3.63	3.82
2/3/2023	3.53	3.77
2/2/2023	3.40	3.67
2/1/2023	3.39	3.67
1/31/2023	3.52	3.78
1/30/2023	3.55	3.79
1/27/2023	3.52	3.77
1/26/2023	3.49	3.75
1/25/2023	3.46	3.74
1/24/2023	3.46	3.73
1/23/2023	3.52	3.80
1/20/2023	3.48	3.77
1/19/2023	3.39	3.69
1/18/2023	3.37	3.65
1/17/2023	3.53	3.81
1/13/2023	3.49	3.79
1/12/2023	3.43	3.73
1/11/2023	3.54	3.84
1/10/2023	3.61	3.91
1/9/2023	3.53	3.83
1/6/2023	3.55	3.84
1/5/2023	3.71	3.96
1/4/2023	3.69	3.97
1/3/2023	3.79	4.06

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BBB Corporate Index Spread
Source Bloomberg

Average	June YTD	LTM June 2024	November YTD	LTM Nov 2024	1 year	2 year	3 year	5 year
BBB Corporate Index	114	129	113	114	113	134	143	147

	OAS_SOVEREIGN_CURVE
	I05746us Index
Date	**BBB Corporate Index**
12/1/2019	140
12/2/2019	141
12/3/2019	143
12/4/2019	140
12/5/2019	139
12/6/2019	137
12/7/2019	137
12/8/2019	137
12/9/2019	136
12/10/2019	136
12/11/2019	136
12/12/2019	133
12/13/2019	133
12/14/2019	133
12/15/2019	133
12/16/2019	131
12/17/2019	129
12/18/2019	128
12/19/2019	128
12/20/2019	128
12/21/2019	128
12/22/2019	128
12/23/2019	127
12/24/2019	128
12/25/2019	128
12/26/2019	128
12/27/2019	127
12/28/2019	127
12/29/2019	127
12/30/2019	127
12/31/2019	125
1/1/2020	125
1/2/2020	127
1/3/2020	129
1/4/2020	129
1/5/2020	129
1/6/2020	130
1/7/2020	130
1/8/2020	129
1/9/2020	128
1/10/2020	127
1/11/2020	127
1/12/2020	127
1/13/2020	127
1/14/2020	128
1/15/2020	128

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1/16/2020	127
1/17/2020	125
1/18/2020	125
1/19/2020	125
1/20/2020	125
1/21/2020	125
1/22/2020	124
1/23/2020	127
1/24/2020	128
1/25/2020	128
1/26/2020	128
1/27/2020	133
1/28/2020	132
1/29/2020	132
1/30/2020	134
1/31/2020	136
2/1/2020	136
2/2/2020	136
2/3/2020	135
2/4/2020	132
2/5/2020	129
2/6/2020	129
2/7/2020	129
2/8/2020	129
2/9/2020	129
2/10/2020	130
2/11/2020	129
2/12/2020	127
2/13/2020	128
2/14/2020	128
2/15/2020	128
2/16/2020	128
2/17/2020	128
2/18/2020	127
2/19/2020	127
2/20/2020	129
2/21/2020	131
2/22/2020	131
2/23/2020	131
2/24/2020	137
2/25/2020	140
2/26/2020	142
2/27/2020	151
2/28/2020	161
2/29/2020	161
3/1/2020	161
3/2/2020	164
3/3/2020	164
3/4/2020	161
3/5/2020	167
3/6/2020	185
3/7/2020	185
3/8/2020	185

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3/9/2020	218
3/10/2020	223
3/11/2020	237
3/12/2020	267
3/13/2020	274
3/14/2020	274
3/15/2020	274
3/16/2020	304
3/17/2020	318
3/18/2020	354
3/19/2020	404
3/20/2020	440
3/21/2020	440
3/22/2020	440
3/23/2020	462
3/24/2020	443
3/25/2020	413
3/26/2020	387
3/27/2020	383
3/28/2020	383
3/29/2020	383
3/30/2020	372
3/31/2020	360
4/1/2020	368
4/2/2020	369
4/3/2020	373
4/4/2020	373
4/5/2020	373
4/6/2020	363
4/7/2020	351
4/8/2020	341
4/9/2020	316
4/10/2020	316
4/11/2020	316
4/12/2020	316
4/13/2020	292
4/14/2020	279
4/15/2020	285
4/16/2020	285
4/17/2020	280
4/18/2020	280
4/19/2020	280
4/20/2020	273
4/21/2020	279
4/22/2020	277
4/23/2020	274
4/24/2020	276
4/25/2020	276
4/26/2020	276
4/27/2020	274
4/28/2020	275
4/29/2020	271
4/30/2020	269

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5/1/2020	272
5/2/2020	272
5/3/2020	272
5/4/2020	274
5/5/2020	271
5/6/2020	272
5/7/2020	276
5/8/2020	277
5/9/2020	277
5/10/2020	277
5/11/2020	277
5/12/2020	275
5/13/2020	276
5/14/2020	278
5/15/2020	274
5/16/2020	274
5/17/2020	274
5/18/2020	262
5/19/2020	256
5/20/2020	247
5/21/2020	245
5/22/2020	245
5/23/2020	245
5/24/2020	245
5/25/2020	245
5/26/2020	238
5/27/2020	235
5/28/2020	231
5/29/2020	230
5/30/2020	230
5/31/2020	230
6/1/2020	227
6/2/2020	221
6/3/2020	212
6/4/2020	207
6/5/2020	194
6/6/2020	194
6/7/2020	194
6/8/2020	191
6/9/2020	195
6/10/2020	199
6/11/2020	210
6/12/2020	208
6/13/2020	208
6/14/2020	208
6/15/2020	206
6/16/2020	191
6/17/2020	192
6/18/2020	194
6/19/2020	193
6/20/2020	193
6/21/2020	193
6/22/2020	193

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6/23/2020	193
6/24/2020	197
6/25/2020	199
6/26/2020	201
6/27/2020	201
6/28/2020	201
6/29/2020	201
6/30/2020	198
7/1/2020	195
7/2/2020	190
7/3/2020	190
7/4/2020	190
7/5/2020	190
7/6/2020	186
7/7/2020	188
7/8/2020	188
7/9/2020	190
7/10/2020	190
7/11/2020	190
7/12/2020	190
7/13/2020	188
7/14/2020	188
7/15/2020	185
7/16/2020	184
7/17/2020	182
7/18/2020	182
7/19/2020	182
7/20/2020	179
7/21/2020	175
7/22/2020	174
7/23/2020	174
7/24/2020	176
7/25/2020	176
7/26/2020	176
7/27/2020	175
7/28/2020	177
7/29/2020	175
7/30/2020	177
7/31/2020	176
8/1/2020	176
8/2/2020	176
8/3/2020	174
8/4/2020	174
8/5/2020	171
8/6/2020	169
8/7/2020	168
8/8/2020	168
8/9/2020	168
8/10/2020	167
8/11/2020	165
8/12/2020	165
8/13/2020	166
8/14/2020	169

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8/15/2020	169
8/16/2020	169
8/17/2020	170
8/18/2020	171
8/19/2020	170
8/20/2020	172
8/21/2020	171
8/22/2020	171
8/23/2020	171
8/24/2020	170
8/25/2020	171
8/26/2020	171
8/27/2020	171
8/28/2020	171
8/29/2020	171
8/30/2020	171
8/31/2020	170
9/1/2020	168
9/2/2020	166
9/3/2020	168
9/4/2020	169
9/5/2020	169
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9/7/2020	169
9/8/2020	171
9/9/2020	170
9/10/2020	170
9/11/2020	171
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9/14/2020	169
9/15/2020	169
9/16/2020	167
9/17/2020	168
9/18/2020	167
9/19/2020	167
9/20/2020	167
9/21/2020	169
9/22/2020	170
9/23/2020	172
9/24/2020	177
9/25/2020	181
9/26/2020	181
9/27/2020	181
9/28/2020	179
9/29/2020	178
9/30/2020	176
10/1/2020	176
10/2/2020	175
10/3/2020	175
10/4/2020	175
10/5/2020	170
10/6/2020	168

10/7/2020	167
10/8/2020	166
10/9/2020	165
10/10/2020	165
10/11/2020	165
10/12/2020	165
10/13/2020	164
10/14/2020	164
10/15/2020	164
10/16/2020	163
10/17/2020	163
10/18/2020	163
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10/23/2020	160
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10/27/2020	161
10/28/2020	162
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10/31/2020	163
11/1/2020	163
11/2/2020	163
11/3/2020	161
11/4/2020	158
11/5/2020	155
11/6/2020	152
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11/8/2020	152
11/9/2020	144
11/10/2020	144
11/11/2020	144
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11/13/2020	147
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11/15/2020	147
11/16/2020	145
11/17/2020	145
11/18/2020	143
11/19/2020	142
11/20/2020	142
11/21/2020	142
11/22/2020	142
11/23/2020	141
11/24/2020	139
11/25/2020	139
11/26/2020	139
11/27/2020	138
11/28/2020	138

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11/29/2020	138
11/30/2020	136
12/1/2020	132
12/2/2020	131
12/3/2020	129
12/4/2020	129
12/5/2020	129
12/6/2020	129
12/7/2020	130
12/8/2020	132
12/9/2020	134
12/10/2020	133
12/11/2020	134
12/12/2020	134
12/13/2020	134
12/14/2020	134
12/15/2020	132
12/16/2020	131
12/17/2020	128
12/18/2020	128
12/19/2020	128
12/20/2020	128
12/21/2020	129
12/22/2020	129
12/23/2020	127
12/24/2020	128
12/25/2020	128
12/26/2020	128
12/27/2020	128
12/28/2020	126
12/29/2020	125
12/30/2020	124
12/31/2020	124
1/1/2021	124
1/2/2021	124
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DR 19.4a Computation of 2024 and 2025 Property Tax

Property Tax 2023		$ 1,333,960.00	
Increase in Average Plant in 2024:			
Average Plant B-1 (2024) line 29	$ 181,250,167.00		
Average Plant B-1 (2023) line 29	$ 173,342,969.38		This amount was later revised to $171,501, 015 but tax was not corrected
Increase in Plant-mainly due to substations	$ 7,907,197.62		
Estimated Effective Property Tax Rate	2%		
Increase in Property Tax for New Additions	$ 158,143.95	$ 158,143.95	
		$ 1,492,103.95	
Inflation Factor based on C-7 (2024)		1.0284	
Property Tax Forecast for 2025		$ 1,534,479.70	
Property Tax Estimate on C-20 (2024)		$ 1,534,480.00	
Increase in Average Plant in 2025:			
Average Plant B-1 (2025) line 31	$ 216,268,461.00		
Average Plant B-1 (2024) line 29	$ 181,250,167.00		
Increase in Plant-mainly due to substations	$ 35,018,294.00		
Effective Property Tax Rate	2%		
Increase in Property Tax for New Additions	$ 700,365.88	$ 700,365.88	
		$ 2,234,845.88	
Inflation Factor based on C-7 (2025)		1.0231	
Property Tax Forecast for 2025		$ 2,286,470.82	

Compensation Administration Manual

(Internal HR Policy)

January 1, 2024

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Table of Contents

Compensation Contact Information	
Ruth Warner Director, HR Operations rwarner@chpk.com	Dina Bellechases Compensation & Retirement Mgr. dbellechases@chpk.com

<u>Exceptions, Modifications</u>
Any exceptions to the above guidelines must be approved by the SVP, Chief Human Resources Officer (CHRO) of Chesapeake Utilities.

COMPENSATION & BENEFITS PHILOSOPHY STATEMENT

Compensation Philosophy

Our compensation philosophy is to provide market competitive compensation and benefits that support our culture to be an employer of choice and increase our ability to attract, motivate and retain a talented workforce. We pride ourselves in offering competitive compensation and benefits structured to meet employees' personal and work-life needs and recognize their contributions to the organization.

We believe our employees are our most valuable asset and recognize that each employee must be valued as an individual and treated fairly and equitably.

Our Compensation Plan is structured to recognize and reward individual performance through merit pay and to ensure that compensation for each job is linked to the market (which approximately represents the 50th percentile), based on the job skills and requirements. We annually compare all jobs to the market through formal surveys to ensure competitiveness within our marketplace and industry.

Benefits Philosophy

As part of our goal to be an employer of choice, we provide a competitive benefits package that includes the following:

- Medical Insurance and Prescription coverage
- Dental and Vision Insurance
- Paid Time Off (PTO)
- Sick Time
- Disability and Life Insurance
- 401k Deferred Compensation Plans with a safe harbor matching component and the opportunity for a supplemental matching contribution as well (on up to 6% of eligible cash compensation)
- Flexible Spending Accounts
- Tuition Reimbursement
- Wellness Program
- Recognition Program
- Volunteer time
- And more (See benefits materials for details)

To ensure we are competitive, we also target the median (50th percentile) benefit levels in our market. We annually compare our benefit plans to the market and make changes as appropriate. As a result of our yearly analysis, we strive to provide a benefits package that will attract, motivate, and retain a talented workforce.

COMPENSATION SUMMARY

To carry out our Compensation Philosophy, a Job Architecture has been developed to provide the necessary foundation to manage jobs, roles, skills and careers across the Chesapeake organization. The Job Architecture will establish a framework for understanding comparable roles within the organization and provide a systematic approach for determining relative value based on the overall

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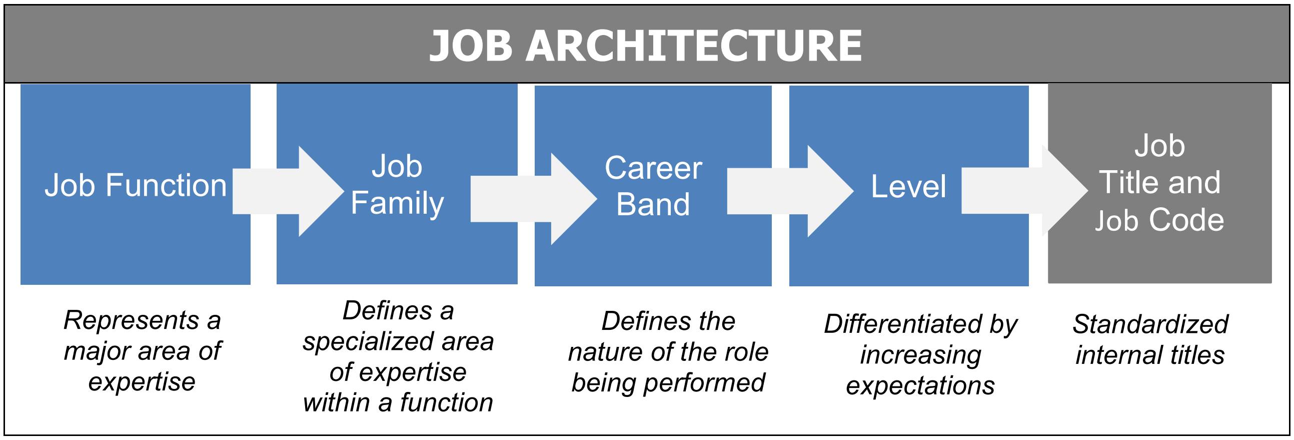
responsibilities, scope and expected contribution for each job (not the volume of work, the incumbent's performance or current pay).



See Appendix C - CUC Job Functions, Families and Career bands

Tools and Best Practices to Attract, Motivate and Retain

Below is a list of compensation tools and best practices that we use to ensure that we attract, motivate and retain a talented workforce.

<u>Annual Performance Evaluation (merit increases)</u>

Our pay for performance philosophy is to reward employees with merit increases resulting from their achieved performance level. Each full or part time employee may be considered for a merit increase at least once a year. Each year the Senior Leadership Team along with the Compensation Committee establish an annual merit increase pool of dollars.

The purpose of the merit increase system is to link the results of an employee's performance evaluation to increases in the employee's base pay. **Length of service or time spent in a job does not justify a pay increase.** Those employees whose performance meets or exceeds standards may see this reflected in their merit increase. However, those who fail to meet standards, or whose performance is unacceptable, may not be eligible for merit increases.

Further, employees at or above the pay grade maximum <u>will not</u> receive a merit increase. However, they may receive a lump sum payment based on the merit increase percentage and their annualized budgeted hours. The lump sum will be split in payments made in April and September.

Employees with pay currently below the pay grade maximum – but who would exceed the maximum if given the full merit increase – may receive a merit increase that brings their pay to the pay grade maximum. They may also receive a lump sum payment for the remainder of their merit increase.

Union employees will follow their respective collective bargaining agreements. New hires must have completed at least 90 days of employment by December 31 to be eligible for the merit increase.

Each year, Supervisors/Managers evaluate their staff using the Performance Review Form. Forms will be available in October and need to be finalized by the end of January. Employees are evaluated on a calendar year basis, and merit increases are effective on the first date of the pay period closest to April 1st of the following year.

Employees will be evaluated on a host of capabilities utilizing a 5-point scale, which is outlined below:

1	2	3	4	5
Unacceptable	**Needs Improvement**	**Meets Expectations**	**Exceeds Expectations**	**Outstanding**
Consistently fails to meet job requirements; Performance is below minimum requirements and immediate improvement is required in order to maintain employment.	Occasionally fails to meet job requirements; Performance must improve to meet all expectations of job position.	Able to perform 100% of job duties satisfactorily. Normal guidance and supervision required. Meets all required expectations.	Frequently exceeds job requirements; all planned objectives were achieved above the established standard and accomplishments were made in unexpected areas as well.	Consistently exceeds job requirements. This is the highest level of performance that can be attained.

Signed Performance Review Forms must be returned to HR Compensation no later than April 30 to be uploaded to employees' UKG profiles.

Internal Equity

When hiring new employees internally or externally, Human Resources / Compensation reviews the pay rates for employees within the same function, family, career band and level to maintain internal equity. This allows CUC to consistently monitor and ensure employees are paid market competitive wages based on total years of experience, expertise and performance.

See Appendix A for an internal equity example.

Market Analysis

The competitiveness of the pay structures and ranges are assessed annually, based on compensation surveys of comparable jobs to ensure external equity is maintained. Periodic structure adjustments will assure that jobs are placed in correct ranges. If there is evidence of a change in market position, ranges may be adjusted according to the program's objectives and ability to pay within budget.

If, indeed, HR determines to increase the ranges to maintain competitiveness, a percentage would be applied to the midpoint of the first pay grade. The remainder of the structure would be adjusted accordingly. These adjustments do not change the grades to which positions are assigned and do not result in automatic changes in individual employee pay levels. However, any employee who falls below the adjusted range minimum may receive a pay adjustment to the new minimum assuming acceptable performance.

E994

ANNUAL MARKET ANALYSIS TIMELINE	
SEPTEMBER (after Salary survey results are published)	Review and analyze all non-union positions at CUC versus the market.
OCTOBER	Present market analysis to HR Leadership and provide final market adjustment recommendations to CHRO. Request budget approval for market adjustments.
JANUARY	Implement approved market adjustments and new salary ranges, if applicable and subject to budget availability

New Hire Starting Pay

The CUC new hire starting pay strategy is to provide a market competitive rate for new hires based on their total years of experience as well as their knowledge and skills.

A new employee who is hired into a position is provided with a salary/wage that is commensurate with their knowledge, skills and experience. A new hire's pay is determined based on the following guidelines:

- The salary/wage cannot be below the minimum value of the position grade.
- The salary/wage typically should not exceed the midpoint value of the position grade. (10 years of experience is the mid-point)
- Within this range, the salary/wage is determined primarily based on qualifications and prior years of related experience, with consideration given to the range locations of incumbent staff.

Hiring new employees close to the midpoint of the pay range may present internal equity and compression issues with incumbents in the same position. It is the responsibility of the Hiring Manager and Human Resources to carefully consider the implications of such a decision. Exceptions should be made only when the candidate pool for a position is extremely limited and such a pay decision is the only way to ensure appropriate staffing levels.

New hire rates are recommended by Compensation Department and communicated to the HR Business Partner and/or Recruiter to communicate to the hiring manager or business unit leader.

Position Change Process

In the case of a promotion, lateral transfer or reassignment, the following steps will be taken to ensure appropriate pay adjustments:

1. The Human Resources Business Partner will process the Employee Change Form (ECF) for approval through Right-Signature.

2. The manager then forwards the completed ECF to the Human Resources Department.

3. Pay adjustments outside of the merit cycle must be approved by the Senior Leadership Team and the Human Resources Department prior to being communicated to the employee.

4. Within two weeks of the employee assuming the new position, the new manager provides the employee with a new job description and conducts a discussion regarding responsibilities and performance expectations for the next performance review.

The effective date of the job change should be the date the employee assumes the duties and responsibilities of the new position, and must coincide with the first day of a pay period.

Promotional Increase

A promotion is when an employee is moving into a higher pay grade or level, or there are additional higher-level responsibilities assigned. HR Business Partners will collaborate with Compensation Department as necessary to determine the appropriate pay increase and will be responsible for communicating with the Manager. The respective department and unit's budgets must always be considered by the hiring manager when making any adjustment to an employee's pay.

To determine the promotional increase, you would multiply the employee's current rate of pay by 5% for each pay grade to determine the promotional increase, or you can follow the guidelines on this table.

Current Position in **New Range**	**Recommended Increase** (as % of current base salary)
At or above max	No increase
Between mid and max	Up to 5%
Below mid	Up to 10%

If the new rate of pay calculates below the minimum of the new pay grade, then the minimum of the new pay grade is used.

If, after calculating the promotional increase, an employee's pay exceeds the pay grade maximum, their pay is brought to the maximum.

For more questions or help with a promotional increase, please contact the Compensation Department.

Demotion/Reassignment Decrease

Demotion is defined as an employee moving into a lower pay grade. To determine the amount of decrease to the base salary, you would reduce the employee's current rate of pay by 5% for each pay grade reduction to determine the decrease in their rate of pay.

In the event that this decrease still results in the employee being over the maximum of the new pay range, the new pay rate would equal the maximum of the new pay range. For more questions or help with an employee receiving a demotion, please contact Human Resources.

Under no circumstances can an employee's pay rate be decreased without consultation with HR, written advanced notice of the pay decrease and their new rate of pay. TIP target percentages may also be adjusted due to the demotion.

Position Re-evaluation

A position may be re-evaluated to recognize significant changes in job content and may be assigned to a different pay grade as a result.

Provided an incumbent has not demonstrated less than acceptable performance, an employee within a position that is reclassified to a higher pay grade may be treated as if he or she is receiving a promotion.

Lateral Transfers

A lateral transfer occurs when an employee assumes a job that has the same pay grade and pay range as the employee's current position, but is either in a different department or has substantially different duties. A lateral move provides an opportunity for employees to broaden their skills and experience to further career development in another area or location.

An employee transferring to a position of the same grade may not normally receive a change in salary/wage as a result of the transfer. However, various circumstances, for example the level of pay for other employees within the position or the transferred employee's prior related work experience applicable to the position, may be considered as reasons for a change in pay.

Under no circumstances, can an employee's pay rate be decreased without consultation with HR, as well as written advanced notice of the pay decrease and their new rate of pay.

Movement within the Range

Employees may progress to their pay range midpoint over time assuming they continue to develop their skills and become fully functional in their position. This period of time may vary for different levels of positions and is based upon demonstrated performance. Pay levels in the upper third of the range should be reserved as incentive compensation for those individuals, generally a small number, who consistently produce outstanding results or perform beyond the scope of their responsibilities.

Minimum: The lowest salary that may be paid to individuals qualified to hold positions in this range. Individuals with minimum experience who require extensive training, or who have transferred into the position from another field, should be hired close to or at the minimum.

Maximum: Highest salary that should be paid to individuals in this range. Any salary increase for individuals over the maximum is considered on a case-by-case basis. If warranted, performance may be recognized in the form of a one-time lump sum award.

CHESAPEAKE UTILITIES CORPORATION

SALARY RANGE POSITIONING			
Minimum	**Midpoint**		**Maximum**
1st Quartile 0-25th percentile of range	**2nd Quartile 25-50th percentile of range**	**3rd Quartile 50-75th percentile of range**	**4th Quartile 75-100% percentile of range**
Entry-level employees who are comparatively inexperienced and who are in the process of developing their skills, abilities, and knowledge in their field.	Employees progressing satisfactorily toward achieving a standard level of performance in their job duties and responsibilities or have a proven record of accomplishment in their field.	Employees fully qualified to hold positions within this range. Individuals with a few years' experience who require minimal or no training may be paid close to or at the mid-point.	Employees who have consistently demonstrated outstanding performance in a position, and/or have demonstrated consistently good performance over a long period.

Years of Relevant Experience

- Count all specific job-related experience at CUC and outside of CUC.
- May count a portion of indirect job-related experience at CUC and outside of CUC (e.g. – Customer Service Representative with 10 years of experience is hired as a CSR Supervisor – may count a portion of this experience towards Supervisor role).
- Experience related to gaps in employment of more than 10 years does not count.

Interns, Temporary and Part-time Employees

Interns, Temporary and Part-time (<30 hours/week) employees are not assigned a specific number of hours, are not eligible for employee benefits, and are not eligible for merit increases in hourly pay.

Employee Recognition

Leaders across CUC are encouraged to recognize their staff regularly in a variety of tangible and intangible ways including but not limited to: thank you cards, department outings, lunch appreciation days, bagel/coffee appreciation days, gift cards, verbal and other written forms of appreciation. It should be noted that any employee recognition with a cash or cash equivalent value is considered taxable fringe income and subject to Federal and State tax withholding. This should be communicated to employees and Payroll at the time of receipt of a cash or cash equivalent recognition.

In addition, employees may also be recognized through the Team Incentive Plan (TIP) which provides for a potential annual payout, no later than the end of March of the following calendar year for eligible employees that have contributed to the success of the Company. The following matrix may be used to calculate TIP payouts:

TIP TARGETS Job Level	Target Bonus Opportunity %
M3	20%
P5, M2	15%
P4, M1	12%
W4, U4, T4, P3	10%
W3, U3, T2, T3, P1, P2	8%
W1, W2, U1, U2, T1, Union	6%

What should you say when your employee(s) question their pay in relation to what they hear other employers are paying or compared to online pay information?

Here are some questions to ask:

- Is the rate of pay being quoted equal to base pay or does it include differentials, overtime or other types of compensation?
- Are you comparing similar jobs? Job duties and responsibilities vary by employer; therefore, positions with the same job title at another employer may be slightly to significantly different.
- Were multiple survey sources used? Many online compensation tools use market data from one source and this may skew the data too high or too low. CUC uses multiple survey sources and various cuts of market data to ensure we are comparing our jobs very closely to jobs in the marketplace.
- How current is the compensation data? CUC "ages" the market data it receives to make sure it reflects what the market is currently paying for jobs. CUC is also regularly in the market recruiting for jobs so this provides real-time access and knowledge regarding market trends.

See Appendix B for a list of CUC pay grades.

Appendix A

INTERNAL EQUITY EXAMPLE

Which example below best illustrates internal equity (employees all work in the same position and they are all Solid performers)?

A. Sue makes $13.00/hour and has 4 years of experience. Erin makes $16.00/hour and has 10 years of experience. Tom makes $14.00/hour and has 12 years of experience.

B. Sue makes $17.00/hour and has 15 years of experience. Erin makes $15.00/hour and has 11 years of experience. Tom makes $12.00/hour and has 5 years of experience.

C. Sue makes $13.00/hour and has 3 years of experience. Erin makes $12.00/hour and has 5 years of experience. Tom makes $11.00/hour and has 4 years of experience.

The answer is "B" because in this situation the employees with less years of experience are always making less than the co-workers with more years of relevant experience. CUC works hard to maintain internal equity and this is one of the main reasons why CUC Human Resources handles all new hire or promotion offers.

Appendix B

2024 SALARY RANGES
(Effective 01/01/2024)

Grade	Min	Mid	Max
25	162,750.00	217,000.00	271,250.00
24	150,000.00	200,000.00	250,000.00
23	138,000.00	184,000.00	230,000.00
22	127,500.00	170,000.00	212,500.00
21	117,000.00	156,000.00	195,000.00
20	107,250.00	143,000.00	178,750.00
19	99,000.00	132,000.00	165,000.00
18	90,000.00	120,000.00	150,000.00
17	81,750.00	109,000.00	136,250.00
16	74,250.00	99,000.00	123,750.00
15	67,500.00	90,000.00	112,500.00
14	60,750.00	81,000.00	101,250.00
13	56,250.00	75,000.00	93,750.00
12	51,000.00	68,000.00	85,000.00
11	47,250.00	63,000.00	78,750.00
10	42,750.00	57,000.00	71,250.00
9	39,000.00	52,000.00	65,000.00
8	36,000.00	48,000.00	60,000.00
7	33,750.00	45,000.00	56,250.00
6	30,000.00	40,000.00	50,000.00
5	27,750.00	37,000.00	46,250.00
4	25,500.00	34,000.00	42,500.00
3	24,000.00	32,000.00	40,000.00
2	22,500.00	30,000.00	37,500.00
1	21,000.00	28,000.00	35,000.00

FPSC EXH NO. 77

ADMITTED

E1002

CHESAPEAKE UTILITIES CORPORATION

Appendix C

CUC JOB FUNCTIONS

CUC JOB FAMILIES

Corp Affairs/ Communications	Customer Service	Engineering	Finance	General Services	Human Resources	IT (BIS)	Legal/ Compliance	Operations	Sales/ Marketing
Environmental Affairs & Compliance	Collections	Electrical Engineers	Accounting	Administrative	Employee Development/ Training	Business Systems Analysis	Corporate Governance	Administrative	Business Development
	Customer Billing	Engineers	Audit	Facilities	Employee/Labor Relations	Data & Information Management	General Counsel	Compliance/ Safety	Communications
	Customer Contact Center	Mapping	Financial Analysis	Security	Management	Development	Government Affairs	Construction Project Management	Energy Efficiency/ Conservation
	Customer Svce Support & Administration		Tax		Recruiting/ Talent Acquisition	Infrastructure	Regulatory Compliance	Electric Transmission/ Distribution	Marketing/ Integrated Communications
			Treasury		Talent/ Workforce Development	Management	Risk Management	Gas Construction	Sales/Account Management
					Total Rewards	Project Management		Gas Services	
						Security		Gas Technical Services	
						Systems Administration		Gas Transmission/ Distribution	
						Technical Support		Line Locating	
								Logistics	
								Management	
								Project Management	
								Research & Development	

E1002

Appendix D
Career Bands

CAREER BANDS				
MANAGEMENT (M)	**PROFESSIONAL (P)**	**TECHNICAL SUPPORT (T)**	**BUSINESS SUPPORT (U)**	**PRODUCTION (W)**
• Achieves goals through the work of others ▪ Management responsibilities include performance appraisals, pay reviews, training and development ▪ Job focus is on managing others and applying operational or strategic management skills	▪ *Applies a theoretical knowledge-base to work to achieve goals through own work* ▪ *Characterized by specific functional expertise typically gained through formal education* ▪ *May provide guidance to others as a project manager using technical expertise*	▪ Performs technical work, often in support of professional roles ▪ Requires vocational training or the equivalent experience ▪ Performs duties according to established procedures	▪ Performs clerical or administrative work ▪ Uses administrative, data organizing and coordination skills to complete work ▪ Performs duties according to established procedures	▪ Performs operational, craft or manual tasks ▪ Typically requires vocational training, apprenticeships or the equivalent experience ▪ Performs tasks according to established procedures

APPENDIX E

Spot Awards Policy and Guidelines

Purpose
A **Spot Award** recognizes exceptional performance by an employee beyond regular day-to-day activities and assignments.

Eligibility
All employees, up to the director level, are eligible to receive a spot award. Independent contractors and temporary employees, whether contracted by the company or through an agency, are not eligible to receive an award.

Special Project/Assignment Definition

- Financial impact of the project
    - Tier 1 – Annual financial impact - $50,000 - $99,999
    - Tier 2 – Annual financial impact - $100,000 - $199,999
    - Tier 3 – Annual financial impact > $200,000
- Degree of difficulty and/or impact to overall organization
- Above and beyond normal job responsibilities
- Projects should have an approved budget to include spot awards
- Finance should determine if the project, including budgeted awards, can be capitalized

Award Criteria
The amount of a spot award should be dependent on the nature and complexity of the accomplishment and the ability of the department to fund the award.

An award is considered taxable income and will be reflected on the employee's pay statements. An award will **NOT** be grossed up for the tax impact.

The award should be presented to the employee within 30 days of the achievement with written recognition preferred regarding the accomplishment and award.

Award Levels	Contribution Level	Project Financial Impact		
		Tier 1	Tier 2	Tier 3
1	Basic contribution, but above and beyond	$500	$1,000	$2,000
2	Key contributor. Multiple hours contributed outside work hours.	$1,000	$2,000	$4,000
3	Engaged for extended hours during the project/process. Very high impact on incident management and made critical contribution	$1,500	$3,000	$6,000
4	Engaged through the entire project/process and were critical and central to the effort.	$2,000	$4,000	$8,000
5	Project Lead/Manager	$2,500	$5,000	$10,000

- A manager has the discretion to initiate an award for a specific employee and/or project participants, with approval from the department director and a senior officer.
- Spot awards must be proposed within 30 days of the project completion.
- Documentation must be submitted to CHRO for review and consideration with the SLT.
- Any deviations to the award amounts should be reviewed and approved by SLT.
- Once approved, the manager should clearly communicate to the recognized employee the specific outstanding achievements that led to the award. The appropriate paperwork will be submitted to payroll for processing, after final approval.

APPENDIX F

Sign-on Bonuses

A sign-on bonus is a discretionary bonus that serves as a recruitment incentive. This initiative aids in the employment of individuals for critical positions that have labor market shortages which may affect the business needs of the company.

Funding
Bonuses will be funded from the hiring department's budget.

Criteria

For a Specific Job Classification
To enhance the ability to recruit qualified candidates during labor market shortages, a supervisor may recommend offering sign-on bonuses to candidates hired into positions for a specific job classification within their department. To qualify, the department must demonstrate that the job classification is critical to the company's mission, there is a labor market shortage, and the inability to hire qualified candidates would impair delivery of essential services.

For an Individual Position
A department may request to offer a sign-on bonus for an individual position if the division can demonstrate that the position is critical to the company's mission, the labor market is particularly competitive for the skillset and experience required for that position, and the company's inability to recruit and hire a qualified candidate would negatively affect the delivery of essential services. This option is typically reserved for instances where the position is the sole individual, or one of two individuals, fulfilling a role at the company.

Responsibilities

- **Supervisor:** Identifies need(s) for bonus and discusses request with Business Unit Director.
- **Business Unit Director:** Consults with Senior Leadership regarding available funding, and pay equity considerations. Prepares and submits required form to Human Resources Compensation Manager.
- **Human Resources Compensation Manager:** Reviews the form and if approved, routes to additional approvers, if applicable. HR Compensation Manager communicates approved amount to Recruiter for inclusion in the offer letter.

Approvals
Human Resources reviews the bonus request form, the amount requested, and all supporting rationale to determine eligibility for approval. Depending on the bonus amount requested, additional approvals are required as identified below:

- Sign-on bonuses exceeding $5,000 must be approved by the SVP, CHRO.
- Critical to fill non-exempt jobs may qualify for up to $5,000.
- Critical to fill exempt non-management jobs may qualify for up to $10,000.
- Critical to fill exempt management jobs may qualify for up to $25,000.

Eligibility

- Must be hired for a permanent full-time position
- Must not have previously worked as a permanent full-time position for the company

E1006

Declining Participation
If a sign-on is offered to an applicant, the applicant is free to decline it. Sign-on bonuses are not mandatory, and it is not a condition of employment for someone to accept a sign-on bonus.
Applicants may elect to decline a bonus agreement and not receive a sign-on or retention bonus, but the employee must sign the repayment agreement to receive the bonus

Repayment
Employee must execute an agreement explaining the terms and conditions, including repayment requirements. The repayment shall be based on the following formula:
Pro-rated Monthly Amount = Amount of Sign-On / Employment Commitment Period / Period of Consecutive Service in Months

Example

Employee received a $5,000 sign-on bonus for 2-year employment commitment, with a first installment of $2.500 at sign-on and a second installment of $2,500 six months later, but the employee leaves after eight months.

$5,000 Sign-On Bonus Received / 24 Month Period of employment commitment = $208.33 Prorated Monthly Amount

$208.33 x (24 months – 8 months) = $3,333.28 Amount Owed

Exemptions from Repayment
An employee does not need to repay any amount of a bonus if the employee's termination of employment was due to death or severe illness resulting in permanent disability of the employee, separation because employee was unable to perform all the position's essential duties because of a medical condition; elimination of the employee's position; or a reduction in force (RIF).

Accountant I | FIN-ACT-P1 / Finance

Job Details

Job Family	Accounting	Global Grade	-		Grade None	Min	Mid	Max
Country	United States	Communicated Level	-					
Incs	0	Structure Name	-		Employee Pay		Avg	
		Structure Code	-		Base 50		-	

Survey Matches (8)

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Accounting - Entry Professional (P1)	760	6134	33	0.00%	0.00%	Base Salary	49,382	53,530	58,447
Code: FIN.06.001.P10 Level: P1						Actual Total Cash Compensation	50,145	54,950	60,282

Survey: Mercer Finance, Accounting, & Legal Survey - United States - Org Wtd

Scope: All Data

Data Cut: 2018 Mercer Finance, Accounting, & Legal Survey - United States - Org Wtd

Description : Accounting includes work across multiple areas of Accounting including: Ensuring compliance with financial transaction recording standards (e.g., general ledger, cash payments/collections, tax transactions, etc.) Control/reconciliation of accounts and records (balance sheet, P&L, bank accounts, etc.) Accounting reports/schedules for internal audiences (management reporting) and/or for external audiences (compliance reporting) including consolidation of financial statements, cash flow reporting, budget reporting, etc.) In some organizations, Accounting work may also include: Cost accounting/budgeting (allocation of direct/indirect costs, variance analysis, budget preparation, etc.) Accounts Payable/Receivable and/or Credit & Collections Level: An Entry Professional (P1) applies broad theoretical job knowledge typically obtained through advanced education. May require the following proficiency: Work is closely supervised. Problems faced are not typically difficult or complex. Explains facts, policies and practices related to job area. Specialization Match Note: Para-Professional incumbents are responsible for accounting transaction/data entry, data verification, and records maintenance. The following types of incumbents should be matched to the Accounting Specialization: Incumbents with a primary focus on general transaction recording and control/reconciliation of accounts who work in organizations with separate specialists performing some or all of the budgeting, cost accounting, internal management and/or external financial reporting work. Incumbents in positions that focus solely on the accounting aspects of tax, treasury, etc. (i.e., tax or treasury transaction recording and records maintenance). This type of highly specialized accounting work is typically found in a shared services or outsourcing environment. Typical Title: Accountant, General Accountant.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Accounting - Entry Professional (P1)	65	113	33	0.00%	0.00%	Base Salary	47,324	53,000	55,942
Code: FIN.06.001.P10 Level: P1						Actual Total Cash Compensation	48,897	54,780	58,571

Survey: Mercer Finance, Accounting, & Legal Survey - United States - Org Wtd

Scope: Net Revenue - Millions: Less than 500 US Dollar In Millions

Data Cut: 2018 Mercer Finance, Accounting, & Legal Survey - United States - Org Wtd

Description : Accounting includes work across multiple areas of Accounting including: Ensuring compliance with financial transaction recording standards (e.g., general ledger, cash payments/collections, tax transactions, etc.) Control/reconciliation of accounts and records (balance sheet, P&L, bank accounts, etc.) Accounting reports/schedules for internal audiences (management reporting) and/or for external audiences (compliance reporting) including consolidation of financial statements, cash flow reporting, budget reporting, etc.) In some organizations, Accounting work may also include: Cost accounting/budgeting (allocation of direct/indirect costs, variance analysis, budget preparation, etc.) Accounts Payable/Receivable and/or Credit & Collections Level: An Entry Professional (P1) applies broad theoretical job knowledge typically obtained through advanced education. May require the following proficiency: Work is closely supervised. Problems faced are not typically difficult or complex. Explains facts, policies and practices related to job area. Specialization Match Note: Para-Professional incumbents are responsible for accounting transaction/data entry, data verification, and records maintenance. The following types of incumbents should be matched to the Accounting Specialization: Incumbents with a primary focus on general transaction recording and control/reconciliation of accounts who work in organizations with separate specialists performing some or all of the budgeting, cost accounting, internal management and/or external financial reporting work. Incumbents in positions that focus solely on the accounting aspects of tax, treasury, etc. (i.e., tax or treasury transaction recording and records maintenance). This type of highly specialized accounting work is typically found in a shared services or outsourcing environment. Typical Title: Accountant, General Accountant.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Accounting - Entry Professional (P1)	56	313	34	0.00%	0.00%	Base Salary	52,607	56,120	61,650
Code: FIN.06.001.P10 Level: P1						Actual Total Cash Compensation	54,377	59,670	65,959

Survey: Mercer Finance, Accounting, & Legal Survey - United States - Org Wtd

Scope: Industry - Super Sector: Energy

Data Cut: 2018 Mercer Finance, Accounting, & Legal Survey - United States - Org Wtd

Description : Accounting includes work across multiple areas of Accounting including: Ensuring compliance with financial transaction recording standards (e.g., general ledger, cash payments/collections, tax transactions, etc.) Control/reconciliation of accounts and records (balance sheet, P&L, bank accounts, etc.) Accounting reports/schedules for internal audiences (management reporting) and/or for external audiences (compliance reporting) including consolidation of financial statements, cash flow reporting, budget reporting, etc.) In some organizations, Accounting work may also include: Cost accounting/budgeting (allocation of direct/indirect costs, variance analysis, budget preparation, etc.) Accounts Payable/Receivable and/or Credit & Collections Level: An Entry Professional (P1) applies broad theoretical job knowledge typically obtained through advanced education. May require the following proficiency: Work is closely supervised. Problems faced are not typically difficult or complex. Explains facts, policies and practices related to job area. Specialization Match Note: Para-Professional incumbents are responsible for accounting transaction/data entry, data verification, and records maintenance. The following types of incumbents should be matched to the Accounting Specialization: Incumbents with a primary focus on general transaction recording and control/reconciliation of accounts who work in organizations with separate specialists performing some or all of the budgeting, cost accounting, internal management and/or external financial reporting work. Incumbents in positions that focus solely on the accounting aspects of tax, treasury, etc. (i.e., tax or treasury transaction recording and records maintenance). This type of highly specialized accounting work is typically found in a shared services or outsourcing environment. Typical Title: Accountant, General Accountant.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Accounting|General Accounting|Entry (Professional)-P1 Code: AFB010-P1 Level: P1	40	213	34	0.00%	0.00%	Base Salary	51,960	54,494	58,050
						Actual Total Cash Compensation	53,264	58,214	61,705

Survey: WTW Energy Services Middle Management, Professional & Support Survey - United States - Org Wtd

Scope: Industry Group: Energy Services and Utilities

Data Cut: 2018 WTW Energy Services Middle Management, Professional & Support Survey - United States - Org Wtd

Description : Function Description: Establishes and maintains accounting policies and controls, fiscal controls, preparing financial reports and safeguarding the organization's assets. Maintains accounting and financial records and reports, including general ledger, financial statements, regulatory and management reports. Discipline Description: Performs general accounting activities, including the preparation, maintenance and reconciliation of ledger accounts and financial statements such as balance sheets, profit-and-loss statements and capital expenditure schedules. Prepares, records, analyzes and reports accounting transactions and ensures the integrity of accounting records for completeness, accuracy and compliance with accepted accounting policies and principles. Provides financial support, including forecasting, budgeting and analyzing variations from budget. Analyzes and prepares statutory accounts, financial statements and reports. Conducts or assists in the documentation of accounting projects. Career Level description: Band: Performs routine assignments in the entry level of the Professional Career Band. Typically requires a college or university degree or the equivalent work experience and has conceptual knowledge of fundamental theories, principles and practices. Has no discretion to vary from established procedures by performing structured work assignments. Uses existing procedures to solve routine or standard problems. Receives instruction, guidance and direction from more senior level roles.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Accounting|General Accounting|Entry (Professional)-P1 Code: AFB010-P1 Level: P1	12	21	33	0.00%	0.00%	Base Salary	51,973	53,767	57,005
						Actual Total Cash Compensation	52,674	57,288	60,891

Survey: WTW Energy Services Middle Management, Professional & Support Survey - United States - Org Wtd

Scope: Revenue: Less than $1Billion

Data Cut: 2018 WTW Energy Services Middle Management, Professional & Support Survey - United States - Org Wtd

Description : Function Description: Establishes and maintains accounting policies and controls, fiscal controls, preparing financial reports and safeguarding the organization's assets. Maintains accounting and financial records and reports, including general ledger, financial statements, regulatory and management reports. Discipline Description: Performs general accounting activities, including the preparation, maintenance and reconciliation of ledger accounts and financial statements such as balance sheets, profit-and-loss statements and capital expenditure schedules. Prepares, records, analyzes and reports accounting transactions and ensures the integrity of accounting records for completeness, accuracy and compliance with accepted accounting policies and principles. Provides financial support, including forecasting, budgeting and analyzing variations from budget. Analyzes and prepares statutory accounts, financial statements and reports. Conducts or assists in the documentation of accounting projects. Career Level description: Band: Performs routine assignments in the entry level of the Professional Career Band. Typically requires a college or university degree or the equivalent work experience and has conceptual knowledge of fundamental theories, principles and practices. Has no discretion to vary from established procedures by performing structured work assignments. Uses existing procedures to solve routine or standard problems. Receives instruction, guidance and direction from more senior level roles.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Accounting|General Accounting|Entry (Professional)-P1 Code: AFB010-P1 Level: P1	47	285	33	0.00%	0.00%	Base Salary	52,041	54,926	58,066
						Actual Total Cash Compensation	53,653	58,806	62,505

Survey: WTW Energy Services Middle Management, Professional & Support Survey - United States - Org Wtd

Scope: Total Sample

Data Cut: 2018 WTW Energy Services Middle Management, Professional & Support Survey - United States - Org Wtd

Description : Function Description: Establishes and maintains accounting policies and controls, fiscal controls, preparing financial reports and safeguarding the organization's assets. Maintains accounting and financial records and reports, including general ledger, financial statements, regulatory and management reports. Discipline Description: Performs general accounting activities, including the preparation, maintenance and reconciliation of ledger accounts and financial statements such as balance sheets, profit-and-loss statements and capital expenditure schedules. Prepares, records, analyzes and reports accounting transactions and ensures the integrity of accounting records for completeness, accuracy and compliance with accepted accounting policies and principles. Provides financial support, including forecasting, budgeting and analyzing variations from budget. Analyzes and prepares statutory accounts, financial statements and reports. Conducts or assists in the documentation of accounting projects. Career Level description: Band: Performs routine assignments in the entry level of the Professional Career Band. Typically requires a college or university degree or the equivalent work experience and has conceptual knowledge of fundamental theories, principles and practices. Has no discretion to vary from established procedures by performing structured work assignments. Uses existing procedures to solve routine or standard problems. Receives instruction, guidance and direction from more senior level roles.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Accounting|General Accounting|Entry (Professional)-P1 Code: AFB010-P1 Level: P1	17	33	50	0.00%	0.00%	Base Salary	50,500	54,361	59,219
						Actual Total Cash Compensation	52,000	55,620	62,861

Survey: WTW General Industry Middle Management, Professional & Support Survey - TAC - FP - United States - Org Wtd

Scope: Break Name: Global Revenue | Break Value: Less than $500 Million | Position Listing: For-Profit Organizations

Data Cut: 2018 WTW General Industry Middle Management, Professional & Support Survey - TAC - FP - United States - Org Wtd

Description : Function Description: Establishes and maintains accounting policies and controls, fiscal controls, preparing financial reports and safeguarding the organization's assets. Maintains accounting and financial records and reports, including general ledger, financial statements, regulatory and management reports. Discipline Description: Performs general accounting activities, including the preparation, maintenance and reconciliation of ledger accounts and financial statements such as balance sheets, profit-and-loss statements and capital expenditure schedules. Prepares, records, analyzes and reports accounting transactions and ensures the integrity of accounting records for completeness, accuracy and compliance with accepted accounting policies and principles. Provides financial support, including forecasting, budgeting and analyzing variations from budget. Analyzes and prepares statutory accounts, financial statements and reports. Conducts or assists in the documentation of accounting projects. Career Level description: Band: Performs routine assignments in the entry level of the Professional Career Band. Typically requires a college or university degree or the equivalent work experience and has conceptual knowledge of fundamental theories, principles and practices. Has no discretion to vary from established procedures by performing structured work assignments. Uses existing procedures to solve routine or standard problems. Receives instruction, guidance and direction from more senior level roles.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Accounting|General Accounting|Entry (Professional)-P1 Code: AFB010-P1 Level: P1	248	1974	50	0.00%	0.00%	Base Salary	49,830	54,158	58,760
						Actual Total Cash Compensation	50,359	55,981	60,870

Survey: WTW General Industry Middle Management, Professional & Support Survey - TAC - FP - United States - Org Wtd

Scope: Position Listing: For-Profit Organizations

Data Cut: 2018 WTW General Industry Middle Management, Professional & Support Survey - TAC - FP - United States - Org Wtd

Description : Function Description: Establishes and maintains accounting policies and controls, fiscal controls, preparing financial reports and safeguarding the organization's assets. Maintains accounting and financial records and reports, including general ledger, financial statements, regulatory and management reports. Discipline Description: Performs general accounting activities, including the preparation, maintenance and reconciliation of ledger accounts and financial statements such as balance sheets, profit-and-loss statements and capital expenditure schedules. Prepares, records, analyzes and reports accounting transactions and ensures the integrity of accounting records for completeness, accuracy and compliance with accepted accounting policies and principles. Provides financial support, including forecasting, budgeting and analyzing variations from budget. Analyzes and prepares statutory accounts, financial statements and reports. Conducts or assists in the documentation of accounting projects. Career Level description: Band: Performs routine assignments in the entry level of the Professional Career Band. Typically requires a college or university degree or the equivalent work experience and has conceptual knowledge of fundamental theories, principles and practices. Has no discretion to vary from established procedures by performing structured work assignments. Uses existing procedures to solve routine or standard problems. Receives instruction, guidance and direction from more senior level roles.

Comment : None

Market Comparison

Pay Type	Composite	Survey Pay Elements	Employee Pay Elements	Comparison	25th	50th	75th
Base 50 50th Percentile	Base (All Jobs)	Base Salary	Base Salary	Market	50,652	54,297	58,470
				Average Pay	--	--	--
				Differential	0.0	0.0	0.0

Overall Comment

None

Accountant II | FIN-ACT-P2 / Finance

Job Details

Job Family	Accounting	Global Grade	-
Country	United States	Communicated Level	-
Incs	0	Structure Name	-
		Structure Code	-

Grade None	Min	Mid	Max

Employee Pay	Avg
Base 50	-

Survey Matches (8)

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Accounting - Experienced Professional (P2)	1218	11590	33	0.00%	0.00%	Base Salary	57,182	63,142	69,244
Code: FIN.06.000.P20 Level: P2						Actual Total Cash Compensation	58,416	65,000	73,140

Survey: Mercer Finance, Accounting, & Legal Survey - United States - Org Wtd

Scope: All Data

Data Cut: 2018 Mercer Finance, Accounting, & Legal Survey - United States - Org Wtd

Description : Positions in this sub-family are responsible for managing or performing work in general financial accounting activities of the organization, including: Financial transaction recording standards. Control/reconciliation of accounts and records. Cost accounting/budgeting. Accounting reports/schedules for internal audiences (management reporting) and for external audiences (compliance reporting). May include administrative/transactional accounting support work, such as ledger maintenance and data entry An Experienced Professional (P2) applies practical knowledge of job area typically obtained through advanced education and work experience. May require the following proficiency: Works independently with general supervision. Problems faced are difficult but typically not complex. May influence others within the job area through explanation of facts, policies and practices.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Accounting - Experienced Professional (P2)	77	766	34	0.00%	0.00%	Base Salary	63,358	67,152	72,065
Code: FIN.06.000.P20 Level: P2						Actual Total Cash Compensation	66,774	73,634	78,457

Survey: Mercer Finance, Accounting, & Legal Survey - United States - Org Wtd

Scope: Industry - Super Sector: Energy

Data Cut: 2018 Mercer Finance, Accounting, & Legal Survey - United States - Org Wtd

Description : Positions in this sub-family are responsible for managing or performing work in general financial accounting activities of the organization, including: Financial transaction recording standards. Control/reconciliation of accounts and records. Cost accounting/budgeting. Accounting reports/schedules for internal audiences (management reporting) and for external audiences (compliance reporting). May include administrative/transactional accounting support work, such as ledger maintenance and data entry An Experienced Professional (P2) applies practical knowledge of job area typically obtained through advanced education and work experience. May require the following proficiency: Works independently with general supervision. Problems faced are difficult but typically not complex. May influence others within the job area through explanation of facts, policies and practices.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Accounting - Experienced Professional (P2)	173	393	33	0.00%	0.00%	Base Salary	56,559	63,500	70,437
Code: FIN.06.000.P20 Level: P2						Actual Total Cash Compensation	57,105	65,000	73,093

Survey: Mercer Finance, Accounting, & Legal Survey - United States - Org Wtd

Scope: Net Revenue - Millions: Less than 500 US Dollar In Millions

Data Cut: 2018 Mercer Finance, Accounting, & Legal Survey - United States - Org Wtd

Description : Positions in this sub-family are responsible for managing or performing work in general financial accounting activities of the organization, including: Financial transaction recording standards. Control/reconciliation of accounts and records. Cost accounting/budgeting. Accounting reports/schedules for internal audiences (management reporting) and for external audiences (compliance reporting). May include administrative/transactional accounting support work, such as ledger maintenance and data entry An Experienced Professional (P2) applies practical knowledge of job area typically obtained through advanced education and work experience. May require the following proficiency: Works independently with general supervision. Problems faced are difficult but typically not complex. May influence others within the job area through explanation of facts, policies and practices.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Accounting|General Accounting|Intermediate (Professional)-P2 Code: AFB010-P2 Level: P2	60	383	34	0.00%	0.00%	Base Salary	62,141	67,269	72,007
						Actual Total Cash Compensation	65,156	71,773	77,610

Survey: WTW Energy Services Middle Management, Professional & Support Survey - United States - Org Wtd

Scope: Industry Group: Energy Services and Utilities

Data Cut: 2018 WTW Energy Services Middle Management, Professional & Support Survey - United States - Org Wtd

Description : Function Description: Establishes and maintains accounting policies and controls, fiscal controls, preparing financial reports and safeguarding the organization's assets. Maintains accounting and financial records and reports, including general ledger, financial statements, regulatory and management reports. Discipline Description: Performs general accounting activities, including the preparation, maintenance and reconciliation of ledger accounts and financial statements such as balance sheets, profit-and-loss statements and capital expenditure schedules. Prepares, records, analyzes and reports accounting transactions and ensures the integrity of accounting records for completeness, accuracy and compliance with accepted accounting policies and principles. Provides financial support, including forecasting, budgeting and analyzing variations from budget. Analyzes and prepares statutory accounts, financial statements and reports. Conducts or assists in the documentation of accounting projects. Career Level description: Band: Has working knowledge and experience in own discipline. Continues to build knowledge of the organization, processes and customers. Performs a range of mainly straightforward assignments. Uses prescribed guidelines or policies to analyze and resolve problems. Receives a moderate level of guidance and direction.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Accounting|General Accounting|Intermediate (Professional)-P2 Code: AFB010-P2 Level: P2	20	61	33	0.00%	0.00%	Base Salary	57,260	63,856	70,822
						Actual Total Cash Compensation	59,373	67,345	75,459

Survey: WTW Energy Services Middle Management, Professional & Support Survey - United States - Org Wtd

Scope: Revenue: Less than $1Billion

Data Cut: 2018 WTW Energy Services Middle Management, Professional & Support Survey - United States - Org Wtd

Description : Function Description: Establishes and maintains accounting policies and controls, fiscal controls, preparing financial reports and safeguarding the organization's assets. Maintains accounting and financial records and reports, including general ledger, financial statements, regulatory and management reports. Discipline Description: Performs general accounting activities, including the preparation, maintenance and reconciliation of ledger accounts and financial statements such as balance sheets, profit-and-loss statements and capital expenditure schedules. Prepares, records, analyzes and reports accounting transactions and ensures the integrity of accounting records for completeness, accuracy and compliance with accepted accounting policies and principles. Provides financial support, including forecasting, budgeting and analyzing variations from budget. Analyzes and prepares statutory accounts, financial statements and reports. Conducts or assists in the documentation of accounting projects. Career Level description: Band: Has working knowledge and experience in own discipline. Continues to build knowledge of the organization, processes and customers. Performs a range of mainly straightforward assignments. Uses prescribed guidelines or policies to analyze and resolve problems. Receives a moderate level of guidance and direction.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Accounting|General Accounting|Intermediate (Professional)-P2 Code: AFB010-P2 Level: P2	70	475	33	0.00%	0.00%	Base Salary	62,169	67,462	72,628
						Actual Total Cash Compensation	65,309	72,358	78,006

Survey: WTW Energy Services Middle Management, Professional & Support Survey - United States - Org Wtd

Scope: Total Sample

Data Cut: 2018 WTW Energy Services Middle Management, Professional & Support Survey - United States - Org Wtd

Description : Function Description: Establishes and maintains accounting policies and controls, fiscal controls, preparing financial reports and safeguarding the organization's assets. Maintains accounting and financial records and reports, including general ledger, financial statements, regulatory and management reports. Discipline Description: Performs general accounting activities, including the preparation, maintenance and reconciliation of ledger accounts and financial statements such as balance sheets, profit-and-loss statements and capital expenditure schedules. Prepares, records, analyzes and reports accounting transactions and ensures the integrity of accounting records for completeness, accuracy and compliance with accepted accounting policies and principles. Provides financial support, including forecasting, budgeting and analyzing variations from budget. Analyzes and prepares statutory accounts, financial statements and reports. Conducts or assists in the documentation of accounting projects. Career Level description: Band: Has working knowledge and experience in own discipline. Continues to build knowledge of the organization, processes and customers. Performs a range of mainly straightforward assignments. Uses prescribed guidelines or policies to analyze and resolve problems. Receives a moderate level of guidance and direction.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Accounting|General Accounting|Intermediate (Professional)-P2 Code: AFB010-P2 Level: P2	32	83	50	0.00%	0.00%	Base Salary	56,440	62,860	69,910
						Actual Total Cash Compensation	56,469	65,514	72,437

Survey: WTW General Industry Middle Management, Professional & Support Survey - TAC - FP - United States - Org Wtd

Scope: Break Name: Global Revenue | Break Value: Less than $500 Million | Position Listing: For-Profit Organizations

Data Cut: 2018 WTW General Industry Middle Management, Professional & Support Survey - TAC - FP - United States - Org Wtd

Description : Function Description: Establishes and maintains accounting policies and controls, fiscal controls, preparing financial reports and safeguarding the organization's assets. Maintains accounting and financial records and reports, including general ledger, financial statements, regulatory and management reports. Discipline Description: Performs general accounting activities, including the preparation, maintenance and reconciliation of ledger accounts and financial statements such as balance sheets, profit-and-loss statements and capital expenditure schedules. Prepares, records, analyzes and reports accounting transactions and ensures the integrity of accounting records for completeness, accuracy and compliance with accepted accounting policies and principles. Provides financial support, including forecasting, budgeting and analyzing variations from budget. Analyzes and prepares statutory accounts, financial statements and reports. Conducts or assists in the documentation of accounting projects. Career Level description: Band: Has working knowledge and experience in own discipline. Continues to build knowledge of the organization, processes and customers. Performs a range of mainly straightforward assignments. Uses prescribed guidelines or policies to analyze and resolve problems. Receives a moderate level of guidance and direction.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Accounting|General Accounting|Intermediate (Professional)-P2 Code: AFB010-P2 Level: P2	381	4075	50	0.00%	0.00%	Base Salary	58,519	63,690	70,201
						Actual Total Cash Compensation	60,042	66,836	73,526

Survey: WTW General Industry Middle Management, Professional & Support Survey - TAC - FP - United States - Org Wtd

Scope: Position Listing: For-Profit Organizations

Data Cut: 2018 WTW General Industry Middle Management, Professional & Support Survey - TAC - FP - United States - Org Wtd

Description : Function Description: Establishes and maintains accounting policies and controls, fiscal controls, preparing financial reports and safeguarding the organization's assets. Maintains accounting and financial records and reports, including general ledger, financial statements, regulatory and management reports. Discipline Description: Performs general accounting activities, including the preparation, maintenance and reconciliation of ledger accounts and financial statements such as balance sheets, profit-and-loss statements and capital expenditure schedules. Prepares, records, analyzes and reports accounting transactions and ensures the integrity of accounting records for completeness, accuracy and compliance with accepted accounting policies and principles. Provides financial support, including forecasting, budgeting and analyzing variations from budget. Analyzes and prepares statutory accounts, financial statements and reports. Conducts or assists in the documentation of accounting projects. Career Level description: Band: Has working knowledge and experience in own discipline. Continues to build knowledge of the organization, processes and customers. Performs a range of mainly straightforward assignments. Uses prescribed guidelines or policies to analyze and resolve problems. Receives a moderate level of guidance and direction.

Comment : None

Market Comparison

Pay Type	Composite	Survey Pay Elements	Employee Pay Elements	Comparison	25th	50th	75th
Base 50 50th Percentile	Base (All Jobs)	Base Salary	Base Salary	Market	59,032	64,702	70,824
				Average Pay	--	--	--
				Differential	0.0	0.0	0.0

Overall Comment

None

Accountant III | FIN-ACT-P3 / Finance

Job Details

Job Family	Accounting	Global Grade	-
Country	United States	Communicated Level	-
Incs	0	Structure Name	-
		Structure Code	-

Grade None	Min	Mid	Max

Employee Pay	Avg
Base 50	-

Survey Matches (9)

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Accounting - Senior Professional (P3)	1133	10516	33	0.00%	0.00%	Base Salary	70,414	77,622	84,634
Code: FIN.06.001.P30 Level: P3						Actual Total Cash Compensation	72,487	80,457	89,714

Survey: Mercer Finance, Accounting, & Legal Survey - United States - Org Wtd

Scope: All Data

Data Cut: 2018 Mercer Finance, Accounting, & Legal Survey - United States - Org Wtd

Description : Accounting includes work across multiple areas of Accounting including: Ensuring compliance with financial transaction recording standards (e.g., general ledger, cash payments/collections, tax transactions, etc.) Control/reconciliation of accounts and records (balance sheet, P&L, bank accounts, etc.) Accounting reports/schedules for internal audiences (management reporting) and/or for external audiences (compliance reporting) including consolidation of financial statements, cash flow reporting, budget reporting, etc.) In some organizations, Accounting work may also include: Cost accounting/budgeting (allocation of direct/indirect costs, variance analysis, budget preparation, etc.) Accounts Payable/Receivable and/or Credit & Collections Level: A Senior Professional (P3) applies advanced knowledge of job area typically obtained through advanced education and work experience. Responsibilities may include: Managing projects / processes, working independently with limited supervision. Coaching and reviewing the work of lower level professionals. Problems faced are difficult and sometimes complex. Specialization Match Note: Para-Professional incumbents are responsible for accounting transaction/data entry, data verification, and records maintenance. The following types of incumbents should be matched to the Accounting Specialization: Incumbents with a primary focus on general transaction recording and control/reconciliation of accounts who work in organizations with separate specialists performing some or all of the budgeting, cost accounting, internal management and/or external financial reporting work. Incumbents in positions that focus solely on the accounting aspects of tax, treasury, etc. (i.e., tax or treasury transaction recording and records maintenance). This type of highly specialized accounting work is typically found in a shared services or outsourcing environment. Typical Title: Accountant, General Accountant.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Accounting - Senior Professional (P3)	78	886	34	0.00%	0.00%	Base Salary	75,792	81,987	89,572
Code: FIN.06.001.P30 Level: P3						Actual Total Cash Compensation	79,878	88,891	97,530

Survey: Mercer Finance, Accounting, & Legal Survey - United States - Org Wtd

Scope: Industry - Super Sector: Energy

Data Cut: 2018 Mercer Finance, Accounting, & Legal Survey - United States - Org Wtd

Description : Accounting includes work across multiple areas of Accounting including: Ensuring compliance with financial transaction recording standards (e.g., general ledger, cash payments/collections, tax transactions, etc.) Control/reconciliation of accounts and records (balance sheet, P&L, bank accounts, etc.) Accounting reports/schedules for internal audiences (management reporting) and/or for external audiences (compliance reporting) including consolidation of financial statements, cash flow reporting, budget reporting, etc.) In some organizations, Accounting work may also include: Cost accounting/budgeting (allocation of direct/indirect costs, variance analysis, budget preparation, etc.) Accounts Payable/Receivable and/or Credit & Collections Level: A Senior Professional (P3) applies advanced knowledge of job area typically obtained through advanced education and work experience. Responsibilities may include: Managing projects / processes, working independently with limited supervision. Coaching and reviewing the work of lower level professionals. Problems faced are difficult and sometimes complex. Specialization Match Note: Para-Professional incumbents are responsible for accounting transaction/data entry, data verification, and records maintenance. The following types of incumbents should be matched to the Accounting Specialization: Incumbents with a primary focus on general transaction recording and control/reconciliation of accounts who work in organizations with separate specialists performing some or all of the budgeting, cost accounting, internal management and/or external financial reporting work. Incumbents in positions that focus solely on the accounting aspects of tax, treasury, etc. (i.e., tax or treasury transaction recording and records maintenance). This type of highly specialized accounting work is typically found in a shared services or outsourcing environment. Typical Title: Accountant, General Accountant.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Accounting - Senior Professional (P3)	140	290	33	0.00%	0.00%	Base Salary	69,492	77,280	85,834
Code: FIN.06.001.P30 Level: P3						Actual Total Cash	72,594	79,797	89,608

	Compensation

Survey: Mercer Finance, Accounting, & Legal Survey - United States - Org Wtd

Scope: Net Revenue - Millions: Less than 500 US Dollar In Millions

Data Cut: 2018 Mercer Finance, Accounting, & Legal Survey - United States - Org Wtd

Description : Accounting includes work across multiple areas of Accounting including: Ensuring compliance with financial transaction recording standards (e.g., general ledger, cash payments/collections, tax transactions, etc.) Control/reconciliation of accounts and records (balance sheet, P&L, bank accounts, etc.) Accounting reports/schedules for internal audiences (management reporting) and/or for external audiences (compliance reporting) including consolidation of financial statements, cash flow reporting, budget reporting, etc.) In some organizations, Accounting work may also include: Cost accounting/budgeting (allocation of direct/indirect costs, variance analysis, budget preparation, etc.) Accounts Payable/Receivable and/or Credit & Collections Level: A Senior Professional (P3) applies advanced knowledge of job area typically obtained through advanced education and work experience. Responsibilities may include: Managing projects / processes, working independently with limited supervision. Coaching and reviewing the work of lower level professionals. Problems faced are difficult and sometimes complex. Specialization Match Note: Para-Professional incumbents are responsible for accounting transaction/data entry, data verification, and records maintenance. The following types of incumbents should be matched to the Accounting Specialization: Incumbents with a primary focus on general transaction recording and control/reconciliation of accounts who work in organizations with separate specialists performing some or all of the budgeting, cost accounting, internal management and/or external financial reporting work. Incumbents in positions that focus solely on the accounting aspects of tax, treasury, etc. (i.e., tax or treasury transaction recording and records maintenance). This type of highly specialized accounting work is typically found in a shared services or outsourcing environment. Typical Title: Accountant, General Accountant.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Accounting|General Accounting|Career (Professional)-P3 Code: AFB010-P3 Level: P3	68	571	34	0.00%	0.00%	Base Salary	78,222	83,565	89,355
						Actual Total Cash Compensation	83,609	89,952	95,966

Survey: WTW Energy Services Middle Management, Professional & Support Survey - United States - Org Wtd

Scope: Industry Group: Energy Services and Utilities

Data Cut: 2018 WTW Energy Services Middle Management, Professional & Support Survey - United States - Org Wtd

Description : Function Description: Establishes and maintains accounting policies and controls, fiscal controls, preparing financial reports and safeguarding the organization's assets. Maintains accounting and financial records and reports, including general ledger, financial statements, regulatory and management reports. Discipline Description: Performs general accounting activities, including the preparation, maintenance and reconciliation of ledger accounts and financial statements such as balance sheets, profit-and-loss statements and capital expenditure schedules. Prepares, records, analyzes and reports accounting transactions and ensures the integrity of accounting records for completeness, accuracy and compliance with accepted accounting policies and principles. Provides financial support, including forecasting, budgeting and analyzing variations from budget. Analyzes and prepares statutory accounts, financial statements and reports. Conducts or assists in the documentation of accounting projects. Career Level description: Band: Has in-depth knowledge in own discipline and basic knowledge of related disciplines. Solves complex problems; takes a new perspective on existing solutions. Works independently; receives minimal guidance. May lead projects or project steps within a broader project or have accountability for ongoing activities or objectives. Acts as a resource for colleagues with less experience. May represent the level at which career may stabilize for many years or even until retirement.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Accounting|General Accounting|Career (Professional)-P3 Code: AFB010-P3 Level: P3	27	91	33	0.00%	0.00%	Base Salary	77,576	83,662	90,640
						Actual Total Cash Compensation	80,394	88,644	97,676

Survey: WTW Energy Services Middle Management, Professional & Support Survey - United States - Org Wtd

Scope: Revenue: Less than $1Billion

Data Cut: 2018 WTW Energy Services Middle Management, Professional & Support Survey - United States - Org Wtd

Description : Function Description: Establishes and maintains accounting policies and controls, fiscal controls, preparing financial reports and safeguarding the organization's assets. Maintains accounting and financial records and reports, including general ledger, financial statements, regulatory and management reports. Discipline Description: Performs general accounting activities, including the preparation, maintenance and reconciliation of ledger accounts and financial statements such as balance sheets, profit-and-loss statements and capital expenditure schedules. Prepares, records, analyzes and reports accounting transactions and ensures the integrity of accounting records for completeness, accuracy and compliance with accepted accounting policies and principles. Provides financial support, including forecasting, budgeting and analyzing variations from budget. Analyzes and prepares statutory accounts, financial statements and reports. Conducts or assists in the documentation of accounting projects. Career Level description: Band: Has in-depth knowledge in own discipline and basic knowledge of related disciplines. Solves complex problems; takes a new perspective on existing solutions. Works independently; receives minimal guidance. May lead projects or project steps within a broader project or have accountability for ongoing activities or objectives. Acts as a resource for colleagues with less experience. May represent the level at which career may stabilize for many years or even until retirement.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
	82	655	33	0.00%	0.00%	Base Salary	78,411	83,684	89,514

						Pay Elements	25th	50th	75th
Accounting|General Accounting|Career (Professional)-P3 Code: AFB010-P3 Level: P3						Actual Total Cash Compensation	84,337	90,044	97,831

Survey: WTW Energy Services Middle Management, Professional & Support Survey - United States - Org Wtd

Scope: Total Sample

Data Cut: 2018 WTW Energy Services Middle Management, Professional & Support Survey - United States - Org Wtd

Description : Function Description: Establishes and maintains accounting policies and controls, fiscal controls, preparing financial reports and safeguarding the organization's assets. Maintains accounting and financial records and reports, including general ledger, financial statements, regulatory and management reports. Discipline Description: Performs general accounting activities, including the preparation, maintenance and reconciliation of ledger accounts and financial statements such as balance sheets, profit-and-loss statements and capital expenditure schedules. Prepares, records, analyzes and reports accounting transactions and ensures the integrity of accounting records for completeness, accuracy and compliance with accepted accounting policies and principles. Provides financial support, including forecasting, budgeting and analyzing variations from budget. Analyzes and prepares statutory accounts, financial statements and reports. Conducts or assists in the documentation of accounting projects. Career Level description: Band: Has in-depth knowledge in own discipline and basic knowledge of related disciplines. Solves complex problems; takes a new perspective on existing solutions. Works independently; receives minimal guidance. May lead projects or project steps within a broader project or have accountability for ongoing activities or objectives. Acts as a resource for colleagues with less experience. May represent the level at which career may stabilize for many years or even until retirement.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Accounting|General Accounting|Career (Professional)-P3 Code: AFB010-P3 Level: P3	31	101	33	0.00%	0.00%	Base Salary	66,232	75,000	79,930
						Actual Total Cash Compensation	67,284	80,000	86,525

Survey: WTW General Industry Middle Management, Professional & Support Survey - TAC - FP - United States - Org Wtd

Scope: Break Name: Global Revenue | Break Value: Less than $500 Million | Position Listing: For-Profit Organizations

Data Cut: 2018 WTW General Industry Middle Management, Professional & Support Survey - TAC - FP - United States - Org Wtd

Description : Function Description: Establishes and maintains accounting policies and controls, fiscal controls, preparing financial reports and safeguarding the organization's assets. Maintains accounting and financial records and reports, including general ledger, financial statements, regulatory and management reports. Discipline Description: Performs general accounting activities, including the preparation, maintenance and reconciliation of ledger accounts and financial statements such as balance sheets, profit-and-loss statements and capital expenditure schedules. Prepares, records, analyzes and reports accounting transactions and ensures the integrity of accounting records for completeness, accuracy and compliance with accepted accounting policies and principles. Provides financial support, including forecasting, budgeting and analyzing variations from budget. Analyzes and prepares statutory accounts, financial statements and reports. Conducts or assists in the documentation of accounting projects. Career Level description: Band: Has in-depth knowledge in own discipline and basic knowledge of related disciplines. Solves complex problems; takes a new perspective on existing solutions. Works independently; receives minimal guidance. May lead projects or project steps within a broader project or have accountability for ongoing activities or objectives. Acts as a resource for colleagues with less experience. May represent the level at which career may stabilize for many years or even until retirement.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Accounting|General Accounting|Career (Professional)-P3 Code: AFB010-P3 Level: P3	5	8	34	0.00%	0.00%	Base Salary	64,156	72,291	83,444
						Actual Total Cash Compensation	68,590	79,181	89,078

Survey: WTW General Industry Middle Management, Professional & Support Survey - TAC - FP - United States - Org Wtd

Scope: Break Name: Industry Group | Break Value: Energy Services and Utilities | Position Listing: For-Profit Organizations

Data Cut: 2018 WTW General Industry Middle Management, Professional & Support Survey - TAC - FP - United States - Org Wtd

Description : Function Description: Establishes and maintains accounting policies and controls, fiscal controls, preparing financial reports and safeguarding the organization's assets. Maintains accounting and financial records and reports, including general ledger, financial statements, regulatory and management reports. Discipline Description: Performs general accounting activities, including the preparation, maintenance and reconciliation of ledger accounts and financial statements such as balance sheets, profit-and-loss statements and capital expenditure schedules. Prepares, records, analyzes and reports accounting transactions and ensures the integrity of accounting records for completeness, accuracy and compliance with accepted accounting policies and principles. Provides financial support, including forecasting, budgeting and analyzing variations from budget. Analyzes and prepares statutory accounts, financial statements and reports. Conducts or assists in the documentation of accounting projects. Career Level description: Band: Has in-depth knowledge in own discipline and basic knowledge of related disciplines. Solves complex problems; takes a new perspective on existing solutions. Works independently; receives minimal guidance. May lead projects or project steps within a broader project or have accountability for ongoing activities or objectives. Acts as a resource for colleagues with less experience. May represent the level at which career may stabilize for many years or even until retirement.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Accounting|General Accounting|Career	385	4869	33	0.00%	0.00%	Base Salary	71,959	78,013	87,026

(Professional)-P3

Code: AFB010-P3   Level: P3

Actual Total Cash Compensation	74,882	83,390	92,697

Survey: WTW General Industry Middle Management, Professional & Support Survey - TAC - FP - United States - Org Wtd

Scope: Position Listing: For-Profit Organizations

Data Cut: 2018 WTW General Industry Middle Management, Professional & Support Survey - TAC - FP - United States - Org Wtd

Description : Function Description: Establishes and maintains accounting policies and controls, fiscal controls, preparing financial reports and safeguarding the organization's assets. Maintains accounting and financial records and reports, including general ledger, financial statements, regulatory and management reports. Discipline Description: Performs general accounting activities, including the preparation, maintenance and reconciliation of ledger accounts and financial statements such as balance sheets, profit-and-loss statements and capital expenditure schedules. Prepares, records, analyzes and reports accounting transactions and ensures the integrity of accounting records for completeness, accuracy and compliance with accepted accounting policies and principles. Provides financial support, including forecasting, budgeting and analyzing variations from budget. Analyzes and prepares statutory accounts, financial statements and reports. Conducts or assists in the documentation of accounting projects. Career Level description: Band: Has in-depth knowledge in own discipline and basic knowledge of related disciplines. Solves complex problems; takes a new perspective on existing solutions. Works independently; receives minimal guidance. May lead projects or project steps within a broader project or have accountability for ongoing activities or objectives. Acts as a resource for colleagues with less experience. May represent the level at which career may stabilize for many years or even until retirement.

Comment : None

Market Comparison

Pay Type	Composite	Survey Pay Elements	Employee Pay Elements	Comparison	25th	50th	75th
Base 50 50th Percentile	Base (All Jobs)	Base Salary	Base Salary	Market Average Pay Differential	72,475 -- 0.0	79,234 -- 0.0	86,669 -- 0.0

Overall Comment

None

Accountant IV | FIN-ACT-P4 / Finance

Job Details

Job Family	Accounting	Global Grade	-
Country	United States	Communicated Level	-
Incs	0	Structure Name	-
		Structure Code	-

Grade None	Min	Mid	Max

Employee Pay	Avg
Base 50	-

Survey Matches (8)

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Accounting - Specialist Professional (P4)	268	2178	33	0.00%	0.00%	Base Salary	77,590	90,404	103,709
Code: FIN.06.001.P40 Level: P4						Actual Total Cash Compensation	79,222	95,764	111,716

Survey: Mercer Finance, Accounting, & Legal Survey - United States - Org Wtd

Scope: All Data

Data Cut: 2018 Mercer Finance, Accounting, & Legal Survey - United States - Org Wtd

Description : Accounting includes work across multiple areas of Accounting including: Ensuring compliance with financial transaction recording standards (e.g., general ledger, cash payments/collections, tax transactions, etc.) Control/reconciliation of accounts and records (balance sheet, P&L, bank accounts, etc.) Accounting reports/schedules for internal audiences (management reporting) and/or for external audiences (compliance reporting) including consolidation of financial statements, cash flow reporting, budget reporting, etc.) In some organizations, Accounting work may also include: Cost accounting/budgeting (allocation of direct/indirect costs, variance analysis, budget preparation, etc.) Accounts Payable/Receivable and/or Credit & Collections Level: A Specialist Professional (P4) is a recognized subject matter expert in job area typically obtained through advanced education and work experience. Responsibilities typically include: Managing large projects or processes with limited oversight from manager. Coaching, reviewing and delegating work to lower level professionals. Problems faced are difficult and often complex. Specialization Match Note: Para-Professional incumbents are responsible for accounting transaction/data entry, data verification, and records maintenance. The following types of incumbents should be matched to the Accounting Specialization: Incumbents with a primary focus on general transaction recording and control/reconciliation of accounts who work in organizations with separate specialists performing some or all of the budgeting, cost accounting, internal management and/or external financial reporting work. Incumbents in positions that focus solely on the accounting aspects of tax, treasury, etc. (i.e., tax or treasury transaction recording and records maintenance). This type of highly specialized accounting work is typically found in a shared services or outsourcing environment. Typical Title: Accountant, General Accountant.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Accounting - Specialist Professional (P4)	25	242	32	0.00%	0.00%	Base Salary	92,609	97,921	111,026
Code: FIN.06.001.P40 Level: P4						Actual Total Cash Compensation	105,058	116,294	128,564

Survey: Mercer Finance, Accounting, & Legal Survey - United States - Org Wtd

Scope: Industry - Super Sector: Energy

Data Cut: 2018 Mercer Finance, Accounting, & Legal Survey - United States - Org Wtd

Description : Accounting includes work across multiple areas of Accounting including: Ensuring compliance with financial transaction recording standards (e.g., general ledger, cash payments/collections, tax transactions, etc.) Control/reconciliation of accounts and records (balance sheet, P&L, bank accounts, etc.) Accounting reports/schedules for internal audiences (management reporting) and/or for external audiences (compliance reporting) including consolidation of financial statements, cash flow reporting, budget reporting, etc.) In some organizations, Accounting work may also include: Cost accounting/budgeting (allocation of direct/indirect costs, variance analysis, budget preparation, etc.) Accounts Payable/Receivable and/or Credit & Collections Level: A Specialist Professional (P4) is a recognized subject matter expert in job area typically obtained through advanced education and work experience. Responsibilities typically include: Managing large projects or processes with limited oversight from manager. Coaching, reviewing and delegating work to lower level professionals. Problems faced are difficult and often complex. Specialization Match Note: Para-Professional incumbents are responsible for accounting transaction/data entry, data verification, and records maintenance. The following types of incumbents should be matched to the Accounting Specialization: Incumbents with a primary focus on general transaction recording and control/reconciliation of accounts who work in organizations with separate specialists performing some or all of the budgeting, cost accounting, internal management and/or external financial reporting work. Incumbents in positions that focus solely on the accounting aspects of tax, treasury, etc. (i.e., tax or treasury transaction recording and records maintenance). This type of highly specialized accounting work is typically found in a shared services or outsourcing environment. Typical Title: Accountant, General Accountant.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Accounting - Specialist Professional (P4)	23	37	33	0.00%	0.00%	Base Salary	63,860	81,909	93,059
Code: FIN.06.001.P40 Level: P4						Actual Total Cash	65,000	82,500	101,500

Compensation

Survey: Mercer Finance, Accounting, & Legal Survey - United States - Org Wtd

Scope: Net Revenue - Millions: Less than 500 US Dollar In Millions

Data Cut: 2018 Mercer Finance, Accounting, & Legal Survey - United States - Org Wtd

Description : Accounting includes work across multiple areas of Accounting including: Ensuring compliance with financial transaction recording standards (e.g., general ledger, cash payments/collections, tax transactions, etc.) Control/reconciliation of accounts and records (balance sheet, P&L, bank accounts, etc.) Accounting reports/schedules for internal audiences (management reporting) and/or for external audiences (compliance reporting) including consolidation of financial statements, cash flow reporting, budget reporting, etc.) In some organizations, Accounting work may also include: Cost accounting/budgeting (allocation of direct/indirect costs, variance analysis, budget preparation, etc.) Accounts Payable/Receivable and/or Credit & Collections Level: A Specialist Professional (P4) is a recognized subject matter expert in job area typically obtained through advanced education and work experience. Responsibilities typically include: Managing large projects or processes with limited oversight from manager. Coaching, reviewing and delegating work to lower level professionals. Problems faced are difficult and often complex. Specialization Match Note: Para-Professional incumbents are responsible for accounting transaction/data entry, data verification, and records maintenance. The following types of incumbents should be matched to the Accounting Specialization: Incumbents with a primary focus on general transaction recording and control/reconciliation of accounts who work in organizations with separate specialists performing some or all of the budgeting, cost accounting, internal management and/or external financial reporting work. Incumbents in positions that focus solely on the accounting aspects of tax, treasury, etc. (i.e., tax or treasury transaction recording and records maintenance). This type of highly specialized accounting work is typically found in a shared services or outsourcing environment. Typical Title: Accountant, General Accountant.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Accounting|General Accounting|Specialist (Professional)-P4 Code: AFB010-P4 Level: P4	45	323	34	0.00%	0.00%	Base Salary	91,943	97,104	107,871
						Actual Total Cash Compensation	99,687	107,605	122,394

Survey: WTW Energy Services Middle Management, Professional & Support Survey - United States - Org Wtd

Scope: Industry Group: Energy Services and Utilities

Data Cut: 2018 WTW Energy Services Middle Management, Professional & Support Survey - United States - Org Wtd

Description : Function Description: Establishes and maintains accounting policies and controls, fiscal controls, preparing financial reports and safeguarding the organization's assets. Maintains accounting and financial records and reports, including general ledger, financial statements, regulatory and management reports. Discipline Description: Performs general accounting activities, including the preparation, maintenance and reconciliation of ledger accounts and financial statements such as balance sheets, profit-and-loss statements and capital expenditure schedules. Prepares, records, analyzes and reports accounting transactions and ensures the integrity of accounting records for completeness, accuracy and compliance with accepted accounting policies and principles. Provides financial support, including forecasting, budgeting and analyzing variations from budget. Analyzes and prepares statutory accounts, financial statements and reports. Conducts or assists in the documentation of accounting projects. Career Level description: Band: Is recognized as an expert in own area within the organization. Has specialized depth and/or breadth of expertise in own discipline or function. Interprets internal or external issues and recommends solutions/best practices. Solves complex problems; takes a broad perspective to identify solutions. May lead functional teams or projects. Works independently, with guidance in only the most complex situations. Progression to this level is typically restricted on the basis of business requirement.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Accounting|General Accounting|Specialist (Professional)-P4 Code: AFB010-P4 Level: P4	12	32	33	0.00%	0.00%	Base Salary	89,576	97,055	109,487
						Actual Total Cash Compensation	93,415	107,307	114,003

Survey: WTW Energy Services Middle Management, Professional & Support Survey - United States - Org Wtd

Scope: Revenue: Less than $1Billion

Data Cut: 2018 WTW Energy Services Middle Management, Professional & Support Survey - United States - Org Wtd

Description : Function Description: Establishes and maintains accounting policies and controls, fiscal controls, preparing financial reports and safeguarding the organization's assets. Maintains accounting and financial records and reports, including general ledger, financial statements, regulatory and management reports. Discipline Description: Performs general accounting activities, including the preparation, maintenance and reconciliation of ledger accounts and financial statements such as balance sheets, profit-and-loss statements and capital expenditure schedules. Prepares, records, analyzes and reports accounting transactions and ensures the integrity of accounting records for completeness, accuracy and compliance with accepted accounting policies and principles. Provides financial support, including forecasting, budgeting and analyzing variations from budget. Analyzes and prepares statutory accounts, financial statements and reports. Conducts or assists in the documentation of accounting projects. Career Level description: Band: Is recognized as an expert in own area within the organization. Has specialized depth and/or breadth of expertise in own discipline or function. Interprets internal or external issues and recommends solutions/best practices. Solves complex problems; takes a broad perspective to identify solutions. May lead functional teams or projects. Works independently, with guidance in only the most complex situations. Progression to this level is typically restricted on the basis of business requirement.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
	51	330	33	0.00%	0.00%	Base Salary	91,350	97,808	110,940

Accounting|General Accounting|Specialist (Professional)-P4	Actual Total Cash Compensation	99,440	107,949	126,793

Code: AFB010-P4 Level: P4

Survey: WTW Energy Services Middle Management, Professional & Support Survey - United States - Org Wtd

Scope: Total Sample

Data Cut: 2018 WTW Energy Services Middle Management, Professional & Support Survey - United States - Org Wtd

Description : Function Description: Establishes and maintains accounting policies and controls, fiscal controls, preparing financial reports and safeguarding the organization's assets. Maintains accounting and financial records and reports, including general ledger, financial statements, regulatory and management reports. Discipline Description: Performs general accounting activities, including the preparation, maintenance and reconciliation of ledger accounts and financial statements such as balance sheets, profit-and-loss statements and capital expenditure schedules. Prepares, records, analyzes and reports accounting transactions and ensures the integrity of accounting records for completeness, accuracy and compliance with accepted accounting policies and principles. Provides financial support, including forecasting, budgeting and analyzing variations from budget. Analyzes and prepares statutory accounts, financial statements and reports. Conducts or assists in the documentation of accounting projects. Career Level description: Band: Is recognized as an expert in own area within the organization. Has specialized depth and/or breadth of expertise in own discipline or function. Interprets internal or external issues and recommends solutions/best practices. Solves complex problems; takes a broad perspective to identify solutions. May lead functional teams or projects. Works independently, with guidance in only the most complex situations. Progression to this level is typically restricted on the basis of business requirement.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Accounting|General Accounting|Specialist (Professional)-P4	17	52	50	0.00%	0.00%	Base Salary	83,810	89,304	96,819
						Actual Total Cash Compensation	88,898	93,053	107,403

Code: AFB010-P4 Level: P4

Survey: WTW General Industry Middle Management, Professional & Support Survey - TAC - FP - United States - Org Wtd

Scope: Break Name: Global Revenue | Break Value: Less than $500 Million | Position Listing: For-Profit Organizations

Data Cut: 2018 WTW General Industry Middle Management, Professional & Support Survey - TAC - FP - United States - Org Wtd

Description : Function Description: Establishes and maintains accounting policies and controls, fiscal controls, preparing financial reports and safeguarding the organization's assets. Maintains accounting and financial records and reports, including general ledger, financial statements, regulatory and management reports. Discipline Description: Performs general accounting activities, including the preparation, maintenance and reconciliation of ledger accounts and financial statements such as balance sheets, profit-and-loss statements and capital expenditure schedules. Prepares, records, analyzes and reports accounting transactions and ensures the integrity of accounting records for completeness, accuracy and compliance with accepted accounting policies and principles. Provides financial support, including forecasting, budgeting and analyzing variations from budget. Analyzes and prepares statutory accounts, financial statements and reports. Conducts or assists in the documentation of accounting projects. Career Level description: Band: Is recognized as an expert in own area within the organization. Has specialized depth and/or breadth of expertise in own discipline or function. Interprets internal or external issues and recommends solutions/best practices. Solves complex problems; takes a broad perspective to identify solutions. May lead functional teams or projects. Works independently, with guidance in only the most complex situations. Progression to this level is typically restricted on the basis of business requirement.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Accounting|General Accounting|Specialist (Professional)-P4	163	1518	50	0.00%	0.00%	Base Salary	86,861	95,324	106,929
						Actual Total Cash Compensation	91,992	103,831	118,065

Code: AFB010-P4 Level: P4

Survey: WTW General Industry Middle Management, Professional & Support Survey - TAC - FP - United States - Org Wtd

Scope: Position Listing: For-Profit Organizations

Data Cut: 2018 WTW General Industry Middle Management, Professional & Support Survey - TAC - FP - United States - Org Wtd

Description : Function Description: Establishes and maintains accounting policies and controls, fiscal controls, preparing financial reports and safeguarding the organization's assets. Maintains accounting and financial records and reports, including general ledger, financial statements, regulatory and management reports. Discipline Description: Performs general accounting activities, including the preparation, maintenance and reconciliation of ledger accounts and financial statements such as balance sheets, profit-and-loss statements and capital expenditure schedules. Prepares, records, analyzes and reports accounting transactions and ensures the integrity of accounting records for completeness, accuracy and compliance with accepted accounting policies and principles. Provides financial support, including forecasting, budgeting and analyzing variations from budget. Analyzes and prepares statutory accounts, financial statements and reports. Conducts or assists in the documentation of accounting projects. Career Level description: Band: Is recognized as an expert in own area within the organization. Has specialized depth and/or breadth of expertise in own discipline or function. Interprets internal or external issues and recommends solutions/best practices. Solves complex problems; takes a broad perspective to identify solutions. May lead functional teams or projects. Works independently, with guidance in only the most complex situations. Progression to this level is typically restricted on the basis of business requirement.

Comment : None

Market Comparison

Pay Type	Composite	Survey Pay Elements	Employee Pay Elements	Comparison	25th	50th	75th

Base 50	Base (All Jobs)	Base Salary	Base Salary	Market	84,770	93,232	104,615
50th Percentile				Average Pay	--	--	--
				Differential	0.0	0.0	0.0

Overall Comment

None

Administrative Assistant | GNS-ADM-U2 / General Services

Job Details

Job Family	Administrative	Global Grade	-
Country	United States	Communicated Level	-
Incs	0	Structure Name	-
		Structure Code	-

Grade None	Min	Mid	Max

Employee Pay	Avg
Base 50	-

Survey Matches (6)

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Administration & Secretarial - Experienced Para-Professional (S2)	1518	48891	33	0.00%	0.00%	Base Salary	38,868	43,743	49,344
						Actual Total Cash Compensation	39,379	44,431	50,540

Code: AFS.01.000.S20 Level: S2

Survey: Mercer Corporate Services & Human Resources Survey - United States - Org Wtd

Scope: All Data

Data Cut: 2018 Mercer Corporate Services & Human Resources Survey - United States - Org Wtd

Description : Positions in this sub-family are responsible for providing administrative and secretarial services to the organization. Activities include producing documents, collecting, recording, sorting and filing information, handling mail, preparing routine reports, making travel arrangements, arranging appointments, responding to inquiries, data entry, and operating office equipment. Also includes responsibilities for reception/telephone/switchboard and greeting visitors. An Experienced Para-Professional (S2) requires basic knowledge of job procedures and tools obtained through work experience and may require vocational or technical education. May require the following proficiency: Works under moderate supervision. Problems are typically of a routine nature, but may at times require interpretation or deviation from standard procedures. Communicates information that requires some explanation or interpretation.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Administration & Secretarial - Experienced Para-Professional (S2)	251	1248	33	0.00%	0.00%	Base Salary	37,801	42,897	49,092
						Actual Total Cash Compensation	38,709	43,485	50,123

Code: AFS.01.000.S20 Level: S2

Survey: Mercer Corporate Services & Human Resources Survey - United States - Org Wtd

Scope: Net Revenue - Millions: Less than 500 US Dollar In Millions

Data Cut: 2018 Mercer Corporate Services & Human Resources Survey - United States - Org Wtd

Description : Positions in this sub-family are responsible for providing administrative and secretarial services to the organization. Activities include producing documents, collecting, recording, sorting and filing information, handling mail, preparing routine reports, making travel arrangements, arranging appointments, responding to inquiries, data entry, and operating office equipment. Also includes responsibilities for reception/telephone/switchboard and greeting visitors. An Experienced Para-Professional (S2) requires basic knowledge of job procedures and tools obtained through work experience and may require vocational or technical education. May require the following proficiency: Works under moderate supervision. Problems are typically of a routine nature, but may at times require interpretation or deviation from standard procedures. Communicates information that requires some explanation or interpretation.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Administration & Secretarial - Experienced Para-Professional (S2)	89	1015	34	0.00%	0.00%	Base Salary	39,551	44,762	50,121
						Actual Total Cash Compensation	40,411	46,835	52,258

Code: AFS.01.000.S20 Level: S2

Survey: Mercer Corporate Services & Human Resources Survey - United States - Org Wtd

Scope: Industry - Super Sector: Energy

Data Cut: 2018 Mercer Corporate Services & Human Resources Survey - United States - Org Wtd

Description : Positions in this sub-family are responsible for providing administrative and secretarial services to the organization. Activities include producing documents, collecting, recording, sorting and filing information, handling mail, preparing routine reports, making travel arrangements, arranging appointments, responding to inquiries, data entry, and operating office equipment. Also includes responsibilities for reception/telephone/switchboard and greeting visitors. An Experienced Para-Professional (S2) requires basic knowledge of job procedures and tools obtained through work experience and may require vocational or technical education. May require the following proficiency: Works under moderate supervision. Problems are typically of a routine nature, but may at times require interpretation or deviation from standard procedures. Communicates information that requires some explanation or interpretation.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Administrative Services|Secretarial/ Administrative Assistance|Intermediate (Business Support)-U2	14	489	33	0.00%	0.00%	Base Salary	45,682	50,861	54,308
						Actual Total Cash Compensation	47,267	54,303	57,977

Code: AAS041-U2 Level: U2

Survey: WTW General Industry Middle Management, Professional & Support Survey - TAC - FP - United States - Org Wtd

Scope: Break Name: Industry Group | Break Value: Oil and Gas | Position Listing: For-Profit Organizations

Data Cut: 2018 WTW General Industry Middle Management, Professional & Support Survey - TAC - FP - United States - Org Wtd

Description : Function Description: Provides various office and location support activities. Identifies, enhances and follows specific processes and procedures to maximize the efficiencies of the business to which the support is being provided; ensures the correct functioning of facilities, office and/or business support services. Discipline Description: Provides secretarial/administrative support to nonexecutive employees or groups in the organization. Uses business software applications (e.g., word processing, presentation and spreadsheet) to prepare correspondence, reports, presentations, agendas, minutes, etc. Receives, screens and directs incoming calls, visitors, mail and email. Maintains files, records, calendars and diaries. May arrange business travel, coordinate meeting arrangements, and/or track expenses. Career Level description: Band: Has working knowledge and skills developed through formal training or work experience. Works within established procedures with a moderate degree of supervision. Identifies the problem and all relevant issues in straightforward situations, assesses each using standard procedures and makes sound decisions.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Administrative Services|Secretarial/ Administrative Assistance|Intermediate (Business Support)-U2	323	7825	34	0.00%	0.00%	Base Salary	42,775	46,356	51,722
						Actual Total Cash Compensation	43,836	47,617	53,349

Code: AAS041-U2 Level: U2

Survey: WTW General Industry Middle Management, Professional & Support Survey - TAC - FP - United States - Org Wtd

Scope: Position Listing: For-Profit Organizations

Data Cut: 2018 WTW General Industry Middle Management, Professional & Support Survey - TAC - FP - United States - Org Wtd

Description : Function Description: Provides various office and location support activities. Identifies, enhances and follows specific processes and procedures to maximize the efficiencies of the business to which the support is being provided; ensures the correct functioning of facilities, office and/or business support services. Discipline Description: Provides secretarial/administrative support to nonexecutive employees or groups in the organization. Uses business software applications (e.g., word processing, presentation and spreadsheet) to prepare correspondence, reports, presentations, agendas, minutes, etc. Receives, screens and directs incoming calls, visitors, mail and email. Maintains files, records, calendars and diaries. May arrange business travel, coordinate meeting arrangements, and/or track expenses. Career Level description: Band: Has working knowledge and skills developed through formal training or work experience. Works within established procedures with a moderate degree of supervision. Identifies the problem and all relevant issues in straightforward situations, assesses each using standard procedures and makes sound decisions.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Administrative Services|Secretarial/ Administrative Assistance|Intermediate (Business Support)-U2	37	479	33	0.00%	0.00%	Base Salary	42,994	46,020	48,889
						Actual Total Cash Compensation	43,266	47,004	50,314

Code: AAS041-U2 Level: U2

Survey: WTW General Industry Middle Management, Professional & Support Survey - TAC - FP - United States - Org Wtd

Scope: Break Name: Global Revenue | Break Value: Less than $500 Million | Position Listing: For-Profit Organizations

Data Cut: 2018 WTW General Industry Middle Management, Professional & Support Survey - TAC - FP - United States - Org Wtd

Description : Function Description: Provides various office and location support activities. Identifies, enhances and follows specific processes and procedures to maximize the efficiencies of the business to which the support is being provided; ensures the correct functioning of facilities, office and/or business support services. Discipline Description: Provides secretarial/administrative support to nonexecutive employees or groups in the organization. Uses business software applications (e.g., word processing, presentation and spreadsheet) to prepare correspondence, reports, presentations, agendas, minutes, etc. Receives, screens and directs incoming calls, visitors, mail and email. Maintains files, records, calendars and diaries. May arrange business travel, coordinate meeting arrangements, and/or track expenses. Career Level description: Band: Has working knowledge and skills developed through formal training or work experience. Works within established procedures with a moderate degree of supervision. Identifies the problem and all relevant issues in straightforward situations, assesses each using standard procedures and makes sound decisions.

Comment : None

Market Comparison

Pay Type	Composite	Survey Pay Elements	Employee Pay Elements	Comparison	25th	50th	75th
Base 50 50th Percentile	Base (All Jobs)	Base Salary	Base Salary	Market	41,277	45,771	50,583
				Average Pay	--	--	--

Differential	0.0	0.0	0.0

Overall Comment

None

Application Analyst I | ITS-BSA-P1 / IT

Job Details

Job Family	Business Systems Analysis	Global Grade	-
Country	United States	Communicated Level	-
Incs	0	Structure Name	-
		Structure Code	-

Grade None	Min	Mid	Max

Employee Pay	Avg
Base 50	-

Survey Matches (5)

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
IT Business Systems Analysis - Entry Professional (P1)	287	2527	33	0.00%	0.00%	Base Salary	53,947	58,781	66,379
						Actual Total Cash Compensation	55,475	60,851	68,959

Code: ITC.04.006.P10 Level: P1

Survey: Mercer/Gartner Information Technology Survey - United States - Org Wtd

Scope: All Data

Data Cut: 2018 Mercer/Gartner Information Technology Survey - United States - Org Wtd

Description : IT Business Systems Analysis work involves acting as a liaison between the business/end users and IT systems development teams for business needs requiring IT based solutions including: Identifying and analyzing business needs, conducting requirements gathering, and defining scope and objectives. Making recommendations for solutions or improvements to business processes that can be accomplished through new technology or alternative uses of existing technology. Researching business requirements and documenting the relationships between the components of the application system (i.e., end users, business processes, data, applications, and devices). Translating business requirements into application requirements Level: An Entry Professional (P1) applies broad theoretical job knowledge typically obtained through advanced education. May require the following proficiency: Work is closely supervised. Problems faced are not typically difficult or complex. Explains facts, policies and practices related to job area. Specialization Match Note: This role is a blend of Business Analysis and Systems Analysis. Typical Title: IT Business Systems Analyst.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
IT Business Systems Analysis - Entry Professional (P1)	13	39	34	0.00%	0.00%	Base Salary	54,801	58,488	72,772
						Actual Total Cash Compensation	57,589	63,806	75,322

Code: ITC.04.006.P10 Level: P1

Survey: Mercer/Gartner Information Technology Survey - United States - Org Wtd

Scope: Industry - Super Sector: Energy

Data Cut: 2018 Mercer/Gartner Information Technology Survey - United States - Org Wtd

Description : IT Business Systems Analysis work involves acting as a liaison between the business/end users and IT systems development teams for business needs requiring IT based solutions including: Identifying and analyzing business needs, conducting requirements gathering, and defining scope and objectives. Making recommendations for solutions or improvements to business processes that can be accomplished through new technology or alternative uses of existing technology. Researching business requirements and documenting the relationships between the components of the application system (i.e., end users, business processes, data, applications, and devices). Translating business requirements into application requirements Level: An Entry Professional (P1) applies broad theoretical job knowledge typically obtained through advanced education. May require the following proficiency: Work is closely supervised. Problems faced are not typically difficult or complex. Explains facts, policies and practices related to job area. Specialization Match Note: This role is a blend of Business Analysis and Systems Analysis. Typical Title: IT Business Systems Analyst.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
IT Business Systems Analysis - Entry Professional (P1)	15	34	33	0.00%	0.00%	Base Salary	54,000	61,378	72,114
						Actual Total Cash Compensation	55,585	62,985	75,234

Code: ITC.04.006.P10 Level: P1

Survey: Mercer/Gartner Information Technology Survey - United States - Org Wtd

Scope: Net Revenue - Millions: Less than 500 US Dollar in millions

Data Cut: 2018 Mercer/Gartner Information Technology Survey - United States - Org Wtd

Description : IT Business Systems Analysis work involves acting as a liaison between the business/end users and IT systems development teams for business needs requiring IT based solutions including: Identifying and analyzing business needs, conducting requirements gathering, and defining scope and objectives. Making recommendations for solutions or improvements to business processes that can be accomplished through new technology or alternative uses of existing technology. Researching business requirements and documenting the relationships between the components of the application system (i.e., end users, business processes, data, applications, and devices). Translating business requirements into application requirements Level: An Entry Professional (P1) applies broad theoretical job knowledge typically obtained through advanced education. May require the following proficiency: Work is closely supervised. Problems faced are not typically difficult or complex. Explains facts, policies and practices related to job area. Specialization Match Note: This role is a blend of Business Analysis and Systems Analysis. Typical Title: IT Business Systems Analyst.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
IT Development|Business Systems Analysis| Entry (Professional)-P1	13	75	50	0.00%	0.00%	Base Salary	51,864	54,200	65,880
Code: AID020-P1 Level: P1						Actual Total Cash Compensation	52,122	54,200	67,617

Survey: WTW General Industry Middle Management, Professional & Support Survey - TAC - FP - United States - Org Wtd

Scope: Break Name: Global Revenue | Break Value: Less than $500 Million | Position Listing: For-Profit Organizations

Data Cut: 2018 WTW General Industry Middle Management, Professional & Support Survey - TAC - FP - United States - Org Wtd

Description : Function Description: Designs, develops, modifies, adapts and implements short- and long-term solutions to information technology (IT) needs through new and existing applications, systems architecture, network systems and applications infrastructure. Reviews system requirements and business processes; codes, tests, debugs and implements software solutions. Discipline Description: Acts as a liaison between the IT development group and business units for the development and implementation of new systems and enhancement of existing systems. Evaluates new applications and identifies systems requirements. Evaluates new IT developments and evolving business requirements and recommends appropriate systems alternatives and/or enhancements to current systems. Prepares communications and makes presentations on system enhancements and/or alternatives. Career Level description: Band: Performs routine assignments in the entry level of the Professional Career Band. Typically requires a college or university degree or the equivalent work experience and has conceptual knowledge of fundamental theories, principles and practices. Has no discretion to vary from established procedures by performing structured work assignments. Uses existing procedures to solve routine or standard problems. Receives instruction, guidance and direction from more senior level roles.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
IT Development|Business Systems Analysis| Entry (Professional)-P1	138	1448	50	0.00%	0.00%	Base Salary	53,768	58,734	66,152
Code: AID020-P1 Level: P1						Actual Total Cash Compensation	54,829	61,275	68,591

Survey: WTW General Industry Middle Management, Professional & Support Survey - TAC - FP - United States - Org Wtd

Scope: Position Listing: For-Profit Organizations

Data Cut: 2018 WTW General Industry Middle Management, Professional & Support Survey - TAC - FP - United States - Org Wtd

Description : Function Description: Designs, develops, modifies, adapts and implements short- and long-term solutions to information technology (IT) needs through new and existing applications, systems architecture, network systems and applications infrastructure. Reviews system requirements and business processes; codes, tests, debugs and implements software solutions. Discipline Description: Acts as a liaison between the IT development group and business units for the development and implementation of new systems and enhancement of existing systems. Evaluates new applications and identifies systems requirements. Evaluates new IT developments and evolving business requirements and recommends appropriate systems alternatives and/or enhancements to current systems. Prepares communications and makes presentations on system enhancements and/or alternatives. Career Level description: Band: Performs routine assignments in the entry level of the Professional Career Band. Typically requires a college or university degree or the equivalent work experience and has conceptual knowledge of fundamental theories, principles and practices. Has no discretion to vary from established procedures by performing structured work assignments. Uses existing procedures to solve routine or standard problems. Receives instruction, guidance and direction from more senior level roles.

Comment : None

Market Comparison

Pay Type	Composite	Survey Pay Elements	Employee Pay Elements	Comparison	25th	50th	75th
Base 50 50th Percentile	Base (All Jobs)	Base Salary	Base Salary	Market	53,535	58,003	68,231
				Average Pay	--	--	--
				Differential	0.0	0.0	0.0

Overall Comment

None

Cash Disbursmt Analyst I | FIN-TRE-U1 / Finance

Job Details

Job Family	Treasury	Global Grade	-
Country	United States	Communicated Level	-
Incs	0	Structure Name	-
		Structure Code	-

Grade None	Min	Mid	Max

Employee Pay	Avg
Base 50	-

Survey Matches (6)

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Accounts Payable - Entry Para-Professional (S1)	304	2031	33	0.00%	0.00%	Base Salary	36,358	40,288	44,266
						Actual Total Cash Compensation	36,651	40,709	44,587

Code: FIN.09.003.S10 Level: S1

Survey: Mercer Finance, Accounting, & Legal Survey - United States - Org Wtd

Scope: All Data

Data Cut: 2018 Mercer Finance, Accounting, & Legal Survey - United States - Org Wtd

Description : Accounts Payable work is focused on administering, designing and ensuring compliance with accounts payable processes including: Invoice charge verification (including applicable discounts) vs. purchase orders. Verification that goods and services purchased have been received. Confirmation of purchase approval. Payment authorization and processing. Reconciliation of accounts payable ledgers to identify improper charges, validate transactions, and ensure accurate and timely payment of amounts due Level: An Entry Para-Professional (S1) is an entry-level position typically requiring little to no prior knowledge or experience. Work is routine or follows standard procedures. Work is closely supervised. Communicates information that requires little explanation or interpretation. Typical Title: Accounts Payable Clerk, Accounts Payable Assistant.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Accounts Payable - Entry Para-Professional (S1)	11	48	34	0.00%	0.00%	Base Salary	39,882	42,451	49,774
						Actual Total Cash Compensation	41,947	43,542	53,052

Code: FIN.09.003.S10 Level: S1

Survey: Mercer Finance, Accounting, & Legal Survey - United States - Org Wtd

Scope: Industry - Super Sector: Energy

Data Cut: 2018 Mercer Finance, Accounting, & Legal Survey - United States - Org Wtd

Description : Accounts Payable work is focused on administering, designing and ensuring compliance with accounts payable processes including: Invoice charge verification (including applicable discounts) vs. purchase orders. Verification that goods and services purchased have been received. Confirmation of purchase approval. Payment authorization and processing. Reconciliation of accounts payable ledgers to identify improper charges, validate transactions, and ensure accurate and timely payment of amounts due Level: An Entry Para-Professional (S1) is an entry-level position typically requiring little to no prior knowledge or experience. Work is routine or follows standard procedures. Work is closely supervised. Communicates information that requires little explanation or interpretation. Typical Title: Accounts Payable Clerk, Accounts Payable Assistant.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Accounts Payable - Entry Para-Professional (S1)	35	85	33	0.00%	0.00%	Base Salary	37,615	41,600	46,727
						Actual Total Cash Compensation	38,147	41,770	50,092

Code: FIN.09.003.S10 Level: S1

Survey: Mercer Finance, Accounting, & Legal Survey - United States - Org Wtd

Scope: Net Revenue - Millions: Less than 500 US Dollar In Millions

Data Cut: 2018 Mercer Finance, Accounting, & Legal Survey - United States - Org Wtd

Description : Accounts Payable work is focused on administering, designing and ensuring compliance with accounts payable processes including: Invoice charge verification (including applicable discounts) vs. purchase orders. Verification that goods and services purchased have been received. Confirmation of purchase approval. Payment authorization and processing. Reconciliation of accounts payable ledgers to identify improper charges, validate transactions, and ensure accurate and timely payment of amounts due Level: An Entry Para-Professional (S1) is an entry-level position typically requiring little to no prior knowledge or experience. Work is routine or follows standard procedures. Work is closely supervised. Communicates information that requires little explanation or interpretation. Typical Title: Accounts Payable Clerk, Accounts Payable Assistant.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Accounting|Accounts Payable|Entry (Business Support)-U1 Code: AFB061-U1 Level: U1	7	15	100	0.00%	0.00%	Base Salary	32,148	41,000	49,774
						Actual Total Cash Compensation	34,876	44,250	54,429

Survey: WTW Energy Services Middle Management, Professional & Support Survey - United States - Org Wtd

Scope: Industry Group: Energy Services and Utilities

Data Cut: 2018 WTW Energy Services Middle Management, Professional & Support Survey - United States - Org Wtd

Description : Function Description: Establishes and maintains accounting policies and controls, fiscal controls, preparing financial reports and safeguarding the organization's assets. Maintains accounting and financial records and reports, including general ledger, financial statements, regulatory and management reports. Discipline Description: Prepares, records, verifies and pays vendor invoices for goods and services on a timely basis and responds to vendor queries. Maintains, analyzes and reconciles accounts payable ledger accounts, financial statements and reports. Develops, directs, plans and evaluates accounts payable policies and procedures, and ensures external and internal controls and policies are adhered to. May process employee expenses reimbursement requests for payment. Career Level description: Band: Entry level position with little or no prior relevant training or work experience. Acquires basic skills to perform routine tasks. Work is prescribed and completed with little autonomy. Works with either close supervision or under clearly defined procedures.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Accounting|Accounts Payable|Entry (Business Support)-U1 Code: AFB061-U1 Level: U1	16	37	50	0.00%	0.00%	Base Salary	34,679	36,146	41,486
						Actual Total Cash Compensation	34,721	36,943	41,701

Survey: WTW General Industry Middle Management, Professional & Support Survey - TAC - FP - United States - Org Wtd

Scope: Break Name: Global Revenue | Break Value: Less than $500 Million | Position Listing: For-Profit Organizations

Data Cut: 2018 WTW General Industry Middle Management, Professional & Support Survey - TAC - FP - United States - Org Wtd

Description : Function Description: Establishes and maintains accounting policies and controls, fiscal controls, preparing financial reports and safeguarding the organization's assets. Maintains accounting and financial records and reports, including general ledger, financial statements, regulatory and management reports. Discipline Description: Prepares, records, verifies and pays vendor invoices for goods and services on a timely basis and responds to vendor queries. Maintains, analyzes and reconciles accounts payable ledger accounts, financial statements and reports. Develops, directs, plans and evaluates accounts payable policies and procedures, and ensures external and internal controls and policies are adhered to. May process employee expenses reimbursement requests for payment. Career Level description: Band: Entry level position with little or no prior relevant training or work experience. Acquires basic skills to perform routine tasks. Work is prescribed and completed with little autonomy. Works with either close supervision or under clearly defined procedures.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Accounting|Accounts Payable|Entry (Business Support)-U1 Code: AFB061-U1 Level: U1	82	1583	50	0.00%	0.00%	Base Salary	35,085	37,404	40,961
						Actual Total Cash Compensation	35,280	38,480	42,226

Survey: WTW General Industry Middle Management, Professional & Support Survey - TAC - FP - United States - Org Wtd

Scope: Position Listing: For-Profit Organizations

Data Cut: 2018 WTW General Industry Middle Management, Professional & Support Survey - TAC - FP - United States - Org Wtd

Description : Function Description: Establishes and maintains accounting policies and controls, fiscal controls, preparing financial reports and safeguarding the organization's assets. Maintains accounting and financial records and reports, including general ledger, financial statements, regulatory and management reports. Discipline Description: Prepares, records, verifies and pays vendor invoices for goods and services on a timely basis and responds to vendor queries. Maintains, analyzes and reconciles accounts payable ledger accounts, financial statements and reports. Develops, directs, plans and evaluates accounts payable policies and procedures, and ensures external and internal controls and policies are adhered to. May process employee expenses reimbursement requests for payment. Career Level description: Band: Entry level position with little or no prior relevant training or work experience. Acquires basic skills to perform routine tasks. Work is prescribed and completed with little autonomy. Works with either close supervision or under clearly defined procedures.

Comment : None

Market Comparison

Pay Type	Composite	Survey Pay Elements	Employee Pay Elements	Comparison	25th	50th	75th
Base 50 50th Percentile	Base (All Jobs)	Base Salary	Base Salary	Market	35,000	39,744	45,983
				Average Pay	--	--	--
				Differential	0.0	0.0	0.0

Overall Comment

None

Commercial Sales Acct Mgr | SMK-SAM-P2 / Sales/Marketing

Job Details

Job Family	Sales/Account Management	Global Grade	-
Country	United States	Communicated Level	-
Incs	0	Structure Name	-
		Structure Code	-

Grade None	Min	Mid	Max

Employee Pay	Avg
Base 50	-

Survey Matches (8)

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Field Sales & Account Management - Experienced Professional (P2)	540	27710	33	0.00%	0.00%	Base Salary	61,014	71,431	83,187
						Actual Total Cash Compensation	68,476	80,844	97,744

Code: SMP.07.000.P20 Level: P2

Survey: Mercer Sales, Marketing, & Communications Survey - United States - Org Wtd

Scope: All Data

Data Cut: 2018 Mercer Sales, Marketing, & Communications Survey - United States - Org Wtd

Description : Positions in this sub-family are responsible for sales activities directly to the customer. Activities include: Face-to-face and remote sales to new customers and cross/up/repeat sales to existing customers. Assessing customer needs and suggesting appropriate products, services, and/or solutions. Developing and delivering sales bids/proposals/presentations and conducting product demonstrations. Developing medium to long-term sales plans and preparing strategies to protect, grow and diversify the relationship with targeted customers An Experienced Professional (P2) applies practical knowledge of job area typically obtained through advanced education and work experience. May require the following proficiency: Works independently with general supervision. Problems faced are difficult but typically not complex. May influence others within the job area through explanation of facts, policies and practices.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Field Sales & Account Management - Experienced Professional (P2)	27	441	34	0.00%	0.00%	Base Salary	71,240	79,760	96,831
						Actual Total Cash Compensation	76,151	90,832	119,876

Code: SMP.07.000.P20 Level: P2

Survey: Mercer Sales, Marketing, & Communications Survey - United States - Org Wtd

Scope: Industry - Super Sector: Energy

Data Cut: 2018 Mercer Sales, Marketing, & Communications Survey - United States - Org Wtd

Description : Positions in this sub-family are responsible for sales activities directly to the customer. Activities include: Face-to-face and remote sales to new customers and cross/up/repeat sales to existing customers. Assessing customer needs and suggesting appropriate products, services, and/or solutions. Developing and delivering sales bids/proposals/presentations and conducting product demonstrations. Developing medium to long-term sales plans and preparing strategies to protect, grow and diversify the relationship with targeted customers An Experienced Professional (P2) applies practical knowledge of job area typically obtained through advanced education and work experience. May require the following proficiency: Works independently with general supervision. Problems faced are difficult but typically not complex. May influence others within the job area through explanation of facts, policies and practices.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Field Sales & Account Management - Experienced Professional (P2)	124	1822	33	0.00%	0.00%	Base Salary	61,129	76,743	89,997
						Actual Total Cash Compensation	69,048	88,109	108,962

Code: SMP.07.000.P20 Level: P2

Survey: Mercer Sales, Marketing, & Communications Survey - United States - Org Wtd

Scope: Net Revenue - Millions: Less than 500 US Dollar in millions

Data Cut: 2018 Mercer Sales, Marketing, & Communications Survey - United States - Org Wtd

Description : Positions in this sub-family are responsible for sales activities directly to the customer. Activities include: Face-to-face and remote sales to new customers and cross/up/repeat sales to existing customers. Assessing customer needs and suggesting appropriate products, services, and/or solutions. Developing and delivering sales bids/proposals/presentations and conducting product demonstrations. Developing medium to long-term sales plans and preparing strategies to protect, grow and diversify the relationship with targeted customers An Experienced Professional (P2) applies practical knowledge of job area typically obtained through advanced education and work experience. May require the following proficiency: Works independently with general supervision. Problems faced are difficult but typically not complex. May influence others within the job area through explanation of facts, policies and practices.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Account/Relationship Management|Account/ Relationship Management Generalist/ Multidiscipline|Intermediate (Customer/Client Management and Sales)-S2	22	151	100	0.00%	0.00%	Base Salary	63,227	70,223	81,816
						Actual Total Cash Compensation	69,155	77,327	84,485

Code: CAM000-S2 Level: S2

Survey: WTW Energy Services Middle Management, Professional & Support Survey - United States - Org Wtd

Scope: Industry Group: Energy Services and Utilities

Data Cut: 2018 WTW Energy Services Middle Management, Professional & Support Survey - United States - Org Wtd

Description : Function Description: Builds and maintains effective long-term relationships with a defined customer base to ensure a high level of satisfaction and increase revenues. Identifies, develops and typically closes new sales opportunities. Serves as the primary interface for all products and services, and creates demand for the organization's products and services by raising their profile with customers. Typically has a limited number of key/strategic accounts and maintains relationships with clients at the senior management or executive level. Discipline Description: Builds and maintains effective long-term relationships and a high level of satisfaction with key senior-level decision makers and influencers at an assigned group of customer accounts that may include major strategic customers within a geographic or industry focus. Identifies, develops and typically closes new sales opportunities. Creates demand for the organization's products and services by raising their profile with customers. Achieves revenue targets by increasing revenue spend per account. May conduct regular status and strategy meetings with the customer's senior management to understand their needs and link them to the organization's product/service strategies. Responsibilities are within the Account/Relationship Management Function as a generalist or in a combination of Disciplines. Career Level description: Band: Continues to build knowledge of business, financials, products/services, the market or account needs. Works with moderately complex territory/assigned accounts, products/ services, sales or account management processes. Has direct contact with clients and moderate authority/opportunity to set and negotiate product/service terms. Is beginning to plan own territory or account approach and monitor resources.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Account/Relationship Management|Account/ Relationship Management Generalist/ Multidiscipline|Intermediate (Customer/Client Management and Sales)-S2	12	148	50	0.00%	0.00%	Base Salary	53,500	66,641	93,802
						Actual Total Cash Compensation	58,519	80,229	99,380

Code: CAM000-S2 Level: S2

Survey: WTW General Industry Middle Management, Professional & Support Survey - TAC - FP - United States - Org Wtd

Scope: Break Name: Global Revenue | Break Value: Less than $500 Million | Position Listing: For-Profit Organizations

Data Cut: 2018 WTW General Industry Middle Management, Professional & Support Survey - TAC - FP - United States - Org Wtd

Description : Function Description: Builds and maintains effective long-term relationships with a defined customer base to ensure a high level of satisfaction and increase revenues. Identifies, develops and typically closes new sales opportunities. Serves as the primary interface for all products and services, and creates demand for the organization's products and services by raising their profile with customers. Typically has a limited number of key/strategic accounts and maintains relationships with clients at the senior management or executive level. Discipline Description: Builds and maintains effective long-term relationships and a high level of satisfaction with key senior-level decision makers and influencers at an assigned group of customer accounts that may include major strategic customers within a geographic or industry focus. Identifies, develops and typically closes new sales opportunities. Creates demand for the organization's products and services by raising their profile with customers. Achieves revenue targets by increasing revenue spend per account. May conduct regular status and strategy meetings with the customer's senior management to understand their needs and link them to the organization's product/service strategies. Responsibilities are within the Account/Relationship Management Function as a generalist or in a combination of Disciplines. Career Level description: Band: Continues to build knowledge of business, financials, products/services, the market or account needs. Works with moderately complex territory/assigned accounts, products/ services, sales or account management processes. Has direct contact with clients and moderate authority/opportunity to set and negotiate product/service terms. Is beginning to plan own territory or account approach and monitor resources.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Account/Relationship Management|Account/ Relationship Management Generalist/ Multidiscipline|Intermediate (Customer/Client Management and Sales)-S2	126	3640	50	0.00%	0.00%	Base Salary	57,385	67,542	82,975
						Actual Total Cash Compensation	63,810	76,624	95,874

Code: CAM000-S2 Level: S2

Survey: WTW General Industry Middle Management, Professional & Support Survey - TAC - FP - United States - Org Wtd

Scope: Position Listing: For-Profit Organizations

Data Cut: 2018 WTW General Industry Middle Management, Professional & Support Survey - TAC - FP - United States - Org Wtd

Description : Function Description: Builds and maintains effective long-term relationships with a defined customer base to ensure a high level of satisfaction and increase revenues. Identifies, develops and typically closes new sales opportunities. Serves as the primary interface for all products and services, and creates demand for the organization's products and services by raising their profile with customers. Typically has a limited number of key/strategic accounts and maintains relationships with clients at the senior management or executive level. Discipline Description: Builds and maintains effective long-term relationships and a high level of satisfaction with key senior-level decision makers and influencers at an assigned group of customer accounts that may include major strategic customers within a geographic or industry focus. Identifies, develops and typically closes new sales opportunities. Creates demand for the organization's products and services by raising their profile with customers. Achieves revenue targets by increasing revenue spend per account. May conduct regular status and strategy meetings with the customer's senior management to understand their needs and link them to the organization's product/service strategies. Responsibilities are within the Account/Relationship Management Function as a generalist or in a combination of Disciplines. Career Level description: Band: Continues to build knowledge of business, financials, products/services, the market or account needs. Works with moderately complex territory/assigned accounts, products/services, sales or account management processes. Has direct contact with clients and moderate authority/opportunity to set and negotiate product/service terms. Is beginning to plan own territory or account approach and monitor resources.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Account/Relationship Management|Industrial/Commercial - Account/Relationship Management|Career (Customer/Client Management and Sales)-S3	6	104	100	-15.00%	0.00%	Base Salary	70,082	79,534	86,714
						Actual Total Cash Compensation	74,037	83,958	97,579

Code: CAM510-S3   Level: S3

Survey: WTW Energy Services Middle Management, Professional & Support Survey - United States - Org Wtd

Scope: Industry Group: Energy Services and Utilities

Data Cut: 2018 WTW Energy Services Middle Management, Professional & Support Survey - United States - Org Wtd

Description : Function Description: Builds and maintains effective long-term relationships with a defined customer base to ensure a high level of satisfaction and increase revenues. Identifies, develops and typically closes new sales opportunities. Serves as the primary interface for all products and services, and creates demand for the organization's products and services by raising their profile with customers. Typically has a limited number of key/strategic accounts and maintains relationships with clients at the senior management or executive level. Discipline Description: Manages accounts of industrial or commercial customers such as office complexes, hotels, hospitals and production sites. Identifies, develops and typically closes new sales opportunities. Career Level description: Band: Has a solid understanding of business, financials, products/services, the market and the needs of assigned accounts; may help develop colleagues' understanding; may be recognized as an expert in one area. Works with complex or large territory/account, products/services, sales or account management processes; may serve as team lead. Has authority/opportunity to set and negotiate product/service terms. Plans own territory or account approach and manages own resources. May represent the level at which career may stabilize for many years or even until retirement.

Comment : adjust for level

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Account/Relationship Management|Industrial/Commercial - Account/Relationship Management|Career (Customer/Client Management and Sales)-S3	7	105	100	-15.00%	0.00%	Base Salary	73,255	81,586	84,459
						Actual Total Cash Compensation	77,481	86,329	92,904

Code: CAM510-S3   Level: S3

Survey: WTW Energy Services Middle Management, Professional & Support Survey - United States - Org Wtd

Scope: Total Sample

Data Cut: 2018 WTW Energy Services Middle Management, Professional & Support Survey - United States - Org Wtd

Description : Function Description: Builds and maintains effective long-term relationships with a defined customer base to ensure a high level of satisfaction and increase revenues. Identifies, develops and typically closes new sales opportunities. Serves as the primary interface for all products and services, and creates demand for the organization's products and services by raising their profile with customers. Typically has a limited number of key/strategic accounts and maintains relationships with clients at the senior management or executive level. Discipline Description: Manages accounts of industrial or commercial customers such as office complexes, hotels, hospitals and production sites. Identifies, develops and typically closes new sales opportunities. Career Level description: Band: Has a solid understanding of business, financials, products/services, the market and the needs of assigned accounts; may help develop colleagues' understanding; may be recognized as an expert in one area. Works with complex or large territory/account, products/services, sales or account management processes; may serve as team lead. Has authority/opportunity to set and negotiate product/service terms. Plans own territory or account approach and manages own resources. May represent the level at which career may stabilize for many years or even until retirement.

Comment : adjust for level

Market Comparison

Pay Type	Composite	Survey Pay Elements	Employee Pay Elements	Comparison	25th	50th	75th
Base 50 50th Percentile	Base (All Jobs)	Base Salary	Base Salary	Market	65,307	74,890	86,290
				Average Pay	--	--	--
				Differential	0.0	0.0	0.0

Overall Comment

None

Compensation Analyst | HUR-TRW-P3 / Human Resources

Job Details

Job Family	Total Rewards	Global Grade	-
Country	United States	Communicated Level	-
Incs	0	Structure Name	-
		Structure Code	-

Grade None	Min	Mid	Max

Employee Pay	Avg
Base 50	-

Survey Matches (7)

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Compensation - Senior Professional (P3)	422	1207	33	0.00%	0.00%	Base Salary	84,465	91,871	100,249
Code: HRM.04.002.P30 Level: P3						Actual Total Cash Compensation	88,000	96,952	106,315

Survey: Mercer Corporate Services & Human Resources Survey - United States - Org Wtd

Scope: All Data

Data Cut: 2018 Mercer Corporate Services & Human Resources Survey - United States - Org Wtd

Description : Compensation is a specialized area of Rewards focusing on compensation design, management, and analysis including: Compensation program design (e.g., salary and incentive structures, pay policy, etc.) Compensation plan management (e.g., changes to base pay, short-term and long-term incentives, allowances, deferred compensation, sales compensation, etc.) Compensation evaluation and analysis (e.g., job analysis, evaluation and classification, survey participation, policy, and benefits benchmark and review). Communication (e.g., guidance and compensation program features, plans, and options). Vendor management (e.g., consultants for program design advice for the organization's compensation plan) Level: A Senior Professional (P3) applies advanced knowledge of job area typically obtained through advanced education and work experience. Responsibilities may include: Managing projects / processes, working independently with limited supervision. Coaching and reviewing the work of lower level professionals. Problems faced are difficult and sometimes complex. Typical Title: Compensation Analyst, Compensation Administrator.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Compensation - Senior Professional (P3)	29	42	34	0.00%	0.00%	Base Salary	89,400	93,278	101,920
Code: HRM.04.002.P30 Level: P3						Actual Total Cash Compensation	95,557	102,450	112,140

Survey: Mercer Corporate Services & Human Resources Survey - United States - Org Wtd

Scope: Industry - Super Sector: Energy

Data Cut: 2018 Mercer Corporate Services & Human Resources Survey - United States - Org Wtd

Description : Compensation is a specialized area of Rewards focusing on compensation design, management, and analysis including: Compensation program design (e.g., salary and incentive structures, pay policy, etc.) Compensation plan management (e.g., changes to base pay, short-term and long-term incentives, allowances, deferred compensation, sales compensation, etc.) Compensation evaluation and analysis (e.g., job analysis, evaluation and classification, survey participation, policy, and benefits benchmark and review). Communication (e.g., guidance and compensation program features, plans, and options). Vendor management (e.g., consultants for program design advice for the organization's compensation plan) Level: A Senior Professional (P3) applies advanced knowledge of job area typically obtained through advanced education and work experience. Responsibilities may include: Managing projects / processes, working independently with limited supervision. Coaching and reviewing the work of lower level professionals. Problems faced are difficult and sometimes complex. Typical Title: Compensation Analyst, Compensation Administrator.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Compensation - Senior Professional (P3)	12	14	33	0.00%	0.00%	Base Salary	77,296	90,000	97,496
Code: HRM.04.002.P30 Level: P3						Actual Total Cash Compensation	81,250	90,243	102,416

Survey: Mercer Corporate Services & Human Resources Survey - United States - Org Wtd

Scope: Net Revenue - Millions: Less than 500 US Dollar In Millions

Data Cut: 2018 Mercer Corporate Services & Human Resources Survey - United States - Org Wtd

Description : Compensation is a specialized area of Rewards focusing on compensation design, management, and analysis including: Compensation program design (e.g., salary and incentive structures, pay policy, etc.) Compensation plan management (e.g., changes to base pay, short-term and long-term incentives, allowances, deferred compensation, sales compensation, etc.) Compensation evaluation and analysis (e.g., job analysis, evaluation and classification, survey participation, policy, and benefits benchmark and review). Communication (e.g., guidance and compensation program features, plans, and options). Vendor management (e.g., consultants for program design advice for the organization's compensation plan) Level: A Senior Professional (P3) applies advanced knowledge of job area typically obtained through advanced education and work experience. Responsibilities may include: Managing projects / processes, working independently with limited supervision. Coaching and reviewing the work of lower level professionals. Problems faced are difficult and sometimes complex. Typical Title: Compensation Analyst, Compensation Administrator.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Human Resources|Compensation Generalist/ Multidiscipline|Career (Professional)-P3 Code: AHR020-P3 Level: P3	32	90	50	0.00%	0.00%	Base Salary	86,193	90,656	96,464
						Actual Total Cash Compensation	94,769	98,344	112,669

Survey: WTW Energy Services Middle Management, Professional & Support Survey - United States - Org Wtd

Scope: Industry Group: Energy Services and Utilities

Data Cut: 2018 WTW Energy Services Middle Management, Professional & Support Survey - United States - Org Wtd

Description : Function Description: Designs, implements and monitors human resource programs and policies, including recruitment, learning and development, performance management, compensation, benefits, equal opportunity and diversity, etc. Anticipates and plans for long-term human resource needs and trends. Discipline Description: Develops, implements and administers compensation such as salaries, short- and long-term incentives, job evaluations, performance appraisals, salary increases and salary surveys. May provide services in Executive Compensation, International Compensation, Sales Compensation and other specialized areas of compensation. Career Level description: Band: Has in-depth knowledge in own discipline and basic knowledge of related disciplines. Solves complex problems; takes a new perspective on existing solutions. Works independently; receives minimal guidance. May lead projects or project steps within a broader project or have accountability for ongoing activities or objectives. Acts as a resource for colleagues with less experience. May represent the level at which career may stabilize for many years or even until retirement.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Human Resources|Compensation Generalist/ Multidiscipline|Career (Professional)-P3 Code: AHR020-P3 Level: P3	39	97	50	0.00%	0.00%	Base Salary	85,890	90,812	97,846
						Actual Total Cash Compensation	94,520	98,653	114,180

Survey: WTW Energy Services Middle Management, Professional & Support Survey - United States - Org Wtd

Scope: Total Sample

Data Cut: 2018 WTW Energy Services Middle Management, Professional & Support Survey - United States - Org Wtd

Description : Function Description: Designs, implements and monitors human resource programs and policies, including recruitment, learning and development, performance management, compensation, benefits, equal opportunity and diversity, etc. Anticipates and plans for long-term human resource needs and trends. Discipline Description: Develops, implements and administers compensation such as salaries, short- and long-term incentives, job evaluations, performance appraisals, salary increases and salary surveys. May provide services in Executive Compensation, International Compensation, Sales Compensation and other specialized areas of compensation. Career Level description: Band: Has in-depth knowledge in own discipline and basic knowledge of related disciplines. Solves complex problems; takes a new perspective on existing solutions. Works independently; receives minimal guidance. May lead projects or project steps within a broader project or have accountability for ongoing activities or objectives. Acts as a resource for colleagues with less experience. May represent the level at which career may stabilize for many years or even until retirement.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Human Resources|Compensation Generalist/ Multidiscipline|Career (Professional)-P3 Code: AHR020-P3 Level: P3	8	8	50	0.00%	0.00%	Base Salary	76,530	83,258	88,750
						Actual Total Cash Compensation	76,530	89,494	98,704

Survey: WTW General Industry Middle Management, Professional & Support Survey - TAC - FP - United States - Org Wtd

Scope: Break Name: Global Revenue | Break Value: Less than $500 Million | Position Listing: For-Profit Organizations

Data Cut: 2018 WTW General Industry Middle Management, Professional & Support Survey - TAC - FP - United States - Org Wtd

Description : Function Description: Designs, implements and monitors human resource programs and policies, including recruitment, learning and development, performance management, compensation, benefits, equal opportunity and diversity, etc. Anticipates and plans for long-term human resource needs and trends. Discipline Description: Develops, implements and administers compensation such as salaries, short- and long-term incentives, job evaluations, performance appraisals, salary increases and salary surveys. May provide services in Executive Compensation, International Compensation, Sales Compensation and other specialized areas of compensation. Career Level description: Band: Has in-depth knowledge in own discipline and basic knowledge of related disciplines. Solves complex problems; takes a new perspective on existing solutions. Works independently; receives minimal guidance. May lead projects or project steps within a broader project or have accountability for ongoing activities or objectives. Acts as a resource for colleagues with less experience. May represent the level at which career may stabilize for many years or even until retirement.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th

Human Resources|Compensation Generalist/ Multidiscipline|Career (Professional)-P3	187	407	50	0.00%	0.00%	Base Salary	80,000	90,000	96,768
Code: AHR020-P3 Level: P3						Actual Total Cash Compensation	83,373	95,376	104,500

Survey: WTW General Industry Middle Management, Professional & Support Survey - TAC - FP - United States - Org Wtd

Scope: Position Listing: For-Profit Organizations

Data Cut: 2018 WTW General Industry Middle Management, Professional & Support Survey - TAC - FP - United States - Org Wtd

Description : Function Description: Designs, implements and monitors human resource programs and policies, including recruitment, learning and development, performance management, compensation, benefits, equal opportunity and diversity, etc. Anticipates and plans for long-term human resource needs and trends. Discipline Description: Develops, implements and administers compensation such as salaries, short- and long-term incentives, job evaluations, performance appraisals, salary increases and salary surveys. May provide services in Executive Compensation, International Compensation, Sales Compensation and other specialized areas of compensation. Career Level description: Band: Has in-depth knowledge in own discipline and basic knowledge of related disciplines. Solves complex problems; takes a new perspective on existing solutions. Works independently; receives minimal guidance. May lead projects or project steps within a broader project or have accountability for ongoing activities or objectives. Acts as a resource for colleagues with less experience. May represent the level at which career may stabilize for many years or even until retirement.

Comment : None

Market Comparison

Pay Type	Composite	Survey Pay Elements	Employee Pay Elements	Comparison	25th	50th	75th
Base 50 50th Percentile	Base (All Jobs)	Base Salary	Base Salary	Market Average Pay Differential	82,695 -- 0.0	89,698 -- 0.0	96,608 -- 0.0

Overall Comment

None

Construction Crew Leader | OPS-GCN-W3 / Operations

Job Details

Job Family	Gas Construction	Global Grade	-
Country	United States	Communicated Level	-
Incs	0	Structure Name	-
		Structure Code	-

Grade None	Min	Mid	Max

Employee Pay	Avg
Base 50	-

Survey Matches (4)

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Multiple Repair & Maintenance Trades Specializations - Senior Para-Professional (S3)	28	754	100	0.00%	0.00%	Base Salary	49,637	56,056	61,296
						Actual Total Cash Compensation	50,743	58,122	64,372

Code: PSK.05.999.S30 Level: S3

Survey: Mercer Manufacturing Survey - United States - Org Wtd

Scope: All Data

Data Cut: 2018 Mercer Manufacturing Survey - United States - Org Wtd

Description : This benchmark is intended for incumbents who have responsibility for more than one Specialization within the Sub-family. Level: A Senior Para-Professional (S3) requires broad knowledge of operational procedures and tools obtained through extensive work experience and may require vocational or technical education. May require the following proficiency: Works under limited supervision for routine situations. Provides assistance and training to lower level employees. Problems typically are not routine and require analysis to understand.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Energy Delivery/Distribution|Gas Distribution Construction and/or Maintenance|Senior (Technical Support)-T3	8	645	100	-10.00%	0.00%	Base Salary	54,307	60,384	64,945
						Actual Total Cash Compensation	58,186	61,509	64,945

Code: EDD050-T3 Level: T3

Survey: WTW Energy Services Middle Management, Professional & Support Survey - United States - Org Wtd

Scope: Industry Group: Energy Services and Utilities

Data Cut: 2018 WTW Energy Services Middle Management, Professional & Support Survey - United States - Org Wtd

Description : Function Description: Directs, coordinates, implements and plans distribution activities that provide electric and/or gas service to customers, including operation, line construction and/or maintenance. Discipline Description: Constructs, removes and maintains gas distribution facilities and equipment, including pipe, gauges and valves. May be responsible for field engineering and/or operating activities. Coordinates, schedules and supervises crews engaged in the construction, removal and maintenance of facilities and equipment for gas distribution. Dispatches field crews engaged in the construction, maintenance and emergency restoration of gas service. Responsibilities may be limited to an assigned district or area. Career Level description: Band: Has full proficiency in a range of technical processes or procedures (or deep skills in a single area) through job-related training and considerable work experience. Completes a variety of atypical assignments. Works within defined technical processes and procedures or methodologies and may help determine the appropriate approach for new assignments. Works with a limited degree of supervision, with oversight focused only on complex new assignments. Acts as an informal resource for colleagues with less experience.

Comment : there are no W matches; adjust for career band

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Technical Specialty/Skilled Trade|Equipment Maintenance Technical Specialty|Senior (Production/Manual Labor)-W3	40	947	100	0.00%	0.00%	Base Salary	48,162	54,722	61,269
						Actual Total Cash Compensation	48,368	55,574	65,336

Code: AZT010-W3 Level: W3

Survey: WTW General Industry Middle Management, Professional & Support Survey - TAC - FP - United States - Org Wtd

Scope: Position Listing: For-Profit Organizations

Data Cut: 2018 WTW General Industry Middle Management, Professional & Support Survey - TAC - FP - United States - Org Wtd

Description : Function Description: Provides technical support to engineers and scientists in areas such as production, operations, maintenance, safety, testing, process improvement or product development. Uses schematics, diagrams, written and verbal descriptions or defined plans to perform testing and troubleshooting on electronic or mechanical components, equipment or systems. Gathers, maintains, formats, compiles and manipulates technical data using established formulae and procedures and performs detailed mathematical calculations. Discipline Description: Performs preventive maintenance and repairs on equipment and systems (e.g., mechanical, electrical). Evaluates and recommends equipment improvements to improve availability, capability and yield. Performs equipment failure analyses (including preventive and unscheduled maintenance). Troubleshoots and diagnoses equipment problems. Prepares technical reports to document

equipment modifications and equipment maintenance procedures. Career Level description: Band: Has proficiency through job-related training and considerable work experience. Completes work with a limited degree of supervision; regularly provides guidance to others with less experience. May act as an informal resource for colleagues with less experience.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Technical Specialty/Skilled Trade|Gas Transmission and/or Distribution Technical Specialty|Senior (Technical Support)-T3	13	452	100	-10.00%	0.00%	Base Salary	64,408	68,081	72,582
						Actual Total Cash Compensation	68,172	72,438	76,970

Code: AZT571-T3 Level: T3

Survey: WTW Energy Services Middle Management, Professional & Support Survey - United States - Org Wtd

Scope: Industry Group: Energy Services and Utilities

Data Cut: 2018 WTW Energy Services Middle Management, Professional & Support Survey - United States - Org Wtd

Description : Function Description: Provides technical support to engineers and scientists in areas such as production, operations, maintenance, safety, testing, process improvement or product development. Uses schematics, diagrams, written and verbal descriptions or defined plans to perform testing and troubleshooting on electronic or mechanical components, equipment or systems. Gathers, maintains, formats, compiles and manipulates technical data using established formulae and procedures and performs detailed mathematical calculations. Discipline Description: Provides expert technical support for gas transmission systems that transport natural gas by pipeline, including incidental storage and/or gas distribution systems that transport natural gas to the final consumer by pipeline. Focuses on pipeline and compressor systems for natural gas transmission and/or distribution, including activities such as installing and/or inspecting rectifier stations and anodes used to minimize corrosive effects of static-electricity discharge between gas pipeline and ground. Career Level description: Band: Has full proficiency in a range of technical processes or procedures (or deep skills in a single area) through job-related training and considerable work experience. Completes a variety of atypical assignments. Works within defined technical processes and procedures or methodologies and may help determine the appropriate approach for new assignments. Works with a limited degree of supervision, with oversight focused only on complex new assignments. Acts as an informal resource for colleagues with less experience.

Comment : no W matches; adjust for career band

Market Comparison

Pay Type	Composite	Survey Pay Elements	Employee Pay Elements	Comparison	25th	50th	75th
Base 50 50th Percentile	Base (All Jobs)	Base Salary	Base Salary	Market	54,128	59,811	65,023
				Average Pay	--	--	--
				Differential	0.0	0.0	0.0

Overall Comment

None

Construction Foreman | OPS-GTS-W4 / Operations

Job Details

Job Family	Gas Technical Services	Global Grade	-
Country	United States	Communicated Level	-
Incs	0	Structure Name	-
		Structure Code	-

Grade None	Min	Mid	Max

Employee Pay	Avg
Base 50	-

Survey Matches (4)

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Multiple Repair & Maintenance Trades Specializations - Specialist Para-Professional (S4)	22	396	100	0.00%	0.00%	Base Salary	57,274	63,468	72,981
						Actual Total Cash Compensation	57,664	63,483	75,987

Code: PSK.05.999.S40 Level: S4

Survey: Mercer Manufacturing Survey - United States - Org Wtd

Scope: All Data

Data Cut: 2018 Mercer Manufacturing Survey - United States - Org Wtd

Description : This benchmark is intended for incumbents who have responsibility for more than one Specialization within the Sub-family. Level: A Specialist Para-Professional (S4) requires advanced knowledge of operational procedures and tools obtained through extensive work experience and may require vocational or technical education. Responsibilities may include: Working under limited supervision for non-routine situations and may be responsible for leading daily operations. Training, delegating and reviewing the work of lower level employees. Problems are typically difficult and non-routine but not complex.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Energy Delivery/Distribution|Gas Distribution Construction and/or Maintenance|Lead/ Advanced (Technical Support)-T4	8	257	100	-10.00%	0.00%	Base Salary	68,976	75,556	91,143
						Actual Total Cash Compensation	73,372	78,561	92,858

Code: EDD050-T4 Level: T4

Survey: WTW Energy Services Middle Management, Professional & Support Survey - United States - Org Wtd

Scope: Industry Group: Energy Services and Utilities

Data Cut: 2018 WTW Energy Services Middle Management, Professional & Support Survey - United States - Org Wtd

Description : Function Description: Directs, coordinates, implements and plans distribution activities that provide electric and/or gas service to customers, including operation, line construction and/or maintenance. Discipline Description: Constructs, removes and maintains gas distribution facilities and equipment, including pipe, gauges and valves. May be responsible for field engineering and/or operating activities. Coordinates, schedules and supervises crews engaged in the construction, removal and maintenance of facilities and equipment for gas distribution. Dispatches field crews engaged in the construction, maintenance and emergency restoration of gas service. Responsibilities may be limited to an assigned district or area. Career Level description: Band: Has advanced and specialized expertise, typically developed through a combination of job-related training and considerable work experience. Proposes improvements to processes. May act as a lead, coordinating and facilitating the work of others but is not a supervisor. Works autonomously within established procedures and practices. Spends a majority of working time performing the same work processes and activities as employees on team.

Comment : no W matches; adjust for level

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Technical Specialty/Skilled Trade|Equipment Maintenance Technical Specialty|Lead/ Advanced (Production/Manual Labor)-W4	31	492	100	0.00%	0.00%	Base Salary	58,301	62,413	71,870
						Actual Total Cash Compensation	58,301	65,979	74,552

Code: AZT010-W4 Level: W4

Survey: WTW General Industry Middle Management, Professional & Support Survey - TAC - FP - United States - Org Wtd

Scope: Position Listing: For-Profit Organizations

Data Cut: 2018 WTW General Industry Middle Management, Professional & Support Survey - TAC - FP - United States - Org Wtd

Description : Function Description: Provides technical support to engineers and scientists in areas such as production, operations, maintenance, safety, testing, process improvement or product development. Uses schematics, diagrams, written and verbal descriptions or defined plans to perform testing and troubleshooting on electronic or mechanical components, equipment or systems. Gathers, maintains, formats, compiles and manipulates technical data using established formulae and procedures and performs detailed mathematical calculations. Discipline Description: Performs preventive maintenance and repairs on equipment and systems (e.g., mechanical, electrical). Evaluates and recommends equipment improvements to improve availability, capability and yield. Performs equipment failure analyses (including preventive and unscheduled maintenance). Troubleshoots and diagnoses equipment problems. Prepares technical reports to document

equipment modifications and equipment maintenance procedures. Career Level description: Band: Has advanced skills, typically gained through a combination of job-related training and considerable work experience. May act as a lead, coordinating the work of others, but is not a supervisor. Works autonomously within established procedures and practices. Has developed a specialized level of skill to perform assigned tasks.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Technical Specialty/Skilled Trade|Gas Transmission and/or Distribution Technical Specialty|Lead/Advanced (Technical Support)-T4	5	19	100	-10.00%	0.00%	Base Salary	68,205	77,075	82,340
						Actual Total Cash Compensation	70,356	83,587	89,910

Code: AZT571-T4 Level: T4

Survey: WTW Energy Services Middle Management, Professional & Support Survey - United States - Org Wtd

Scope: Industry Group: Energy Services and Utilities

Data Cut: 2018 WTW Energy Services Middle Management, Professional & Support Survey - United States - Org Wtd

Description : Function Description: Provides technical support to engineers and scientists in areas such as production, operations, maintenance, safety, testing, process improvement or product development. Uses schematics, diagrams, written and verbal descriptions or defined plans to perform testing and troubleshooting on electronic or mechanical components, equipment or systems. Gathers, maintains, formats, compiles and manipulates technical data using established formulae and procedures and performs detailed mathematical calculations. Discipline Description: Provides expert technical support for gas transmission systems that transport natural gas by pipeline, including incidental storage and/or gas distribution systems that transport natural gas to the final consumer by pipeline. Focuses on pipeline and compressor systems for natural gas transmission and/or distribution, including activities such as installing and/or inspecting rectifier stations and anodes used to minimize corrosive effects of static-electricity discharge between gas pipeline and ground. Career Level description: Band: Has advanced and specialized expertise, typically developed through a combination of job-related training and considerable work experience. Proposes improvements to processes. May act as a lead, coordinating and facilitating the work of others but is not a supervisor. Works autonomously within established procedures and practices. Spends a majority of working time performing the same work processes and activities as employees on team.

Comment : no W matches; adjust for level

Market Comparison

Pay Type	Composite	Survey Pay Elements	Employee Pay Elements	Comparison	25th	50th	75th
Base 50 50th Percentile	Base (All Jobs)	Base Salary	Base Salary	Market	63,189	69,628	79,584
				Average Pay	--	--	--
				Differential	0.0	0.0	0.0

Overall Comment

None

Cust. Service Rep III | CUS-CCC-U3 / Customer Service

Job Details

Job Family	Customer Contact Center	Global Grade	-
Country	United States	Communicated Level	-
Incs	0	Structure Name	-
		Structure Code	-

Grade None	Min	Mid	Max

Employee Pay	Avg
Base 50	-

Survey Matches (7)

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Contact Center Customer Service: Non-Technical - Senior Para-Professional (S3)	399	35870	25	0.00%	0.00%	Base Salary	39,619	44,560	51,227
						Actual Total Cash Compensation	40,172	46,540	53,045

Code: CSV.02.050.S30 Level: S3

Survey: Mercer Contact Center Survey - United States - Org Wtd

Scope: All Data

Data Cut: 2018 Mercer Contact Center Survey - United States - Org Wtd

Description : Contact Center Customer Service: Non-Technical provides post-sale non-technical customer service to business or end-consumer customers via phone, online chat, or text including: Responding to a high volume of low complexity general inquiries (e.g., general product and pricing information, billing issues, warranties, etc.) Providing responses to customer inquiries based on pre-determined scripts and other response guidance tools. Recommending alternative products or services (e.g., warranties) as part of customer issue resolution This position is not compensated based on achievement of sales targets. Work Environment: Typically located in a call center environment Level: A Senior Para-Professional (S3) requires broad knowledge of operational procedures and tools obtained through extensive work experience and may require vocational or technical education. May require the following proficiency: Works under limited supervision for routine situations. Provides assistance and training to lower level employees. Problems typically are not routine and require analysis to understand. Specialization Match Note: Match incumbents in call center positions that focus 100% on new order processing to the Order Processing specialization in the Sales Operations/Administration sub-family in the Sales, Marketing & Product Management job family. These positions are typically Business-to-Consumer (B2C) and exist in cases where the customer is asked to select between: Assistance with a new order (call is routed to the Order Processing specialization). Assistance with an existing order (call is routed to this specialization) Typical Title: Customer Support Representative, Customer Care Representative.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Contact Center Customer Service: Non-Technical - Senior Para-Professional (S3)	18	1006	25	0.00%	0.00%	Base Salary	42,890	49,193	54,596
						Actual Total Cash Compensation	47,683	51,817	56,790

Code: CSV.02.050.S30 Level: S3

Survey: Mercer Contact Center Survey - United States - Org Wtd

Scope: Industry - Sector: Energy Utilities

Data Cut: 2018 Mercer Contact Center Survey - United States - Org Wtd

Description : Contact Center Customer Service: Non-Technical provides post-sale non-technical customer service to business or end-consumer customers via phone, online chat, or text including: Responding to a high volume of low complexity general inquiries (e.g., general product and pricing information, billing issues, warranties, etc.) Providing responses to customer inquiries based on pre-determined scripts and other response guidance tools. Recommending alternative products or services (e.g., warranties) as part of customer issue resolution This position is not compensated based on achievement of sales targets. Work Environment: Typically located in a call center environment Level: A Senior Para-Professional (S3) requires broad knowledge of operational procedures and tools obtained through extensive work experience and may require vocational or technical education. May require the following proficiency: Works under limited supervision for routine situations. Provides assistance and training to lower level employees. Problems typically are not routine and require analysis to understand. Specialization Match Note: Match incumbents in call center positions that focus 100% on new order processing to the Order Processing specialization in the Sales Operations/Administration sub-family in the Sales, Marketing & Product Management job family. These positions are typically Business-to-Consumer (B2C) and exist in cases where the customer is asked to select between: Assistance with a new order (call is routed to the Order Processing specialization). Assistance with an existing order (call is routed to this specialization) Typical Title: Customer Support Representative, Customer Care Representative.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Contact Center Customer Service: Non-Technical - Senior Para-Professional (S3)	24	1097	25	0.00%	0.00%	Base Salary	42,553	49,193	55,104
						Actual Total Cash Compensation	47,735	54,482	58,928

Code: CSV.02.050.S30 Level: S3

Survey: Mercer Contact Center Survey - United States - Org Wtd

Scope: Industry - Super Sector: Energy

Data Cut: 2018 Mercer Contact Center Survey - United States - Org Wtd

Description : Contact Center Customer Service: Non-Technical provides post-sale non-technical customer service to business or end-consumer customers via phone, online chat, or text including: Responding to a high volume of low complexity general inquiries (e.g., general product and pricing information, billing issues, warranties, etc.) Providing responses to customer inquiries based on pre-determined scripts and other response guidance tools. Recommending alternative products or services (e.g., warranties) as part of customer issue resolution This position is not compensated based on achievement of sales targets. Work Environment: Typically located in a call center environment Level: A Senior Para-Professional (S3) requires broad knowledge of operational procedures and tools obtained through extensive work experience and may require vocational or technical education. May require the following proficiency: Works under limited supervision for routine situations. Provides assistance and training to lower level employees. Problems typically are not routine and require analysis to understand. Specialization Match Note: Match incumbents in call center positions that focus 100% on new order processing to the Order Processing specialization in the Sales Operations/Administration sub-family in the Sales, Marketing & Product Management job family. These positions are typically Business-to-Consumer (B2C) and exist in cases where the customer is asked to select between: Assistance with a new order (call is routed to the Order Processing specialization). Assistance with an existing order (call is routed to this specialization) Typical Title: Customer Support Representative, Customer Care Representative.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Contact Center Customer Service: Non-Technical - Senior Para-Professional (S3)	59	779	25	0.00%	0.00%	Base Salary	42,295	48,265	54,045
Code: CSV.02.050.S30 Level: S3						Actual Total Cash Compensation	43,107	50,525	55,670

Survey: Mercer Contact Center Survey - United States - Org Wtd

Scope: Net Revenue - Millions: Less than 500 US Dollar in millions

Data Cut: 2018 Mercer Contact Center Survey - United States - Org Wtd

Description : Contact Center Customer Service: Non-Technical provides post-sale non-technical customer service to business or end-consumer customers via phone, online chat, or text including: Responding to a high volume of low complexity general inquiries (e.g., general product and pricing information, billing issues, warranties, etc.) Providing responses to customer inquiries based on pre-determined scripts and other response guidance tools. Recommending alternative products or services (e.g., warranties) as part of customer issue resolution This position is not compensated based on achievement of sales targets. Work Environment: Typically located in a call center environment Level: A Senior Para-Professional (S3) requires broad knowledge of operational procedures and tools obtained through extensive work experience and may require vocational or technical education. May require the following proficiency: Works under limited supervision for routine situations. Provides assistance and training to lower level employees. Problems typically are not routine and require analysis to understand. Specialization Match Note: Match incumbents in call center positions that focus 100% on new order processing to the Order Processing specialization in the Sales Operations/Administration sub-family in the Sales, Marketing & Product Management job family. These positions are typically Business-to-Consumer (B2C) and exist in cases where the customer is asked to select between: Assistance with a new order (call is routed to the Order Processing specialization). Assistance with an existing order (call is routed to this specialization) Typical Title: Customer Support Representative, Customer Care Representative.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Customer Support/Operations|Customer Support/Operations Generalist/Multidiscipline|Senior (Business Support)-U3	18	448	50	0.00%	0.00%	Base Salary	48,778	56,329	63,015
Code: AMS000-U3 Level: U3						Actual Total Cash Compensation	51,990	60,996	67,649

Survey: WTW Energy Services Middle Management, Professional & Support Survey - United States - Org Wtd

Scope: Industry Group: Energy Services and Utilities

Data Cut: 2018 WTW Energy Services Middle Management, Professional & Support Survey - United States - Org Wtd

Description : Function Description: Provides new and existing customers with the best possible service in relation to billing inquiries, service requests, suggestions and complaints. Includes Call Center - Outbound, Call Center/Customer Service and e-Commerce Customer Service. Discipline Description: Provides new and existing customers with the best possible service in relation to billing inquiries, service requests, suggestions and complaints. Resolves customer inquiries and complaints fairly and effectively. Provides product and service information to customers and identifies upselling opportunities to maintain and increase income streams from customer relationships. Recommends and implements programs to support customer needs. Responsibilities are within the Customer Support/ Operations Function as a generalist or in a combination of Disciplines. Career Level description: Band: Has full proficiency gained through job-related training and considerable work experience. Completes work with a limited degree of supervision. Likely to act as an informal resource for colleagues with less experience. Identifies key issues and patterns from partial/conflicting data. Takes a broad perspective to problems and spots new, less obvious solutions.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Customer Support/Operations|Customer Support/Operations Generalist/Multidiscipline|Senior (Business Support)-U3	18	448	50	0.00%	0.00%	Base Salary	48,778	56,329	63,015
Code: AMS000-U3 Level: U3						Actual Total Cash Compensation	51,990	60,996	67,649

Survey: WTW Energy Services Middle Management, Professional & Support Survey - United States - Org Wtd

Scope: Total Sample

Data Cut: 2018 WTW Energy Services Middle Management, Professional & Support Survey - United States - Org Wtd

Description : Function Description: Provides new and existing customers with the best possible service in relation to billing inquiries, service requests, suggestions and complaints. Includes Call Center - Outbound, Call Center/Customer Service and e-Commerce Customer Service. Discipline Description: Provides new and existing customers with the best possible service in relation to billing inquiries, service requests, suggestions and complaints. Resolves customer inquiries and complaints fairly and effectively. Provides product and service information to customers and identifies upselling opportunities to maintain and increase income streams from customer relationships. Recommends and implements programs to support customer needs. Responsibilities are within the Customer Support/ Operations Function as a generalist or in a combination of Disciplines. Career Level description: Band: Has full proficiency gained through job-related training and considerable work experience. Completes work with a limited degree of supervision. Likely to act as an informal resource for colleagues with less experience. Identifies key issues and patterns from partial/conflicting data. Takes a broad perspective to problems and spots new, less obvious solutions.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Customer Support/Operations|Customer Support/Operations Generalist/Multidiscipline|Senior (Business Support)-U3	72	8397	100	0.00%	0.00%	Base Salary	39,910	47,001	54,518
						Actual Total Cash Compensation	40,111	47,981	55,406

Code: AMS000-U3 Level: U3

Survey: WTW General Industry Middle Management, Professional & Support Survey - TAC - FP - United States - Org Wtd

Scope: Position Listing: For-Profit Organizations

Data Cut: 2018 WTW General Industry Middle Management, Professional & Support Survey - TAC - FP - United States - Org Wtd

Description : Function Description: Provides new and existing customers with the best possible service in relation to billing inquiries, service requests, suggestions and complaints. Includes Call Center - Outbound, Call Center/Customer Service and e-Commerce Customer Service. Discipline Description: Provides new and existing customers with the best possible service in relation to billing inquiries, service requests, suggestions and complaints. Resolves customer inquiries and complaints fairly and effectively. Provides product and service information to customers and identifies upselling opportunities to maintain and increase income streams from customer relationships. Recommends and implements programs to support customer needs. Responsibilities are within the Customer Support/ Operations Function as a generalist or in a combination of Disciplines. Career Level description: Band: Has full proficiency gained through job-related training and considerable work experience. Completes work with a limited degree of supervision. Likely to act as an informal resource for colleagues with less experience. Identifies key issues and patterns from partial/conflicting data. Takes a broad perspective to problems and spots new, less obvious solutions.

Comment : confirm keeping GI match

Market Comparison

Pay Type	Composite	Survey Pay Elements	Employee Pay Elements	Comparison	25th	50th	75th
Base 50 50th Percentile	Base (All Jobs)	Base Salary	Base Salary	Market	43,509	50,378	57,092
				Average Pay	--	--	--
				Differential	0.0	0.0	0.0

Overall Comment

None

Customer Service Rep I | CUS-CCC-U1 / Customer Service

Job Details

Job Family	Customer Contact Center	Global Grade	-
Country	United States	Communicated Level	-
Incs	0	Structure Name	-
		Structure Code	-

Grade None	Min	Mid	Max
Employee Pay		Avg	
Base 50		-	

Survey Matches (5)

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Contact Center Customer Service: Non-Technical - Entry Para-Professional (S1)	19	1509	50	0.00%	0.00%	Base Salary	29,304	33,309	34,777
						Actual Total Cash Compensation	29,967	34,346	38,052

Code: CSV.02.050.S10 Level: S1

Survey: Mercer Contact Center Survey - United States - Org Wtd

Scope: Industry - Sector: Energy Utilities

Data Cut: 2018 Mercer Contact Center Survey - United States - Org Wtd

Description : Contact Center Customer Service: Non-Technical provides post-sale non-technical customer service to business or end-consumer customers via phone, online chat, or text including: Responding to a high volume of low complexity general inquiries (e.g., general product and pricing information, billing issues, warranties, etc.) Providing responses to customer inquiries based on pre-determined scripts and other response guidance tools. Recommending alternative products or services (e.g., warranties) as part of customer issue resolution This position is not compensated based on achievement of sales targets. Work Environment: Typically located in a call center environment Level: An Entry Para-Professional (S1) is an entry-level position typically requiring little to no prior knowledge or experience. Work is routine or follows standard procedures. Work is closely supervised. Communicates information that requires little explanation or interpretation. Specialization Match Note: Match incumbents in call center positions that focus 100% on new order processing to the Order Processing specialization in the Sales Operations/Administration sub-family in the Sales, Marketing & Product Management job family. These positions are typically Business-to-Consumer (B2C) and exist in cases where the customer is asked to select between: Assistance with a new order (call is routed to the Order Processing specialization). Assistance with an existing order (call is routed to this specialization) Typical Title: Customer Support Representative, Customer Care Representative.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Contact Center Customer Service: Non-Technical - Entry Para-Professional (S1)	22	1537	50	0.00%	0.00%	Base Salary	29,515	33,346	35,825
						Actual Total Cash Compensation	32,124	34,372	38,119

Code: CSV.02.050.S10 Level: S1

Survey: Mercer Contact Center Survey - United States - Org Wtd

Scope: Industry - Super Sector: Energy

Data Cut: 2018 Mercer Contact Center Survey - United States - Org Wtd

Description : Contact Center Customer Service: Non-Technical provides post-sale non-technical customer service to business or end-consumer customers via phone, online chat, or text including: Responding to a high volume of low complexity general inquiries (e.g., general product and pricing information, billing issues, warranties, etc.) Providing responses to customer inquiries based on pre-determined scripts and other response guidance tools. Recommending alternative products or services (e.g., warranties) as part of customer issue resolution This position is not compensated based on achievement of sales targets. Work Environment: Typically located in a call center environment Level: An Entry Para-Professional (S1) is an entry-level position typically requiring little to no prior knowledge or experience. Work is routine or follows standard procedures. Work is closely supervised. Communicates information that requires little explanation or interpretation. Specialization Match Note: Match incumbents in call center positions that focus 100% on new order processing to the Order Processing specialization in the Sales Operations/Administration sub-family in the Sales, Marketing & Product Management job family. These positions are typically Business-to-Consumer (B2C) and exist in cases where the customer is asked to select between: Assistance with a new order (call is routed to the Order Processing specialization). Assistance with an existing order (call is routed to this specialization) Typical Title: Customer Support Representative, Customer Care Representative.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Customer Support/Operations|Customer Support/Operations Generalist/Multidiscipline|Entry (Business Support)-U1	11	111	50	0.00%	0.00%	Base Salary	37,673	40,072	44,562
						Actual Total Cash Compensation	39,802	41,605	46,574

Code: AMS000-U1 Level: U1

Survey: WTW Energy Services Middle Management, Professional & Support Survey - United States - Org Wtd

Scope: Industry Group: Energy Services and Utilities

Data Cut: 2018 WTW Energy Services Middle Management, Professional & Support Survey - United States - Org Wtd

Description : Function Description: Provides new and existing customers with the best possible service in relation to billing inquiries, service requests, suggestions and complaints. Includes Call Center - Outbound, Call Center/Customer Service and e-Commerce Customer Service. Discipline Description: Provides new and existing customers with the best possible service in relation to billing inquiries, service requests, suggestions and complaints. Resolves customer inquiries and complaints fairly and effectively. Provides product and service information to customers and identifies upselling opportunities to maintain and increase income streams from customer relationships. Recommends and implements programs to support customer needs. Responsibilities are within the Customer Support/ Operations Function as a generalist or in a combination of Disciplines. Career Level description: Band: Entry level position with little or no prior relevant training or work experience. Acquires basic skills to perform routine tasks. Work is prescribed and completed with little autonomy. Works with either close supervision or under clearly defined procedures.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Customer Support/Operations|Customer Support/Operations Generalist/Multidiscipline| Entry (Business Support)-U1	11	111	50	0.00%	0.00%	Base Salary	37,673	40,072	44,562
						Actual Total Cash Compensation	39,802	41,605	46,574

Code: AMS000-U1 Level: U1

Survey: WTW Energy Services Middle Management, Professional & Support Survey - United States - Org Wtd

Scope: Total Sample

Data Cut: 2018 WTW Energy Services Middle Management, Professional & Support Survey - United States - Org Wtd

Description : Function Description: Provides new and existing customers with the best possible service in relation to billing inquiries, service requests, suggestions and complaints. Includes Call Center - Outbound, Call Center/Customer Service and e-Commerce Customer Service. Discipline Description: Provides new and existing customers with the best possible service in relation to billing inquiries, service requests, suggestions and complaints. Resolves customer inquiries and complaints fairly and effectively. Provides product and service information to customers and identifies upselling opportunities to maintain and increase income streams from customer relationships. Recommends and implements programs to support customer needs. Responsibilities are within the Customer Support/ Operations Function as a generalist or in a combination of Disciplines. Career Level description: Band: Entry level position with little or no prior relevant training or work experience. Acquires basic skills to perform routine tasks. Work is prescribed and completed with little autonomy. Works with either close supervision or under clearly defined procedures.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Customer Support/Operations|Customer Support/Operations Generalist/Multidiscipline| Entry (Business Support)-U1	47	3755	100	0.00%	0.00%	Base Salary	31,486	36,005	42,384
						Actual Total Cash Compensation	31,486	36,005	43,341

Code: AMS000-U1 Level: U1

Survey: WTW General Industry Middle Management, Professional & Support Survey - TAC - FP - United States - Org Wtd

Scope: Position Listing: For-Profit Organizations

Data Cut: 2018 WTW General Industry Middle Management, Professional & Support Survey - TAC - FP - United States - Org Wtd

Description : Function Description: Provides new and existing customers with the best possible service in relation to billing inquiries, service requests, suggestions and complaints. Includes Call Center - Outbound, Call Center/Customer Service and e-Commerce Customer Service. Discipline Description: Provides new and existing customers with the best possible service in relation to billing inquiries, service requests, suggestions and complaints. Resolves customer inquiries and complaints fairly and effectively. Provides product and service information to customers and identifies upselling opportunities to maintain and increase income streams from customer relationships. Recommends and implements programs to support customer needs. Responsibilities are within the Customer Support/ Operations Function as a generalist or in a combination of Disciplines. Career Level description: Band: Entry level position with little or no prior relevant training or work experience. Acquires basic skills to perform routine tasks. Work is prescribed and completed with little autonomy. Works with either close supervision or under clearly defined procedures.

Comment : None

Market Comparison

Pay Type	Composite	Survey Pay Elements	Employee Pay Elements	Comparison	25th	50th	75th
Base 50 50th Percentile	Base (All Jobs)	Base Salary	Base Salary	Market	32,856	36,468	40,749
				Average Pay	--	--	--
				Differential	0.0	0.0	0.0

Overall Comment

None

Match Period 2019 | Currency USD | Age To 12/31/2019 | Structure Link Current

Customer Service Rep II | CUS-CCC-U2 / Customer Service

Job Details

Job Family	Customer Contact Center	Global Grade	-
Country	United States	Communicated Level	-
Incs	0	Structure Name	-
		Structure Code	-

Grade None	Min	Mid	Max

Employee Pay	Avg
Base 50	-

Survey Matches (8)

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Contact Center Customer Service: Non-Technical - Experienced Para-Professional (S2)	472	79405	25	0.00%	0.00%	Base Salary	33,938	38,753	44,401
						Actual Total Cash Compensation	34,902	39,517	45,321

Code: CSV.02.050.S20 Level: S2

Survey: Mercer Contact Center Survey - United States - Org Wtd

Scope: All Data

Data Cut: 2018 Mercer Contact Center Survey - United States - Org Wtd

Description : Contact Center Customer Service: Non-Technical provides post-sale non-technical customer service to business or end-consumer customers via phone, online chat, or text including: Responding to a high volume of low complexity general inquiries (e.g., general product and pricing information, billing issues, warranties, etc.) Providing responses to customer inquiries based on pre-determined scripts and other response guidance tools. Recommending alternative products or services (e.g., warranties) as part of customer issue resolution This position is not compensated based on achievement of sales targets. Work Environment: Typically located in a call center environment Level: An Experienced Para-Professional (S2) requires basic knowledge of job procedures and tools obtained through work experience and may require vocational or technical education. May require the following proficiency: Works under moderate supervision. Problems are typically of a routine nature, but may at times require interpretation or deviation from standard procedures. Communicates information that requires some explanation or interpretation. Specialization Match Note: Match incumbents in call center positions that focus 100% on new order processing to the Order Processing specialization in the Sales Operations/Administration sub-family in the Sales, Marketing & Product Management job family. These positions are typically Business-to-Consumer (B2C) and exist in cases where the customer is asked to select between: Assistance with a new order (call is routed to the Order Processing specialization). Assistance with an existing order (call is routed to this specialization) Typical Title: Customer Support Representative, Customer Care Representative.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Contact Center Customer Service: Non-Technical - Experienced Para-Professional (S2)	23	1420	25	0.00%	0.00%	Base Salary	36,602	39,401	44,871
						Actual Total Cash Compensation	38,462	42,110	46,820

Code: CSV.02.050.S20 Level: S2

Survey: Mercer Contact Center Survey - United States - Org Wtd

Scope: Industry - Sector: Energy Utilities

Data Cut: 2018 Mercer Contact Center Survey - United States - Org Wtd

Description : Contact Center Customer Service: Non-Technical provides post-sale non-technical customer service to business or end-consumer customers via phone, online chat, or text including: Responding to a high volume of low complexity general inquiries (e.g., general product and pricing information, billing issues, warranties, etc.) Providing responses to customer inquiries based on pre-determined scripts and other response guidance tools. Recommending alternative products or services (e.g., warranties) as part of customer issue resolution This position is not compensated based on achievement of sales targets. Work Environment: Typically located in a call center environment Level: An Experienced Para-Professional (S2) requires basic knowledge of job procedures and tools obtained through work experience and may require vocational or technical education. May require the following proficiency: Works under moderate supervision. Problems are typically of a routine nature, but may at times require interpretation or deviation from standard procedures. Communicates information that requires some explanation or interpretation. Specialization Match Note: Match incumbents in call center positions that focus 100% on new order processing to the Order Processing specialization in the Sales Operations/Administration sub-family in the Sales, Marketing & Product Management job family. These positions are typically Business-to-Consumer (B2C) and exist in cases where the customer is asked to select between: Assistance with a new order (call is routed to the Order Processing specialization). Assistance with an existing order (call is routed to this specialization) Typical Title: Customer Support Representative, Customer Care Representative.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Contact Center Customer Service: Non-Technical - Experienced Para-Professional (S2)	30	1530	25	0.00%	0.00%	Base Salary	35,771	39,196	44,927
						Actual Total Cash Compensation	37,498	41,830	46,841

Code: CSV.02.050.S20 Level: S2

Survey: Mercer Contact Center Survey - United States - Org Wtd

Scope: Industry - Super Sector: Energy

Data Cut: 2018 Mercer Contact Center Survey - United States - Org Wtd

Description : Contact Center Customer Service: Non-Technical provides post-sale non-technical customer service to business or end-consumer customers via phone, online chat, or text including: Responding to a high volume of low complexity general inquiries (e.g., general product and pricing information, billing issues, warranties, etc.) Providing responses to customer inquiries based on pre-determined scripts and other response guidance tools. Recommending alternative products or services (e.g., warranties) as part of customer issue resolution This position is not compensated based on achievement of sales targets. Work Environment: Typically located in a call center environment Level: An Experienced Para-Professional (S2) requires basic knowledge of job procedures and tools obtained through work experience and may require vocational or technical education. May require the following proficiency: Works under moderate supervision. Problems are typically of a routine nature, but may at times require interpretation or deviation from standard procedures. Communicates information that requires some explanation or interpretation. Specialization Match Note: Match incumbents in call center positions that focus 100% on new order processing to the Order Processing specialization in the Sales Operations/Administration sub-family in the Sales, Marketing & Product Management job family. These positions are typically Business-to-Consumer (B2C) and exist in cases where the customer is asked to select between: Assistance with a new order (call is routed to the Order Processing specialization). Assistance with an existing order (call is routed to this specialization) Typical Title: Customer Support Representative, Customer Care Representative.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Contact Center Customer Service: Non-Technical - Experienced Para-Professional (S2)	76	1603	25	0.00%	0.00%	Base Salary	38,285	43,203	48,935
						Actual Total Cash Compensation	38,817	44,265	49,330

Code: CSV.02.050.S20 Level: S2

Survey: Mercer Contact Center Survey - United States - Org Wtd

Scope: Net Revenue - Millions: Less than 500 US Dollar in millions

Data Cut: 2018 Mercer Contact Center Survey - United States - Org Wtd

Description : Contact Center Customer Service: Non-Technical provides post-sale non-technical customer service to business or end-consumer customers via phone, online chat, or text including: Responding to a high volume of low complexity general inquiries (e.g., general product and pricing information, billing issues, warranties, etc.) Providing responses to customer inquiries based on pre-determined scripts and other response guidance tools. Recommending alternative products or services (e.g., warranties) as part of customer issue resolution This position is not compensated based on achievement of sales targets. Work Environment: Typically located in a call center environment Level: An Experienced Para-Professional (S2) requires basic knowledge of job procedures and tools obtained through work experience and may require vocational or technical education. May require the following proficiency: Works under moderate supervision. Problems are typically of a routine nature, but may at times require interpretation or deviation from standard procedures. Communicates information that requires some explanation or interpretation. Specialization Match Note: Match incumbents in call center positions that focus 100% on new order processing to the Order Processing specialization in the Sales Operations/Administration sub-family in the Sales, Marketing & Product Management job family. These positions are typically Business-to-Consumer (B2C) and exist in cases where the customer is asked to select between: Assistance with a new order (call is routed to the Order Processing specialization). Assistance with an existing order (call is routed to this specialization) Typical Title: Customer Support Representative, Customer Care Representative.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Customer Support/Operations|Customer Support/Operations Generalist/Multidiscipline|Intermediate (Business Support)-U2	19	424	50	0.00%	0.00%	Base Salary	41,325	48,700	61,121
						Actual Total Cash Compensation	44,782	51,849	65,242

Code: AMS000-U2 Level: U2

Survey: WTW Energy Services Middle Management, Professional & Support Survey - United States - Org Wtd

Scope: Industry Group: Energy Services and Utilities

Data Cut: 2018 WTW Energy Services Middle Management, Professional & Support Survey - United States - Org Wtd

Description : Function Description: Provides new and existing customers with the best possible service in relation to billing inquiries, service requests, suggestions and complaints. Includes Call Center - Outbound, Call Center/Customer Service and e-Commerce Customer Service. Discipline Description: Provides new and existing customers with the best possible service in relation to billing inquiries, service requests, suggestions and complaints. Resolves customer inquiries and complaints fairly and effectively. Provides product and service information to customers and identifies upselling opportunities to maintain and increase income streams from customer relationships. Recommends and implements programs to support customer needs. Responsibilities are within the Customer Support/ Operations Function as a generalist or in a combination of Disciplines. Career Level description: Band: Has working knowledge and skills developed through formal training or work experience. Works within established procedures with a moderate degree of supervision. Identifies the problem and all relevant issues in straightforward situations, assesses each using standard procedures and makes sound decisions.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Customer Support/Operations|Customer Support/Operations Generalist/Multidiscipline|	19	424	50	0.00%	0.00%	Base Salary	41,325	48,700	61,121
						Actual Total Cash	44,782	51,849	65,242

Intermediate (Business Support)-U2

	Compensation

Code: AMS000-U2 Level: U2

Survey: WTW Energy Services Middle Management, Professional & Support Survey - United States - Org Wtd

Scope: Total Sample

Data Cut: 2018 WTW Energy Services Middle Management, Professional & Support Survey - United States - Org Wtd

Description : Function Description: Provides new and existing customers with the best possible service in relation to billing inquiries, service requests, suggestions and complaints. Includes Call Center - Outbound, Call Center/Customer Service and e-Commerce Customer Service. Discipline Description: Provides new and existing customers with the best possible service in relation to billing inquiries, service requests, suggestions and complaints. Resolves customer inquiries and complaints fairly and effectively. Provides product and service information to customers and identifies upselling opportunities to maintain and increase income streams from customer relationships. Recommends and implements programs to support customer needs. Responsibilities are within the Customer Support/ Operations Function as a generalist or in a combination of Disciplines. Career Level description: Band: Has working knowledge and skills developed through formal training or work experience. Works within established procedures with a moderate degree of supervision. Identifies the problem and all relevant issues in straightforward situations, assesses each using standard procedures and makes sound decisions.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Customer Support/Operations|Customer Support/Operations Generalist/Multidiscipline|Intermediate (Business Support)-U2	6	69	50	0.00%	0.00%	Base Salary	35,631	44,346	50,587
						Actual Total Cash Compensation	35,631	44,346	50,587

Code: AMS000-U2 Level: U2

Survey: WTW General Industry Middle Management, Professional & Support Survey - TAC - FP - United States - Org Wtd

Scope: Break Name: Global Revenue | Break Value: Less than $500 Million | Position Listing: For-Profit Organizations

Data Cut: 2018 WTW General Industry Middle Management, Professional & Support Survey - TAC - FP - United States - Org Wtd

Description : Function Description: Provides new and existing customers with the best possible service in relation to billing inquiries, service requests, suggestions and complaints. Includes Call Center - Outbound, Call Center/Customer Service and e-Commerce Customer Service. Discipline Description: Provides new and existing customers with the best possible service in relation to billing inquiries, service requests, suggestions and complaints. Resolves customer inquiries and complaints fairly and effectively. Provides product and service information to customers and identifies upselling opportunities to maintain and increase income streams from customer relationships. Recommends and implements programs to support customer needs. Responsibilities are within the Customer Support/ Operations Function as a generalist or in a combination of Disciplines. Career Level description: Band: Has working knowledge and skills developed through formal training or work experience. Works within established procedures with a moderate degree of supervision. Identifies the problem and all relevant issues in straightforward situations, assesses each using standard procedures and makes sound decisions.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Customer Support/Operations|Customer Support/Operations Generalist/Multidiscipline|Intermediate (Business Support)-U2	94	6964	50	0.00%	0.00%	Base Salary	35,697	43,176	47,611
						Actual Total Cash Compensation	36,206	43,828	48,725

Code: AMS000-U2 Level: U2

Survey: WTW General Industry Middle Management, Professional & Support Survey - TAC - FP - United States - Org Wtd

Scope: Position Listing: For-Profit Organizations

Data Cut: 2018 WTW General Industry Middle Management, Professional & Support Survey - TAC - FP - United States - Org Wtd

Description : Function Description: Provides new and existing customers with the best possible service in relation to billing inquiries, service requests, suggestions and complaints. Includes Call Center - Outbound, Call Center/Customer Service and e-Commerce Customer Service. Discipline Description: Provides new and existing customers with the best possible service in relation to billing inquiries, service requests, suggestions and complaints. Resolves customer inquiries and complaints fairly and effectively. Provides product and service information to customers and identifies upselling opportunities to maintain and increase income streams from customer relationships. Recommends and implements programs to support customer needs. Responsibilities are within the Customer Support/ Operations Function as a generalist or in a combination of Disciplines. Career Level description: Band: Has working knowledge and skills developed through formal training or work experience. Works within established procedures with a moderate degree of supervision. Identifies the problem and all relevant issues in straightforward situations, assesses each using standard procedures and makes sound decisions.

Comment : None

Market Comparison

Pay Type	Composite	Survey Pay Elements	Employee Pay Elements	Comparison	25th	50th	75th
Base 50 50th Percentile	Base (All Jobs)	Base Salary	Base Salary	Market	37,713	44,200	52,001
				Average Pay	--	--	--
				Differential	0.0	0.0	0.0

Overall Comment

None

Match Period	Currency	Age To	Structure Link
2019	USD	12/31/2019	Current

Cyber Security Analyst | ITS-SEC-P2 / IT

Job Details

Job Family	Security	Global Grade	-
Country	United States	Communicated Level	-
Incs	0	Structure Name	-
		Structure Code	-

Grade None	Min	Mid	Max
Employee Pay		Avg	
Base 50		-	

Survey Matches (7)

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
IT Security - Experienced Professional (P2)	37	155	34	0.00%	0.00%	Base Salary	73,159	82,088	93,158
Code: ITC.07.000.P20 Level: P2						Actual Total Cash Compensation	82,405	90,526	101,878

Survey: Mercer/Gartner Information Technology Survey - United States - Org Wtd

Scope: Industry - Super Sector: Energy

Data Cut: 2018 Mercer/Gartner Information Technology Survey - United States - Org Wtd

Description : Positions in this sub-family are responsible for managing or performing work associated with developing, communicating, implementing, enforcing and monitoring security controls to protect the organization's technology assets from intentional or inadvertent modification, disclosure or destruction including: Designing, testing, and implementing secure operating systems, networks, and databases. Password auditing, network based and Web application based vulnerability scanning, virus management and intrusion detection. Conducting risk audits and assessments, providing recommendations for application design. Monitoring and analyzing system access logs Planning for security backup and system disaster recovery An Experienced Professional (P2) applies practical knowledge of job area typically obtained through advanced education and work experience. May require the following proficiency: Works independently with general supervision. Problems faced are difficult but typically not complex. May influence others within the job area through explanation of facts, policies and practices.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
IT Security - Experienced Professional (P2)	33	63	33	0.00%	0.00%	Base Salary	71,574	81,120	89,428
Code: ITC.07.000.P20 Level: P2						Actual Total Cash Compensation	75,228	85,783	95,651

Survey: Mercer/Gartner Information Technology Survey - United States - Org Wtd

Scope: Net Revenue - Millions: Less than 500 US Dollar in millions

Data Cut: 2018 Mercer/Gartner Information Technology Survey - United States - Org Wtd

Description : Positions in this sub-family are responsible for managing or performing work associated with developing, communicating, implementing, enforcing and monitoring security controls to protect the organization's technology assets from intentional or inadvertent modification, disclosure or destruction including: Designing, testing, and implementing secure operating systems, networks, and databases. Password auditing, network based and Web application based vulnerability scanning, virus management and intrusion detection. Conducting risk audits and assessments, providing recommendations for application design. Monitoring and analyzing system access logs Planning for security backup and system disaster recovery An Experienced Professional (P2) applies practical knowledge of job area typically obtained through advanced education and work experience. May require the following proficiency: Works independently with general supervision. Problems faced are difficult but typically not complex. May influence others within the job area through explanation of facts, policies and practices.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
IT Security - Experienced Professional (P2)	483	2852	33	0.00%	0.00%	Base Salary	70,144	77,876	87,464
Code: ITC.07.000.P20 Level: P2						Actual Total Cash Compensation	71,679	81,183	90,719

Survey: Mercer/Gartner Information Technology Survey - United States - Org Wtd

Scope: All Data

Data Cut: 2018 Mercer/Gartner Information Technology Survey - United States - Org Wtd

Description : Positions in this sub-family are responsible for managing or performing work associated with developing, communicating, implementing, enforcing and monitoring security controls to protect the organization's technology assets from intentional or inadvertent modification, disclosure or destruction including: Designing, testing, and implementing secure operating systems, networks, and databases. Password auditing, network based and Web application based vulnerability scanning, virus management and intrusion detection. Conducting risk audits and assessments, providing recommendations for application design. Monitoring and analyzing system access logs Planning for security backup and system disaster recovery An Experienced Professional (P2) applies practical knowledge of job area typically obtained through advanced education and work experience. May require the following proficiency: Works independently with general supervision. Problems faced are difficult but typically not complex. May influence others within the job area through explanation of facts, policies and practices.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
IT Administration|IS and Cyber Security| Intermediate (Professional)-P2 Code: AIT070-P2 Level: P2	47	205	50	0.00%	0.00%	Base Salary	73,166	79,420	84,383
						Actual Total Cash Compensation	78,824	83,200	90,593

Survey: WTW Energy Services Middle Management, Professional & Support Survey - United States - Org Wtd

Scope: Industry Group: Energy Services and Utilities

Data Cut: 2018 WTW Energy Services Middle Management, Professional & Support Survey - United States - Org Wtd

Description : Function Description: Manages the Information Technology (IT) infrastructure within an organization, including the physical network (e.g., LANs/ WANs, servers, terminals) as well as server applications and software (e.g., PeopleSoft, Oracle). Configures, installs, maintains and upgrades server applications and hardware. Discipline Description: Evaluates, tests, recommends, coordinates, monitors and maintains information systems (IS) and cyber security policies, procedures and systems, including access management for hardware, firmware and software. Ensures that IS and cyber security plans, controls, processes, standards, policies and procedures are aligned with IS standards and overall IS and cyber security. Identifies security risks and exposures, determines the causes of security violations and suggests procedures to halt future incidents and improve security. Develops techniques and procedures for conducting IS and cyber security risk assessments and compliance audits, the evaluation and testing of hardware, firmware and software for possible impact on system security, and the investigation and resolution of security incidents such as intrusion, frauds, attacks or leaks. Career Level description: Band: Has working knowledge and experience in own discipline. Continues to build knowledge of the organization, processes and customers. Performs a range of mainly straightforward assignments. Uses prescribed guidelines or policies to analyze and resolve problems. Receives a moderate level of guidance and direction.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
IT Administration|IS and Cyber Security| Intermediate (Professional)-P2 Code: AIT070-P2 Level: P2	52	211	50	0.00%	0.00%	Base Salary	73,332	80,236	84,458
						Actual Total Cash Compensation	78,943	84,708	94,076

Survey: WTW Energy Services Middle Management, Professional & Support Survey - United States - Org Wtd

Scope: Total Sample

Data Cut: 2018 WTW Energy Services Middle Management, Professional & Support Survey - United States - Org Wtd

Description : Function Description: Manages the Information Technology (IT) infrastructure within an organization, including the physical network (e.g., LANs/ WANs, servers, terminals) as well as server applications and software (e.g., PeopleSoft, Oracle). Configures, installs, maintains and upgrades server applications and hardware. Discipline Description: Evaluates, tests, recommends, coordinates, monitors and maintains information systems (IS) and cyber security policies, procedures and systems, including access management for hardware, firmware and software. Ensures that IS and cyber security plans, controls, processes, standards, policies and procedures are aligned with IS standards and overall IS and cyber security. Identifies security risks and exposures, determines the causes of security violations and suggests procedures to halt future incidents and improve security. Develops techniques and procedures for conducting IS and cyber security risk assessments and compliance audits, the evaluation and testing of hardware, firmware and software for possible impact on system security, and the investigation and resolution of security incidents such as intrusion, frauds, attacks or leaks. Career Level description: Band: Has working knowledge and experience in own discipline. Continues to build knowledge of the organization, processes and customers. Performs a range of mainly straightforward assignments. Uses prescribed guidelines or policies to analyze and resolve problems. Receives a moderate level of guidance and direction.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
IT Administration|IS and Cyber Security| Intermediate (Professional)-P2 Code: AIT070-P2 Level: P2	6	25	50	0.00%	0.00%	Base Salary	70,295	75,506	79,838
						Actual Total Cash Compensation	70,295	76,935	80,921

Survey: WTW General Industry Middle Management, Professional & Support Survey - TAC - FP - United States - Org Wtd

Scope: Break Name: Global Revenue | Break Value: Less than $500 Million | Position Listing: For-Profit Organizations

Data Cut: 2018 WTW General Industry Middle Management, Professional & Support Survey - TAC - FP - United States - Org Wtd

Description : Function Description: Manages the Information Technology (IT) infrastructure within an organization, including the physical network (e.g., LANs/ WANs, servers, terminals) as well as server applications and software (e.g., PeopleSoft, Oracle). Configures, installs, maintains and upgrades server applications and hardware. Discipline Description: Evaluates, tests, recommends, coordinates, monitors and maintains information systems (IS) and cyber security policies, procedures and systems, including access management for hardware, firmware and software. Ensures that IS and cyber security plans, controls, processes, standards, policies and procedures are aligned with IS standards and overall IS and cyber security. Identifies security risks and exposures, determines the causes of security violations and suggests procedures to halt future incidents and improve security. Develops techniques and procedures for conducting IS and cyber security risk assessments and compliance audits, the evaluation and testing of hardware, firmware and software for possible impact on system security, and the investigation and resolution of security incidents such as intrusion, frauds, attacks or leaks. Career Level description: Band: Has working knowledge and experience in own discipline. Continues to build knowledge of the organization, processes and customers. Performs a range of mainly straightforward assignments. Uses prescribed guidelines or policies to analyze and resolve problems. Receives a moderate level of guidance and direction.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
IT Administration|IS and Cyber Security| Intermediate (Professional)-P2	144	967	50	0.00%	0.00%	Base Salary	69,806	76,438	81,903
Code: AIT070-P2 Level: P2						Actual Total Cash Compensation	72,799	79,669	86,735

Survey: WTW General Industry Middle Management, Professional & Support Survey - TAC - FP - United States - Org Wtd

Scope: Position Listing: For-Profit Organizations

Data Cut: 2018 WTW General Industry Middle Management, Professional & Support Survey - TAC - FP - United States - Org Wtd

Description : Function Description: Manages the Information Technology (IT) infrastructure within an organization, including the physical network (e.g., LANs/ WANs, servers, terminals) as well as server applications and software (e.g., PeopleSoft, Oracle). Configures, installs, maintains and upgrades server applications and hardware. Discipline Description: Evaluates, tests, recommends, coordinates, monitors and maintains information systems (IS) and cyber security policies, procedures and systems, including access management for hardware, firmware and software. Ensures that IS and cyber security plans, controls, processes, standards, policies and procedures are aligned with IS standards and overall IS and cyber security. Identifies security risks and exposures, determines the causes of security violations and suggests procedures to halt future incidents and improve security. Develops techniques and procedures for conducting IS and cyber security risk assessments and compliance audits, the evaluation and testing of hardware, firmware and software for possible impact on system security, and the investigation and resolution of security incidents such as intrusion, frauds, attacks or leaks. Career Level description: Band: Has working knowledge and experience in own discipline. Continues to build knowledge of the organization, processes and customers. Performs a range of mainly straightforward assignments. Uses prescribed guidelines or policies to analyze and resolve problems. Receives a moderate level of guidance and direction.

Comment : None

Market Comparison

Pay Type	Composite	Survey Pay Elements	Employee Pay Elements	Comparison	25th	50th	75th
Base 50 50th Percentile	Base (All Jobs)	Base Salary	Base Salary	Market	71,647	78,726	85,113
				Average Pay	--	--	--
				Differential	0.0	0.0	0.0

Overall Comment

None

Delivery Driver | OPS-LOG-W2 / Operations

Job Details

Job Family	Logistics	Global Grade	-
Country	United States	Communicated Level	-
Incs	0	Structure Name	-
		Structure Code	-

Grade None	Min	Mid	Max

Employee Pay	Avg
Base 50	-

Survey Matches (5)

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Specialized Freight Truck Drivers - Experienced Para-Professional (S2)	7	1020	100	0.00%	0.00%	Base Salary	--	42,760	--
						Actual Total Cash Compensation	--	42,760	--

Code: SCN.05.064.S20 Level: S2

Survey: Mercer Logistics & Supply Chain Survey - United States - Org Wtd

Scope: All Data

Data Cut: 2018 Mercer Logistics & Supply Chain Survey - United States - Org Wtd

Description : Responsible for driving special vehicles such as oil tank trucks and mixer trucks to deliver specific products on time. Focus is on special goods delivery such as chemicals and equipment. May also load and unload truck. Prepares receipts, verifies orders, and may collect payment for deliveries. May also inspect and repair vehicle. Level: An Experienced Para-Professional (S2) requires basic knowledge of job procedures and tools obtained through work experience and may require vocational or technical education. May require the following proficiency: Works under moderate supervision. Problems are typically of a routine nature, but may at times require interpretation or deviation from standard procedures. Communicates information that requires some explanation or interpretation. Typical Title: Special Vehicle Driver.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Supply Chain and Logistics|Intermediate (Production/Manual Labor)-W2	27	309	100	0.00%	0.00%	Base Salary	42,185	47,310	57,692
						Actual Total Cash Compensation	42,690	49,939	58,028

Code: ASC-W2 Level: W2

Survey: WTW Energy Services Middle Management, Professional & Support Survey - United States - Org Wtd

Scope: Industry Group: Energy Services and Utilities

Data Cut: 2018 WTW Energy Services Middle Management, Professional & Support Survey - United States - Org Wtd

Description : Function Description: Performs supply chain and logistics functions, which may include, but are not limited to, material procurement, production planning, inventory control, outsourcing, vendor selection and distribution. Creates integrated processes among internal functions such as operations, purchasing and logistics, and outside suppliers. Focuses resources on continuous improvement of the movement of materials through various production processes and establishes key performance metrics and benchmarks relating to supply chain planning/forecasting to measure actual performance against goals on a regular basis. Promotes alignment by understanding and communicating customer needs and requirements throughout the organization. Career Level description: Band: Has skills developed through formal training or work experience. Works within established procedures and guidelines with limited ability to modify methods and approach. Completes assigned tasks with a moderate degree of supervision.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Supply Chain and Logistics|Transportation - Delivery Vehicle Operations Generalist/ Multidiscipline|Intermediate (Production/Manual Labor)-W2	21	3526	100	0.00%	0.00%	Base Salary	35,735	39,572	43,367
						Actual Total Cash Compensation	36,390	40,015	44,710

Code: ASC052-W2 Level: W2

Survey: WTW General Industry Middle Management, Professional & Support Survey - TAC - FP - United States - Org Wtd

Scope: Position Listing: For-Profit Organizations

Data Cut: 2018 WTW General Industry Middle Management, Professional & Support Survey - TAC - FP - United States - Org Wtd

Description : Function Description: Performs supply chain and logistics functions, which may include, but are not limited to, material procurement, production planning, inventory control, outsourcing, vendor selection and distribution. Creates integrated processes among internal functions such as operations, purchasing and logistics, and outside suppliers. Focuses resources on continuous improvement of the movement of materials through various production processes and establishes key performance metrics and benchmarks relating to supply chain planning/forecasting to measure actual performance against goals on a regular basis. Promotes alignment by understanding and communicating customer needs and requirements throughout the organization. Discipline Description: Operates trucks, vans or similar vehicles to pick up and deliver products, supplies and equipment to and from organization, supplier and customer sites. Actions may involve complex pickups and deliveries, e.g., night deliveries, international travel, transport of dangerous and hazardous products. Career Level description: Band: Has skills developed through formal training or work experience. Works within established procedures and guidelines with limited ability to modify methods and approach. Completes assigned tasks with a moderate degree of supervision.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Supply Chain and Logistics|Transportation - Heavy Delivery Vehicle Operations| Intermediate (Production/Manual Labor)-W2	25	39037	100	0.00%	0.00%	Base Salary	39,401	41,918	47,985
						Actual Total Cash Compensation	39,402	42,044	48,358

Code: ASC054-W2 Level: W2

Survey: WTW General Industry Middle Management, Professional & Support Survey - TAC - FP - United States - Org Wtd

Scope: Position Listing: For-Profit Organizations

Data Cut: 2018 WTW General Industry Middle Management, Professional & Support Survey - TAC - FP - United States - Org Wtd

Description : Function Description: Performs supply chain and logistics functions, which may include, but are not limited to, material procurement, production planning, inventory control, outsourcing, vendor selection and distribution. Creates integrated processes among internal functions such as operations, purchasing and logistics, and outside suppliers. Focuses resources on continuous improvement of the movement of materials through various production processes and establishes key performance metrics and benchmarks relating to supply chain planning/forecasting to measure actual performance against goals on a regular basis. Promotes alignment by understanding and communicating customer needs and requirements throughout the organization. Discipline Description: Operates heavy trucks or similar vehicles to pick up and deliver products, supplies and equipment to and from organization, supplier and customer sites. Actions may involve complex pickups and deliveries, e.g., night deliveries, international travel, transport of dangerous and hazardous products. Career Level description: Band: Has skills developed through formal training or work experience. Works within established procedures and guidelines with limited ability to modify methods and approach. Completes assigned tasks with a moderate degree of supervision.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Supply Chain and Logistics|Warehousing| Intermediate (Production/Manual Labor)-W2	17	146	100	0.00%	0.00%	Base Salary	43,578	48,117	59,550
						Actual Total Cash Compensation	44,489	51,384	62,548

Code: ASC040-W2 Level: W2

Survey: WTW Energy Services Middle Management, Professional & Support Survey - United States - Org Wtd

Scope: Industry Group: Energy Services and Utilities

Data Cut: 2018 WTW Energy Services Middle Management, Professional & Support Survey - United States - Org Wtd

Description : Function Description: Performs supply chain and logistics functions, which may include, but are not limited to, material procurement, production planning, inventory control, outsourcing, vendor selection and distribution. Creates integrated processes among internal functions such as operations, purchasing and logistics, and outside suppliers. Focuses resources on continuous improvement of the movement of materials through various production processes and establishes key performance metrics and benchmarks relating to supply chain planning/forecasting to measure actual performance against goals on a regular basis. Promotes alignment by understanding and communicating customer needs and requirements throughout the organization. Discipline Description: Administers and operates the organization's warehouses, including processing, packaging and storage of supplies, materials and equipment. Accounts for all materials and supplies in the stores facilities; audits goods received into warehouse. Oversees receipt, storage and shipment of materials, and related reporting in accordance with established procedures. Prepares and coordinates schedules for shipping and receiving materials to control the flow of goods and regulate warehouse space. Ensures the effectiveness of operating procedures, space utilization, and maintenance and protection of facilities and equipment. Career Level description: Band: Has skills developed through formal training or work experience. Works within established procedures and guidelines with limited ability to modify methods and approach. Completes assigned tasks with a moderate degree of supervision.

Comment : None

Market Comparison

Pay Type	Composite	Survey Pay Elements	Employee Pay Elements	Comparison	25th	50th	75th
Base 50 50th Percentile	Base (All Jobs)	Base Salary	Base Salary	Market	40,225	43,935	52,149
				Average Pay	--	--	--
				Differential	0.0	0.0	0.0

Overall Comment

None

Dir, Business Development | SMK-BDV-M3 / Sales/Marketing

Job Details

Job Family	Business Development	Global Grade	-
Country	United States	Communicated Level	-
Incs	0	Structure Name	-
		Structure Code	-

Grade None	Min	Mid	Max

Employee Pay	Avg
Base 50	-

Survey Matches (4)

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Field Sales & Account Management - Senior Manager (M4)	516	4542	33	0.00%	0.00%	Base Salary	140,346	160,011	182,851
						Actual Total Cash Compensation	163,038	191,931	233,644

Code: SMP.07.000.M40 Level: M4

Survey: Mercer Sales, Marketing, & Communications Survey - United States - Org Wtd

Scope: All Data

Data Cut: 2018 Mercer Sales, Marketing, & Communications Survey - United States - Org Wtd

Description : Positions in this sub-family are responsible for sales activities directly to the customer. Activities include: Face-to-face and remote sales to new customers and cross/up/repeat sales to existing customers. Assessing customer needs and suggesting appropriate products, services, and/or solutions. Developing and delivering sales bids/proposals/presentations and conducting product demonstrations. Developing medium to long-term sales plans and preparing strategies to protect, grow and diversify the relationship with targeted customers A Senior Manager (M4) typically manages a department or small unit that includes multiple teams led by Managers and/or Team Leaders. Responsibilities typically include: Ownership of short to mid-term (1-3 years) execution of functional strategy and the operational direction of the Department. Problems faced are often complex and require extensive investigation and analysis. Requires ability to influence others to accept practices and approaches, and ability to communicate and influence executive leadership.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Field Sales & Account Management - Senior Manager (M4)	27	336	34	0.00%	0.00%	Base Salary	153,767	171,803	185,400
						Actual Total Cash Compensation	175,105	197,538	249,022

Code: SMP.07.000.M40 Level: M4

Survey: Mercer Sales, Marketing, & Communications Survey - United States - Org Wtd

Scope: Industry - Super Sector: Energy

Data Cut: 2018 Mercer Sales, Marketing, & Communications Survey - United States - Org Wtd

Description : Positions in this sub-family are responsible for sales activities directly to the customer. Activities include: Face-to-face and remote sales to new customers and cross/up/repeat sales to existing customers. Assessing customer needs and suggesting appropriate products, services, and/or solutions. Developing and delivering sales bids/proposals/presentations and conducting product demonstrations. Developing medium to long-term sales plans and preparing strategies to protect, grow and diversify the relationship with targeted customers A Senior Manager (M4) typically manages a department or small unit that includes multiple teams led by Managers and/or Team Leaders. Responsibilities typically include: Ownership of short to mid-term (1-3 years) execution of functional strategy and the operational direction of the Department. Problems faced are often complex and require extensive investigation and analysis. Requires ability to influence others to accept practices and approaches, and ability to communicate and influence executive leadership.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Field Sales & Account Management - Senior Manager (M4)	111	310	33	0.00%	0.00%	Base Salary	135,000	157,602	185,000
						Actual Total Cash Compensation	155,002	190,757	237,119

Code: SMP.07.000.M40 Level: M4

Survey: Mercer Sales, Marketing, & Communications Survey - United States - Org Wtd

Scope: Net Revenue - Millions: Less than 500 US Dollar in millions

Data Cut: 2018 Mercer Sales, Marketing, & Communications Survey - United States - Org Wtd

Description : Positions in this sub-family are responsible for sales activities directly to the customer. Activities include: Face-to-face and remote sales to new customers and cross/up/repeat sales to existing customers. Assessing customer needs and suggesting appropriate products, services, and/or solutions. Developing and delivering sales bids/proposals/presentations and conducting product demonstrations. Developing medium to long-term sales plans and preparing strategies to protect, grow and diversify the relationship with targeted customers A Senior Manager (M4) typically manages a department or small unit that includes multiple teams led by Managers and/or Team Leaders. Responsibilities typically include: Ownership of short to mid-term (1-3 years) execution of functional strategy and the operational direction of the Department. Problems faced are often complex and require extensive investigation and analysis. Requires ability to influence others to accept practices and approaches, and ability to communicate and influence executive leadership.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Direct Sales|Direct Sales Generalist/ Multidiscipline|Senior Manager (Supervisory/ Management)-M3	9	26	100	0.00%	0.00%	Base Salary	131,386	140,130	171,136
						Actual Total Cash Compensation	162,457	178,277	225,276

Code: CSD000-M3 Level: M3

Survey: WTW Energy Services Middle Management, Professional & Support Survey - United States - Org Wtd

Scope: Industry Group: Energy Services and Utilities

Data Cut: 2018 WTW Energy Services Middle Management, Professional & Support Survey - United States - Org Wtd

Description : Function Description: Closes direct sales of products and/or services in order to meet individual/team quotas and the organization's business objectives. Creates, monitors and revises lead generation plans to ensure a substantive sales opportunity pipeline. Typically, sales cycles are relatively short. Discipline Description: Promotes and sells a portfolio of technical and/or nontechnical products and/or services and solutions directly to current and new end customers. Informs customers of new product/service introductions and prices. Creates, monitors and revises lead generation plans to ensure a substantive sales opportunity pipeline. Responsibilities are within the Direct Sales Function as a generalist or in a combination of Disciplines. Career Level description: Band: Provides leadership to managers; may also provide leadership to supervisors and/or professional staff. Has accountability for the performance and results of multiple related units. Develops departmental plans, including business, production, operational and/or organizational priorities. Controls resources and policy formation in area of responsibility. Decisions are guided by resource availability and functional objectives.

Comment : None

Market Comparison

Pay Type	Composite	Survey Pay Elements	Employee Pay Elements	Comparison	25th	50th	75th
Base 50 50th Percentile	Base (All Jobs)	Base Salary	Base Salary	Market	137,265	151,678	177,781
				Average Pay	--	--	--
				Differential	0.0	0.0	0.0

Overall Comment

None

Dir, Gas Operations | OPS-GAS-M4 / Operations

Job Details

Job Family	Gas Services	Global Grade	-
Country	United States	Communicated Level	-
Incs	0	Structure Name	-
		Structure Code	-

Grade None	Min	Mid	Max

Employee Pay	Avg
Base 50	-

Survey Matches (4)

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Civil/Construction Engineering - Senior Manager II (M5)	6	36	100	0.00%	0.00%	Base Salary	--	153,793	--
						Actual Total Cash Compensation	--	169,061	--

Code: ENS.03.R14.M50   Level: M5

Survey: Mercer Engineering & Design Survey - United States - Org Wtd

Scope: All Data

Data Cut: 2018 Mercer Engineering & Design Survey - United States - Org Wtd

Description : Associated Specializations: Civil/Construction/Structural Engineering (Construction) - M50; Structural Engineering: Buildings (Construction) - M50

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Energy Delivery/Distribution|Gas Distribution System Operations|Group Manager (Supervisory/Management)-M4	6	14	50	0.00%	0.00%	Base Salary	173,370	198,260	211,114
						Actual Total Cash Compensation	219,683	260,143	271,961

Code: EDD040-M4   Level: M4

Survey: WTW Energy Services Middle Management, Professional & Support Survey - United States - Org Wtd

Scope: Industry Group: Energy Services and Utilities

Data Cut: 2018 WTW Energy Services Middle Management, Professional & Support Survey - United States - Org Wtd

Description : Function Description: Directs, coordinates, implements and plans distribution activities that provide electric and/or gas service to customers, including operation, line construction and/or maintenance. Discipline Description: Calculates and controls the flow of natural gas through the system to maintain volume and pressure for adequate supply. Monitors telemetric instruments to determine gas pressure, volume and consumption. Reviews supply and demand data such as gas quality, pressure, weather conditions and time of day to forecast load adjustment. Career Level description: Band: Provides leadership and direction through Senior Managers and Managers. Has accountability for the performance and results of: A large, strategically important discipline in an extremely large market; and/or. Related disciplines or a medium-sized function in a large market or medium-sized division; and/or. A medium-sized discipline or department in a major region. Adapts and executes functional or departmental business plans and contributes to the development of functional or departmental strategies. Decisions are guided by functional or major operational segment strategies and priorities.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Energy Delivery/Distribution|Gas Distribution System Operations|Group Manager (Supervisory/Management)-M4	8	19	50	0.00%	0.00%	Base Salary	178,639	201,988	218,185
						Actual Total Cash Compensation	231,550	262,922	290,490

Code: EDD040-M4   Level: M4

Survey: WTW Energy Services Middle Management, Professional & Support Survey - United States - Org Wtd

Scope: Total Sample

Data Cut: 2018 WTW Energy Services Middle Management, Professional & Support Survey - United States - Org Wtd

Description : Function Description: Directs, coordinates, implements and plans distribution activities that provide electric and/or gas service to customers, including operation, line construction and/or maintenance. Discipline Description: Calculates and controls the flow of natural gas through the system to maintain volume and pressure for adequate supply. Monitors telemetric instruments to determine gas pressure, volume and consumption. Reviews supply and demand data such as gas quality, pressure, weather conditions and time of day to forecast load adjustment. Career Level description: Band: Provides leadership and direction through Senior Managers and Managers. Has accountability for the performance and results of: A large, strategically important discipline in an extremely large market; and/or. Related disciplines or a medium-sized function in a large market or medium-sized division; and/or. A medium-sized discipline or department in a major region. Adapts and executes functional or departmental business plans and contributes to the development of functional or departmental strategies. Decisions are guided by functional or major operational segment strategies and priorities.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Engineering|Civil Engineering|Group Manager (Supervisory/Management)-M4	6	30	100	0.00%	0.00%	Base Salary	176,284	179,973	196,323
Code: AZE040-M4 Level: M4						Actual Total Cash Compensation	177,672	200,021	265,728

Survey: WTW General Industry Middle Management, Professional & Support Survey - TAC - FP - United States - Org Wtd

Scope: Position Listing: For-Profit Organizations

Data Cut: 2018 WTW General Industry Middle Management, Professional & Support Survey - TAC - FP - United States - Org Wtd

Description : Function Description: Performs engineering work in operations, production, construction or maintenance environments. Designs and scales up manufacturing processes, instruments and equipment and tests manufactured products to maintain quality. Plans, designs and estimates time and cost and oversees construction and maintenance of structures, facilities, systems and components. Analyzes and develops solutions to engineering problems related to manufacturing equipment and systems or the causes of component failures. Develops and applies engineering standards and procedures and provides advice on issues within the engineering field. Discipline Description: Plans and designs structures and facilities such as bridges, railroads, roads, airports, harbors, dams, irrigation projects, pipelines, tunnels, power plants and other projects. Analyzes proposed projects to ensure structural reliability, resource efficiency and cost-effectiveness. May construct models to identify project specifications and meet related needs. Career Level description: Band: Provides leadership and direction through Senior Managers and Managers. Has accountability for the performance and results of: A large, strategically important discipline in an extremely large market; and/or. Related disciplines or a medium-sized function in a large market or medium-sized division; and/or. A medium-sized discipline or department in a major region. Adapts and executes functional or departmental business plans and contributes to the development of functional or departmental strategies. Decisions are guided by functional or major operational segment strategies and priorities.

Comment : None

Market Comparison

Pay Type	Composite	Survey Pay Elements	Employee Pay Elements	Comparison	25th	50th	75th
Base 50 50th Percentile	Base (All Jobs)	Base Salary	Base Salary	Market	176,144	177,963	205,486
				Average Pay	--	--	--
				Differential	0.0	0.0	0.0

Overall Comment

None

Dir, Operations | OPS-GTS-M4 / Operations

Job Details

Job Family	Gas Technical Services	Global Grade	-
Country	United States	Communicated Level	-
Incs	0	Structure Name	-
		Structure Code	-

Grade None	Min	Mid	Max

Employee Pay	Avg
Base 50	-

Survey Matches (4)

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Civil/Construction Engineering - Senior Manager II (M5)	6	36	100	0.00%	0.00%	Base Salary	--	153,793	--
						Actual Total Cash Compensation	--	169,061	--

Code: ENS.03.R14.M50 Level: M5

Survey: Mercer Engineering & Design Survey - United States - Org Wtd

Scope: All Data

Data Cut: 2018 Mercer Engineering & Design Survey - United States - Org Wtd

Description : Associated Specializations: Civil/Construction/Structural Engineering (Construction) - M50; Structural Engineering: Buildings (Construction) - M50

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Energy Delivery/Distribution|Gas Distribution System Operations|Group Manager (Supervisory/Management)-M4	6	14	50	0.00%	0.00%	Base Salary	173,370	198,260	211,114
						Actual Total Cash Compensation	219,683	260,143	271,961

Code: EDD040-M4 Level: M4

Survey: WTW Energy Services Middle Management, Professional & Support Survey - United States - Org Wtd

Scope: Industry Group: Energy Services and Utilities

Data Cut: 2018 WTW Energy Services Middle Management, Professional & Support Survey - United States - Org Wtd

Description : Function Description: Directs, coordinates, implements and plans distribution activities that provide electric and/or gas service to customers, including operation, line construction and/or maintenance. Discipline Description: Calculates and controls the flow of natural gas through the system to maintain volume and pressure for adequate supply. Monitors telemetric instruments to determine gas pressure, volume and consumption. Reviews supply and demand data such as gas quality, pressure, weather conditions and time of day to forecast load adjustment. Career Level description: Band: Provides leadership and direction through Senior Managers and Managers. Has accountability for the performance and results of: A large, strategically important discipline in an extremely large market; and/or. Related disciplines or a medium-sized function in a large market or medium-sized division; and/or. A medium-sized discipline or department in a major region. Adapts and executes functional or departmental business plans and contributes to the development of functional or departmental strategies. Decisions are guided by functional or major operational segment strategies and priorities.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Energy Delivery/Distribution|Gas Distribution System Operations|Group Manager (Supervisory/Management)-M4	8	19	50	0.00%	0.00%	Base Salary	178,639	201,988	218,185
						Actual Total Cash Compensation	231,550	262,922	290,490

Code: EDD040-M4 Level: M4

Survey: WTW Energy Services Middle Management, Professional & Support Survey - United States - Org Wtd

Scope: Total Sample

Data Cut: 2018 WTW Energy Services Middle Management, Professional & Support Survey - United States - Org Wtd

Description : Function Description: Directs, coordinates, implements and plans distribution activities that provide electric and/or gas service to customers, including operation, line construction and/or maintenance. Discipline Description: Calculates and controls the flow of natural gas through the system to maintain volume and pressure for adequate supply. Monitors telemetric instruments to determine gas pressure, volume and consumption. Reviews supply and demand data such as gas quality, pressure, weather conditions and time of day to forecast load adjustment. Career Level description: Band: Provides leadership and direction through Senior Managers and Managers. Has accountability for the performance and results of: A large, strategically important discipline in an extremely large market; and/or. Related disciplines or a medium-sized function in a large market or medium-sized division; and/or. A medium-sized discipline or department in a major region. Adapts and executes functional or departmental business plans and contributes to the development of functional or departmental strategies. Decisions are guided by functional or major operational segment strategies and priorities.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Engineering|Civil Engineering|Group Manager (Supervisory/Management)-M4 Code: AZE040-M4 Level: M4	6	30	100	0.00%	0.00%	Base Salary	176,284	179,973	196,323
						Actual Total Cash Compensation	177,672	200,021	265,728

Survey: WTW General Industry Middle Management, Professional & Support Survey - TAC - FP - United States - Org Wtd

Scope: Position Listing: For-Profit Organizations

Data Cut: 2018 WTW General Industry Middle Management, Professional & Support Survey - TAC - FP - United States - Org Wtd

Description : Function Description: Performs engineering work in operations, production, construction or maintenance environments. Designs and scales up manufacturing processes, instruments and equipment and tests manufactured products to maintain quality. Plans, designs and estimates time and cost and oversees construction and maintenance of structures, facilities, systems and components. Analyzes and develops solutions to engineering problems related to manufacturing equipment and systems or the causes of component failures. Develops and applies engineering standards and procedures and provides advice on issues within the engineering field. Discipline Description: Plans and designs structures and facilities such as bridges, railroads, roads, airports, harbors, dams, irrigation projects, pipelines, tunnels, power plants and other projects. Analyzes proposed projects to ensure structural reliability, resource efficiency and cost-effectiveness. May construct models to identify project specifications and meet related needs. Career Level description: Band: Provides leadership and direction through Senior Managers and Managers. Has accountability for the performance and results of: A large, strategically important discipline in an extremely large market; and/or. Related disciplines or a medium-sized function in a large market or medium-sized division; and/or. A medium-sized discipline or department in a major region. Adapts and executes functional or departmental business plans and contributes to the development of functional or departmental strategies. Decisions are guided by functional or major operational segment strategies and priorities.

Comment : None

Market Comparison

Pay Type	Composite	Survey Pay Elements	Employee Pay Elements	Comparison	25th	50th	75th
Base 50 50th Percentile	Base (All Jobs)	Base Salary	Base Salary	Market	176,144	177,963	205,486
				Average Pay	--	--	--
				Differential	0.0	0.0	0.0

Overall Comment

None

Dir, Propane Operations | OPS-GTD-M4 / Operations

Job Details

Job Family	Gas Transmission/Distribution	Global Grade	-
Country	United States	Communicated Level	-
Incs	0	Structure Name	-
		Structure Code	-

Grade None	Min	Mid	Max

Employee Pay	Avg
Base 50	-

Survey Matches (4)

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Civil/Construction Engineering - Senior Manager II (M5)	6	36	100	0.00%	0.00%	Base Salary	--	153,793	--
						Actual Total Cash Compensation	--	169,061	--

Code: ENS.03.R14.M50 Level: M5

Survey: Mercer Engineering & Design Survey - United States - Org Wtd

Scope: All Data

Data Cut: 2018 Mercer Engineering & Design Survey - United States - Org Wtd

Description : Associated Specializations: Civil/Construction/Structural Engineering (Construction) - M50; Structural Engineering: Buildings (Construction) - M50

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Energy Delivery/Distribution|Gas Distribution System Operations|Group Manager (Supervisory/Management)-M4	6	14	50	0.00%	0.00%	Base Salary	173,370	198,260	211,114
						Actual Total Cash Compensation	219,683	260,143	271,961

Code: EDD040-M4 Level: M4

Survey: WTW Energy Services Middle Management, Professional & Support Survey - United States - Org Wtd

Scope: Industry Group: Energy Services and Utilities

Data Cut: 2018 WTW Energy Services Middle Management, Professional & Support Survey - United States - Org Wtd

Description : Function Description: Directs, coordinates, implements and plans distribution activities that provide electric and/or gas service to customers, including operation, line construction and/or maintenance. Discipline Description: Calculates and controls the flow of natural gas through the system to maintain volume and pressure for adequate supply. Monitors telemetric instruments to determine gas pressure, volume and consumption. Reviews supply and demand data such as gas quality, pressure, weather conditions and time of day to forecast load adjustment. Career Level description: Band: Provides leadership and direction through Senior Managers and Managers. Has accountability for the performance and results of: A large, strategically important discipline in an extremely large market; and/or. Related disciplines or a medium-sized function in a large market or medium-sized division; and/or. A medium-sized discipline or department in a major region. Adapts and executes functional or departmental business plans and contributes to the development of functional or departmental strategies. Decisions are guided by functional or major operational segment strategies and priorities.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Energy Delivery/Distribution|Gas Distribution System Operations|Group Manager (Supervisory/Management)-M4	8	19	50	0.00%	0.00%	Base Salary	178,639	201,988	218,185
						Actual Total Cash Compensation	231,550	262,922	290,490

Code: EDD040-M4 Level: M4

Survey: WTW Energy Services Middle Management, Professional & Support Survey - United States - Org Wtd

Scope: Total Sample

Data Cut: 2018 WTW Energy Services Middle Management, Professional & Support Survey - United States - Org Wtd

Description : Function Description: Directs, coordinates, implements and plans distribution activities that provide electric and/or gas service to customers, including operation, line construction and/or maintenance. Discipline Description: Calculates and controls the flow of natural gas through the system to maintain volume and pressure for adequate supply. Monitors telemetric instruments to determine gas pressure, volume and consumption. Reviews supply and demand data such as gas quality, pressure, weather conditions and time of day to forecast load adjustment. Career Level description: Band: Provides leadership and direction through Senior Managers and Managers. Has accountability for the performance and results of: A large, strategically important discipline in an extremely large market; and/or. Related disciplines or a medium-sized function in a large market or medium-sized division; and/or. A medium-sized discipline or department in a major region. Adapts and executes functional or departmental business plans and contributes to the development of functional or departmental strategies. Decisions are guided by functional or major operational segment strategies and priorities.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Engineering|Civil Engineering|Group Manager (Supervisory/Management)-M4 Code: AZE040-M4 Level: M4	6	30	100	0.00%	0.00%	Base Salary	176,284	179,973	196,323
						Actual Total Cash Compensation	177,672	200,021	265,728

Survey: WTW General Industry Middle Management, Professional & Support Survey - TAC - FP - United States - Org Wtd

Scope: Position Listing: For-Profit Organizations

Data Cut: 2018 WTW General Industry Middle Management, Professional & Support Survey - TAC - FP - United States - Org Wtd

Description : Function Description: Performs engineering work in operations, production, construction or maintenance environments. Designs and scales up manufacturing processes, instruments and equipment and tests manufactured products to maintain quality. Plans, designs and estimates time and cost and oversees construction and maintenance of structures, facilities, systems and components. Analyzes and develops solutions to engineering problems related to manufacturing equipment and systems or the causes of component failures. Develops and applies engineering standards and procedures and provides advice on issues within the engineering field. Discipline Description: Plans and designs structures and facilities such as bridges, railroads, roads, airports, harbors, dams, irrigation projects, pipelines, tunnels, power plants and other projects. Analyzes proposed projects to ensure structural reliability, resource efficiency and cost-effectiveness. May construct models to identify project specifications and meet related needs. Career Level description: Band: Provides leadership and direction through Senior Managers and Managers. Has accountability for the performance and results of: A large, strategically important discipline in an extremely large market; and/or. Related disciplines or a medium-sized function in a large market or medium-sized division; and/or. A medium-sized discipline or department in a major region. Adapts and executes functional or departmental business plans and contributes to the development of functional or departmental strategies. Decisions are guided by functional or major operational segment strategies and priorities.

Comment : None

Market Comparison

Pay Type	Composite	Survey Pay Elements	Employee Pay Elements	Comparison	25th	50th	75th
Base 50 50th Percentile	Base (All Jobs)	Base Salary	Base Salary	Market	176,144	177,963	205,486
				Average Pay	--	--	--
				Differential	0.0	0.0	0.0

Overall Comment

None

Dir,Business Applications | ITS-ITM-M3 / IT

Job Details

Job Family	IT Management	Global Grade	-
Country	United States	Communicated Level	-
Incs	0	Structure Name	-
		Structure Code	-

Grade None	Min	Mid	Max

Employee Pay	Avg
Base 50	-

Survey Matches (6)

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
General IT Applications Development - Senior Manager (M4)	355	2153	33	0.00%	0.00%	Base Salary	146,698	161,213	178,576
						Actual Total Cash Compensation	161,000	186,738	212,249

Code: ITC.06.001.M40 Level: M4

Survey: Mercer/Gartner Information Technology Survey - United States - Org Wtd

Scope: All Data

Data Cut: 2018 Mercer/Gartner Information Technology Survey - United States - Org Wtd

Description : General IT Applications Development includes analysis, programming, and configuration of end user applications and/or systems software including: Analyzing detailed business/functional/technical requirements and specifications for the application. Coding internally developed applications and/or configuring commercial-off-the-shelf (COTS) applications using programming, scripting, and database languages. Supporting application testing, deployment, maintenance, and evolution activities by correcting programming errors, responding to scope changes, and coding application enhancements Level: A Senior Manager (M4) typically manages a department or small unit that includes multiple teams led by Managers and/or Team Leaders. Responsibilities typically include: Ownership of short to mid-term (1-3 years) execution of functional strategy and the operational direction of the Department. Problems faced are often complex and require extensive investigation and analysis. Requires ability to influence others to accept practices and approaches, and ability to communicate and influence executive leadership. Typical Title: Applications System Programming Manager.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
General IT Applications Development - Senior Manager (M4)	28	51	34	0.00%	0.00%	Base Salary	154,037	172,014	184,839
						Actual Total Cash Compensation	191,890	201,934	230,274

Code: ITC.06.001.M40 Level: M4

Survey: Mercer/Gartner Information Technology Survey - United States - Org Wtd

Scope: Industry - Super Sector: Energy

Data Cut: 2018 Mercer/Gartner Information Technology Survey - United States - Org Wtd

Description : General IT Applications Development includes analysis, programming, and configuration of end user applications and/or systems software including: Analyzing detailed business/functional/technical requirements and specifications for the application. Coding internally developed applications and/or configuring commercial-off-the-shelf (COTS) applications using programming, scripting, and database languages. Supporting application testing, deployment, maintenance, and evolution activities by correcting programming errors, responding to scope changes, and coding application enhancements Level: A Senior Manager (M4) typically manages a department or small unit that includes multiple teams led by Managers and/or Team Leaders. Responsibilities typically include: Ownership of short to mid-term (1-3 years) execution of functional strategy and the operational direction of the Department. Problems faced are often complex and require extensive investigation and analysis. Requires ability to influence others to accept practices and approaches, and ability to communicate and influence executive leadership. Typical Title: Applications System Programming Manager.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
General IT Applications Development - Senior Manager (M4)	33	47	33	0.00%	0.00%	Base Salary	134,692	152,114	176,444
						Actual Total Cash Compensation	150,769	165,209	195,518

Code: ITC.06.001.M40 Level: M4

Survey: Mercer/Gartner Information Technology Survey - United States - Org Wtd

Scope: Net Revenue - Millions: Less than 500 US Dollar in millions

Data Cut: 2018 Mercer/Gartner Information Technology Survey - United States - Org Wtd

Description : General IT Applications Development includes analysis, programming, and configuration of end user applications and/or systems software including: Analyzing detailed business/functional/technical requirements and specifications for the application. Coding internally developed applications and/or configuring commercial-off-the-shelf (COTS) applications using programming, scripting, and database languages. Supporting application testing, deployment, maintenance, and evolution activities by correcting programming errors, responding to scope changes, and coding application enhancements Level: A Senior Manager (M4) typically manages a department or small unit that includes multiple teams led by Managers and/or Team Leaders. Responsibilities typically include: Ownership of short to mid-term (1-3 years) execution of functional strategy and the operational direction of the Department. Problems faced are often complex and require extensive investigation and analysis. Requires ability to influence others to accept practices and approaches, and ability to communicate and influence executive leadership. Typical Title: Applications System Programming Manager.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
IT Development|IT Development Generalist/ Multidiscipline|Senior Manager (Supervisory/ Management)-M3	25	115	50	0.00%	0.00%	Base Salary	155,206	167,308	171,627
						Actual Total Cash Compensation	182,082	200,494	210,900

Code: AID000-M3 Level: M3

Survey: WTW Energy Services Middle Management, Professional & Support Survey - United States - Org Wtd

Scope: Industry Group: Energy Services and Utilities

Data Cut: 2018 WTW Energy Services Middle Management, Professional & Support Survey - United States - Org Wtd

Description : Function Description: Designs, develops, modifies, adapts and implements short- and long-term solutions to information technology (IT) needs through new and existing applications, systems architecture, network systems and applications infrastructure. Reviews system requirements and business processes; codes, tests, debugs and implements software solutions. Discipline Description: Designs, develops, codes, tests, debugs and/or customizes information technology (IT) solutions for own business or external clients. Applies best practices and advanced methodologies, including Scrum techniques, to address and review system requirements, business processes, changing development and technology environments. Responsibilities are within the IT Development Function as a generalist or in a combination of Disciplines. Career Level description: Band: Provides leadership to managers; may also provide leadership to supervisors and/or professional staff. Has accountability for the performance and results of multiple related units. Develops departmental plans, including business, production, operational and/or organizational priorities. Controls resources and policy formation in area of responsibility. Decisions are guided by resource availability and functional objectives.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
IT Development|IT Development Generalist/ Multidiscipline|Senior Manager (Supervisory/ Management)-M3	26	116	50	0.00%	0.00%	Base Salary	152,330	167,244	171,536
						Actual Total Cash Compensation	178,079	198,784	210,635

Code: AID000-M3 Level: M3

Survey: WTW Energy Services Middle Management, Professional & Support Survey - United States - Org Wtd

Scope: Total Sample

Data Cut: 2018 WTW Energy Services Middle Management, Professional & Support Survey - United States - Org Wtd

Description : Function Description: Designs, develops, modifies, adapts and implements short- and long-term solutions to information technology (IT) needs through new and existing applications, systems architecture, network systems and applications infrastructure. Reviews system requirements and business processes; codes, tests, debugs and implements software solutions. Discipline Description: Designs, develops, codes, tests, debugs and/or customizes information technology (IT) solutions for own business or external clients. Applies best practices and advanced methodologies, including Scrum techniques, to address and review system requirements, business processes, changing development and technology environments. Responsibilities are within the IT Development Function as a generalist or in a combination of Disciplines. Career Level description: Band: Provides leadership to managers; may also provide leadership to supervisors and/or professional staff. Has accountability for the performance and results of multiple related units. Develops departmental plans, including business, production, operational and/or organizational priorities. Controls resources and policy formation in area of responsibility. Decisions are guided by resource availability and functional objectives.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
IT Development|IT Development Generalist/ Multidiscipline|Senior Manager (Supervisory/ Management)-M3	102	1668	100	0.00%	0.00%	Base Salary	144,810	155,403	167,606
						Actual Total Cash Compensation	157,693	179,902	202,140

Code: AID000-M3 Level: M3

Survey: WTW General Industry Middle Management, Professional & Support Survey - TAC - FP - United States - Org Wtd

Scope: Position Listing: For-Profit Organizations

Data Cut: 2018 WTW General Industry Middle Management, Professional & Support Survey - TAC - FP - United States - Org Wtd

Description : Function Description: Designs, develops, modifies, adapts and implements short- and long-term solutions to information technology (IT) needs through new and existing applications, systems architecture, network systems and applications infrastructure. Reviews system requirements and business processes; codes, tests, debugs and implements software solutions. Discipline Description: Designs, develops, codes, tests, debugs and/or customizes information technology (IT) solutions for own business or external clients. Applies best practices and advanced methodologies, including Scrum techniques, to address and review system requirements, business processes, changing development and technology environments. Responsibilities are within the IT Development Function as a generalist or in a combination of Disciplines. Career Level description: Band: Provides leadership to managers; may also provide leadership to supervisors and/or professional staff. Has accountability for the performance and results of multiple related units. Develops departmental plans, including business, production, operational and/or organizational priorities. Controls resources and policy formation in area of responsibility. Decisions are guided by resource availability and functional objectives.

Comment : None

Market Comparison

Pay Type	Composite	Survey Pay Elements	Employee Pay Elements	Comparison	25th	50th	75th
Base 50 50th Percentile	Base (All Jobs)	Base Salary	Base Salary	Market Average Pay Differential	147,936 -- 0.0	161,521 -- 0.0	173,063 -- 0.0

Overall Comment

None

Engineer | ENG-ECE-P2 / Engineering

Job Details

Job Family	Electrical Engineers	Global Grade	-
Country	United States	Communicated Level	-
Incs	0	Structure Name	-
		Structure Code	-

Grade None	Min	Mid	Max

Employee Pay	Avg
Base 50	-

Survey Matches (8)

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Electrical Engineering - Experienced Professional (P2)	198	1936	33	0.00%	0.00%	Base Salary	76,567	82,337	91,289
						Actual Total Cash Compensation	78,221	86,612	97,095

Code: ENS.03.015.P20 Level: P2

Survey: Mercer Engineering & Design Survey - United States - Org Wtd

Scope: All Data

Data Cut: 2018 Mercer Engineering & Design Survey - United States - Org Wtd

Description : Electrical Engineering researches, develops, designs, and tests electrical components, equipment, systems, and networks. Designs electrical equipment, facilities, components, products, and systems for commercial, industrial, and domestic purposes. Level: An Experienced Professional (P2) applies practical knowledge of job area typically obtained through advanced education and work experience. May require the following proficiency: Works independently with general supervision. Problems faced are difficult but typically not complex. May influence others within the job area through explanation of facts, policies and practices. Typical Title: Electrical Engineer.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Electrical Engineering - Experienced Professional (P2)	34	318	34	0.00%	0.00%	Base Salary	77,868	83,271	94,490
						Actual Total Cash Compensation	81,596	89,554	103,109

Code: ENS.03.015.P20 Level: P2

Survey: Mercer Engineering & Design Survey - United States - Org Wtd

Scope: Industry - Super Sector: Energy

Data Cut: 2018 Mercer Engineering & Design Survey - United States - Org Wtd

Description : Electrical Engineering researches, develops, designs, and tests electrical components, equipment, systems, and networks. Designs electrical equipment, facilities, components, products, and systems for commercial, industrial, and domestic purposes. Level: An Experienced Professional (P2) applies practical knowledge of job area typically obtained through advanced education and work experience. May require the following proficiency: Works independently with general supervision. Problems faced are difficult but typically not complex. May influence others within the job area through explanation of facts, policies and practices. Typical Title: Electrical Engineer.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Electrical Engineering - Experienced Professional (P2)	34	153	33	0.00%	0.00%	Base Salary	77,820	85,413	94,197
						Actual Total Cash Compensation	79,256	89,510	98,571

Code: ENS.03.015.P20 Level: P2

Survey: Mercer Engineering & Design Survey - United States - Org Wtd

Scope: Net Revenue - Millions: Less than 500 US Dollar In Millions

Data Cut: 2018 Mercer Engineering & Design Survey - United States - Org Wtd

Description : Electrical Engineering researches, develops, designs, and tests electrical components, equipment, systems, and networks. Designs electrical equipment, facilities, components, products, and systems for commercial, industrial, and domestic purposes. Level: An Experienced Professional (P2) applies practical knowledge of job area typically obtained through advanced education and work experience. May require the following proficiency: Works independently with general supervision. Problems faced are difficult but typically not complex. May influence others within the job area through explanation of facts, policies and practices. Typical Title: Electrical Engineer.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Electrical Engineer	5	39	100	0.00%	0.00%	Base Salary	72,400	82,800	98,500

Code: 0435 Level: All Levels Combined

Pay Elements	25th	50th	75th
Actual Total Cash Compensation	72,400	85,700	102,000

Survey: WTW American Gas Association Compensation Survey - United States - Org Wtd

Scope: Analysis: All Organizations | Cut: All Organizations

Data Cut: 2018 WTW American Gas Association Compensation Survey - United States - Org Wtd

Description : Designs and installs telemetering systems for integration into the SCADA system. Processes and controls system designs and integration, including modifications to existing systems and new system expansions. Responsible for project scopes, bid specifications, cost estimates, cost and schedule control, project design, material procurement, drawing review, project inspection, and processing of job completion requirements for electrical and automation related projects. Supervises electricians on new installations and troubleshooting existing equipments.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Engineering|Electric System/Grid Operations Engineering|Intermediate (Professional)-P2	8	74	100	0.00%	0.00%	Base Salary	83,294	88,199	91,821
						Actual Total Cash Compensation	85,821	96,401	102,591

Code: AZE533-P2 Level: P2

Survey: WTW Energy Services Middle Management, Professional & Support Survey - United States - Org Wtd

Scope: Industry Group: Energy Services and Utilities

Data Cut: 2018 WTW Energy Services Middle Management, Professional & Support Survey - United States - Org Wtd

Description : Function Description: Performs engineering work in operations, production, construction or maintenance environments. Designs and scales up manufacturing processes, instruments and equipment and tests manufactured products to maintain quality. Plans, designs and estimates time and cost and oversees construction and maintenance of structures, facilities, systems and components. Analyzes and develops solutions to engineering problems related to manufacturing equipment and systems or the causes of component failures. Develops and applies engineering standards and procedures and provides advice on issues within the engineering field. Discipline Description: Develops, implements and monitors engineering applications, processes and services associated with the performance of all coordinated operations responsibilities assigned to the Independent Coordinator of Transmission (ICT) to prevent power outages and maintain reliable electric service. Requests and collects information, prepares and validates data and executes computer runs for current, next-day and other operational assessments of the transmission network to support coordination and approval of generation and transmission maintenance outage requests and to comply with external standards and requirements, including reporting for market participants, government entities and legal. Participates in identification of issues and researches, analyzes and resolves disputes and inquires relating to market and grid operations data. Develops and periodically updates network model data as necessary for the Interchange Distribution Calculator (IDC) load flow model. Develops, maintains and supports coordinated operations applications, processes and documentation. Identifies opportunities for improved analyses of electric system operations data and prioritizes, develops and implements improvements, including automated tools for monitoring and reporting operations data. Career Level description: Band: Has working knowledge and experience in own discipline. Continues to build knowledge of the organization, processes and customers. Performs a range of mainly straightforward assignments. Uses prescribed guidelines or policies to analyze and resolve problems. Receives a moderate level of guidance and direction.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Engineering|Electric Transmission Asset Planning and Operations Engineering|Intermediate (Professional)-P2	19	206	100	0.00%	0.00%	Base Salary	75,407	79,594	85,185
						Actual Total Cash Compensation	83,142	85,185	89,582

Code: AZE540-P2 Level: P2

Survey: WTW Energy Services Middle Management, Professional & Support Survey - United States - Org Wtd

Scope: Industry Group: Energy Services and Utilities

Data Cut: 2018 WTW Energy Services Middle Management, Professional & Support Survey - United States - Org Wtd

Description : Function Description: Performs engineering work in operations, production, construction or maintenance environments. Designs and scales up manufacturing processes, instruments and equipment and tests manufactured products to maintain quality. Plans, designs and estimates time and cost and oversees construction and maintenance of structures, facilities, systems and components. Analyzes and develops solutions to engineering problems related to manufacturing equipment and systems or the causes of component failures. Develops and applies engineering standards and procedures and provides advice on issues within the engineering field. Discipline Description: Plans and designs transmission systems with voltage levels typically above 34.5K. Designs transmission lines, bulk and distribution substations, and system protection and relaying. Focuses on transmission circuits, system interconnections and bulk substations. Determines need, size, location and timing of system development to balance economic, environmental, social and regulatory constraints and reliability needs. Coordinates activities with other utilities and non-utilities generation. Tests and maintains on a system-wide basis the relay protective and control equipment essential to system operation and tests the condition of insulation of all major system electric apparatus. Career Level description: Band: Has working knowledge and experience in own discipline. Continues to build knowledge of the organization, processes and customers. Performs a range of mainly straightforward assignments. Uses prescribed guidelines or policies to analyze and resolve problems. Receives a moderate level of guidance and direction.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Engineering|Electrical Equipment Engineering|Intermediate (Professional)-P2	7	91	50	0.00%	0.00%	Base Salary	67,909	73,174	75,219

					Pay Elements	25th	50th	75th
Code: AZE050-P2 Level: P2					Actual Total Cash Compensation	72,954	76,818	78,951

Survey: WTW General Industry Middle Management, Professional & Support Survey - TAC - FP - United States - Org Wtd

Scope: Break Name: Global Revenue | Break Value: Less than $500 Million | Position Listing: For-Profit Organizations

Data Cut: 2018 WTW General Industry Middle Management, Professional & Support Survey - TAC - FP - United States - Org Wtd

Description : Function Description: Performs engineering work in operations, production, construction or maintenance environments. Designs and scales up manufacturing processes, instruments and equipment and tests manufactured products to maintain quality. Plans, designs and estimates time and cost and oversees construction and maintenance of structures, facilities, systems and components. Analyzes and develops solutions to engineering problems related to manufacturing equipment and systems or the causes of component failures. Develops and applies engineering standards and procedures and provides advice on issues within the engineering field. Discipline Description: Plans and implements the design, manufacture, installation and/or maintenance of electrical systems and apparatus, such as electric motors, machinery controls, lighting, wiring and power systems/devices, for the generation, transmission and control of electric power. Career Level description: Band: Has working knowledge and experience in own discipline. Continues to build knowledge of the organization, processes and customers. Performs a range of mainly straightforward assignments. Uses prescribed guidelines or policies to analyze and resolve problems. Receives a moderate level of guidance and direction.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Engineering|Electrical Equipment Engineering| Intermediate (Professional)-P2	89	1085	50	0.00%	0.00%	Base Salary	74,470	79,503	87,191
Code: AZE050-P2 Level: P2						Actual Total Cash Compensation	76,324	83,281	95,298

Survey: WTW General Industry Middle Management, Professional & Support Survey - TAC - FP - United States - Org Wtd

Scope: Position Listing: For-Profit Organizations

Data Cut: 2018 WTW General Industry Middle Management, Professional & Support Survey - TAC - FP - United States - Org Wtd

Description : Function Description: Performs engineering work in operations, production, construction or maintenance environments. Designs and scales up manufacturing processes, instruments and equipment and tests manufactured products to maintain quality. Plans, designs and estimates time and cost and oversees construction and maintenance of structures, facilities, systems and components. Analyzes and develops solutions to engineering problems related to manufacturing equipment and systems or the causes of component failures. Develops and applies engineering standards and procedures and provides advice on issues within the engineering field. Discipline Description: Plans and implements the design, manufacture, installation and/or maintenance of electrical systems and apparatus, such as electric motors, machinery controls, lighting, wiring and power systems/devices, for the generation, transmission and control of electric power. Career Level description: Band: Has working knowledge and experience in own discipline. Continues to build knowledge of the organization, processes and customers. Performs a range of mainly straightforward assignments. Uses prescribed guidelines or policies to analyze and resolve problems. Receives a moderate level of guidance and direction.

Comment : None

Market Comparison

Pay Type	Composite	Survey Pay Elements	Employee Pay Elements	Comparison	25th	50th	75th
Base 50 50th Percentile	Base (All Jobs)	Base Salary	Base Salary	Market	75,943	82,120	90,010
				Average Pay	--	--	--
				Differential	0.0	0.0	0.0

Overall Comment

None

Engineer | ENG-ENG-P3 / Engineering

Job Details

Job Family	Engineers	Global Grade	-
Country	United States	Communicated Level	-
Incs	0	Structure Name	-
		Structure Code	-

Grade None	Min	Mid	Max

Employee Pay	Avg
Base 50	-

Survey Matches (6)

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Civil/Construction Engineering - Senior Professional (P3)	13	134	50	0.00%	0.00%	Base Salary	95,419	106,800	116,399
						Actual Total Cash Compensation	96,098	112,948	121,720

Code: ENS.03.R14.P30 Level: P3

Survey: Mercer Engineering & Design Survey - United States - Org Wtd

Scope: Industry - Super Sector: Energy

Data Cut: 2018 Mercer Engineering & Design Survey - United States - Org Wtd

Description : Associated Specializations: Civil/Construction/Structural Engineering (Construction) - P30; General Municipal Engineering (Construction & Civil Infrastructure) - P30; Heating & Ventilating Systems Engineering (Construction) - P30; Landscape Engineering (Construction) - P30; Rail Engineering (Construction & Civil Infrastructure) - P30; Structural Engineering: Buildings (Construction) - P30; Structural Engineering: Facade (Construction) - P30; Sub-Sea Engineering (Construction & Civil Infrastructure) - P30; Water/Waste Engineering (Construction & Civil Infrastructure) - P30

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Civil/Construction Engineering - Senior Professional (P3)	7	113	50	0.00%	0.00%	Base Salary	81,173	95,480	116,150
						Actual Total Cash Compensation	81,173	97,159	116,988

Code: ENS.03.R14.P30 Level: P3

Survey: Mercer Engineering & Design Survey - United States - Org Wtd

Scope: Net Revenue - Millions: Less than 500 US Dollar In Millions

Data Cut: 2018 Mercer Engineering & Design Survey - United States - Org Wtd

Description : Associated Specializations: Civil/Construction/Structural Engineering (Construction) - P30; General Municipal Engineering (Construction & Civil Infrastructure) - P30; Heating & Ventilating Systems Engineering (Construction) - P30; Landscape Engineering (Construction) - P30; Rail Engineering (Construction & Civil Infrastructure) - P30; Structural Engineering: Buildings (Construction) - P30; Structural Engineering: Facade (Construction) - P30; Sub-Sea Engineering (Construction & Civil Infrastructure) - P30; Water/Waste Engineering (Construction & Civil Infrastructure) - P30

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Engineering|Civil Engineering|Career (Professional)-P3	32	925	50	0.00%	0.00%	Base Salary	83,233	89,270	104,926
						Actual Total Cash Compensation	86,810	96,298	114,673

Code: AZE040-P3 Level: P3

Survey: WTW General Industry Middle Management, Professional & Support Survey - TAC - FP - United States - Org Wtd

Scope: Position Listing: For-Profit Organizations

Data Cut: 2018 WTW General Industry Middle Management, Professional & Support Survey - TAC - FP - United States - Org Wtd

Description : Function Description: Performs engineering work in operations, production, construction or maintenance environments. Designs and scales up manufacturing processes, instruments and equipment and tests manufactured products to maintain quality. Plans, designs and estimates time and cost and oversees construction and maintenance of structures, facilities, systems and components. Analyzes and develops solutions to engineering problems related to manufacturing equipment and systems or the causes of component failures. Develops and applies engineering standards and procedures and provides advice on issues within the engineering field. Discipline Description: Plans and designs structures and facilities such as bridges, railroads, roads, airports, harbors, dams, irrigation projects, pipelines, tunnels, power plants and other projects. Analyzes proposed projects to ensure structural reliability, resource efficiency and cost-effectiveness. May construct models to identify project specifications and meet related needs. Career Level description: Band: Has in-depth knowledge in own discipline and basic knowledge of related disciplines. Solves complex problems; takes a new perspective on existing solutions. Works independently; receives minimal guidance. May lead projects or project steps within a broader project or have accountability for ongoing activities or objectives. Acts as a resource for colleagues with less experience. May represent the level at which career may stabilize for many years or even until retirement.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Engineering|Civil Engineering|Career (Professional)-P3 Code: AZE040-P3 Level: P3	5	85	50	0.00%	0.00%	Base Salary	80,899	88,327	94,425
						Actual Total Cash Compensation	84,142	88,327	94,425

Survey: WTW General Industry Middle Management, Professional & Support Survey - TAC - FP - United States - Org Wtd

Scope: Break Name: Global Revenue | Break Value: Less than $500 Million | Position Listing: For-Profit Organizations

Data Cut: 2018 WTW General Industry Middle Management, Professional & Support Survey - TAC - FP - United States - Org Wtd

Description : Function Description: Performs engineering work in operations, production, construction or maintenance environments. Designs and scales up manufacturing processes, instruments and equipment and tests manufactured products to maintain quality. Plans, designs and estimates time and cost and oversees construction and maintenance of structures, facilities, systems and components. Analyzes and develops solutions to engineering problems related to manufacturing equipment and systems or the causes of component failures. Develops and applies engineering standards and procedures and provides advice on issues within the engineering field. Discipline Description: Plans and designs structures and facilities such as bridges, railroads, roads, airports, harbors, dams, irrigation projects, pipelines, tunnels, power plants and other projects. Analyzes proposed projects to ensure structural reliability, resource efficiency and cost-effectiveness. May construct models to identify project specifications and meet related needs. Career Level description: Band: Has in-depth knowledge in own discipline and basic knowledge of related disciplines. Solves complex problems; takes a new perspective on existing solutions. Works independently; receives minimal guidance. May lead projects or project steps within a broader project or have accountability for ongoing activities or objectives. Acts as a resource for colleagues with less experience. May represent the level at which career may stabilize for many years or even until retirement.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Engineering|Gas Transmission Engineering|Career (Professional)-P3 Code: AZE570-P3 Level: P3	9	77	50	0.00%	0.00%	Base Salary	92,225	102,390	111,975
						Actual Total Cash Compensation	100,976	109,621	121,444

Survey: WTW Energy Services Middle Management, Professional & Support Survey - United States - Org Wtd

Scope: Industry Group: Energy Services and Utilities

Data Cut: 2018 WTW Energy Services Middle Management, Professional & Support Survey - United States - Org Wtd

Description : Function Description: Performs engineering work in operations, production, construction or maintenance environments. Designs and scales up manufacturing processes, instruments and equipment and tests manufactured products to maintain quality. Plans, designs and estimates time and cost and oversees construction and maintenance of structures, facilities, systems and components. Analyzes and develops solutions to engineering problems related to manufacturing equipment and systems or the causes of component failures. Develops and applies engineering standards and procedures and provides advice on issues within the engineering field. Discipline Description: Plans, designs and engineers pipelines and compressor stations and meter and regulator stations for natural gas transmission. Installs and inspects rectifier stations and anodes used to minimize corrosive effects of static-electricity discharge between gas pipeline and ground. Career Level description: Band: Has in-depth knowledge in own discipline and basic knowledge of related disciplines. Solves complex problems; takes a new perspective on existing solutions. Works independently; receives minimal guidance. May lead projects or project steps within a broader project or have accountability for ongoing activities or objectives. Acts as a resource for colleagues with less experience. May represent the level at which career may stabilize for many years or even until retirement.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Engineering|Gas Transmission Engineering|Career (Professional)-P3 Code: AZE570-P3 Level: P3	10	81	50	0.00%	0.00%	Base Salary	92,603	104,864	111,531
						Actual Total Cash Compensation	101,200	111,408	122,999

Survey: WTW Energy Services Middle Management, Professional & Support Survey - United States - Org Wtd

Scope: Total Sample

Data Cut: 2018 WTW Energy Services Middle Management, Professional & Support Survey - United States - Org Wtd

Description : Function Description: Performs engineering work in operations, production, construction or maintenance environments. Designs and scales up manufacturing processes, instruments and equipment and tests manufactured products to maintain quality. Plans, designs and estimates time and cost and oversees construction and maintenance of structures, facilities, systems and components. Analyzes and develops solutions to engineering problems related to manufacturing equipment and systems or the causes of component failures. Develops and applies engineering standards and procedures and provides advice on issues within the engineering field. Discipline Description: Plans, designs and engineers pipelines and compressor stations and meter and regulator stations for natural gas transmission. Installs and inspects rectifier stations and anodes used to minimize corrosive effects of static-electricity discharge between gas pipeline and ground. Career Level description: Band: Has in-depth knowledge in own discipline and basic knowledge of related disciplines. Solves complex problems; takes a new perspective on existing solutions. Works independently; receives minimal guidance. May lead projects or project steps within a broader project or have accountability for ongoing activities or objectives. Acts as a resource for colleagues with less experience. May represent the level at which career may stabilize for many years or even until retirement.

Comment : None

Market Comparison

Pay Type	Composite	Survey Pay Elements	Employee Pay Elements	Comparison	25th	50th	75th
Base 50	Base (All Jobs)	Base Salary	Base Salary	Market	87,592	97,855	109,234
50th Percentile				Average Pay	--	--	--
				Differential	0.0	0.0	0.0

Overall Comment

None

Engineer | ENG-ENG-P2 / Engineering

Job Details

Job Family	Engineers	Global Grade	-
Country	United States	Communicated Level	-
Incs	0	Structure Name	-
		Structure Code	-

Grade None	Min	Mid	Max

Employee Pay	Avg
Base 50	-

Survey Matches (7)

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Civil/Construction Engineering - Experienced Professional (P2)	57	1239	33	0.00%	0.00%	Base Salary	70,071	77,897	88,834
						Actual Total Cash Compensation	71,714	80,256	93,246

Code: ENS.03.R14.P20 Level: P2

Survey: Mercer Engineering & Design Survey - United States - Org Wtd

Scope: All Data

Data Cut: 2018 Mercer Engineering & Design Survey - United States - Org Wtd

Description : Associated Specializations: Civil/Construction/Structural Engineering (Construction) - P20; General Municipal Engineering (Construction & Civil Infrastructure) - P20; Heating & Ventilating Systems Engineering (Construction) - P20; Landscape Engineering (Construction) - P20; Rail Engineering (Construction & Civil Infrastructure) - P20; Structural Engineering: Buildings (Construction) - P20; Structural Engineering: Facade (Construction) - P20; Sub-Sea Engineering (Construction & Civil Infrastructure) - P20; Water/Waste Engineering (Construction & Civil Infrastructure) - P20

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Civil/Construction Engineering - Experienced Professional (P2)	11	153	33	0.00%	0.00%	Base Salary	66,007	74,467	83,000
						Actual Total Cash Compensation	68,373	77,316	87,980

Code: ENS.03.R14.P20 Level: P2

Survey: Mercer Engineering & Design Survey - United States - Org Wtd

Scope: Net Revenue - Millions: Less than 500 US Dollar In Millions

Data Cut: 2018 Mercer Engineering & Design Survey - United States - Org Wtd

Description : Associated Specializations: Civil/Construction/Structural Engineering (Construction) - P20; General Municipal Engineering (Construction & Civil Infrastructure) - P20; Heating & Ventilating Systems Engineering (Construction) - P20; Landscape Engineering (Construction) - P20; Rail Engineering (Construction & Civil Infrastructure) - P20; Structural Engineering: Buildings (Construction) - P20; Structural Engineering: Facade (Construction) - P20; Sub-Sea Engineering (Construction & Civil Infrastructure) - P20; Water/Waste Engineering (Construction & Civil Infrastructure) - P20

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Civil/Construction Engineering - Experienced Professional (P2)	10	44	34	0.00%	0.00%	Base Salary	78,751	88,662	95,316
						Actual Total Cash Compensation	84,027	95,542	100,753

Code: ENS.03.R14.P20 Level: P2

Survey: Mercer Engineering & Design Survey - United States - Org Wtd

Scope: Industry - Super Sector: Energy

Data Cut: 2018 Mercer Engineering & Design Survey - United States - Org Wtd

Description : Associated Specializations: Civil/Construction/Structural Engineering (Construction) - P20; General Municipal Engineering (Construction & Civil Infrastructure) - P20; Heating & Ventilating Systems Engineering (Construction) - P20; Landscape Engineering (Construction) - P20; Rail Engineering (Construction & Civil Infrastructure) - P20; Structural Engineering: Buildings (Construction) - P20; Structural Engineering: Facade (Construction) - P20; Sub-Sea Engineering (Construction & Civil Infrastructure) - P20; Water/Waste Engineering (Construction & Civil Infrastructure) - P20

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Engineering|Civil Engineering|Intermediate (Professional)-P2	5	69	50	0.00%	0.00%	Base Salary	70,172	74,010	81,261
						Actual Total Cash Compensation	70,551	74,010	81,261

Code: AZE040-P2 Level: P2

Survey: WTW General Industry Middle Management, Professional & Support Survey - TAC - FP - United States - Org Wtd

Scope: Break Name: Global Revenue | Break Value: Less than $500 Million | Position Listing: For-Profit Organizations

Data Cut: 2018 WTW General Industry Middle Management, Professional & Support Survey - TAC - FP - United States - Org Wtd

Description : Function Description: Performs engineering work in operations, production, construction or maintenance environments. Designs and scales up manufacturing processes, instruments and equipment and tests manufactured products to maintain quality. Plans, designs and estimates time and cost and oversees construction and maintenance of structures, facilities, systems and components. Analyzes and develops solutions to engineering problems related to manufacturing equipment and systems or the causes of component failures. Develops and applies engineering standards and procedures and provides advice on issues within the engineering field. Discipline Description: Plans and designs structures and facilities such as bridges, railroads, roads, airports, harbors, dams, irrigation projects, pipelines, tunnels, power plants and other projects. Analyzes proposed projects to ensure structural reliability, resource efficiency and cost-effectiveness. May construct models to identify project specifications and meet related needs. Career Level description: Band: Has working knowledge and experience in own discipline. Continues to build knowledge of the organization, processes and customers. Performs a range of mainly straightforward assignments. Uses prescribed guidelines or policies to analyze and resolve problems. Receives a moderate level of guidance and direction.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Engineering|Civil Engineering|Intermediate (Professional)-P2 Code: AZE040-P2 Level: P2	28	883	50	0.00%	0.00%	Base Salary	71,413	76,670	82,278
						Actual Total Cash Compensation	72,060	80,567	85,691

Survey: WTW General Industry Middle Management, Professional & Support Survey - TAC - FP - United States - Org Wtd

Scope: Position Listing: For-Profit Organizations

Data Cut: 2018 WTW General Industry Middle Management, Professional & Support Survey - TAC - FP - United States - Org Wtd

Description : Function Description: Performs engineering work in operations, production, construction or maintenance environments. Designs and scales up manufacturing processes, instruments and equipment and tests manufactured products to maintain quality. Plans, designs and estimates time and cost and oversees construction and maintenance of structures, facilities, systems and components. Analyzes and develops solutions to engineering problems related to manufacturing equipment and systems or the causes of component failures. Develops and applies engineering standards and procedures and provides advice on issues within the engineering field. Discipline Description: Plans and designs structures and facilities such as bridges, railroads, roads, airports, harbors, dams, irrigation projects, pipelines, tunnels, power plants and other projects. Analyzes proposed projects to ensure structural reliability, resource efficiency and cost-effectiveness. May construct models to identify project specifications and meet related needs. Career Level description: Band: Has working knowledge and experience in own discipline. Continues to build knowledge of the organization, processes and customers. Performs a range of mainly straightforward assignments. Uses prescribed guidelines or policies to analyze and resolve problems. Receives a moderate level of guidance and direction.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Engineering|Gas Transmission Engineering|Intermediate (Professional)-P2 Code: AZE570-P2 Level: P2	7	81	50	0.00%	0.00%	Base Salary	74,621	79,414	124,800
						Actual Total Cash Compensation	81,056	85,797	138,362

Survey: WTW Energy Services Middle Management, Professional & Support Survey - United States - Org Wtd

Scope: Industry Group: Energy Services and Utilities

Data Cut: 2018 WTW Energy Services Middle Management, Professional & Support Survey - United States - Org Wtd

Description : Function Description: Performs engineering work in operations, production, construction or maintenance environments. Designs and scales up manufacturing processes, instruments and equipment and tests manufactured products to maintain quality. Plans, designs and estimates time and cost and oversees construction and maintenance of structures, facilities, systems and components. Analyzes and develops solutions to engineering problems related to manufacturing equipment and systems or the causes of component failures. Develops and applies engineering standards and procedures and provides advice on issues within the engineering field. Discipline Description: Plans, designs and engineers pipelines and compressor stations and meter and regulator stations for natural gas transmission. Installs and inspects rectifier stations and anodes used to minimize corrosive effects of static-electricity discharge between gas pipeline and ground. Career Level description: Band: Has working knowledge and experience in own discipline. Continues to build knowledge of the organization, processes and customers. Performs a range of mainly straightforward assignments. Uses prescribed guidelines or policies to analyze and resolve problems. Receives a moderate level of guidance and direction.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Engineering|Gas Transmission Engineering|Intermediate (Professional)-P2 Code: AZE570-P2 Level: P2	8	82	50	0.00%	0.00%	Base Salary	75,413	82,079	115,409
						Actual Total Cash Compensation	81,978	85,810	128,813

Survey: WTW Energy Services Middle Management, Professional & Support Survey - United States - Org Wtd

Scope: Total Sample

Data Cut: 2018 WTW Energy Services Middle Management, Professional & Support Survey - United States - Org Wtd

Description : Function Description: Performs engineering work in operations, production, construction or maintenance environments. Designs and scales up manufacturing processes, instruments and equipment and tests manufactured products to maintain quality. Plans, designs and estimates time and cost and oversees construction and maintenance of structures, facilities, systems and components. Analyzes and develops solutions to engineering problems related to manufacturing equipment and systems or the causes of component failures. Develops and applies engineering standards and procedures and provides advice on issues within the engineering field. Discipline Description: Plans, designs and engineers pipelines and compressor stations and meter and regulator stations for natural gas transmission. Installs and inspects rectifier stations and anodes used to minimize corrosive effects of static-electricity discharge between gas pipeline and ground. Career Level description: Band: Has working knowledge and experience in own discipline. Continues to build knowledge of the organization, processes and customers. Performs a range of mainly straightforward assignments. Uses prescribed guidelines or policies to analyze and resolve problems. Receives a moderate level of guidance and direction.

Comment : None

Market Comparison

Pay Type	Composite	Survey Pay Elements	Employee Pay Elements	Comparison	25th	50th	75th
Base 50 50th Percentile	Base (All Jobs)	Base Salary	Base Salary	Market Average Pay Differential	72,497 -- 0.0	78,837 -- 0.0	96,996 -- 0.0

Overall Comment

None

Engineering Clerk | ENG-ADM-U1 / Engineering

Job Details

Job Family	Administrative	Global Grade	-
Country	United States	Communicated Level	-
Incs	0	Structure Name	-
		Structure Code	-

Grade None	Min	Mid	Max

Employee Pay	Avg
Base 50	-

Survey Matches (7)

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Administration & Secretarial - Entry Para-Professional (S1)	1025	29524	33	0.00%	0.00%	Base Salary	32,800	36,375	41,500
Code: AFS.01.000.S10 Level: S1						Actual Total Cash Compensation	33,153	36,972	42,144

Survey: Mercer Corporate Services & Human Resources Survey - United States - Org Wtd

Scope: All Data

Data Cut: 2018 Mercer Corporate Services & Human Resources Survey - United States - Org Wtd

Description : Positions in this sub-family are responsible for providing administrative and secretarial services to the organization. Activities include producing documents, collecting, recording, sorting and filing information, handling mail, preparing routine reports, making travel arrangements, arranging appointments, responding to inquiries, data entry, and operating office equipment. Also includes responsibilities for reception/telephone/switchboard and greeting visitors. An Entry Para-Professional (S1) is an entry-level position typically requiring little to no prior knowledge or experience. Work is routine or follows standard procedures. Work is closely supervised. Communicates information that requires little explanation or interpretation.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Administration & Secretarial - Entry Para-Professional (S1)	50	565	34	0.00%	0.00%	Base Salary	35,531	39,343	42,594
Code: AFS.01.000.S10 Level: S1						Actual Total Cash Compensation	35,956	40,462	45,367

Survey: Mercer Corporate Services & Human Resources Survey - United States - Org Wtd

Scope: Industry - Super Sector: Energy

Data Cut: 2018 Mercer Corporate Services & Human Resources Survey - United States - Org Wtd

Description : Positions in this sub-family are responsible for providing administrative and secretarial services to the organization. Activities include producing documents, collecting, recording, sorting and filing information, handling mail, preparing routine reports, making travel arrangements, arranging appointments, responding to inquiries, data entry, and operating office equipment. Also includes responsibilities for reception/telephone/switchboard and greeting visitors. An Entry Para-Professional (S1) is an entry-level position typically requiring little to no prior knowledge or experience. Work is routine or follows standard procedures. Work is closely supervised. Communicates information that requires little explanation or interpretation.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Administration & Secretarial - Entry Para-Professional (S1)	129	626	33	0.00%	0.00%	Base Salary	32,576	36,638	42,059
Code: AFS.01.000.S10 Level: S1						Actual Total Cash Compensation	32,899	37,492	42,145

Survey: Mercer Corporate Services & Human Resources Survey - United States - Org Wtd

Scope: Net Revenue - Millions: Less than 500 US Dollar In Millions

Data Cut: 2018 Mercer Corporate Services & Human Resources Survey - United States - Org Wtd

Description : Positions in this sub-family are responsible for providing administrative and secretarial services to the organization. Activities include producing documents, collecting, recording, sorting and filing information, handling mail, preparing routine reports, making travel arrangements, arranging appointments, responding to inquiries, data entry, and operating office equipment. Also includes responsibilities for reception/telephone/switchboard and greeting visitors. An Entry Para-Professional (S1) is an entry-level position typically requiring little to no prior knowledge or experience. Work is routine or follows standard procedures. Work is closely supervised. Communicates information that requires little explanation or interpretation.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Administrative Services|Secretarial/	25	206	50	0.00%	0.00%	Base Salary	38,105	41,128	44,499

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Administrative Assistance|Entry (Business Support)-U1						Actual Total Cash Compensation	38,349	43,062	48,094

Code: AAS041-U1   Level: U1

Survey: WTW Energy Services Middle Management, Professional & Support Survey - United States - Org Wtd

Scope: Industry Group: Energy Services and Utilities

Data Cut: 2018 WTW Energy Services Middle Management, Professional & Support Survey - United States - Org Wtd

Description : Function Description: Provides various office and location support activities. Identifies, enhances and follows specific processes and procedures to maximize the efficiencies of the business to which the support is being provided; ensures the correct functioning of facilities, office and/or business support services. Discipline Description: Provides secretarial/administrative support to nonexecutive employees or groups in the organization. Uses business software applications (e.g., word processing, presentation and spreadsheet) to prepare correspondence, reports, presentations, agendas, minutes, etc. Receives, screens and directs incoming calls, visitors, mail and email. Maintains files, records, calendars and diaries. May arrange business travel, coordinate meeting arrangements, and/or track expenses. Career Level description: Band: Entry level position with little or no prior relevant training or work experience. Acquires basic skills to perform routine tasks. Work is prescribed and completed with little autonomy. Works with either close supervision or under clearly defined procedures.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Administrative Services|Secretarial/ Administrative Assistance|Entry (Business Support)-U1	31	250	50	0.00%	0.00%	Base Salary	37,810	40,073	44,434
						Actual Total Cash Compensation	38,297	42,360	47,764

Code: AAS041-U1   Level: U1

Survey: WTW Energy Services Middle Management, Professional & Support Survey - United States - Org Wtd

Scope: Total Sample

Data Cut: 2018 WTW Energy Services Middle Management, Professional & Support Survey - United States - Org Wtd

Description : Function Description: Provides various office and location support activities. Identifies, enhances and follows specific processes and procedures to maximize the efficiencies of the business to which the support is being provided; ensures the correct functioning of facilities, office and/or business support services. Discipline Description: Provides secretarial/administrative support to nonexecutive employees or groups in the organization. Uses business software applications (e.g., word processing, presentation and spreadsheet) to prepare correspondence, reports, presentations, agendas, minutes, etc. Receives, screens and directs incoming calls, visitors, mail and email. Maintains files, records, calendars and diaries. May arrange business travel, coordinate meeting arrangements, and/or track expenses. Career Level description: Band: Entry level position with little or no prior relevant training or work experience. Acquires basic skills to perform routine tasks. Work is prescribed and completed with little autonomy. Works with either close supervision or under clearly defined procedures.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Administrative Services|Secretarial/ Administrative Assistance|Entry (Business Support)-U1	19	139	50	0.00%	0.00%	Base Salary	34,599	35,881	39,378
						Actual Total Cash Compensation	34,599	35,881	41,864

Code: AAS041-U1   Level: U1

Survey: WTW General Industry Middle Management, Professional & Support Survey - TAC - FP - United States - Org Wtd

Scope: Break Name: Global Revenue | Break Value: Less than $500 Million | Position Listing: For-Profit Organizations

Data Cut: 2018 WTW General Industry Middle Management, Professional & Support Survey - TAC - FP - United States - Org Wtd

Description : Function Description: Provides various office and location support activities. Identifies, enhances and follows specific processes and procedures to maximize the efficiencies of the business to which the support is being provided; ensures the correct functioning of facilities, office and/or business support services. Discipline Description: Provides secretarial/administrative support to nonexecutive employees or groups in the organization. Uses business software applications (e.g., word processing, presentation and spreadsheet) to prepare correspondence, reports, presentations, agendas, minutes, etc. Receives, screens and directs incoming calls, visitors, mail and email. Maintains files, records, calendars and diaries. May arrange business travel, coordinate meeting arrangements, and/or track expenses. Career Level description: Band: Entry level position with little or no prior relevant training or work experience. Acquires basic skills to perform routine tasks. Work is prescribed and completed with little autonomy. Works with either close supervision or under clearly defined procedures.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Administrative Services|Secretarial/ Administrative Assistance|Entry (Business Support)-U1	174	2769	50	0.00%	0.00%	Base Salary	35,371	38,627	43,967
						Actual Total Cash Compensation	35,855	39,466	45,427

Code: AAS041-U1   Level: U1

Survey: WTW General Industry Middle Management, Professional & Support Survey - TAC - FP - United States - Org Wtd

Scope: Position Listing: For-Profit Organizations

Data Cut: 2018 WTW General Industry Middle Management, Professional & Support Survey - TAC - FP - United States - Org Wtd

Description : Function Description: Provides various office and location support activities. Identifies, enhances and follows specific processes and procedures to maximize the efficiencies of the business to which the support is being provided; ensures the correct functioning of facilities, office and/or business support services. Discipline Description: Provides secretarial/administrative support to nonexecutive employees or groups in the organization. Uses business software applications (e.g., word processing, presentation and spreadsheet) to prepare correspondence, reports, presentations, agendas, minutes, etc. Receives, screens and directs incoming calls, visitors, mail and email. Maintains files, records, calendars and diaries. May arrange business travel, coordinate meeting arrangements, and/or track expenses. Career Level description: Band: Entry level position with little or no prior relevant training or work experience. Acquires basic skills to perform routine tasks. Work is prescribed and completed with little autonomy. Works with either close supervision or under clearly defined procedures.

Comment : None

Market Comparison

Pay Type	Composite	Survey Pay Elements	Employee Pay Elements	Comparison	25th	50th	75th
Base 50 50th Percentile	Base (All Jobs)	Base Salary	Base Salary	Market	35,532	38,442	42,732
				Average Pay	--	--	--
				Differential	0.0	0.0	0.0

Overall Comment

None

Executive Assistant | GNS-ADM-U3 / General Services

Job Details

Job Family	Administrative	Global Grade	-
Country	United States	Communicated Level	-
Incs	0	Structure Name	-
		Structure Code	-

Grade None	Min	Mid	Max

Employee Pay	Avg
Base 50	-

Survey Matches (6)

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Administration & Secretarial - Senior Para-Professional (S3)	204	1069	33	10.00%	0.00%	Base Salary	54,221	62,383	70,664
Code: AFS.01.000.S30 Level: S3						Actual Total Cash Compensation	54,935	63,061	74,174

Survey: Mercer Corporate Services & Human Resources Survey - United States - Org Wtd

Scope: Net Revenue - Millions: Less than 500 US Dollar In Millions

Data Cut: 2018 Mercer Corporate Services & Human Resources Survey - United States - Org Wtd

Description : Positions in this sub-family are responsible for providing administrative and secretarial services to the organization. Activities include producing documents, collecting, recording, sorting and filing information, handling mail, preparing routine reports, making travel arrangements, arranging appointments, responding to inquiries, data entry, and operating office equipment. Also includes responsibilities for reception/telephone/switchboard and greeting visitors. A Senior Para-Professional (S3) requires broad knowledge of operational procedures and tools obtained through extensive work experience and may require vocational or technical education. May require the following proficiency: Works under limited supervision for routine situations. Provides assistance and training to lower level employees. Problems typically are not routine and require analysis to understand.

Comment : adjust for exec admin support

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Administration & Secretarial - Senior Para-Professional (S3)	93	1959	34	10.00%	0.00%	Base Salary	60,368	65,254	72,240
Code: AFS.01.000.S30 Level: S3						Actual Total Cash Compensation	62,734	67,936	74,778

Survey: Mercer Corporate Services & Human Resources Survey - United States - Org Wtd

Scope: Industry - Super Sector: Energy

Data Cut: 2018 Mercer Corporate Services & Human Resources Survey - United States - Org Wtd

Description : Positions in this sub-family are responsible for providing administrative and secretarial services to the organization. Activities include producing documents, collecting, recording, sorting and filing information, handling mail, preparing routine reports, making travel arrangements, arranging appointments, responding to inquiries, data entry, and operating office equipment. Also includes responsibilities for reception/telephone/switchboard and greeting visitors. A Senior Para-Professional (S3) requires broad knowledge of operational procedures and tools obtained through extensive work experience and may require vocational or technical education. May require the following proficiency: Works under limited supervision for routine situations. Provides assistance and training to lower level employees. Problems typically are not routine and require analysis to understand.

Comment : adjust for exec admin support

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Administration & Secretarial - Senior Para-Professional (S3)	1425	48332	33	10.00%	0.00%	Base Salary	54,766	62,998	70,916
Code: AFS.01.000.S30 Level: S3						Actual Total Cash Compensation	55,513	64,480	72,872

Survey: Mercer Corporate Services & Human Resources Survey - United States - Org Wtd

Scope: All Data

Data Cut: 2018 Mercer Corporate Services & Human Resources Survey - United States - Org Wtd

Description : Positions in this sub-family are responsible for providing administrative and secretarial services to the organization. Activities include producing documents, collecting, recording, sorting and filing information, handling mail, preparing routine reports, making travel arrangements, arranging appointments, responding to inquiries, data entry, and operating office equipment. Also includes responsibilities for reception/telephone/switchboard and greeting visitors. A Senior Para-Professional (S3) requires broad knowledge of operational procedures and tools obtained through extensive work experience and may require vocational or technical education. May require the following proficiency: Works under limited supervision for routine situations. Provides assistance and training to lower level employees. Problems typically are not routine and require analysis to understand.

Comment : adjust for exec admin support

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Administrative Services|Secretarial/Executive Administrative Assistance|Senior (Business Support)-U3	20	70	33	0.00%	0.00%	Base Salary	61,872	64,460	72,652
						Actual Total Cash Compensation	63,010	67,575	75,847

Code: AAS042-U3 Level: U3

Survey: WTW General Industry Middle Management, Professional & Support Survey - TAC - FP - United States - Org Wtd

Scope: Break Name: Global Revenue | Break Value: Less than $500 Million | Position Listing: For-Profit Organizations

Data Cut: 2018 WTW General Industry Middle Management, Professional & Support Survey - TAC - FP - United States - Org Wtd

Description : Function Description: Provides various office and location support activities. Identifies, enhances and follows specific processes and procedures to maximize the efficiencies of the business to which the support is being provided; ensures the correct functioning of facilities, office and/or business support services. Discipline Description: Provides secretarial/administrative support directly to executives (excluding CEO), exercising confidentiality, tact and diplomacy. Uses business software applications (e.g., word processing, presentation and spreadsheet) to prepare correspondence, reports, presentations, agendas, minutes, etc. may prepare responses to routine correspondence and inquiries. Receives, screens and directs incoming calls, visitors, mail and email. Maintains files, records, calendars and diaries; typically arranges business travel, coordinates meeting arrangements and tracks expenses. Participates in the development and implementation of secretarial standards, policies and practices for the organization. Career Level description: Band: Has full proficiency gained through job-related training and considerable work experience. Completes work with a limited degree of supervision. Likely to act as an informal resource for colleagues with less experience. Identifies key issues and patterns from partial/conflicting data. Takes a broad perspective to problems and spots new, less obvious solutions.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Administrative Services|Secretarial/Executive Administrative Assistance|Senior (Business Support)-U3	5	12	34	0.00%	0.00%	Base Salary	57,788	62,754	79,749
						Actual Total Cash Compensation	58,805	65,751	88,564

Code: AAS042-U3 Level: U3

Survey: WTW General Industry Middle Management, Professional & Support Survey - TAC - FP - United States - Org Wtd

Scope: Break Name: Industry Group | Break Value: Energy Services and Utilities | Position Listing: For-Profit Organizations

Data Cut: 2018 WTW General Industry Middle Management, Professional & Support Survey - TAC - FP - United States - Org Wtd

Description : Function Description: Provides various office and location support activities. Identifies, enhances and follows specific processes and procedures to maximize the efficiencies of the business to which the support is being provided; ensures the correct functioning of facilities, office and/or business support services. Discipline Description: Provides secretarial/administrative support directly to executives (excluding CEO), exercising confidentiality, tact and diplomacy. Uses business software applications (e.g., word processing, presentation and spreadsheet) to prepare correspondence, reports, presentations, agendas, minutes, etc. may prepare responses to routine correspondence and inquiries. Receives, screens and directs incoming calls, visitors, mail and email. Maintains files, records, calendars and diaries; typically arranges business travel, coordinates meeting arrangements and tracks expenses. Participates in the development and implementation of secretarial standards, policies and practices for the organization. Career Level description: Band: Has full proficiency gained through job-related training and considerable work experience. Completes work with a limited degree of supervision. Likely to act as an informal resource for colleagues with less experience. Identifies key issues and patterns from partial/conflicting data. Takes a broad perspective to problems and spots new, less obvious solutions.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Administrative Services|Secretarial/Executive Administrative Assistance|Senior (Business Support)-U3	271	2740	33	0.00%	0.00%	Base Salary	60,842	66,577	74,458
						Actual Total Cash Compensation	62,348	69,521	79,187

Code: AAS042-U3 Level: U3

Survey: WTW General Industry Middle Management, Professional & Support Survey - TAC - FP - United States - Org Wtd

Scope: Position Listing: For-Profit Organizations

Data Cut: 2018 WTW General Industry Middle Management, Professional & Support Survey - TAC - FP - United States - Org Wtd

Description : Function Description: Provides various office and location support activities. Identifies, enhances and follows specific processes and procedures to maximize the efficiencies of the business to which the support is being provided; ensures the correct functioning of facilities, office and/or business support services. Discipline Description: Provides secretarial/administrative support directly to executives (excluding CEO), exercising confidentiality, tact and diplomacy. Uses business software applications (e.g., word processing, presentation and spreadsheet) to prepare correspondence, reports, presentations, agendas, minutes, etc. may prepare responses to routine correspondence and inquiries. Receives, screens and directs incoming calls, visitors, mail and email. Maintains files, records, calendars and diaries; typically arranges business travel, coordinates meeting arrangements and tracks expenses. Participates in the development and implementation of secretarial standards, policies and practices for the organization. Career Level description: Band: Has full proficiency gained through job-related training and considerable work experience. Completes work with a limited degree of supervision. Likely to act as an informal resource for colleagues with less experience. Identifies key issues and patterns from partial/conflicting data. Takes a broad perspective to problems and spots new, less obvious solutions.

Comment : None

Market Comparison

Pay Type	Composite	Survey Pay Elements	Employee Pay Elements	Comparison	25th	50th	75th
Base 50 50th Percentile	Base (All Jobs)	Base Salary	Base Salary	Market	58,317	64,070	73,472
				Average Pay	--	--	--
				Differential	0.0	0.0	0.0

Overall Comment

None

Field Coordinator | OPS-GCN-T2 / Operations

Job Details

Job Family	Gas Construction	Global Grade	-
Country	United States	Communicated Level	-
Incs	0	Structure Name	-
		Structure Code	-

Grade None	Min	Mid	Max

Employee Pay	Avg
Base 50	-

Survey Matches (4)

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Field Service Technician - Experienced Para-Professional (S2)	150	22329	33	0.00%	0.00%	Base Salary	49,353	57,115	65,341
						Actual Total Cash Compensation	50,306	58,646	67,289

Code: ENS.05.106.S20 Level: S2

Survey: Mercer Engineering & Design Survey - United States - Org Wtd

Scope: All Data

Data Cut: 2018 Mercer Engineering & Design Survey - United States - Org Wtd

Description : Field Service Technician work focuses on installing, configuring, calibrating, and repairing technical products and systems at customer field locations including: Performing a variety of maintenance and technical support on installed products and equipment. Troubleshooting, diagnosing, and resolving malfunctions. Determining when products should be upgraded or replaced. May provide onsite training for customer support personnel Level: An Experienced Para-Professional (S2) requires basic knowledge of job procedures and tools obtained through work experience and may require vocational or technical education. May require the following proficiency: Works under moderate supervision. Problems are typically of a routine nature, but may at times require interpretation or deviation from standard procedures. Communicates information that requires some explanation or interpretation. Typical Title: Field Service Technician.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Field Service Technician - Experienced Para-Professional (S2)	16	1713	34	0.00%	0.00%	Base Salary	47,008	55,603	67,029
						Actual Total Cash Compensation	48,209	55,603	68,184

Code: ENS.05.106.S20 Level: S2

Survey: Mercer Engineering & Design Survey - United States - Org Wtd

Scope: Industry - Super Sector: Energy

Data Cut: 2018 Mercer Engineering & Design Survey - United States - Org Wtd

Description : Field Service Technician work focuses on installing, configuring, calibrating, and repairing technical products and systems at customer field locations including: Performing a variety of maintenance and technical support on installed products and equipment. Troubleshooting, diagnosing, and resolving malfunctions. Determining when products should be upgraded or replaced. May provide onsite training for customer support personnel Level: An Experienced Para-Professional (S2) requires basic knowledge of job procedures and tools obtained through work experience and may require vocational or technical education. May require the following proficiency: Works under moderate supervision. Problems are typically of a routine nature, but may at times require interpretation or deviation from standard procedures. Communicates information that requires some explanation or interpretation. Typical Title: Field Service Technician.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Field Service Technician - Experienced Para-Professional (S2)	30	631	33	0.00%	0.00%	Base Salary	53,036	59,048	67,407
						Actual Total Cash Compensation	53,395	60,374	69,575

Code: ENS.05.106.S20 Level: S2

Survey: Mercer Engineering & Design Survey - United States - Org Wtd

Scope: Net Revenue - Millions: Less than 500 US Dollar In Millions

Data Cut: 2018 Mercer Engineering & Design Survey - United States - Org Wtd

Description : Field Service Technician work focuses on installing, configuring, calibrating, and repairing technical products and systems at customer field locations including: Performing a variety of maintenance and technical support on installed products and equipment. Troubleshooting, diagnosing, and resolving malfunctions. Determining when products should be upgraded or replaced. May provide onsite training for customer support personnel Level: An Experienced Para-Professional (S2) requires basic knowledge of job procedures and tools obtained through work experience and may require vocational or technical education. May require the following proficiency: Works under moderate supervision. Problems are typically of a routine nature, but may at times require interpretation or deviation from standard procedures. Communicates information that requires some explanation or interpretation. Typical Title: Field Service Technician.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Energy Delivery/Distribution|Gas Distribution Construction and/or Maintenance|Intermediate (Technical Support)-T2	7	268	100	0.00%	0.00%	Base Salary	54,059	55,531	66,692
						Actual Total Cash Compensation	56,221	58,346	66,692

Code: EDD050-T2 Level: T2

Survey: WTW Energy Services Middle Management, Professional & Support Survey - United States - Org Wtd

Scope: Industry Group: Energy Services and Utilities

Data Cut: 2018 WTW Energy Services Middle Management, Professional & Support Survey - United States - Org Wtd

Description : Function Description: Directs, coordinates, implements and plans distribution activities that provide electric and/or gas service to customers, including operation, line construction and/or maintenance. Discipline Description: Constructs, removes and maintains gas distribution facilities and equipment, including pipe, gauges and valves. May be responsible for field engineering and/or operating activities. Coordinates, schedules and supervises crews engaged in the construction, removal and maintenance of facilities and equipment for gas distribution. Dispatches field crews engaged in the construction, maintenance and emergency restoration of gas service. Responsibilities may be limited to an assigned district or area. Career Level description: Band: Has working knowledge and skills to perform a defined set of analytical/scientific methods or operational processes. Applies experience and skills to complete assigned work within own area of expertise. Works within standard operating procedures and/or scientific methods. Works with a moderate degree of supervision.

Comment : None

Market Comparison

Pay Type	Composite	Survey Pay Elements	Employee Pay Elements	Comparison	25th	50th	75th
Base 50 50th Percentile	Base (All Jobs)	Base Salary	Base Salary	Market	51,915	56,385	66,644
				Average Pay	--	--	--
				Differential	0.0	0.0	0.0

Overall Comment

None

Financial Analyst | FIN-FNA-P2 / Finance

Job Details

Job Family	Financial Analysis	Global Grade	-
Country	United States	Communicated Level	-
Incs	0	Structure Name	-
		Structure Code	-

Grade None	Min	Mid	Max
Employee Pay		Avg	
Base 50		-	

Survey Matches (6)

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Financial Analysis and Tax|Financial Analysis|Intermediate (Professional)-P2	52	287	34	0.00%	0.00%	Base Salary	64,407	70,340	79,631
Code: AFT010-P2 Level: P2						Actual Total Cash Compensation	69,915	75,894	87,294

Survey: WTW Energy Services Middle Management, Professional & Support Survey - United States - Org Wtd

Scope: Industry Group: Energy Services and Utilities

Data Cut: 2018 WTW Energy Services Middle Management, Professional & Support Survey - United States - Org Wtd

Description : Function Description: Conducts financial analyses. Develops and prepares the organization's financial plans and budgets, interprets financial reports and tax returns, and maintains good corporate relations with the investment and banking communities. Discipline Description: Performs economic research and studies of rates of return, depreciation and investments. Analyzes profit-and-loss income statements and prepares reports and recommendations to management. Generates forecasts and analyzes trends in sales, finance and other areas of business. Researches economic progressions to assist the organization's financial planning. Creates financial models of "what if" scenarios for future business planning decisions in areas such as new product development, new marketing strategies, etc. Career Level description: Band: Has working knowledge and experience in own discipline. Continues to build knowledge of the organization, processes and customers. Performs a range of mainly straightforward assignments. Uses prescribed guidelines or policies to analyze and resolve problems. Receives a moderate level of guidance and direction.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Financial Analysis and Tax|Financial Analysis|Intermediate (Professional)-P2	12	48	33	0.00%	0.00%	Base Salary	62,985	74,837	82,446
Code: AFT010-P2 Level: P2						Actual Total Cash Compensation	65,358	78,373	91,005

Survey: WTW Energy Services Middle Management, Professional & Support Survey - United States - Org Wtd

Scope: Revenue: Less than $1Billion

Data Cut: 2018 WTW Energy Services Middle Management, Professional & Support Survey - United States - Org Wtd

Description : Function Description: Conducts financial analyses. Develops and prepares the organization's financial plans and budgets, interprets financial reports and tax returns, and maintains good corporate relations with the investment and banking communities. Discipline Description: Performs economic research and studies of rates of return, depreciation and investments. Analyzes profit-and-loss income statements and prepares reports and recommendations to management. Generates forecasts and analyzes trends in sales, finance and other areas of business. Researches economic progressions to assist the organization's financial planning. Creates financial models of "what if" scenarios for future business planning decisions in areas such as new product development, new marketing strategies, etc. Career Level description: Band: Has working knowledge and experience in own discipline. Continues to build knowledge of the organization, processes and customers. Performs a range of mainly straightforward assignments. Uses prescribed guidelines or policies to analyze and resolve problems. Receives a moderate level of guidance and direction.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Financial Analysis and Tax|Financial Analysis|Intermediate (Professional)-P2	60	312	33	0.00%	0.00%	Base Salary	64,777	70,340	79,631
Code: AFT010-P2 Level: P2						Actual Total Cash Compensation	69,915	75,894	86,321

Survey: WTW Energy Services Middle Management, Professional & Support Survey - United States - Org Wtd

Scope: Total Sample

Data Cut: 2018 WTW Energy Services Middle Management, Professional & Support Survey - United States - Org Wtd

Description : Function Description: Conducts financial analyses. Develops and prepares the organization's financial plans and budgets, interprets financial reports and tax returns, and maintains good corporate relations with the investment and banking communities. Discipline Description: Performs economic research and studies of rates of return, depreciation and investments. Analyzes profit-and-loss income statements and prepares reports and recommendations to management. Generates forecasts and analyzes trends in sales, finance and other areas of business. Researches economic progressions to assist the organization's financial planning. Creates financial models of "what if" scenarios for future business planning decisions in areas such as new product development, new marketing strategies, etc. Career Level description: Band: Has working knowledge and experience in own discipline. Continues to build knowledge of the organization, processes and customers. Performs a range of mainly straightforward assignments. Uses prescribed guidelines or policies to analyze and resolve problems. Receives a moderate level of guidance and direction.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Financial Analysis and Tax|Financial Analysis|Intermediate (Professional)-P2 Code: AFT010-P2 Level: P2	22	40	33	0.00%	0.00%	Base Salary	63,973	70,063	90,511
						Actual Total Cash Compensation	64,908	71,650	93,776

Survey: WTW General Industry Middle Management, Professional & Support Survey - TAC - FP - United States - Org Wtd

Scope: Break Name: Global Revenue | Break Value: Less than $500 Million | Position Listing: For-Profit Organizations

Data Cut: 2018 WTW General Industry Middle Management, Professional & Support Survey - TAC - FP - United States - Org Wtd

Description : Function Description: Conducts financial analyses. Develops and prepares the organization's financial plans and budgets, interprets financial reports and tax returns, and maintains good corporate relations with the investment and banking communities. Discipline Description: Performs economic research and studies of rates of return, depreciation and investments. Analyzes profit-and-loss income statements and prepares reports and recommendations to management. Generates forecasts and analyzes trends in sales, finance and other areas of business. Researches economic progressions to assist the organization's financial planning. Creates financial models of "what if" scenarios for future business planning decisions in areas such as new product development, new marketing strategies, etc. Career Level description: Band: Has working knowledge and experience in own discipline. Continues to build knowledge of the organization, processes and customers. Performs a range of mainly straightforward assignments. Uses prescribed guidelines or policies to analyze and resolve problems. Receives a moderate level of guidance and direction.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Financial Analysis and Tax|Financial Analysis|Intermediate (Professional)-P2 Code: AFT010-P2 Level: P2	5	15	34	0.00%	0.00%	Base Salary	63,382	68,221	81,449
						Actual Total Cash Compensation	64,881	68,221	96,452

Survey: WTW General Industry Middle Management, Professional & Support Survey - TAC - FP - United States - Org Wtd

Scope: Break Name: Industry Group | Break Value: Energy Services and Utilities | Position Listing: For-Profit Organizations

Data Cut: 2018 WTW General Industry Middle Management, Professional & Support Survey - TAC - FP - United States - Org Wtd

Description : Function Description: Conducts financial analyses. Develops and prepares the organization's financial plans and budgets, interprets financial reports and tax returns, and maintains good corporate relations with the investment and banking communities. Discipline Description: Performs economic research and studies of rates of return, depreciation and investments. Analyzes profit-and-loss income statements and prepares reports and recommendations to management. Generates forecasts and analyzes trends in sales, finance and other areas of business. Researches economic progressions to assist the organization's financial planning. Creates financial models of "what if" scenarios for future business planning decisions in areas such as new product development, new marketing strategies, etc. Career Level description: Band: Has working knowledge and experience in own discipline. Continues to build knowledge of the organization, processes and customers. Performs a range of mainly straightforward assignments. Uses prescribed guidelines or policies to analyze and resolve problems. Receives a moderate level of guidance and direction.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Financial Analysis and Tax|Financial Analysis|Intermediate (Professional)-P2 Code: AFT010-P2 Level: P2	342	5286	33	0.00%	0.00%	Base Salary	63,282	67,740	74,427
						Actual Total Cash Compensation	65,240	70,148	78,682

Survey: WTW General Industry Middle Management, Professional & Support Survey - TAC - FP - United States - Org Wtd

Scope: Position Listing: For-Profit Organizations

Data Cut: 2018 WTW General Industry Middle Management, Professional & Support Survey - TAC - FP - United States - Org Wtd

Description : Function Description: Conducts financial analyses. Develops and prepares the organization's financial plans and budgets, interprets financial reports and tax returns, and maintains good corporate relations with the investment and banking communities. Discipline Description: Performs economic research and studies of rates of return, depreciation and investments. Analyzes profit-and-loss income statements and prepares reports and recommendations to management. Generates forecasts and analyzes trends in sales, finance and other areas of business. Researches economic progressions to assist the organization's financial planning. Creates financial models of "what if" scenarios for future business planning decisions in areas such as new product development, new marketing strategies, etc. Career Level description: Band: Has working knowledge and experience in own discipline. Continues to build knowledge of the organization, processes and customers. Performs a range of mainly straightforward assignments. Uses prescribed guidelines or policies to analyze and resolve problems. Receives a moderate level of guidance and direction.

Comment : confirm retaining GI match

Market Comparison

Pay Type	Composite	Survey Pay Elements	Employee Pay Elements	Comparison	25th	50th	75th
Base 50 50th Percentile	Base (All Jobs)	Base Salary	Base Salary	Market	63,802	70,247	81,341
				Average Pay	--	--	--
				Differential	0.0	0.0	0.0

Overall Comment

None

GIS Specialist | ENG-MAP-T1 / Engineering

Job Details

Job Family	Mapping	Global Grade	-
Country	United States	Communicated Level	-
Incs	0	Structure Name	-
		Structure Code	-

Grade None	Min	Mid	Max

Employee Pay	Avg
Base 50	-

Survey Matches (2)

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Geographic Information Systems (GIS) - Senior Para-Professional (S3)	5	9	0	0.00%	0.00%	Base Salary	--	75,130	--
						Actual Total Cash Compensation	--	81,175	--

Code: ENS.08.001.S30 Level: S3

Survey: Mercer/Gartner Information Technology Survey - United States - Org Wtd

Scope: All Data

Data Cut: 2018 Mercer/Gartner Information Technology Survey - United States - Org Wtd

Description : Develops and maintains geospatial databases. Uses GIS to perform spatial analysis, database development, extraction and manipulation. Converts data received from internal and external sources to make them usable in the GIS. Maintains metadata and documentation, performs topology checks and other data quality checks to identify and correct errors or omissions in data Level: A Senior Para-Professional (S3) requires broad knowledge of operational procedures and tools obtained through extensive work experience and may require vocational or technical education. May require the following proficiency: Works under limited supervision for routine situations. Provides assistance and training to lower level employees. Problems typically are not routine and require analysis to understand.

Comment : reference only; S1 and S2 did not report

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Technical Specialty/Skilled Trade|Geographical Information Systems Technical Specialty|Entry (Technical Support)-T1	15	118	100	0.00%	0.00%	Base Salary	46,576	47,496	50,710
						Actual Total Cash Compensation	48,169	50,400	51,928

Code: AZT505-T1 Level: T1

Survey: WTW Energy Services Middle Management, Professional & Support Survey - United States - Org Wtd

Scope: Industry Group: Energy Services and Utilities

Data Cut: 2018 WTW Energy Services Middle Management, Professional & Support Survey - United States - Org Wtd

Description : Function Description: Provides technical support to engineers and scientists in areas such as production, operations, maintenance, safety, testing, process improvement or product development. Uses schematics, diagrams, written and verbal descriptions or defined plans to perform testing and troubleshooting on electronic or mechanical components, equipment or systems. Gathers, maintains, formats, compiles and manipulates technical data using established formulae and procedures and performs detailed mathematical calculations. Discipline Description: Develops and maintains geographical information systems (GIS) databases, applications and tools. Compiles geospatial data, conducts analyses, develops models, and produces maps and reports. Maintains and refines existing map databases to reflect the latest data. Career Level description: Band: Has basic skills in an analytical or scientific method or operational process. Works within clearly defined standard operating procedures and/or scientific methods and adheres to quality guidelines. Works with close supervision.

Comment : None

Market Comparison

Pay Type	Composite	Survey Pay Elements	Employee Pay Elements	Comparison	25th	50th	75th
Base 50 50th Percentile	Base (All Jobs)	Base Salary	Base Salary	Market	46,576	47,496	50,710
				Average Pay	--	--	--
				Differential	0.0	0.0	0.0

Overall Comment

None

Match Period	Currency	Age To	Structure Link
2019	USD	12/31/2019	Current

Helpdesk Analyst | ITS-TSP-T1 / IT

Job Details

Job Family	Technical Support	Global Grade	-
Country	United States	Communicated Level	-
Incs	0	Structure Name	-
		Structure Code	-

Grade None	Min	Mid	Max

Employee Pay	Avg
Base 50	-

Survey Matches (7)

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
General IT User Support - Entry Para-Professional (S1)	51	219	33	0.00%	0.00%	Base Salary	40,272	45,787	50,372
						Actual Total Cash Compensation	41,348	45,787	52,263

Code: ITC.10.001.S10 Level: S1

Survey: Mercer/Gartner Information Technology Survey - United States - Org Wtd

Scope: All Data

Data Cut: 2018 Mercer/Gartner Information Technology Survey - United States - Org Wtd

Description : Responsible for providing day-to-day technical support to employees for a range of hardware and software related systems. Responds to and diagnoses problems through discussion with users, which includes trouble shooting, fault rectification and problem escalation. Provides effective and timely resolution of users' problems, queries or complaints. Assists in hardware and software evaluation and recommends upgrades or improvements to IT infrastructure. Level: An Entry Para-Professional (S1) is an entry-level position typically requiring little to no prior knowledge or experience. Work is routine or follows standard procedures. Work is closely supervised. Communicates information that requires little explanation or interpretation. Typical Title: Helpdesk Coordinator.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
General IT User Support - Entry Para-Professional (S1)	2	20	34	0.00%	0.00%	Base Salary	--	--	--
						Actual Total Cash Compensation	--	--	--

Code: ITC.10.001.S10 Level: S1

Survey: Mercer/Gartner Information Technology Survey - United States - Org Wtd

Scope: Industry - Super Sector: Energy

Data Cut: 2018 Mercer/Gartner Information Technology Survey - United States - Org Wtd

Description : Responsible for providing day-to-day technical support to employees for a range of hardware and software related systems. Responds to and diagnoses problems through discussion with users, which includes trouble shooting, fault rectification and problem escalation. Provides effective and timely resolution of users' problems, queries or complaints. Assists in hardware and software evaluation and recommends upgrades or improvements to IT infrastructure. Level: An Entry Para-Professional (S1) is an entry-level position typically requiring little to no prior knowledge or experience. Work is routine or follows standard procedures. Work is closely supervised. Communicates information that requires little explanation or interpretation. Typical Title: Helpdesk Coordinator.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
General IT User Support - Entry Para-Professional (S1)	4	23	33	0.00%	0.00%	Base Salary	--	--	--
						Actual Total Cash Compensation	--	--	--

Code: ITC.10.001.S10 Level: S1

Survey: Mercer/Gartner Information Technology Survey - United States - Org Wtd

Scope: Net Revenue - Millions: Less than 500 US Dollar in millions

Data Cut: 2018 Mercer/Gartner Information Technology Survey - United States - Org Wtd

Description : Responsible for providing day-to-day technical support to employees for a range of hardware and software related systems. Responds to and diagnoses problems through discussion with users, which includes trouble shooting, fault rectification and problem escalation. Provides effective and timely resolution of users' problems, queries or complaints. Assists in hardware and software evaluation and recommends upgrades or improvements to IT infrastructure. Level: An Entry Para-Professional (S1) is an entry-level position typically requiring little to no prior knowledge or experience. Work is routine or follows standard procedures. Work is closely supervised. Communicates information that requires little explanation or interpretation. Typical Title: Helpdesk Coordinator.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
IT Administration|IT Help Desk Support|Entry	11	25	50	0.00%	0.00%	Base Salary	39,520	47,029	52,968

						Pay Elements	25th	50th	75th
(Technical Support)-T1 Code: AIT020-T1 Level: T1						Actual Total Cash Compensation	39,520	47,029	57,478

Survey: WTW Energy Services Middle Management, Professional & Support Survey - United States - Org Wtd

Scope: Industry Group: Energy Services and Utilities

Data Cut: 2018 WTW Energy Services Middle Management, Professional & Support Survey - United States - Org Wtd

Description : Function Description: Manages the Information Technology (IT) infrastructure within an organization, including the physical network (e.g., LANs/ WANs, servers, terminals) as well as server applications and software (e.g., PeopleSoft, Oracle). Configures, installs, maintains and upgrades server applications and hardware. Discipline Description: Provides technical support to the organization's internal users of computer applications and hardware (e.g., PCs, servers, mainframes). Answers questions regarding system procedures, online transactions, systems status and downtime procedures and is typically located within a call center. Collaborates with network services, software systems engineering and/or application development in order to restore service and/or identify problems. Maintains a troubleshooting tracking log ensuring timely resolution of problems. Career Level description: Band: Has basic skills in an analytical or scientific method or operational process. Works within clearly defined standard operating procedures and/or scientific methods and adheres to quality guidelines. Works with close supervision.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
IT Administration|IT Help Desk Support|Entry (Technical Support)-T1 Code: AIT020-T1 Level: T1	15	35	50	0.00%	0.00%	Base Salary	40,040	47,029	56,560
						Actual Total Cash Compensation	42,162	47,029	57,478

Survey: WTW Energy Services Middle Management, Professional & Support Survey - United States - Org Wtd

Scope: Total Sample

Data Cut: 2018 WTW Energy Services Middle Management, Professional & Support Survey - United States - Org Wtd

Description : Function Description: Manages the Information Technology (IT) infrastructure within an organization, including the physical network (e.g., LANs/ WANs, servers, terminals) as well as server applications and software (e.g., PeopleSoft, Oracle). Configures, installs, maintains and upgrades server applications and hardware. Discipline Description: Provides technical support to the organization's internal users of computer applications and hardware (e.g., PCs, servers, mainframes). Answers questions regarding system procedures, online transactions, systems status and downtime procedures and is typically located within a call center. Collaborates with network services, software systems engineering and/or application development in order to restore service and/or identify problems. Maintains a troubleshooting tracking log ensuring timely resolution of problems. Career Level description: Band: Has basic skills in an analytical or scientific method or operational process. Works within clearly defined standard operating procedures and/or scientific methods and adheres to quality guidelines. Works with close supervision.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
IT Administration|IT Help Desk Support|Entry (Technical Support)-T1 Code: AIT020-T1 Level: T1	12	45	50	0.00%	0.00%	Base Salary	37,599	41,220	45,836
						Actual Total Cash Compensation	37,648	41,220	47,064

Survey: WTW General Industry Middle Management, Professional & Support Survey - TAC - FP - United States - Org Wtd

Scope: Break Name: Global Revenue | Break Value: Less than $500 Million | Position Listing: For-Profit Organizations

Data Cut: 2018 WTW General Industry Middle Management, Professional & Support Survey - TAC - FP - United States - Org Wtd

Description : Function Description: Manages the Information Technology (IT) infrastructure within an organization, including the physical network (e.g., LANs/ WANs, servers, terminals) as well as server applications and software (e.g., PeopleSoft, Oracle). Configures, installs, maintains and upgrades server applications and hardware. Discipline Description: Provides technical support to the organization's internal users of computer applications and hardware (e.g., PCs, servers, mainframes). Answers questions regarding system procedures, online transactions, systems status and downtime procedures and is typically located within a call center. Collaborates with network services, software systems engineering and/or application development in order to restore service and/or identify problems. Maintains a troubleshooting tracking log ensuring timely resolution of problems. Career Level description: Band: Has basic skills in an analytical or scientific method or operational process. Works within clearly defined standard operating procedures and/or scientific methods and adheres to quality guidelines. Works with close supervision.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
IT Administration|IT Help Desk Support|Entry (Technical Support)-T1 Code: AIT020-T1 Level: T1	85	646	50	0.00%	0.00%	Base Salary	37,862	42,328	47,335
						Actual Total Cash Compensation	38,428	43,350	48,039

Survey: WTW General Industry Middle Management, Professional & Support Survey - TAC - FP - United States - Org Wtd

Scope: Position Listing: For-Profit Organizations

Data Cut: 2018 WTW General Industry Middle Management, Professional & Support Survey - TAC - FP - United States - Org Wtd

Description : Function Description: Manages the Information Technology (IT) infrastructure within an organization, including the physical network (e.g., LANs/

WANs, servers, terminals) as well as server applications and software (e.g., PeopleSoft, Oracle). Configures, installs, maintains and upgrades server applications and hardware. Discipline Description: Provides technical support to the organization's internal users of computer applications and hardware (e.g., PCs, servers, mainframes). Answers questions regarding system procedures, online transactions, systems status and downtime procedures and is typically located within a call center. Collaborates with network services, software systems engineering and/or application development in order to restore service and/or identify problems. Maintains a troubleshooting tracking log ensuring timely resolution of problems. Career Level description: Band: Has basic skills in an analytical or scientific method or operational process. Works within clearly defined standard operating procedures and/or scientific methods and adheres to quality guidelines. Works with close supervision.

Comment : None

Market Comparison

Pay Type	Composite	Survey Pay Elements	Employee Pay Elements	Comparison	25th	50th	75th
Base 50 50th Percentile	Base (All Jobs)	Base Salary	Base Salary	Market	38,970	44,598	50,632
				Average Pay	--	--	--
				Differential	0.0	0.0	0.0

Overall Comment

None

HR Business Partner | HUR-ELR-P1 / Human Resources

Job Details

Job Family	Employee/Labor Relations	Global Grade	-
Country	United States	Communicated Level	-
Incs	0	Structure Name	-
		Structure Code	-

Grade None	Min	Mid	Max

Employee Pay	Avg
Base 50	-

Survey Matches (9)

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Employee/Labor Relations & Diversity - Entry Professional (P1)	26	63	100	0.00%	0.00%	Base Salary	48,626	53,663	61,870
						Actual Total Cash Compensation	49,792	54,917	63,995

Code: HRM.07.000.P10 Level: P1

Survey: Mercer Corporate Services & Human Resources Survey - United States - Org Wtd

Scope: All Data

Data Cut: 2018 Mercer Corporate Services & Human Resources Survey - United States - Org Wtd

Description : Positions in this sub-family are responsible for managing interactions and relationships with employees and labor unions including: Implementing measures to increase employee morale, motivation and satisfaction. Investigating and resolving complaints, grievances, and disputes. Representing management in union/labor relations including the negotiation, interpretation, and administration of collective bargaining agreements. Diversity/equal employment opportunity programs, training, and compliance. Advising management on strategies that ensure a productive and harmonious workplace. May be accountable for employee assistance (EAP) and work/life programs An Entry Professional (P1) applies broad theoretical job knowledge typically obtained through advanced education. May require the following proficiency: Work is closely supervised. Problems faced are not typically difficult or complex. Explains facts, policies and practices related to job area.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
General Human Resources - Entry Professional (P1)	453	1804	33	0.00%	0.00%	Base Salary	50,272	55,582	62,420
						Actual Total Cash Compensation	51,402	57,131	64,283

Code: HRM.02.001.P10 Level: P1

Survey: Mercer Corporate Services & Human Resources Survey - United States - Org Wtd

Scope: All Data

Data Cut: 2018 Mercer Corporate Services & Human Resources Survey - United States - Org Wtd

Description : General Human Resources includes work across multiple areas of HR including: General HR program/policy development, administration, and compliance. Employee hiring, onboarding, termination, and records maintenance. Employee and labor relations and communications. Rewards program coordination and/or administration. Relocation services (domestic and international). Immigration services. HR related training In some organizations, General HR may also be accountable for some or all of the following: HR Business Partnership (consulting and coaching). Mobility (strategy and design). Staffing and Recruiting. Talent and Organization Performance. Training and Development. Human Resource Information Systems (HRIS) Level: An Entry Professional (P1) applies broad theoretical job knowledge typically obtained through advanced education. May require the following proficiency: Work is closely supervised. Problems faced are not typically difficult or complex. Explains facts, policies and practices related to job area. Specialization Match Note: Para-Professional incumbents maintain employee files/records, support hiring/termination processes, track performance ratings, and compile HR-related statistics. Typical Title: HR Analyst, HR Generalist.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
General Human Resources - Entry Professional (P1)	29	111	34	0.00%	0.00%	Base Salary	53,159	57,222	67,004
						Actual Total Cash Compensation	55,335	58,623	72,388

Code: HRM.02.001.P10 Level: P1

Survey: Mercer Corporate Services & Human Resources Survey - United States - Org Wtd

Scope: Industry - Super Sector: Energy

Data Cut: 2018 Mercer Corporate Services & Human Resources Survey - United States - Org Wtd

Description : General Human Resources includes work across multiple areas of HR including: General HR program/policy development, administration, and compliance. Employee hiring, onboarding, termination, and records maintenance. Employee and labor relations and communications. Rewards program coordination and/or administration. Relocation services (domestic and international). Immigration services. HR related training In some organizations, General HR may also be accountable for some or all of the following: HR Business Partnership (consulting and coaching). Mobility (strategy and design). Staffing and Recruiting. Talent and Organization Performance. Training and Development. Human Resource Information Systems (HRIS) Level: An Entry Professional (P1) applies broad theoretical job knowledge typically obtained through advanced education. May require the following proficiency: Work is closely supervised. Problems faced are not typically difficult or complex. Explains facts, policies and practices related to job area. Specialization Match Note: Para-Professional incumbents maintain employee files/records, support hiring/termination processes, track performance ratings, and compile HR-related statistics. Typical Title: HR Analyst, HR Generalist.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
General Human Resources - Entry Professional (P1)	45	59	33	0.00%	0.00%	Base Salary	47,906	56,485	62,599
						Actual Total Cash Compensation	48,068	58,000	69,629

Code: HRM.02.001.P10   Level: P1

Survey: Mercer Corporate Services & Human Resources Survey - United States - Org Wtd

Scope: Net Revenue - Millions: Less than 500 US Dollar In Millions

Data Cut: 2018 Mercer Corporate Services & Human Resources Survey - United States - Org Wtd

Description : General Human Resources includes work across multiple areas of HR including: General HR program/policy development, administration, and compliance. Employee hiring, onboarding, termination, and records maintenance. Employee and labor relations and communications. Rewards program coordination and/or administration. Relocation services (domestic and international). Immigration services. HR related training In some organizations, General HR may also be accountable for some or all of the following: HR Business Partnership (consulting and coaching). Mobility (strategy and design). Staffing and Recruiting. Talent and Organization Performance. Training and Development. Human Resource Information Systems (HRIS) Level: An Entry Professional (P1) applies broad theoretical job knowledge typically obtained through advanced education. May require the following proficiency: Work is closely supervised. Problems faced are not typically difficult or complex. Explains facts, policies and practices related to job area. Specialization Match Note: Para-Professional incumbents maintain employee files/records, support hiring/termination processes, track performance ratings, and compile HR-related statistics. Typical Title: HR Analyst, HR Generalist.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Human Resources|Employee/Labor Relations Generalist/Multidiscipline|Intermediate (Professional)-P2	14	30	100	-10.00%	0.00%	Base Salary	53,674	63,488	75,745
						Actual Total Cash Compensation	53,674	64,147	80,401

Code: AHR090-P2   Level: P2

Survey: WTW General Industry Middle Management, Professional & Support Survey - TAC - FP - United States - Org Wtd

Scope: Position Listing: For-Profit Organizations

Data Cut: 2018 WTW General Industry Middle Management, Professional & Support Survey - TAC - FP - United States - Org Wtd

Description : Function Description: Designs, implements and monitors human resource programs and policies, including recruitment, learning and development, performance management, compensation, benefits, equal opportunity and diversity, etc. Anticipates and plans for long-term human resource needs and trends. Discipline Description: Coordinates employee and labor relations programs to ensure compliance with policies and practices. Represents the organization in contract negotiations with labor unions. Administers collective bargaining agreements and grievances. Develops and implements policies and procedures, including grievance procedures and exit interviews. Resolves employee questions, concerns and grievances. Career Level description: Band: Has working knowledge and experience in own discipline. Continues to build knowledge of the organization, processes and customers. Performs a range of mainly straightforward assignments. Uses prescribed guidelines or policies to analyze and resolve problems. Receives a moderate level of guidance and direction.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Human Resources|HR Generalist/Consultant Generalist/Multidiscipline|Entry (Professional)-P1	27	56	50	0.00%	0.00%	Base Salary	53,553	57,673	61,586
						Actual Total Cash Compensation	55,049	60,164	65,986

Code: AHR000-P1   Level: P1

Survey: WTW Energy Services Middle Management, Professional & Support Survey - United States - Org Wtd

Scope: Industry Group: Energy Services and Utilities

Data Cut: 2018 WTW Energy Services Middle Management, Professional & Support Survey - United States - Org Wtd

Description : Function Description: Designs, implements and monitors human resource programs and policies, including recruitment, learning and development, performance management, compensation, benefits, equal opportunity and diversity, etc. Anticipates and plans for long-term human resource needs and trends. Discipline Description: Designs, implements and monitors a variety of human resource programs. Anticipates and plans for long-term human resource needs and trends in partnership with business management. Responsibilities are within the Human Resources Function as a generalist or in a combination of Disciplines. Career Level description: Band: Performs routine assignments in the entry level of the Professional Career Band. Typically requires a college or university degree or the equivalent work experience and has conceptual knowledge of fundamental theories, principles and practices. Has no discretion to vary from established procedures by performing structured work assignments. Uses existing procedures to solve routine or standard problems. Receives instruction, guidance and direction from more senior level roles.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Human Resources|HR Generalist/Consultant Generalist/Multidiscipline|Entry (Professional)-P1	33	69	50	0.00%	0.00%	Base Salary	53,555	57,096	59,482
						Actual Total Cash Compensation	55,025	58,014	64,795

Code: AHR000-P1 Level: P1

Survey: WTW Energy Services Middle Management, Professional & Support Survey - United States - Org Wtd

Scope: Total Sample

Data Cut: 2018 WTW Energy Services Middle Management, Professional & Support Survey - United States - Org Wtd

Description : Function Description: Designs, implements and monitors human resource programs and policies, including recruitment, learning and development, performance management, compensation, benefits, equal opportunity and diversity, etc. Anticipates and plans for long-term human resource needs and trends. Discipline Description: Designs, implements and monitors a variety of human resource programs. Anticipates and plans for long-term human resource needs and trends in partnership with business management. Responsibilities are within the Human Resources Function as a generalist or in a combination of Disciplines. Career Level description: Band: Performs routine assignments in the entry level of the Professional Career Band. Typically requires a college or university degree or the equivalent work experience and has conceptual knowledge of fundamental theories, principles and practices. Has no discretion to vary from established procedures by performing structured work assignments. Uses existing procedures to solve routine or standard problems. Receives instruction, guidance and direction from more senior level roles.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Human Resources|HR Generalist/Consultant Generalist/Multidiscipline|Entry (Professional)-P1	14	25	50	0.00%	0.00%	Base Salary	42,400	48,969	60,552
						Actual Total Cash Compensation	43,554	50,008	62,964

Code: AHR000-P1 Level: P1

Survey: WTW General Industry Middle Management, Professional & Support Survey - TAC - FP - United States - Org Wtd

Scope: Break Name: Global Revenue | Break Value: Less than $500 Million | Position Listing: For-Profit Organizations

Data Cut: 2018 WTW General Industry Middle Management, Professional & Support Survey - TAC - FP - United States - Org Wtd

Description : Function Description: Designs, implements and monitors human resource programs and policies, including recruitment, learning and development, performance management, compensation, benefits, equal opportunity and diversity, etc. Anticipates and plans for long-term human resource needs and trends. Discipline Description: Designs, implements and monitors a variety of human resource programs. Anticipates and plans for long-term human resource needs and trends in partnership with business management. Responsibilities are within the Human Resources Function as a generalist or in a combination of Disciplines. Career Level description: Band: Performs routine assignments in the entry level of the Professional Career Band. Typically requires a college or university degree or the equivalent work experience and has conceptual knowledge of fundamental theories, principles and practices. Has no discretion to vary from established procedures by performing structured work assignments. Uses existing procedures to solve routine or standard problems. Receives instruction, guidance and direction from more senior level roles.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Human Resources|HR Generalist/Consultant Generalist/Multidiscipline|Entry (Professional)-P1	206	1295	50	0.00%	0.00%	Base Salary	50,311	56,149	63,590
						Actual Total Cash Compensation	51,196	58,779	65,545

Code: AHR000-P1 Level: P1

Survey: WTW General Industry Middle Management, Professional & Support Survey - TAC - FP - United States - Org Wtd

Scope: Position Listing: For-Profit Organizations

Data Cut: 2018 WTW General Industry Middle Management, Professional & Support Survey - TAC - FP - United States - Org Wtd

Description : Function Description: Designs, implements and monitors human resource programs and policies, including recruitment, learning and development, performance management, compensation, benefits, equal opportunity and diversity, etc. Anticipates and plans for long-term human resource needs and trends. Discipline Description: Designs, implements and monitors a variety of human resource programs. Anticipates and plans for long-term human resource needs and trends in partnership with business management. Responsibilities are within the Human Resources Function as a generalist or in a combination of Disciplines. Career Level description: Band: Performs routine assignments in the entry level of the Professional Career Band. Typically requires a college or university degree or the equivalent work experience and has conceptual knowledge of fundamental theories, principles and practices. Has no discretion to vary from established procedures by performing structured work assignments. Uses existing procedures to solve routine or standard problems. Receives instruction, guidance and direction from more senior level roles.

Comment : None

Market Comparison

Pay Type	Composite	Survey Pay Elements	Employee Pay Elements	Comparison	25th	50th	75th
Base 50 50th Percentile	Base (All Jobs)	Base Salary	Base Salary	Market	50,537	56,706	64,852
				Average Pay	--	--	--

Differential	0.0	0.0	0.0

Overall Comment

None

Inside Sales Rep | SMK-SAM-U2 / Sales/Marketing

Job Details

Job Family	Sales/Account Management	Global Grade	-
Country	United States	Communicated Level	-
Incs	0	Structure Name	-
		Structure Code	-

Grade None	Min	Mid	Max

Employee Pay	Avg
Base 50	-

Survey Matches (5)

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Remote Account Management/Inside Sales - Experienced Para-Professional (S2)	19	1411	50	0.00%	0.00%	Base Salary	34,840	41,594	44,150
						Actual Total Cash Compensation	41,793	43,148	50,474

Code: SMP.08.011.S20   Level: S2

Survey: Mercer Contact Center Survey - United States - Org Wtd

Scope: All Data

Data Cut: 2018 Mercer Contact Center Survey - United States - Org Wtd

Description : Responsible for selling products/services primarily through phone and emails to achieve predetermined sales quota. Focuses on developing long term customer relationships. Sales are typically achieved through assigned accounts and qualified leads. Assesses customers' needs and presents the features and benefits of product/service offerings to existing/new customers. Also engages in contract renewals, price negotiation, and volume discounts for customer retention and continued business Level: An Experienced Para-Professional (S2) requires basic knowledge of job procedures and tools obtained through work experience and may require vocational or technical education. May require the following proficiency: Works under moderate supervision. Problems are typically of a routine nature, but may at times require interpretation or deviation from standard procedures. Communicates information that requires some explanation or interpretation.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Remote Account Management/Inside Sales - Experienced Para-Professional (S2)	4	159	50	0.00%	0.00%	Base Salary	--	42,248	--
						Actual Total Cash Compensation	--	43,559	--

Code: SMP.08.011.S20   Level: S2

Survey: Mercer Contact Center Survey - United States - Org Wtd

Scope: Net Revenue - Millions: Less than 500 US Dollar in millions

Data Cut: 2018 Mercer Contact Center Survey - United States - Org Wtd

Description : Responsible for selling products/services primarily through phone and emails to achieve predetermined sales quota. Focuses on developing long term customer relationships. Sales are typically achieved through assigned accounts and qualified leads. Assesses customers' needs and presents the features and benefits of product/service offerings to existing/new customers. Also engages in contract renewals, price negotiation, and volume discounts for customer retention and continued business Level: An Experienced Para-Professional (S2) requires basic knowledge of job procedures and tools obtained through work experience and may require vocational or technical education. May require the following proficiency: Works under moderate supervision. Problems are typically of a routine nature, but may at times require interpretation or deviation from standard procedures. Communicates information that requires some explanation or interpretation.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Remote/Telesales & Account Management - Experienced Para-Professional (S2)	78	11763	50	0.00%	0.00%	Base Salary	32,320	36,800	43,058
						Actual Total Cash Compensation	35,560	41,594	47,462

Code: SMP.08.000.S20   Level: S2

Survey: Mercer Contact Center Survey - United States - Org Wtd

Scope: All Data

Data Cut: 2018 Mercer Contact Center Survey - United States - Org Wtd

Description : Positions in this sub-family are responsible for promoting and selling the organization's products and services, via telephone or internet, to existing and/or potential customers. Activities include: Responding to customer initiated calls to activate a service, request a product/service change, schedule an installation or repair, or resolve a product/service or billing issue. Selling targeted products/services as part of the customer-initiated interaction. Initiating calls to potential customers from a list of provided leads including: existing customers targeted for cross/up sell, prior customers and/or potential new customers. Remote account management activities, such as contract renewals, price negotiations, etc. An Experienced Para-Professional (S2) requires basic knowledge of job procedures and tools obtained through work experience and may require vocational or technical education. May require the following proficiency: Works under moderate supervision. Problems are typically of a routine nature, but may at times require interpretation or deviation from standard procedures. Communicates information that requires some explanation or interpretation.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Remote/Telesales & Account Management - Experienced Para-Professional (S2) Code: SMP.08.000.S20 Level: S2	8	208	50	0.00%	0.00%	Base Salary	39,419	42,248	46,645
						Actual Total Cash Compensation	40,654	43,559	56,273

Survey: Mercer Contact Center Survey - United States - Org Wtd

Scope: Net Revenue - Millions: Less than 500 US Dollar in millions

Data Cut: 2018 Mercer Contact Center Survey - United States - Org Wtd

Description : Positions in this sub-family are responsible for promoting and selling the organization's products and services, via telephone or internet, to existing and/or potential customers. Activities include: Responding to customer initiated calls to activate a service, request a product/service change, schedule an installation or repair, or resolve a product/service or billing issue. Selling targeted products/services as part of the customer-initiated interaction. Initiating calls to potential customers from a list of provided leads including: existing customers targeted for cross/up sell, prior customers and/or potential new customers. Remote account management activities, such as contract renewals, price negotiations, etc. An Experienced Para-Professional (S2) requires basic knowledge of job procedures and tools obtained through work experience and may require vocational or technical education. May require the following proficiency: Works under moderate supervision. Problems are typically of a routine nature, but may at times require interpretation or deviation from standard procedures. Communicates information that requires some explanation or interpretation.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Remote Sales|Remote Sales - Inbound/Inside| Intermediate (Business Support)-U2 Code: CTS010-U2 Level: U2	24	2771	100	0.00%	0.00%	Base Salary	32,936	36,715	51,539
						Actual Total Cash Compensation	34,474	41,553	57,154

Survey: WTW General Industry Middle Management, Professional & Support Survey - TAC - FP - United States - Org Wtd

Scope: Position Listing: For-Profit Organizations

Data Cut: 2018 WTW General Industry Middle Management, Professional & Support Survey - TAC - FP - United States - Org Wtd

Description : Function Description: Initiates and answers inbound and/or outbound contact (via phone, text messages, emails, chat rooms, webinars and other forms of digital communication) directly from/to prospective and/or existing customers. Responds to customer questions and takes orders. Builds rapport with customers by probing for needs and recommending appropriate solutions. Achieves monthly, quarterly and annual sales objectives while ensuring optimum customer experience and satisfaction. Discipline Description: Responds to inbound customer contact regarding product and service information and identifies upselling opportunities from such contact. Accepts orders, closes sales, maintains customer records and completes required documentation. Identifies and qualifies prospective customers and records sales prospecting activity in computer-based tracking systems. May have an assigned product line that may overlap other sales teams' territories. May have an individual or team sales quota and is likely to have a target earnings bonus or sales incentive opportunity. Career Level description: Band: Has working knowledge and skills developed through formal training or work experience. Works within established procedures with a moderate degree of supervision. Identifies the problem and all relevant issues in straightforward situations, assesses each using standard procedures and makes sound decisions.

Comment : None

Market Comparison

Pay Type	Composite	Survey Pay Elements	Employee Pay Elements	Comparison	25th	50th	75th
Base 50 50th Percentile	Base (All Jobs)	Base Salary	Base Salary	Market	34,490	39,387	47,386
				Average Pay	--	--	--
				Differential	0.0	0.0	0.0

Overall Comment

None

Landman | OPS-ADM-P1 / Operations

Job Details

Job Family	Administrative	Global Grade	-
Country	United States	Communicated Level	-
Incs	0	Structure Name	-
		Structure Code	-

Grade None	Min	Mid	Max
Employee Pay		Avg	
Base 50		-	

Survey Matches (4)

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Land Contracts Analysis - Experienced Professional (P2)	5	8	100	-10.00%	0.00%	Base Salary	--	58,500	--
						Actual Total Cash Compensation	--	63,000	--

Code: LCA.03.042.P20 Level: P2

Survey: Mercer Finance, Accounting, & Legal Survey - United States - Org Wtd

Scope: All Data

Data Cut: 2018 Mercer Finance, Accounting, & Legal Survey - United States - Org Wtd

Description : Requires a solid understanding of types of land contracts and regulations. Responsible for the preparation and administration of land contracts in an assigned area. Typical duties include analyzing and drafting more complex agreements, monitoring contractual obligations in an assigned area, ensuring Land Administrators receive appropriate information from land contracts and follow up with third parties on outstanding agreements and documentation in their area of responsibility. Level: An Experienced Professional (P2) applies practical knowledge of job area typically obtained through advanced education and work experience. May require the following proficiency: Works independently with general supervision. Problems faced are difficult but typically not complex. May influence others within the job area through explanation of facts, policies and practices. Typical Title: Land Contracts Analyst.

Comment : adjust for level

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Real Estate and Facilities|Land/Right-of-Way|Entry (Professional)-P1	23	66	50	0.00%	0.00%	Base Salary	53,847	61,952	65,006
						Actual Total Cash Compensation	56,942	65,445	69,920

Code: ARE040-P1 Level: P1

Survey: WTW Energy Services Middle Management, Professional & Support Survey - United States - Org Wtd

Scope: Industry Group: Energy Services and Utilities

Data Cut: 2018 WTW Energy Services Middle Management, Professional & Support Survey - United States - Org Wtd

Description : Function Description: Plans, controls and directs real estate activities such as site location and acquisition, right-of-way negotiation, building and land acquisition and disposition, space leasing, property management and maintenance of properties. Discipline Description: Obtains right-of-way easements for overhead or underground use. Checks property titles to determine ownership, negotiates easements and price to be paid, prepares assessments and arranges payment to grantor. Assists in land acquisition for building facilities by obtaining land options. Maintains permits and inspects completed work. May coordinate acquisition activities with municipalities, governmental and regulatory agencies to ensure compliance with acquisition and easement requirements. Career Level description: Band: Performs routine assignments in the entry level of the Professional Career Band. Typically requires a college or university degree or the equivalent work experience and has conceptual knowledge of fundamental theories, principles and practices. Has no discretion to vary from established procedures by performing structured work assignments. Uses existing procedures to solve routine or standard problems. Receives instruction, guidance and direction from more senior level roles.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Real Estate and Facilities|Land/Right-of-Way|Entry (Professional)-P1	25	68	50	0.00%	0.00%	Base Salary	52,937	59,740	64,570
						Actual Total Cash Compensation	56,010	64,394	69,773

Code: ARE040-P1 Level: P1

Survey: WTW Energy Services Middle Management, Professional & Support Survey - United States - Org Wtd

Scope: Total Sample

Data Cut: 2018 WTW Energy Services Middle Management, Professional & Support Survey - United States - Org Wtd

Description : Function Description: Plans, controls and directs real estate activities such as site location and acquisition, right-of-way negotiation, building and land acquisition and disposition, space leasing, property management and maintenance of properties. Discipline Description: Obtains right-of-way easements for overhead or underground use. Checks property titles to determine ownership, negotiates easements and price to be paid, prepares assessments and arranges payment to grantor. Assists in land acquisition for building facilities by obtaining land options. Maintains permits and inspects completed work. May coordinate acquisition activities with municipalities, governmental and regulatory agencies to ensure compliance with acquisition and easement requirements. Career Level description: Band: Performs routine assignments in the entry level of the Professional Career Band. Typically requires a college or university degree or the equivalent work experience and has conceptual knowledge of fundamental theories, principles and practices. Has no discretion to vary from established procedures by performing structured work assignments. Uses existing procedures to solve routine or standard problems. Receives instruction, guidance and direction from more senior level roles.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Real Estate and Facilities|Land/Right-of-Way| Entry (Professional)-P1 Code: ARE040-P1 Level: P1	5	34	100	0.00%	0.00%	Base Salary	68,757	74,879	90,858
						Actual Total Cash Compensation	68,814	74,879	103,864

Survey: WTW General Industry Middle Management, Professional & Support Survey - TAC - FP - United States - Org Wtd

Scope: Position Listing: For-Profit Organizations

Data Cut: 2018 WTW General Industry Middle Management, Professional & Support Survey - TAC - FP - United States - Org Wtd

Description : Function Description: Plans, controls and directs real estate activities such as site location and acquisition, right-of-way negotiation, building and land acquisition and disposition, space leasing, property management and maintenance of properties. Discipline Description: Obtains right-of-way easements for overhead or underground use. Checks property titles to determine ownership, negotiates easements and price to be paid, prepares assessments and arranges payment to grantor. Assists in land acquisition for building facilities by obtaining land options. Maintains permits and inspects completed work. May coordinate acquisition activities with municipalities, governmental and regulatory agencies to ensure compliance with acquisition and easement requirements. Career Level description: Band: Performs routine assignments in the entry level of the Professional Career Band. Typically requires a college or university degree or the equivalent work experience and has conceptual knowledge of fundamental theories, principles and practices. Has no discretion to vary from established procedures by performing structured work assignments. Uses existing procedures to solve routine or standard problems. Receives instruction, guidance and direction from more senior level roles.

Comment : None

Market Comparison

Pay Type	Composite	Survey Pay Elements	Employee Pay Elements	Comparison	25th	50th	75th
Base 50 50th Percentile	Base (All Jobs)	Base Salary	Base Salary	Market	61,075	64,742	77,823
				Average Pay	--	--	--
				Differential	0.0	0.0	0.0

Overall Comment

None

Lead Pymt Proc - BOA | CUS-CBL-U4 / Customer Service

Job Details

Job Family	Customer Billing	Global Grade	-
Country	United States	Communicated Level	-
Incs	0	Structure Name	-
		Structure Code	-

Grade None	Min	Mid	Max

Employee Pay	Avg
Base 50	-

Survey Matches (5)

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Accounts Payable/Receivable - Specialist Para-Professional (S4)	71	486	33	0.00%	0.00%	Base Salary	42,568	50,247	57,919
						Actual Total Cash Compensation	43,638	50,600	60,690

Code: FIN.09.000.S40 Level: S4

Survey: Mercer Finance, Accounting, & Legal Survey - United States - Org Wtd

Scope: All Data

Data Cut: 2018 Mercer Finance, Accounting, & Legal Survey - United States - Org Wtd

Description : Positions in this sub-family are responsible for the organization's creditor and debtor accounts. Manages or performs work in some/all of the following areas: Accounts Payable invoice verification, payment authorization and processing. Reconciliation of accounts payable ledgers to identify improper charges, validate transactions, and ensure accurate and timely payment of amounts due. Accounts Receivable invoice generation and verification of customer credit approval. Accounts Receivable payment processing and application to customer balances. Receivable age analysis and reporting A Specialist Para-Professional (S4) requires advanced knowledge of operational procedures and tools obtained through extensive work experience and may require vocational or technical education. Responsibilities may include: Working under limited supervision for non-routine situations and may be responsible for leading daily operations. Training, delegating and reviewing the work of lower level employees. Problems are typically difficult and non-routine but not complex.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Accounts Payable/Receivable - Specialist Para-Professional (S4)	6	55	34	0.00%	0.00%	Base Salary	--	51,757	--
						Actual Total Cash Compensation	--	53,379	--

Code: FIN.09.000.S40 Level: S4

Survey: Mercer Finance, Accounting, & Legal Survey - United States - Org Wtd

Scope: Industry - Super Sector: Energy

Data Cut: 2018 Mercer Finance, Accounting, & Legal Survey - United States - Org Wtd

Description : Positions in this sub-family are responsible for the organization's creditor and debtor accounts. Manages or performs work in some/all of the following areas: Accounts Payable invoice verification, payment authorization and processing. Reconciliation of accounts payable ledgers to identify improper charges, validate transactions, and ensure accurate and timely payment of amounts due. Accounts Receivable invoice generation and verification of customer credit approval. Accounts Receivable payment processing and application to customer balances. Receivable age analysis and reporting A Specialist Para-Professional (S4) requires advanced knowledge of operational procedures and tools obtained through extensive work experience and may require vocational or technical education. Responsibilities may include: Working under limited supervision for non-routine situations and may be responsible for leading daily operations. Training, delegating and reviewing the work of lower level employees. Problems are typically difficult and non-routine but not complex.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Accounts Payable/Receivable - Specialist Para-Professional (S4)	12	32	33	0.00%	0.00%	Base Salary	43,966	50,682	57,488
						Actual Total Cash Compensation	43,966	50,752	60,473

Code: FIN.09.000.S40 Level: S4

Survey: Mercer Finance, Accounting, & Legal Survey - United States - Org Wtd

Scope: Net Revenue - Millions: Less than 500 US Dollar In Millions

Data Cut: 2018 Mercer Finance, Accounting, & Legal Survey - United States - Org Wtd

Description : Positions in this sub-family are responsible for the organization's creditor and debtor accounts. Manages or performs work in some/all of the following areas: Accounts Payable invoice verification, payment authorization and processing. Reconciliation of accounts payable ledgers to identify improper charges, validate transactions, and ensure accurate and timely payment of amounts due. Accounts Receivable invoice generation and verification of customer credit approval. Accounts Receivable payment processing and application to customer balances. Receivable age analysis and reporting A Specialist Para-Professional (S4) requires advanced knowledge of operational procedures and tools obtained through extensive work experience and may require vocational or technical education. Responsibilities may include: Working under limited supervision for non-routine situations and may be responsible for leading daily operations. Training, delegating and reviewing the work of lower level employees. Problems are typically difficult and non-routine but not complex.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Customer Support/Operations|Customer Billing Resolution|Senior (Business Support)-U3 Code: AMS040-U3 Level: U3	15	220	50	10.00%	0.00%	Base Salary	55,450	59,395	62,967
						Actual Total Cash Compensation	57,217	62,884	67,329

Survey: WTW Energy Services Middle Management, Professional & Support Survey - United States - Org Wtd

Scope: Industry Group: Energy Services and Utilities

Data Cut: 2018 WTW Energy Services Middle Management, Professional & Support Survey - United States - Org Wtd

Description : Function Description: Provides new and existing customers with the best possible service in relation to billing inquiries, service requests, suggestions and complaints. Includes Call Center - Outbound, Call Center/Customer Service and e-Commerce Customer Service. Discipline Description: Investigates, analyzes, negotiates, resolves, documents and reports on consumer and commercial billing issues and complaints against the organization. Identifies solutions that address billing issues and presents appropriate resolution options to customers. Negotiates and authorizes billing settlements within established limits and adjusts customer accounts. Career Level description: Band: Has full proficiency gained through job-related training and considerable work experience. Completes work with a limited degree of supervision. Likely to act as an informal resource for colleagues with less experience. Identifies key issues and patterns from partial/ conflicting data. Takes a broad perspective to problems and spots new, less obvious solutions.

Comment : adjust for U4 level

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Customer Support/Operations|Customer Billing Resolution|Senior (Business Support)-U3 Code: AMS040-U3 Level: U3	15	220	50	10.00%	0.00%	Base Salary	55,450	59,395	62,967
						Actual Total Cash Compensation	57,217	62,884	67,329

Survey: WTW Energy Services Middle Management, Professional & Support Survey - United States - Org Wtd

Scope: Total Sample

Data Cut: 2018 WTW Energy Services Middle Management, Professional & Support Survey - United States - Org Wtd

Description : Function Description: Provides new and existing customers with the best possible service in relation to billing inquiries, service requests, suggestions and complaints. Includes Call Center - Outbound, Call Center/Customer Service and e-Commerce Customer Service. Discipline Description: Investigates, analyzes, negotiates, resolves, documents and reports on consumer and commercial billing issues and complaints against the organization. Identifies solutions that address billing issues and presents appropriate resolution options to customers. Negotiates and authorizes billing settlements within established limits and adjusts customer accounts. Career Level description: Band: Has full proficiency gained through job-related training and considerable work experience. Completes work with a limited degree of supervision. Likely to act as an informal resource for colleagues with less experience. Identifies key issues and patterns from partial/ conflicting data. Takes a broad perspective to problems and spots new, less obvious solutions.

Comment : adjust for U4 level

Market Comparison

Pay Type	Composite	Survey Pay Elements	Employee Pay Elements	Comparison	25th	50th	75th
Base 50 50th Percentile	Base (All Jobs)	Base Salary	Base Salary	Market	50,606	55,149	60,874
				Average Pay	--	--	--
				Differential	0.0	0.0	0.0

Overall Comment

None

Marketing Coordinator | SMK-MKT-U3 / Sales/Marketing

Job Details

Job Family	Marketing	Global Grade	-
Country	United States	Communicated Level	-
Incs	0	Structure Name	-
		Structure Code	-

Grade None	Min	Mid	Max

Employee Pay	Avg
Base 50	-

Survey Matches (3)

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Marketing Generalists - Senior Para-Professional (S3)	62	266	50	0.00%	0.00%	Base Salary	45,568	53,791	61,254
						Actual Total Cash Compensation	47,135	54,271	62,689

Code: SMP.03.000.S30 Level: S3

Survey: Mercer Sales, Marketing, & Communications Survey - United States - Org Wtd

Scope: All Data

Data Cut: 2018 Mercer Sales, Marketing, & Communications Survey - United States - Org Wtd

Description : Positions in this sub-family are responsible for advancing business growth by disseminating information that promotes a favorable view of the organization and its products and services. Activities include: Developing and implementing advertising/promotional campaigns. Conducting market research and identifying and predicting current and future consumer trends. Product management, including P&L activity and advertising R.O.I. (Return on Investment) analysis. Product planning & development. Promotional materials creation and distribution A Senior Para-Professional (S3) requires broad knowledge of operational procedures and tools obtained through extensive work experience and may require vocational or technical education. May require the following proficiency: Works under limited supervision for routine situations. Provides assistance and training to lower level employees. Problems typically are not routine and require analysis to understand.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Marketing Generalists - Senior Para-Professional (S3)	10	18	50	0.00%	0.00%	Base Salary	46,943	55,641	66,145
						Actual Total Cash Compensation	47,548	57,395	69,083

Code: SMP.03.000.S30 Level: S3

Survey: Mercer Sales, Marketing, & Communications Survey - United States - Org Wtd

Scope: Net Revenue - Millions: Less than 500 US Dollar in millions

Data Cut: 2018 Mercer Sales, Marketing, & Communications Survey - United States - Org Wtd

Description : Positions in this sub-family are responsible for advancing business growth by disseminating information that promotes a favorable view of the organization and its products and services. Activities include: Developing and implementing advertising/promotional campaigns. Conducting market research and identifying and predicting current and future consumer trends. Product management, including P&L activity and advertising R.O.I. (Return on Investment) analysis. Product planning & development. Promotional materials creation and distribution A Senior Para-Professional (S3) requires broad knowledge of operational procedures and tools obtained through extensive work experience and may require vocational or technical education. May require the following proficiency: Works under limited supervision for routine situations. Provides assistance and training to lower level employees. Problems typically are not routine and require analysis to understand.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Marketing|Marketing Generalist/Multidiscipline|Senior (Business Support)-U3	45	189	100	0.00%	0.00%	Base Salary	48,131	54,434	59,905
						Actual Total Cash Compensation	48,131	55,000	62,040

Code: AMK000-U3 Level: U3

Survey: WTW General Industry Middle Management, Professional & Support Survey - TAC - FP - United States - Org Wtd

Scope: Position Listing: For-Profit Organizations

Data Cut: 2018 WTW General Industry Middle Management, Professional & Support Survey - TAC - FP - United States - Org Wtd

Description : Function Description: Markets the organization's products, brands and/or services. Designs, develops and implements communication programs to advertise the organization's products/brands/services using media (e.g., print, broadcast, digital), events and sales promotions. Develops and evaluates pricing strategies and structures. Designs and maintains websites to promote and sell the organization's products through the Internet. Discipline Description: Designs, develops and implements marketing programs and/or pricing strategies to support the organization's products, services or market sector. Uses specific marketing strategies and media (e.g., print, broadcast, digital) to launch and position products and services in a sector. Identifies and implements marketing strategies and programs in collaboration with sales and technical teams. Responsibilities are within the Marketing Function as a generalist or in a combination of Disciplines. Career Level description: Band: Has full proficiency gained through job-related training and considerable work experience. Completes work with a limited degree of supervision. Likely to act as an informal resource for colleagues with less experience. Identifies key issues and patterns from partial/conflicting data. Takes a broad perspective to problems and spots new, less obvious solutions.

Comment : None

Market Comparison

Pay Type	Composite	Survey Pay Elements	Employee Pay Elements	Comparison	25th	50th	75th
Base 50 50th Percentile	Base (All Jobs)	Base Salary	Base Salary	Market Average Pay Differential	47,193 -- 0.0	54,575 -- 0.0	61,802 -- 0.0

Overall Comment

None

Measurement Tech II | OPS-GTS-T3 / Operations

Job Details

Job Family	Gas Technical Services	Global Grade	-
Country	United States	Communicated Level	-
Incs	0	Structure Name	-
		Structure Code	-

Grade None	Min	Mid	Max

Employee Pay	Avg
Base 50	-

Survey Matches (7)

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Engineering Technicians - Senior Para-Professional (S3)	159	20555	33	0.00%	0.00%	Base Salary	56,701	65,232	76,951
						Actual Total Cash Compensation	58,333	66,906	79,600

Code: ENS.05.000.S30 Level: S3

Survey: Mercer Engineering & Design Survey - United States - Org Wtd

Scope: All Data

Data Cut: 2018 Mercer Engineering & Design Survey - United States - Org Wtd

Description : Positions in this sub-family are responsible for performing engineering technician para-professional work to support/assist engineers in the organization. This sub-family captures various types of technicians, regardless of their area of specialization. Technicians who work in an Engineering discipline, or a related Engineering trade, but that do not possess the formal educational and experience requirements of a certified Engineer should be matched to this sub-family. A Senior Para-Professional (S3) requires broad knowledge of operational procedures and tools obtained through extensive work experience and may require vocational or technical education. May require the following proficiency: Works under limited supervision for routine situations. Provides assistance and training to lower level employees. Problems typically are not routine and require analysis to understand.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Engineering Technicians - Senior Para-Professional (S3)	23	895	34	0.00%	0.00%	Base Salary	60,255	72,875	83,331
						Actual Total Cash Compensation	60,255	72,875	86,357

Code: ENS.05.000.S30 Level: S3

Survey: Mercer Engineering & Design Survey - United States - Org Wtd

Scope: Industry - Super Sector: Energy

Data Cut: 2018 Mercer Engineering & Design Survey - United States - Org Wtd

Description : Positions in this sub-family are responsible for performing engineering technician para-professional work to support/assist engineers in the organization. This sub-family captures various types of technicians, regardless of their area of specialization. Technicians who work in an Engineering discipline, or a related Engineering trade, but that do not possess the formal educational and experience requirements of a certified Engineer should be matched to this sub-family. A Senior Para-Professional (S3) requires broad knowledge of operational procedures and tools obtained through extensive work experience and may require vocational or technical education. May require the following proficiency: Works under limited supervision for routine situations. Provides assistance and training to lower level employees. Problems typically are not routine and require analysis to understand.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Engineering Technicians - Senior Para-Professional (S3)	31	381	33	0.00%	0.00%	Base Salary	54,912	67,427	79,061
						Actual Total Cash Compensation	56,800	70,000	79,953

Code: ENS.05.000.S30 Level: S3

Survey: Mercer Engineering & Design Survey - United States - Org Wtd

Scope: Net Revenue - Millions: Less than 500 US Dollar In Millions

Data Cut: 2018 Mercer Engineering & Design Survey - United States - Org Wtd

Description : Positions in this sub-family are responsible for performing engineering technician para-professional work to support/assist engineers in the organization. This sub-family captures various types of technicians, regardless of their area of specialization. Technicians who work in an Engineering discipline, or a related Engineering trade, but that do not possess the formal educational and experience requirements of a certified Engineer should be matched to this sub-family. A Senior Para-Professional (S3) requires broad knowledge of operational procedures and tools obtained through extensive work experience and may require vocational or technical education. May require the following proficiency: Works under limited supervision for routine situations. Provides assistance and training to lower level employees. Problems typically are not routine and require analysis to understand.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Energy Delivery/Distribution|Gas Distribution Construction and/or Maintenance|Senior (Technical Support)-T3	8	645	50	0.00%	0.00%	Base Salary	60,341	67,093	72,161
						Actual Total Cash Compensation	64,651	68,343	72,161

Code: EDD050-T3 Level: T3

Survey: WTW Energy Services Middle Management, Professional & Support Survey - United States - Org Wtd

Scope: Industry Group: Energy Services and Utilities

Data Cut: 2018 WTW Energy Services Middle Management, Professional & Support Survey - United States - Org Wtd

Description : Function Description: Directs, coordinates, implements and plans distribution activities that provide electric and/or gas service to customers, including operation, line construction and/or maintenance. Discipline Description: Constructs, removes and maintains gas distribution facilities and equipment, including pipe, gauges and valves. May be responsible for field engineering and/or operating activities. Coordinates, schedules and supervises crews engaged in the construction, removal and maintenance of facilities and equipment for gas distribution. Dispatches field crews engaged in the construction, maintenance and emergency restoration of gas service. Responsibilities may be limited to an assigned district or area. Career Level description: Band: Has full proficiency in a range of technical processes or procedures (or deep skills in a single area) through job-related training and considerable work experience. Completes a variety of atypical assignments. Works within defined technical processes and procedures or methodologies and may help determine the appropriate approach for new assignments. Works with a limited degree of supervision, with oversight focused only on complex new assignments. Acts as an informal resource for colleagues with less experience.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Energy Delivery/Distribution|Gas Distribution Construction and/or Maintenance|Senior (Technical Support)-T3	9	648	50	0.00%	0.00%	Base Salary	61,893	68,369	73,818
						Actual Total Cash Compensation	64,766	68,369	76,703

Code: EDD050-T3 Level: T3

Survey: WTW Energy Services Middle Management, Professional & Support Survey - United States - Org Wtd

Scope: Total Sample

Data Cut: 2018 WTW Energy Services Middle Management, Professional & Support Survey - United States - Org Wtd

Description : Function Description: Directs, coordinates, implements and plans distribution activities that provide electric and/or gas service to customers, including operation, line construction and/or maintenance. Discipline Description: Constructs, removes and maintains gas distribution facilities and equipment, including pipe, gauges and valves. May be responsible for field engineering and/or operating activities. Coordinates, schedules and supervises crews engaged in the construction, removal and maintenance of facilities and equipment for gas distribution. Dispatches field crews engaged in the construction, maintenance and emergency restoration of gas service. Responsibilities may be limited to an assigned district or area. Career Level description: Band: Has full proficiency in a range of technical processes or procedures (or deep skills in a single area) through job-related training and considerable work experience. Completes a variety of atypical assignments. Works within defined technical processes and procedures or methodologies and may help determine the appropriate approach for new assignments. Works with a limited degree of supervision, with oversight focused only on complex new assignments. Acts as an informal resource for colleagues with less experience.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Technical Specialty/Skilled Trade|Equipment Maintenance Technical Specialty|Senior (Technical Support)-T3	15	387	50	0.00%	0.00%	Base Salary	57,858	70,599	84,739
						Actual Total Cash Compensation	60,131	74,571	85,607

Code: AZT010-T3 Level: T3

Survey: WTW Energy Services Middle Management, Professional & Support Survey - United States - Org Wtd

Scope: Industry Group: Energy Services and Utilities

Data Cut: 2018 WTW Energy Services Middle Management, Professional & Support Survey - United States - Org Wtd

Description : Function Description: Provides technical support to engineers and scientists in areas such as production, operations, maintenance, safety, testing, process improvement or product development. Uses schematics, diagrams, written and verbal descriptions or defined plans to perform testing and troubleshooting on electronic or mechanical components, equipment or systems. Gathers, maintains, formats, compiles and manipulates technical data using established formulae and procedures and performs detailed mathematical calculations. Discipline Description: Performs preventive maintenance and repairs on equipment and systems (e.g., mechanical, electrical). Evaluates and recommends equipment improvements to improve availability, capability and yield. Performs equipment failure analyses (including preventive and unscheduled maintenance). Troubleshoots and diagnoses equipment problems. Prepares technical reports to document equipment modifications and equipment maintenance procedures. Career Level description: Band: Has full proficiency in a range of technical processes or procedures (or deep skills in a single area) through job-related training and considerable work experience. Completes a variety of atypical assignments. Works within defined technical processes and procedures or methodologies and may help determine the appropriate approach for new assignments. Works with a limited degree of supervision, with oversight focused only on complex new assignments. Acts as an informal resource for colleagues with less experience.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Technical Specialty/Skilled Trade|Equipment Maintenance Technical Specialty|Senior (Technical Support)-T3	19	420	50	0.00%	0.00%	Base Salary	57,858	70,677	82,992
						Actual Total Cash Compensation	60,131	75,098	85,607

Code: AZT010-T3 Level: T3

Survey: WTW Energy Services Middle Management, Professional & Support Survey - United States - Org Wtd

Scope: Total Sample

Data Cut: 2018 WTW Energy Services Middle Management, Professional & Support Survey - United States - Org Wtd

Description : Function Description: Provides technical support to engineers and scientists in areas such as production, operations, maintenance, safety, testing, process improvement or product development. Uses schematics, diagrams, written and verbal descriptions or defined plans to perform testing and troubleshooting on electronic or mechanical components, equipment or systems. Gathers, maintains, formats, compiles and manipulates technical data using established formulae and procedures and performs detailed mathematical calculations. Discipline Description: Performs preventive maintenance and repairs on equipment and systems (e.g., mechanical, electrical). Evaluates and recommends equipment improvements to improve availability, capability and yield. Performs equipment failure analyses (including preventive and unscheduled maintenance). Troubleshoots and diagnoses equipment problems. Prepares technical reports to document equipment modifications and equipment maintenance procedures. Career Level description: Band: Has full proficiency in a range of technical processes or procedures (or deep skills in a single area) through job-related training and considerable work experience. Completes a variety of atypical assignments. Works within defined technical processes and procedures or methodologies and may help determine the appropriate approach for new assignments. Works with a limited degree of supervision, with oversight focused only on complex new assignments. Acts as an informal resource for colleagues with less experience.

Comment : None

Market Comparison

Pay Type	Composite	Survey Pay Elements	Employee Pay Elements	Comparison	25th	50th	75th
Base 50 50th Percentile	Base (All Jobs)	Base Salary	Base Salary	Market	58,765	68,975	78,891
				Average Pay	--	--	--
				Differential	0.0	0.0	0.0

Overall Comment

None

Meter Reader I | OPS-GSS-W1 / Operations

Job Details

Job Family	Gas Services	Global Grade	-
Country	United States	Communicated Level	-
Incs	0	Structure Name	-
		Structure Code	-

Grade None	Min	Mid	Max

Employee Pay	Avg
Base 50	-

Survey Matches (4)

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Field Service Technician - Entry Para-Professional (S1)	65	11738	33	0.00%	0.00%	Base Salary	39,318	44,387	50,225
						Actual Total Cash Compensation	39,786	44,928	51,071

Code: ENS.05.106.S10 Level: S1

Survey: Mercer Engineering & Design Survey - United States - Org Wtd

Scope: All Data

Data Cut: 2018 Mercer Engineering & Design Survey - United States - Org Wtd

Description : Field Service Technician work focuses on installing, configuring, calibrating, and repairing technical products and systems at customer field locations including: Performing a variety of maintenance and technical support on installed products and equipment. Troubleshooting, diagnosing, and resolving malfunctions. Determining when products should be upgraded or replaced. May provide onsite training for customer support personnel Level: An Entry Para-Professional (S1) is an entry-level position typically requiring little to no prior knowledge or experience. Work is routine or follows standard procedures. Work is closely supervised. Communicates information that requires little explanation or interpretation. Typical Title: Field Service Technician.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Field Service Technician - Entry Para-Professional (S1)	12	2025	34	0.00%	0.00%	Base Salary	41,529	45,425	49,428
						Actual Total Cash Compensation	41,817	45,725	51,100

Code: ENS.05.106.S10 Level: S1

Survey: Mercer Engineering & Design Survey - United States - Org Wtd

Scope: Industry - Super Sector: Energy

Data Cut: 2018 Mercer Engineering & Design Survey - United States - Org Wtd

Description : Field Service Technician work focuses on installing, configuring, calibrating, and repairing technical products and systems at customer field locations including: Performing a variety of maintenance and technical support on installed products and equipment. Troubleshooting, diagnosing, and resolving malfunctions. Determining when products should be upgraded or replaced. May provide onsite training for customer support personnel Level: An Entry Para-Professional (S1) is an entry-level position typically requiring little to no prior knowledge or experience. Work is routine or follows standard procedures. Work is closely supervised. Communicates information that requires little explanation or interpretation. Typical Title: Field Service Technician.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Field Service Technician - Entry Para-Professional (S1)	10	206	33	0.00%	0.00%	Base Salary	40,063	44,606	46,946
						Actual Total Cash Compensation	40,341	45,342	48,013

Code: ENS.05.106.S10 Level: S1

Survey: Mercer Engineering & Design Survey - United States - Org Wtd

Scope: Net Revenue - Millions: Less than 500 US Dollar In Millions

Data Cut: 2018 Mercer Engineering & Design Survey - United States - Org Wtd

Description : Field Service Technician work focuses on installing, configuring, calibrating, and repairing technical products and systems at customer field locations including: Performing a variety of maintenance and technical support on installed products and equipment. Troubleshooting, diagnosing, and resolving malfunctions. Determining when products should be upgraded or replaced. May provide onsite training for customer support personnel Level: An Entry Para-Professional (S1) is an entry-level position typically requiring little to no prior knowledge or experience. Work is routine or follows standard procedures. Work is closely supervised. Communicates information that requires little explanation or interpretation. Typical Title: Field Service Technician.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Energy Delivery/Distribution|Distribution Meter	7	37	100	0.00%	0.00%	Base Salary	38,196	40,352	50,617

Services Generalist/Multidiscipline|Entry (Technical Support)-T1	Actual Total Cash Compensation	40,085	42,043	50,617

Code: EDD070-T1   Level: T1

Survey: WTW Energy Services Middle Management, Professional & Support Survey - United States - Org Wtd

Scope: Industry Group: Energy Services and Utilities

Data Cut: 2018 WTW Energy Services Middle Management, Professional & Support Survey - United States - Org Wtd

Description : Function Description: Directs, coordinates, implements and plans distribution activities that provide electric and/or gas service to customers, including operation, line construction and/or maintenance. Discipline Description: Reads electric and/or gas meters and records usage data (manually or electronically). Tests, repairs and maintains stocks of metering equipment and meter testing equipment, including smart meters. Installs, removes, field tests and maintains customer electric and/or gas meters in accordance with regulatory standards and organization's guidelines. May interact with customers by answering questions (e.g., about billing/energy usage, smart meters) or directing them to customer service or collections representatives. Career Level description: Band: Has basic skills in an analytical or scientific method or operational process. Works within clearly defined standard operating procedures and/or scientific methods and adheres to quality guidelines. Works with close supervision.

Comment : no W matches; no adjust due to match quality

Market Comparison

Pay Type	Composite	Survey Pay Elements	Employee Pay Elements	Comparison	25th	50th	75th
Base 50 50th Percentile	Base (All Jobs)	Base Salary	Base Salary	Market	39,256	42,582	49,744
				Average Pay	--	--	--
				Differential	0.0	0.0	0.0

Overall Comment

None

Mgr, BU Accounting | FIN-ACT-M2 / Finance

Job Details

Job Family	Accounting	Global Grade	-
Country	United States	Communicated Level	-
Incs	0	Structure Name	-
		Structure Code	-

Grade None	Min	Mid	Max

Employee Pay	Avg
Base 50	-

Survey Matches (6)

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Accounting - Manager (M3)	905	5852	100	0.00%	0.00%	Base Salary	96,443	107,625	121,965
Code: FIN.06.001.M30 Level: M3						Actual Total Cash Compensation	102,004	116,228	135,473

Survey: Mercer Finance, Accounting, & Legal Survey - United States - Org Wtd

Scope: All Data

Data Cut: 2018 Mercer Finance, Accounting, & Legal Survey - United States - Org Wtd

Description : Accounting includes work across multiple areas of Accounting including: Ensuring compliance with financial transaction recording standards (e.g., general ledger, cash payments/collections, tax transactions, etc.) Control/reconciliation of accounts and records (balance sheet, P&L, bank accounts, etc.) Accounting reports/schedules for internal audiences (management reporting) and/or for external audiences (compliance reporting) including consolidation of financial statements, cash flow reporting, budget reporting, etc.) In some organizations, Accounting work may also include: Cost accounting/budgeting (allocation of direct/indirect costs, variance analysis, budget preparation, etc.) Accounts Payable/Receivable and/or Credit & Collections Level: A Manager (M3) manages experienced professionals who exercise latitude and independence in assignments. Responsibilities typically include: Policy and strategy implementation for short-term results (1 year or less). Problems faced are difficult to moderately complex. Influences others outside of own job area regarding policies, practices and procedures. Specialization Match Note: Para-Professional incumbents are responsible for accounting transaction/data entry, data verification, and records maintenance. The following types of incumbents should be matched to the Accounting Specialization: Incumbents with a primary focus on general transaction recording and control/reconciliation of accounts who work in organizations with separate specialists performing some or all of the budgeting, cost accounting, internal management and/or external financial reporting work. Incumbents in positions that focus solely on the accounting aspects of tax, treasury, etc. (i.e., tax or treasury transaction recording and records maintenance). This type of highly specialized accounting work is typically found in a shared services or outsourcing environment. Typical Title: Accounting Director, Accounting Sr. Manager, Accounting Manager, Accounting Supervisor.

Comment : Confirm retaining GI match

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Accounting - Manager (M3)	57	351	100	0.00%	0.00%	Base Salary	108,055	121,865	134,490
Code: FIN.06.001.M30 Level: M3						Actual Total Cash Compensation	119,508	140,507	163,359

Survey: Mercer Finance, Accounting, & Legal Survey - United States - Org Wtd

Scope: Industry - Super Sector: Energy

Data Cut: 2018 Mercer Finance, Accounting, & Legal Survey - United States - Org Wtd

Description : Accounting includes work across multiple areas of Accounting including: Ensuring compliance with financial transaction recording standards (e.g., general ledger, cash payments/collections, tax transactions, etc.) Control/reconciliation of accounts and records (balance sheet, P&L, bank accounts, etc.) Accounting reports/schedules for internal audiences (management reporting) and/or for external audiences (compliance reporting) including consolidation of financial statements, cash flow reporting, budget reporting, etc.) In some organizations, Accounting work may also include: Cost accounting/budgeting (allocation of direct/indirect costs, variance analysis, budget preparation, etc.) Accounts Payable/Receivable and/or Credit & Collections Level: A Manager (M3) manages experienced professionals who exercise latitude and independence in assignments. Responsibilities typically include: Policy and strategy implementation for short-term results (1 year or less). Problems faced are difficult to moderately complex. Influences others outside of own job area regarding policies, practices and procedures. Specialization Match Note: Para-Professional incumbents are responsible for accounting transaction/data entry, data verification, and records maintenance. The following types of incumbents should be matched to the Accounting Specialization: Incumbents with a primary focus on general transaction recording and control/reconciliation of accounts who work in organizations with separate specialists performing some or all of the budgeting, cost accounting, internal management and/or external financial reporting work. Incumbents in positions that focus solely on the accounting aspects of tax, treasury, etc. (i.e., tax or treasury transaction recording and records maintenance). This type of highly specialized accounting work is typically found in a shared services or outsourcing environment. Typical Title: Accounting Director, Accounting Sr. Manager, Accounting Manager, Accounting Supervisor.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Accounting|General Accounting|Manager (Supervisory/Management)-M2	56	250	50	0.00%	0.00%	Base Salary	115,384	125,205	134,412
						Actual Total Cash	128,292	143,656	157,489

Code: AFB010-M2 Level: M2 | Compensation

Survey: WTW Energy Services Middle Management, Professional & Support Survey - United States - Org Wtd

Scope: Industry Group: Energy Services and Utilities

Data Cut: 2018 WTW Energy Services Middle Management, Professional & Support Survey - United States - Org Wtd

Description : Function Description: Establishes and maintains accounting policies and controls, fiscal controls, preparing financial reports and safeguarding the organization's assets. Maintains accounting and financial records and reports, including general ledger, financial statements, regulatory and management reports. Discipline Description: Performs general accounting activities, including the preparation, maintenance and reconciliation of ledger accounts and financial statements such as balance sheets, profit-and-loss statements and capital expenditure schedules. Prepares, records, analyzes and reports accounting transactions and ensures the integrity of accounting records for completeness, accuracy and compliance with accepted accounting policies and principles. Provides financial support, including forecasting, budgeting and analyzing variations from budget. Analyzes and prepares statutory accounts, financial statements and reports. Conducts or assists in the documentation of accounting projects. Career Level description: Band: Manages professional employees and/or supervisors or supervises large, complex support, production or operations team(s). Has accountability for the performance and results of a team within own discipline or function. Adapts departmental plans and priorities to address resource and operational challenges. Decisions and problem-solving are guided by policies, procedures and business plan; receives guidance from senior manager. Provides technical guidance to employees, colleagues and/or customers.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Accounting|General Accounting|Manager (Supervisory/Management)-M2	67	284	50	0.00%	0.00%	Base Salary	113,365	124,556	133,799
Code: AFB010-M2 Level: M2						Actual Total Cash Compensation	126,550	143,561	157,453

Survey: WTW Energy Services Middle Management, Professional & Support Survey - United States - Org Wtd

Scope: Total Sample

Data Cut: 2018 WTW Energy Services Middle Management, Professional & Support Survey - United States - Org Wtd

Description : Function Description: Establishes and maintains accounting policies and controls, fiscal controls, preparing financial reports and safeguarding the organization's assets. Maintains accounting and financial records and reports, including general ledger, financial statements, regulatory and management reports. Discipline Description: Performs general accounting activities, including the preparation, maintenance and reconciliation of ledger accounts and financial statements such as balance sheets, profit-and-loss statements and capital expenditure schedules. Prepares, records, analyzes and reports accounting transactions and ensures the integrity of accounting records for completeness, accuracy and compliance with accepted accounting policies and principles. Provides financial support, including forecasting, budgeting and analyzing variations from budget. Analyzes and prepares statutory accounts, financial statements and reports. Conducts or assists in the documentation of accounting projects. Career Level description: Band: Manages professional employees and/or supervisors or supervises large, complex support, production or operations team(s). Has accountability for the performance and results of a team within own discipline or function. Adapts departmental plans and priorities to address resource and operational challenges. Decisions and problem-solving are guided by policies, procedures and business plan; receives guidance from senior manager. Provides technical guidance to employees, colleagues and/or customers.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Accounting|General Accounting|Manager (Supervisory/Management)-M2	32	64	50	0.00%	0.00%	Base Salary	96,337	106,475	114,505
Code: AFB010-M2 Level: M2						Actual Total Cash Compensation	100,740	115,909	125,125

Survey: WTW General Industry Middle Management, Professional & Support Survey - TAC - FP - United States - Org Wtd

Scope: Break Name: Global Revenue | Break Value: Less than $500 Million | Position Listing: For-Profit Organizations

Data Cut: 2018 WTW General Industry Middle Management, Professional & Support Survey - TAC - FP - United States - Org Wtd

Description : Function Description: Establishes and maintains accounting policies and controls, fiscal controls, preparing financial reports and safeguarding the organization's assets. Maintains accounting and financial records and reports, including general ledger, financial statements, regulatory and management reports. Discipline Description: Performs general accounting activities, including the preparation, maintenance and reconciliation of ledger accounts and financial statements such as balance sheets, profit-and-loss statements and capital expenditure schedules. Prepares, records, analyzes and reports accounting transactions and ensures the integrity of accounting records for completeness, accuracy and compliance with accepted accounting policies and principles. Provides financial support, including forecasting, budgeting and analyzing variations from budget. Analyzes and prepares statutory accounts, financial statements and reports. Conducts or assists in the documentation of accounting projects. Career Level description: Band: Manages professional employees and/or supervisors or supervises large, complex support, production or operations team(s). Has accountability for the performance and results of a team within own discipline or function. Adapts departmental plans and priorities to address resource and operational challenges. Decisions and problem-solving are guided by policies, procedures and business plan; receives guidance from senior manager. Provides technical guidance to employees, colleagues and/or customers.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Accounting|General Accounting|Manager (Supervisory/Management)-M2	326	2329	50	0.00%	0.00%	Base Salary	98,816	107,500	117,911
Code: AFB010-M2 Level: M2						Actual Total Cash Compensation	106,157	118,676	133,953

Survey: WTW General Industry Middle Management, Professional & Support Survey - TAC - FP - United States - Org Wtd

Scope: Position Listing: For-Profit Organizations

Data Cut: 2018 WTW General Industry Middle Management, Professional & Support Survey - TAC - FP - United States - Org Wtd

Description : Function Description: Establishes and maintains accounting policies and controls, fiscal controls, preparing financial reports and safeguarding the organization's assets. Maintains accounting and financial records and reports, including general ledger, financial statements, regulatory and management reports. Discipline Description: Performs general accounting activities, including the preparation, maintenance and reconciliation of ledger accounts and financial statements such as balance sheets, profit-and-loss statements and capital expenditure schedules. Prepares, records, analyzes and reports accounting transactions and ensures the integrity of accounting records for completeness, accuracy and compliance with accepted accounting policies and principles. Provides financial support, including forecasting, budgeting and analyzing variations from budget. Analyzes and prepares statutory accounts, financial statements and reports. Conducts or assists in the documentation of accounting projects. Career Level description: Band: Manages professional employees and/or supervisors or supervises large, complex support, production or operations team(s). Has accountability for the performance and results of a team within own discipline or function. Adapts departmental plans and priorities to address resource and operational challenges. Decisions and problem-solving are guided by policies, procedures and business plan; receives guidance from senior manager. Provides technical guidance to employees, colleagues and/or customers.

Comment : Confirm retaining GI match

Market Comparison

Pay Type	Composite	Survey Pay Elements	Employee Pay Elements	Comparison	25th	50th	75th
Base 50 50th Percentile	Base (All Jobs)	Base Salary	Base Salary	Market Average Pay Differential	104,112 -- 0.0	115,340 -- 0.0	126,692 -- 0.0

Overall Comment

None

Mgr, Compliance | OPS-CMS-U4 / Operations

Job Details

Job Family	Compliance/Safety	Global Grade	-
Country	United States	Communicated Level	-
Incs	0	Structure Name	-
		Structure Code	-

Grade None	Min	Mid	Max

Employee Pay	Avg
Base 50	-

Survey Matches (7)

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Warehouse & Distribution Center Management - Team Leader (Para-Professionals) (M1)	103	4003	33	0.00%	0.00%	Base Salary	50,945	57,295	68,674
						Actual Total Cash Compensation	51,927	60,317	70,735

Code: SCN.05.R01.M10 Level: M1

Survey: Mercer Logistics & Supply Chain Survey - United States - Org Wtd

Scope: All Data

Data Cut: 2018 Mercer Logistics & Supply Chain Survey - United States - Org Wtd

Description : Associated Specializations: Distribution Center Management - M10; Manufacturing Stockroom Management - M10; Warehouse Management - M10

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Warehouse & Distribution Center Management - Team Leader (Para-Professionals) (M1)	5	68	34	0.00%	0.00%	Base Salary	--	65,508	--
						Actual Total Cash Compensation	--	65,508	--

Code: SCN.05.R01.M10 Level: M1

Survey: Mercer Logistics & Supply Chain Survey - United States - Org Wtd

Scope: Industry - Super Sector: Energy

Data Cut: 2018 Mercer Logistics & Supply Chain Survey - United States - Org Wtd

Description : Associated Specializations: Distribution Center Management - M10; Manufacturing Stockroom Management - M10; Warehouse Management - M10

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Warehouse & Distribution Center Management - Team Leader (Para-Professionals) (M1)	27	315	33	0.00%	0.00%	Base Salary	46,509	54,493	68,647
						Actual Total Cash Compensation	49,455	55,769	70,000

Code: SCN.05.R01.M10 Level: M1

Survey: Mercer Logistics & Supply Chain Survey - United States - Org Wtd

Scope: Net Revenue - Millions: Less than 500 US Dollar In Millions

Data Cut: 2018 Mercer Logistics & Supply Chain Survey - United States - Org Wtd

Description : Associated Specializations: Distribution Center Management - M10; Manufacturing Stockroom Management - M10; Warehouse Management - M10

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Supply Chain and Logistics|Warehousing|Lead/ Advanced (Production/Manual Labor)-W4	9	46	50	0.00%	0.00%	Base Salary	62,292	66,263	79,521
						Actual Total Cash Compensation	64,995	73,457	82,184

Code: ASC040-W4 Level: W4

Survey: WTW Energy Services Middle Management, Professional & Support Survey - United States - Org Wtd

Scope: Industry Group: Energy Services and Utilities

Data Cut: 2018 WTW Energy Services Middle Management, Professional & Support Survey - United States - Org Wtd

Description : Function Description: Performs supply chain and logistics functions, which may include, but are not limited to, material procurement, production planning, inventory control, outsourcing, vendor selection and distribution. Creates integrated processes among internal functions such as operations, purchasing and logistics, and outside suppliers. Focuses resources on continuous improvement of the movement of materials through various production processes and establishes key performance metrics and benchmarks relating to supply chain planning/forecasting to measure actual performance against goals on a regular basis. Promotes alignment by understanding and communicating customer needs and requirements throughout the organization. Discipline Description: Administers and operates the organization's warehouses, including processing, packaging and storage of supplies, materials and equipment. Accounts for all materials and supplies in the stores facilities; audits goods received into warehouse. Oversees receipt, storage and shipment of materials, and related reporting in accordance with established procedures. Prepares and coordinates schedules for shipping and receiving materials to control the flow of goods and regulate warehouse space. Ensures the effectiveness of operating procedures, space utilization, and maintenance and protection of facilities and equipment. Career Level description: Band: Has advanced skills, typically gained through a combination of job-related training and considerable work experience. May act as a lead, coordinating the work of others, but is not a supervisor. Works autonomously within established procedures and practices. Has developed a specialized level of skill to perform assigned tasks.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Supply Chain and Logistics|Warehousing|Lead/ Advanced (Production/Manual Labor)-W4	11	50	50	0.00%	0.00%	Base Salary	59,639	66,263	78,858
Code: ASC040-W4 Level: W4						Actual Total Cash Compensation	64,046	73,457	80,980

Survey: WTW Energy Services Middle Management, Professional & Support Survey - United States - Org Wtd

Scope: Total Sample

Data Cut: 2018 WTW Energy Services Middle Management, Professional & Support Survey - United States - Org Wtd

Description : Function Description: Performs supply chain and logistics functions, which may include, but are not limited to, material procurement, production planning, inventory control, outsourcing, vendor selection and distribution. Creates integrated processes among internal functions such as operations, purchasing and logistics, and outside suppliers. Focuses resources on continuous improvement of the movement of materials through various production processes and establishes key performance metrics and benchmarks relating to supply chain planning/forecasting to measure actual performance against goals on a regular basis. Promotes alignment by understanding and communicating customer needs and requirements throughout the organization. Discipline Description: Administers and operates the organization's warehouses, including processing, packaging and storage of supplies, materials and equipment. Accounts for all materials and supplies in the stores facilities; audits goods received into warehouse. Oversees receipt, storage and shipment of materials, and related reporting in accordance with established procedures. Prepares and coordinates schedules for shipping and receiving materials to control the flow of goods and regulate warehouse space. Ensures the effectiveness of operating procedures, space utilization, and maintenance and protection of facilities and equipment. Career Level description: Band: Has advanced skills, typically gained through a combination of job-related training and considerable work experience. May act as a lead, coordinating the work of others, but is not a supervisor. Works autonomously within established procedures and practices. Has developed a specialized level of skill to perform assigned tasks.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Supply Chain and Logistics|Warehousing|Lead/ Advanced (Production/Manual Labor)-W4	7	24	50	0.00%	0.00%	Base Salary	35,968	46,541	52,080
Code: ASC040-W4 Level: W4						Actual Total Cash Compensation	36,414	46,541	52,080

Survey: WTW General Industry Middle Management, Professional & Support Survey - TAC - FP - United States - Org Wtd

Scope: Break Name: Global Revenue | Break Value: Less than $500 Million | Position Listing: For-Profit Organizations

Data Cut: 2018 WTW General Industry Middle Management, Professional & Support Survey - TAC - FP - United States - Org Wtd

Description : Function Description: Performs supply chain and logistics functions, which may include, but are not limited to, material procurement, production planning, inventory control, outsourcing, vendor selection and distribution. Creates integrated processes among internal functions such as operations, purchasing and logistics, and outside suppliers. Focuses resources on continuous improvement of the movement of materials through various production processes and establishes key performance metrics and benchmarks relating to supply chain planning/forecasting to measure actual performance against goals on a regular basis. Promotes alignment by understanding and communicating customer needs and requirements throughout the organization. Discipline Description: Administers and operates the organization's warehouses, including processing, packaging and storage of supplies, materials and equipment. Accounts for all materials and supplies in the stores facilities; audits goods received into warehouse. Oversees receipt, storage and shipment of materials, and related reporting in accordance with established procedures. Prepares and coordinates schedules for shipping and receiving materials to control the flow of goods and regulate warehouse space. Ensures the effectiveness of operating procedures, space utilization, and maintenance and protection of facilities and equipment. Career Level description: Band: Has advanced skills, typically gained through a combination of job-related training and considerable work experience. May act as a lead, coordinating the work of others, but is not a supervisor. Works autonomously within established procedures and practices. Has developed a specialized level of skill to perform assigned tasks.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Supply Chain and Logistics|Warehousing|Lead/ Advanced (Production/Manual Labor)-W4	94	2720	50	0.00%	0.00%	Base Salary	41,329	47,194	52,929
Code: ASC040-W4 Level: W4						Actual Total Cash Compensation	42,699	48,472	56,528

Survey: WTW General Industry Middle Management, Professional & Support Survey - TAC - FP - United States - Org Wtd

Scope: Position Listing: For-Profit Organizations

Data Cut: 2018 WTW General Industry Middle Management, Professional & Support Survey - TAC - FP - United States - Org Wtd

Description : Function Description: Performs supply chain and logistics functions, which may include, but are not limited to, material procurement, production planning, inventory control, outsourcing, vendor selection and distribution. Creates integrated processes among internal functions such as operations, purchasing and logistics, and outside suppliers. Focuses resources on continuous improvement of the movement of materials through various production processes and establishes key performance metrics and benchmarks relating to supply chain planning/forecasting to measure actual performance against goals on a regular basis. Promotes alignment by understanding and communicating customer needs and requirements throughout the organization. Discipline Description: Administers and operates the organization's warehouses, including processing, packaging and storage of supplies, materials and equipment. Accounts for all materials and supplies in the stores facilities; audits goods received into warehouse. Oversees receipt, storage and shipment of materials, and related reporting in accordance with established procedures. Prepares and coordinates schedules for shipping and receiving materials to control the flow of goods and regulate warehouse space. Ensures the effectiveness of operating procedures, space utilization, and maintenance and protection of facilities and equipment. Career Level description: Band: Has advanced skills, typically gained through a combination of job-related training and considerable work experience. May act as a lead, coordinating the work of others, but is not a supervisor. Works autonomously within established procedures and practices. Has developed a specialized level of skill to perform assigned tasks.

Comment : None

Market Comparison

Pay Type	Composite	Survey Pay Elements	Employee Pay Elements	Comparison	25th	50th	75th
Base 50 50th Percentile	Base (All Jobs)	Base Salary	Base Salary	Market Average Pay Differential	49,539 -- 0.0	57,431 -- 0.0	66,545 -- 0.0

Overall Comment

None

Mgr, Customer Service | CUS-CCC-M1 / Customer Service

Job Details

Job Family	Customer Contact Center	Global Grade	-
Country	United States	Communicated Level	-
Incs	0	Structure Name	-
		Structure Code	-

Grade None	Min	Mid	Max

Employee Pay	Avg
Base 50	-

Survey Matches (8)

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Contact Center Customer Service: Non-Technical - Team Leader (Para-Professionals) (M1)	369	11899	25	0.00%	0.00%	Base Salary	53,313	59,021	69,296
						Actual Total Cash Compensation	55,266	62,379	74,521

Code: CSV.02.050.M10 Level: M1

Survey: Mercer Contact Center Survey - United States - Org Wtd

Scope: All Data

Data Cut: 2018 Mercer Contact Center Survey - United States - Org Wtd

Description : Contact Center Customer Service: Non-Technical provides post-sale non-technical customer service to business or end-consumer customers via phone, online chat, or text including: Responding to a high volume of low complexity general inquiries (e.g., general product and pricing information, billing issues, warranties, etc.) Providing responses to customer inquiries based on pre-determined scripts and other response guidance tools. Recommending alternative products or services (e.g., warranties) as part of customer issue resolution This position is not compensated based on achievement of sales targets. Work Environment: Typically located in a call center environment Level: A Team Leader (M1) supervises para-professional employees. Responsibilities typically include: Setting day-to-day operational objectives for team. Problems faced may be difficult but typically are not complex. Ensures policies, practices and procedures are understood and followed by direct reports, customers and stakeholders. Specialization Match Note: Match incumbents in call center positions that focus 100% on new order processing to the Order Processing specialization in the Sales Operations/Administration sub-family in the Sales, Marketing & Product Management job family. These positions are typically Business-to-Consumer (B2C) and exist in cases where the customer is asked to select between: Assistance with a new order (call is routed to the Order Processing specialization). Assistance with an existing order (call is routed to this specialization) Typical Title: Customer Support Manager, Supervisor.

Comment : confirm GI match; significantly lower than others

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Contact Center Customer Service: Non-Technical - Team Leader (Para-Professionals) (M1)	15	178	25	0.00%	0.00%	Base Salary	68,621	73,661	83,643
						Actual Total Cash Compensation	75,837	81,390	90,234

Code: CSV.02.050.M10 Level: M1

Survey: Mercer Contact Center Survey - United States - Org Wtd

Scope: Industry - Sector: Energy Utilities

Data Cut: 2018 Mercer Contact Center Survey - United States - Org Wtd

Description : Contact Center Customer Service: Non-Technical provides post-sale non-technical customer service to business or end-consumer customers via phone, online chat, or text including: Responding to a high volume of low complexity general inquiries (e.g., general product and pricing information, billing issues, warranties, etc.) Providing responses to customer inquiries based on pre-determined scripts and other response guidance tools. Recommending alternative products or services (e.g., warranties) as part of customer issue resolution This position is not compensated based on achievement of sales targets. Work Environment: Typically located in a call center environment Level: A Team Leader (M1) supervises para-professional employees. Responsibilities typically include: Setting day-to-day operational objectives for team. Problems faced may be difficult but typically are not complex. Ensures policies, practices and procedures are understood and followed by direct reports, customers and stakeholders. Specialization Match Note: Match incumbents in call center positions that focus 100% on new order processing to the Order Processing specialization in the Sales Operations/Administration sub-family in the Sales, Marketing & Product Management job family. These positions are typically Business-to-Consumer (B2C) and exist in cases where the customer is asked to select between: Assistance with a new order (call is routed to the Order Processing specialization). Assistance with an existing order (call is routed to this specialization) Typical Title: Customer Support Manager, Supervisor.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Contact Center Customer Service: Non-Technical - Team Leader (Para-Professionals) (M1)	20	189	25	0.00%	0.00%	Base Salary	64,926	72,989	82,731
						Actual Total Cash Compensation	70,489	80,967	86,056

Code: CSV.02.050.M10 Level: M1

Survey: Mercer Contact Center Survey - United States - Org Wtd

Scope: Industry - Super Sector: Energy

Data Cut: 2018 Mercer Contact Center Survey - United States - Org Wtd

Description : Contact Center Customer Service: Non-Technical provides post-sale non-technical customer service to business or end-consumer customers via phone, online chat, or text including: Responding to a high volume of low complexity general inquiries (e.g., general product and pricing information, billing issues, warranties, etc.) Providing responses to customer inquiries based on pre-determined scripts and other response guidance tools. Recommending alternative products or services (e.g., warranties) as part of customer issue resolution This position is not compensated based on achievement of sales targets. Work Environment: Typically located in a call center environment Level: A Team Leader (M1) supervises para-professional employees. Responsibilities typically include: Setting day-to-day operational objectives for team. Problems faced may be difficult but typically are not complex. Ensures policies, practices and procedures are understood and followed by direct reports, customers and stakeholders. Specialization Match Note: Match incumbents in call center positions that focus 100% on new order processing to the Order Processing specialization in the Sales Operations/Administration sub-family in the Sales, Marketing & Product Management job family. These positions are typically Business-to-Consumer (B2C) and exist in cases where the customer is asked to select between: Assistance with a new order (call is routed to the Order Processing specialization). Assistance with an existing order (call is routed to this specialization) Typical Title: Customer Support Manager, Supervisor.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Contact Center Customer Service: Non-Technical - Team Leader (Para-Professionals) (M1)	43	216	25	0.00%	0.00%	Base Salary	56,100	63,027	69,282
						Actual Total Cash Compensation	57,618	65,333	70,793

Code: CSV.02.050.M10 Level: M1

Survey: Mercer Contact Center Survey - United States - Org Wtd

Scope: Net Revenue - Millions: Less than 500 US Dollar in millions

Data Cut: 2018 Mercer Contact Center Survey - United States - Org Wtd

Description : Contact Center Customer Service: Non-Technical provides post-sale non-technical customer service to business or end-consumer customers via phone, online chat, or text including: Responding to a high volume of low complexity general inquiries (e.g., general product and pricing information, billing issues, warranties, etc.) Providing responses to customer inquiries based on pre-determined scripts and other response guidance tools. Recommending alternative products or services (e.g., warranties) as part of customer issue resolution This position is not compensated based on achievement of sales targets. Work Environment: Typically located in a call center environment Level: A Team Leader (M1) supervises para-professional employees. Responsibilities typically include: Setting day-to-day operational objectives for team. Problems faced may be difficult but typically are not complex. Ensures policies, practices and procedures are understood and followed by direct reports, customers and stakeholders. Specialization Match Note: Match incumbents in call center positions that focus 100% on new order processing to the Order Processing specialization in the Sales Operations/Administration sub-family in the Sales, Marketing & Product Management job family. These positions are typically Business-to-Consumer (B2C) and exist in cases where the customer is asked to select between: Assistance with a new order (call is routed to the Order Processing specialization). Assistance with an existing order (call is routed to this specialization) Typical Title: Customer Support Manager, Supervisor.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Customer Support/Operations|Customer Support/Operations Generalist/Multidiscipline| Supervisor (Supervisory/Management)-M1	26	283	100	0.00%	0.00%	Base Salary	74,703	90,245	101,055
						Actual Total Cash Compensation	82,770	98,140	110,297

Code: AMS000-M1 Level: M1

Survey: WTW Energy Services Middle Management, Professional & Support Survey - United States - Org Wtd

Scope: Industry Group: Energy Services and Utilities

Data Cut: 2018 WTW Energy Services Middle Management, Professional & Support Survey - United States - Org Wtd

Description : Function Description: Provides new and existing customers with the best possible service in relation to billing inquiries, service requests, suggestions and complaints. Includes Call Center - Outbound, Call Center/Customer Service and e-Commerce Customer Service. Discipline Description: Provides new and existing customers with the best possible service in relation to billing inquiries, service requests, suggestions and complaints. Resolves customer inquiries and complaints fairly and effectively. Provides product and service information to customers and identifies upselling opportunities to maintain and increase income streams from customer relationships. Recommends and implements programs to support customer needs. Responsibilities are within the Customer Support/ Operations Function as a generalist or in a combination of Disciplines. Career Level description: Band: Coordinates and supervises the daily activities of a support, production or operations team. Sets priorities for the team to ensure task completion; coordinates work activities with other supervisors. Decisions and problem-solving are guided by policies, procedures and business plan; receives guidance and oversight from manager. Typically does not spend more than 20% of time performing the work supervised.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Customer Support/Operations|Customer Support/Operations Generalist/Multidiscipline|	26	283	100	0.00%	0.00%	Base Salary	74,703	90,245	101,055
						Actual Total Cash	82,770	98,140	110,297

Supervisor (Supervisory/Management)-M1

Compensation

Code: AMS000-M1 Level: M1

Survey: WTW Energy Services Middle Management, Professional & Support Survey - United States - Org Wtd

Scope: Total Sample

Data Cut: 2018 WTW Energy Services Middle Management, Professional & Support Survey - United States - Org Wtd

Description : Function Description: Provides new and existing customers with the best possible service in relation to billing inquiries, service requests, suggestions and complaints. Includes Call Center - Outbound, Call Center/Customer Service and e-Commerce Customer Service. Discipline Description: Provides new and existing customers with the best possible service in relation to billing inquiries, service requests, suggestions and complaints. Resolves customer inquiries and complaints fairly and effectively. Provides product and service information to customers and identifies upselling opportunities to maintain and increase income streams from customer relationships. Recommends and implements programs to support customer needs. Responsibilities are within the Customer Support/ Operations Function as a generalist or in a combination of Disciplines. Career Level description: Band: Coordinates and supervises the daily activities of a support, production or operations team. Sets priorities for the team to ensure task completion; coordinates work activities with other supervisors. Decisions and problem-solving are guided by policies, procedures and business plan; receives guidance and oversight from manager. Typically does not spend more than 20% of time performing the work supervised.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Customer Support/Operations|Customer Support/Operations Generalist/Multidiscipline| Supervisor (Supervisory/Management)-M1	5	23	50	0.00%	0.00%	Base Salary	54,500	55,848	84,005
						Actual Total Cash Compensation	54,747	58,948	89,489

Code: AMS000-M1 Level: M1

Survey: WTW General Industry Middle Management, Professional & Support Survey - TAC - FP - United States - Org Wtd

Scope: Break Name: Global Revenue | Break Value: Less than $500 Million | Position Listing: For-Profit Organizations

Data Cut: 2018 WTW General Industry Middle Management, Professional & Support Survey - TAC - FP - United States - Org Wtd

Description : Function Description: Provides new and existing customers with the best possible service in relation to billing inquiries, service requests, suggestions and complaints. Includes Call Center - Outbound, Call Center/Customer Service and e-Commerce Customer Service. Discipline Description: Provides new and existing customers with the best possible service in relation to billing inquiries, service requests, suggestions and complaints. Resolves customer inquiries and complaints fairly and effectively. Provides product and service information to customers and identifies upselling opportunities to maintain and increase income streams from customer relationships. Recommends and implements programs to support customer needs. Responsibilities are within the Customer Support/ Operations Function as a generalist or in a combination of Disciplines. Career Level description: Band: Coordinates and supervises the daily activities of a support, production or operations team. Sets priorities for the team to ensure task completion; coordinates work activities with other supervisors. Decisions and problem-solving are guided by policies, procedures and business plan; receives guidance and oversight from manager. Typically does not spend more than 20% of time performing the work supervised.

Comment : Significant difference from Energy Svcs survey; confirm keeping GI match

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Customer Support/Operations|Customer Support/Operations Generalist/Multidiscipline| Supervisor (Supervisory/Management)-M1	93	2355	50	0.00%	0.00%	Base Salary	55,564	65,080	79,064
						Actual Total Cash Compensation	57,168	70,153	83,846

Code: AMS000-M1 Level: M1

Survey: WTW General Industry Middle Management, Professional & Support Survey - TAC - FP - United States - Org Wtd

Scope: Position Listing: For-Profit Organizations

Data Cut: 2018 WTW General Industry Middle Management, Professional & Support Survey - TAC - FP - United States - Org Wtd

Description : Function Description: Provides new and existing customers with the best possible service in relation to billing inquiries, service requests, suggestions and complaints. Includes Call Center - Outbound, Call Center/Customer Service and e-Commerce Customer Service. Discipline Description: Provides new and existing customers with the best possible service in relation to billing inquiries, service requests, suggestions and complaints. Resolves customer inquiries and complaints fairly and effectively. Provides product and service information to customers and identifies upselling opportunities to maintain and increase income streams from customer relationships. Recommends and implements programs to support customer needs. Responsibilities are within the Customer Support/ Operations Function as a generalist or in a combination of Disciplines. Career Level description: Band: Coordinates and supervises the daily activities of a support, production or operations team. Sets priorities for the team to ensure task completion; coordinates work activities with other supervisors. Decisions and problem-solving are guided by policies, procedures and business plan; receives guidance and oversight from manager. Typically does not spend more than 20% of time performing the work supervised.

Comment : Significant difference from Energy Svcs survey; confirm keeping GI match

Market Comparison

Pay Type	Composite	Survey Pay Elements	Employee Pay Elements	Comparison	25th	50th	75th
Base 50 50th Percentile	Base (All Jobs)	Base Salary	Base Salary	Market	66,295	77,032	89,971
				Average Pay	--	--	--

Differential	0.0	0.0	0.0

Overall Comment

None

Mgr, Engineering | ENG-ENG-M2 / Engineering

Job Details

Job Family	Engineers	Global Grade	-
Country	United States	Communicated Level	-
Incs	0	Structure Name	-
		Structure Code	-

Grade None	Min	Mid	Max

Employee Pay	Avg
Base 50	-

Survey Matches (5)

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Civil/Construction Engineering - Manager (M3)	24	548	50	0.00%	0.00%	Base Salary	121,604	139,270	161,648
Code: ENS.03.R14.M30 Level: M3						Actual Total Cash Compensation	135,086	143,776	177,982

Survey: Mercer Engineering & Design Survey - United States - Org Wtd

Scope: All Data

Data Cut: 2018 Mercer Engineering & Design Survey - United States - Org Wtd

Description : Associated Specializations: Civil/Construction/Structural Engineering (Construction) - M30; General Municipal Engineering (Construction & Civil Infrastructure) - M30; Heating & Ventilating Systems Engineering (Construction) - M30; Landscape Engineering (Construction) - M30; Rail Engineering (Construction & Civil Infrastructure) - M30; Structural Engineering: Buildings (Construction) - M30; Structural Engineering: Facade (Construction) - M30; Sub-Sea Engineering (Construction & Civil Infrastructure) - M30; Water/Waste Engineering (Construction & Civil Infrastructure) - M30

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Civil/Construction Engineering - Manager (M3)	6	8	50	0.00%	0.00%	Base Salary	--	156,749	--
Code: ENS.03.R14.M30 Level: M3						Actual Total Cash Compensation	--	194,138	--

Survey: Mercer Engineering & Design Survey - United States - Org Wtd

Scope: Industry - Super Sector: Energy

Data Cut: 2018 Mercer Engineering & Design Survey - United States - Org Wtd

Description : Associated Specializations: Civil/Construction/Structural Engineering (Construction) - M30; General Municipal Engineering (Construction & Civil Infrastructure) - M30; Heating & Ventilating Systems Engineering (Construction) - M30; Landscape Engineering (Construction) - M30; Rail Engineering (Construction & Civil Infrastructure) - M30; Structural Engineering: Buildings (Construction) - M30; Structural Engineering: Facade (Construction) - M30; Sub-Sea Engineering (Construction & Civil Infrastructure) - M30; Water/Waste Engineering (Construction & Civil Infrastructure) - M30

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Engineering|Civil Engineering|Manager (Supervisory/Management)-M2	14	95	100	0.00%	0.00%	Base Salary	119,925	128,422	142,901
Code: AZE040-M2 Level: M2						Actual Total Cash Compensation	128,500	143,388	161,174

Survey: WTW General Industry Middle Management, Professional & Support Survey - TAC - FP - United States - Org Wtd

Scope: Position Listing: For-Profit Organizations

Data Cut: 2018 WTW General Industry Middle Management, Professional & Support Survey - TAC - FP - United States - Org Wtd

Description : Function Description: Performs engineering work in operations, production, construction or maintenance environments. Designs and scales up manufacturing processes, instruments and equipment and tests manufactured products to maintain quality. Plans, designs and estimates time and cost and oversees construction and maintenance of structures, facilities, systems and components. Analyzes and develops solutions to engineering problems related to manufacturing equipment and systems or the causes of component failures. Develops and applies engineering standards and procedures and provides advice on issues within the engineering field. Discipline Description: Plans and designs structures and facilities such as bridges, railroads, roads, airports, harbors, dams, irrigation projects, pipelines, tunnels, power plants and other projects. Analyzes proposed projects to ensure structural reliability, resource efficiency and cost-effectiveness. May construct models to identify project specifications and meet related needs. Career Level description: Band: Manages professional employees and/or supervisors or supervises large, complex support, production or operations team(s). Has accountability for the performance and results of a team within own discipline or function. Adapts departmental plans and priorities to address resource and operational challenges. Decisions and problem-solving are guided by policies, procedures and business plan; receives guidance from senior manager. Provides technical guidance to employees, colleagues and/or customers.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Engineering|Gas Transmission Engineering|Manager (Supervisory/Management)-M2 Code: AZE570-M2 Level: M2	8	21	50	0.00%	0.00%	Base Salary	127,294	134,527	155,681
						Actual Total Cash Compensation	140,128	152,479	173,161

Survey: WTW Energy Services Middle Management, Professional & Support Survey - United States - Org Wtd

Scope: Industry Group: Energy Services and Utilities

Data Cut: 2018 WTW Energy Services Middle Management, Professional & Support Survey - United States - Org Wtd

Description : Function Description: Performs engineering work in operations, production, construction or maintenance environments. Designs and scales up manufacturing processes, instruments and equipment and tests manufactured products to maintain quality. Plans, designs and estimates time and cost and oversees construction and maintenance of structures, facilities, systems and components. Analyzes and develops solutions to engineering problems related to manufacturing equipment and systems or the causes of component failures. Develops and applies engineering standards and procedures and provides advice on issues within the engineering field. Discipline Description: Plans, designs and engineers pipelines and compressor stations and meter and regulator stations for natural gas transmission. Installs and inspects rectifier stations and anodes used to minimize corrosive effects of static-electricity discharge between gas pipeline and ground. Career Level description: Band: Manages professional employees and/or supervisors or supervises large, complex support, production or operations team(s). Has accountability for the performance and results of a team within own discipline or function. Adapts departmental plans and priorities to address resource and operational challenges. Decisions and problem-solving are guided by policies, procedures and business plan; receives guidance from senior manager. Provides technical guidance to employees, colleagues and/or customers.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Engineering|Gas Transmission Engineering|Manager (Supervisory/Management)-M2 Code: AZE570-M2 Level: M2	9	22	50	0.00%	0.00%	Base Salary	127,987	138,944	155,240
						Actual Total Cash Compensation	142,848	156,123	173,816

Survey: WTW Energy Services Middle Management, Professional & Support Survey - United States - Org Wtd

Scope: Total Sample

Data Cut: 2018 WTW Energy Services Middle Management, Professional & Support Survey - United States - Org Wtd

Description : Function Description: Performs engineering work in operations, production, construction or maintenance environments. Designs and scales up manufacturing processes, instruments and equipment and tests manufactured products to maintain quality. Plans, designs and estimates time and cost and oversees construction and maintenance of structures, facilities, systems and components. Analyzes and develops solutions to engineering problems related to manufacturing equipment and systems or the causes of component failures. Develops and applies engineering standards and procedures and provides advice on issues within the engineering field. Discipline Description: Plans, designs and engineers pipelines and compressor stations and meter and regulator stations for natural gas transmission. Installs and inspects rectifier stations and anodes used to minimize corrosive effects of static-electricity discharge between gas pipeline and ground. Career Level description: Band: Manages professional employees and/or supervisors or supervises large, complex support, production or operations team(s). Has accountability for the performance and results of a team within own discipline or function. Adapts departmental plans and priorities to address resource and operational challenges. Decisions and problem-solving are guided by policies, procedures and business plan; receives guidance from senior manager. Provides technical guidance to employees, colleagues and/or customers.

Comment : None

Market Comparison

Pay Type	Composite	Survey Pay Elements	Employee Pay Elements	Comparison	25th	50th	75th
Base 50 50th Percentile	Base (All Jobs)	Base Salary	Base Salary	Market	123,347	137,722	151,674
				Average Pay	--	--	--
				Differential	0.0	0.0	0.0

Overall Comment

None

Mgr, Fin Plan & Analytics | FIN-FNA-M1 / Finance

Job Details

Job Family	Financial Analysis	Global Grade	-
Country	United States	Communicated Level	-
Incs	0	Structure Name	-
		Structure Code	-

Grade None	Min	Mid	Max

Employee Pay	Avg
Base 50	-

Survey Matches (4)

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Corporate Finance (Financial Planning/ Analysis) - Team Leader (Para-Professionals) (M1)	11	22	100	0.00%	0.00%	Base Salary	74,711	87,173	95,943
						Actual Total Cash Compensation	82,200	87,173	107,918

Code: FIN.03.000.M10 Level: M1

Survey: Mercer Finance, Accounting, & Legal Survey - United States - Org Wtd

Scope: All Data

Data Cut: 2018 Mercer Finance, Accounting, & Legal Survey - United States - Org Wtd

Description : Positions in this sub-family are responsible for managing or performing work in some/all of the following areas: Analysis of internal financial information (e.g., profit loss accounts, financial statements, working capital, costs, prices, expenses, revenues, rates of return, etc.) Financial evaluation and modelling of potential investment opportunities, impacts of financial transactions and corporate development activities. Analysis of external economic conditions and their impact on business operations (e.g., inflation, interest rates, exchange rates, etc.) Mergers & Acquisition transaction execution (e.g., strategy, due diligence, negotiation, definitive documentation, and integration) A Team Leader (M1) supervises para-professional employees. Responsibilities typically include: Setting day-to-day operational objectives for team. Problems faced may be difficult but typically are not complex. Ensures policies, practices and procedures are understood and followed by direct reports, customers and stakeholders.

Comment : confirm GI match

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Financial Analysis and Tax|Financial Analysis| Supervisor (Supervisory/Management)-M1	17	54	50	0.00%	0.00%	Base Salary	97,042	104,379	113,300
						Actual Total Cash Compensation	107,290	117,061	133,067

Code: AFT010-M1 Level: M1

Survey: WTW Energy Services Middle Management, Professional & Support Survey - United States - Org Wtd

Scope: Industry Group: Energy Services and Utilities

Data Cut: 2018 WTW Energy Services Middle Management, Professional & Support Survey - United States - Org Wtd

Description : Function Description: Conducts financial analyses. Develops and prepares the organization's financial plans and budgets, interprets financial reports and tax returns, and maintains good corporate relations with the investment and banking communities. Discipline Description: Performs economic research and studies of rates of return, depreciation and investments. Analyzes profit-and-loss income statements and prepares reports and recommendations to management. Generates forecasts and analyzes trends in sales, finance and other areas of business. Researches economic progressions to assist the organization's financial planning. Creates financial models of "what if" scenarios for future business planning decisions in areas such as new product development, new marketing strategies, etc. Career Level description: Band: Coordinates and supervises the daily activities of a support, production or operations team. Sets priorities for the team to ensure task completion; coordinates work activities with other supervisors. Decisions and problem-solving are guided by policies, procedures and business plan; receives guidance and oversight from manager. Typically does not spend more than 20% of time performing the work supervised.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Financial Analysis and Tax|Financial Analysis| Supervisor (Supervisory/Management)-M1	19	58	50	0.00%	0.00%	Base Salary	96,470	102,832	111,592
						Actual Total Cash Compensation	106,400	113,207	130,541

Code: AFT010-M1 Level: M1

Survey: WTW Energy Services Middle Management, Professional & Support Survey - United States - Org Wtd

Scope: Total Sample

Data Cut: 2018 WTW Energy Services Middle Management, Professional & Support Survey - United States - Org Wtd

Description : Function Description: Conducts financial analyses. Develops and prepares the organization's financial plans and budgets, interprets financial reports and tax returns, and maintains good corporate relations with the investment and banking communities. Discipline Description: Performs economic research and studies of rates of return, depreciation and investments. Analyzes profit-and-loss income statements and prepares reports and recommendations to management. Generates forecasts and analyzes trends in sales, finance and other areas of business. Researches economic progressions to assist the organization's financial planning. Creates financial models of "what if" scenarios for future business planning decisions in areas such as new product development, new marketing strategies, etc. Career Level description: Band: Coordinates and supervises the daily activities of a support, production or operations team. Sets priorities for the team to ensure task completion; coordinates work activities with other supervisors. Decisions and problem-solving are guided by policies, procedures and business plan; receives guidance and oversight from manager. Typically does not spend more than 20% of time performing the work supervised.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Financial Analysis and Tax|Financial Analysis|Supervisor (Supervisory/Management)-M1 Code: AFT010-M1 Level: M1	85	556	100	0.00%	0.00%	Base Salary	84,582	98,333	105,259
						Actual Total Cash Compensation	89,042	104,251	116,673

Survey: WTW General Industry Middle Management, Professional & Support Survey - TAC - FP - United States - Org Wtd

Scope: Position Listing: For-Profit Organizations

Data Cut: 2018 WTW General Industry Middle Management, Professional & Support Survey - TAC - FP - United States - Org Wtd

Description : Function Description: Conducts financial analyses. Develops and prepares the organization's financial plans and budgets, interprets financial reports and tax returns, and maintains good corporate relations with the investment and banking communities. Discipline Description: Performs economic research and studies of rates of return, depreciation and investments. Analyzes profit-and-loss income statements and prepares reports and recommendations to management. Generates forecasts and analyzes trends in sales, finance and other areas of business. Researches economic progressions to assist the organization's financial planning. Creates financial models of "what if" scenarios for future business planning decisions in areas such as new product development, new marketing strategies, etc. Career Level description: Band: Coordinates and supervises the daily activities of a support, production or operations team. Sets priorities for the team to ensure task completion; coordinates work activities with other supervisors. Decisions and problem-solving are guided by policies, procedures and business plan; receives guidance and oversight from manager. Typically does not spend more than 20% of time performing the work supervised.

Comment : None

Market Comparison

Pay Type	Composite	Survey Pay Elements	Employee Pay Elements	Comparison	25th	50th	75th
Base 50 50th Percentile	Base (All Jobs)	Base Salary	Base Salary	Market	85,350	96,371	104,549
				Average Pay	--	--	--
				Differential	0.0	0.0	0.0

Overall Comment

None

Mgr, Marketing | SMK-MKT-M2 / Sales/Marketing

Job Details

Job Family	Marketing	Global Grade	-
Country	United States	Communicated Level	-
Incs	0	Structure Name	-
		Structure Code	-

Grade None	Min	Mid	Max

Employee Pay	Avg
Base 50	-

Survey Matches (5)

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Marketing Generalists - Manager (M3)	560	4199	33	0.00%	0.00%	Base Salary	88,706	104,833	124,956
Code: SMP.03.000.M30 Level: M3						Actual Total Cash Compensation	93,386	113,358	140,216

Survey: Mercer Sales, Marketing, & Communications Survey - United States - Org Wtd

Scope: All Data

Data Cut: 2018 Mercer Sales, Marketing, & Communications Survey - United States - Org Wtd

Description : Positions in this sub-family are responsible for advancing business growth by disseminating information that promotes a favorable view of the organization and its products and services. Activities include: Developing and implementing advertising/promotional campaigns. Conducting market research and identifying and predicting current and future consumer trends. Product management, including P&L activity and advertising R.O.I. (Return on Investment) analysis. Product planning & development. Promotional materials creation and distribution A Manager (M3) manages experienced professionals who exercise latitude and independence in assignments. Responsibilities typically include: Policy and strategy implementation for short-term results (1 year or less). Problems faced are difficult to moderately complex. Influences others outside of own job area regarding policies, practices and procedures.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Marketing Generalists - Manager (M3)	19	75	34	0.00%	0.00%	Base Salary	102,701	120,010	151,410
Code: SMP.03.000.M30 Level: M3						Actual Total Cash Compensation	119,399	140,274	190,701

Survey: Mercer Sales, Marketing, & Communications Survey - United States - Org Wtd

Scope: Industry - Super Sector: Energy

Data Cut: 2018 Mercer Sales, Marketing, & Communications Survey - United States - Org Wtd

Description : Positions in this sub-family are responsible for advancing business growth by disseminating information that promotes a favorable view of the organization and its products and services. Activities include: Developing and implementing advertising/promotional campaigns. Conducting market research and identifying and predicting current and future consumer trends. Product management, including P&L activity and advertising R.O.I. (Return on Investment) analysis. Product planning & development. Promotional materials creation and distribution A Manager (M3) manages experienced professionals who exercise latitude and independence in assignments. Responsibilities typically include: Policy and strategy implementation for short-term results (1 year or less). Problems faced are difficult to moderately complex. Influences others outside of own job area regarding policies, practices and procedures.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Marketing Generalists - Manager (M3)	94	188	33	0.00%	0.00%	Base Salary	85,975	100,000	118,827
Code: SMP.03.000.M30 Level: M3						Actual Total Cash Compensation	88,814	104,694	127,686

Survey: Mercer Sales, Marketing, & Communications Survey - United States - Org Wtd

Scope: Net Revenue - Millions: Less than 500 US Dollar in millions

Data Cut: 2018 Mercer Sales, Marketing, & Communications Survey - United States - Org Wtd

Description : Positions in this sub-family are responsible for advancing business growth by disseminating information that promotes a favorable view of the organization and its products and services. Activities include: Developing and implementing advertising/promotional campaigns. Conducting market research and identifying and predicting current and future consumer trends. Product management, including P&L activity and advertising R.O.I. (Return on Investment) analysis. Product planning & development. Promotional materials creation and distribution A Manager (M3) manages experienced professionals who exercise latitude and independence in assignments. Responsibilities typically include: Policy and strategy implementation for short-term results (1 year or less). Problems faced are difficult to moderately complex. Influences others outside of own job area regarding policies, practices and procedures.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Marketing|Marketing Generalist/Multidiscipline|Manager (Supervisory/Management)-M2	23	89	50	0.00%	0.00%	Base Salary	114,104	123,600	135,292
Code: AMK000-M2 Level: M2						Actual Total Cash Compensation	126,520	139,475	158,468

Survey: WTW Energy Services Middle Management, Professional & Support Survey - United States - Org Wtd

Scope: Industry Group: Energy Services and Utilities

Data Cut: 2018 WTW Energy Services Middle Management, Professional & Support Survey - United States - Org Wtd

Description : Function Description: Markets the organization's products, brands and/or services. Designs, develops and implements communication programs to advertise the organization's products/brands/services using media (e.g., print, broadcast, digital), events and sales promotions. Develops and evaluates pricing strategies and structures. Designs and maintains websites to promote and sell the organization's products through the Internet. Discipline Description: Designs, develops and implements marketing programs and/or pricing strategies to support the organization's products, services or market sector. Uses specific marketing strategies and media (e.g., print, broadcast, digital) to launch and position products and services in a sector. Identifies and implements marketing strategies and programs in collaboration with sales and technical teams. Responsibilities are within the Marketing Function as a generalist or in a combination of Disciplines. Career Level description: Band: Manages professional employees and/or supervisors or supervises large, complex support, production or operations team(s). Has accountability for the performance and results of a team within own discipline or function. Adapts departmental plans and priorities to address resource and operational challenges. Decisions and problem-solving are guided by policies, procedures and business plan; receives guidance from senior manager. Provides technical guidance to employees, colleagues and/or customers.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Marketing|Marketing Generalist/Multidiscipline|Manager (Supervisory/Management)-M2	25	92	50	0.00%	0.00%	Base Salary	114,553	125,000	135,816
Code: AMK000-M2 Level: M2						Actual Total Cash Compensation	126,871	139,600	160,848

Survey: WTW Energy Services Middle Management, Professional & Support Survey - United States - Org Wtd

Scope: Total Sample

Data Cut: 2018 WTW Energy Services Middle Management, Professional & Support Survey - United States - Org Wtd

Description : Function Description: Markets the organization's products, brands and/or services. Designs, develops and implements communication programs to advertise the organization's products/brands/services using media (e.g., print, broadcast, digital), events and sales promotions. Develops and evaluates pricing strategies and structures. Designs and maintains websites to promote and sell the organization's products through the Internet. Discipline Description: Designs, develops and implements marketing programs and/or pricing strategies to support the organization's products, services or market sector. Uses specific marketing strategies and media (e.g., print, broadcast, digital) to launch and position products and services in a sector. Identifies and implements marketing strategies and programs in collaboration with sales and technical teams. Responsibilities are within the Marketing Function as a generalist or in a combination of Disciplines. Career Level description: Band: Manages professional employees and/or supervisors or supervises large, complex support, production or operations team(s). Has accountability for the performance and results of a team within own discipline or function. Adapts departmental plans and priorities to address resource and operational challenges. Decisions and problem-solving are guided by policies, procedures and business plan; receives guidance from senior manager. Provides technical guidance to employees, colleagues and/or customers.

Comment : None

Market Comparison

Pay Type	Composite	Survey Pay Elements	Employee Pay Elements	Comparison	25th	50th	75th
Base 50 50th Percentile	Base (All Jobs)	Base Salary	Base Salary	Market	103,446	116,349	133,741
				Average Pay	--	--	--
				Differential	0.0	0.0	0.0

Overall Comment

None

Mgr, Operations | OPS-GTS-M1 / Operations

Job Details

Job Family	Gas Technical Services	Global Grade	-
Country	United States	Communicated Level	-
Incs	0	Structure Name	-
		Structure Code	-

Grade None	Min	Mid	Max

Employee Pay	Avg
Base 50	-

Survey Matches (5)

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Multiple Repair & Maintenance Trades Specializations - Team Leader (Professionals) (M2)	14	111	100	0.00%	0.00%	Base Salary	76,346	83,577	99,205
						Actual Total Cash Compensation	82,240	88,175	106,946

Code: PSK.05.999.M20 Level: M2

Survey: Mercer Manufacturing Survey - United States - Org Wtd

Scope: All Data

Data Cut: 2018 Mercer Manufacturing Survey - United States - Org Wtd

Description : This benchmark is intended for incumbents who have responsibility for more than one Specialization within the Sub-family. Level: A Team Leader (M2) supervises professional level employees (typically entry or experienced level) and may also supervise some para-professional employees. Responsibilities typically include: Setting goals and objectives for team members for achievement of operational results. Problems faced may be difficult but typically are not complex. Ensures policies, practices and procedures are understood and followed by direct reports, customers and stakeholders.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Energy Delivery/Distribution|Gas Distribution Construction and/or Maintenance|Supervisor (Supervisory/Management)-M1	28	1591	100	0.00%	0.00%	Base Salary	90,704	99,441	104,307
						Actual Total Cash Compensation	98,609	107,291	118,161

Code: EDD050-M1 Level: M1

Survey: WTW Energy Services Middle Management, Professional & Support Survey - United States - Org Wtd

Scope: Industry Group: Energy Services and Utilities

Data Cut: 2018 WTW Energy Services Middle Management, Professional & Support Survey - United States - Org Wtd

Description : Function Description: Directs, coordinates, implements and plans distribution activities that provide electric and/or gas service to customers, including operation, line construction and/or maintenance. Discipline Description: Constructs, removes and maintains gas distribution facilities and equipment, including pipe, gauges and valves. May be responsible for field engineering and/or operating activities. Coordinates, schedules and supervises crews engaged in the construction, removal and maintenance of facilities and equipment for gas distribution. Dispatches field crews engaged in the construction, maintenance and emergency restoration of gas service. Responsibilities may be limited to an assigned district or area. Career Level description: Band: Coordinates and supervises the daily activities of a support, production or operations team. Sets priorities for the team to ensure task completion; coordinates work activities with other supervisors. Decisions and problem-solving are guided by policies, procedures and business plan; receives guidance and oversight from manager. Typically does not spend more than 20% of time performing the work supervised.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Technical Specialty/Skilled Trade|Equipment Maintenance Technical Specialty|Supervisor (Supervisory/Management)-M1	7	17	50	0.00%	0.00%	Base Salary	67,173	75,000	89,164
						Actual Total Cash Compensation	73,188	78,000	95,820

Code: AZT010-M1 Level: M1

Survey: WTW General Industry Middle Management, Professional & Support Survey - TAC - FP - United States - Org Wtd

Scope: Break Name: Global Revenue | Break Value: Less than $500 Million | Position Listing: For-Profit Organizations

Data Cut: 2018 WTW General Industry Middle Management, Professional & Support Survey - TAC - FP - United States - Org Wtd

Description : Function Description: Provides technical support to engineers and scientists in areas such as production, operations, maintenance, safety, testing, process improvement or product development. Uses schematics, diagrams, written and verbal descriptions or defined plans to perform testing and troubleshooting on electronic or mechanical components, equipment or systems. Gathers, maintains, formats, compiles and manipulates technical data using established formulae and procedures and performs detailed mathematical calculations. Discipline Description: Performs preventive maintenance and repairs on equipment and systems (e.g., mechanical, electrical). Evaluates and recommends equipment improvements to improve availability, capability and yield. Performs equipment failure analyses (including preventive and unscheduled maintenance). Troubleshoots and diagnoses equipment problems. Prepares technical reports to document

equipment modifications and equipment maintenance procedures. Career Level description: Band: Coordinates and supervises the daily activities of a support, production or operations team. Sets priorities for the team to ensure task completion; coordinates work activities with other supervisors. Decisions and problem-solving are guided by policies, procedures and business plan; receives guidance and oversight from manager. Typically does not spend more than 20% of time performing the work supervised.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Technical Specialty/Skilled Trade|Equipment Maintenance Technical Specialty|Supervisor (Supervisory/Management)-M1	129	3110	50	0.00%	0.00%	Base Salary	75,000	82,588	92,762
						Actual Total Cash Compensation	77,982	87,168	100,953

Code: AZT010-M1 Level: M1

Survey: WTW General Industry Middle Management, Professional & Support Survey - TAC - FP - United States - Org Wtd

Scope: Position Listing: For-Profit Organizations

Data Cut: 2018 WTW General Industry Middle Management, Professional & Support Survey - TAC - FP - United States - Org Wtd

Description : Function Description: Provides technical support to engineers and scientists in areas such as production, operations, maintenance, safety, testing, process improvement or product development. Uses schematics, diagrams, written and verbal descriptions or defined plans to perform testing and troubleshooting on electronic or mechanical components, equipment or systems. Gathers, maintains, formats, compiles and manipulates technical data using established formulae and procedures and performs detailed mathematical calculations. Discipline Description: Performs preventive maintenance and repairs on equipment and systems (e.g., mechanical, electrical). Evaluates and recommends equipment improvements to improve availability, capability and yield. Performs equipment failure analyses (including preventive and unscheduled maintenance). Troubleshoots and diagnoses equipment problems. Prepares technical reports to document equipment modifications and equipment maintenance procedures. Career Level description: Band: Coordinates and supervises the daily activities of a support, production or operations team. Sets priorities for the team to ensure task completion; coordinates work activities with other supervisors. Decisions and problem-solving are guided by policies, procedures and business plan; receives guidance and oversight from manager. Typically does not spend more than 20% of time performing the work supervised.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Technical Specialty/Skilled Trade|Gas Transmission and/or Distribution Technical Specialty|Lead/Advanced (Technical Support)-T4	5	19	100	10.00%	0.00%	Base Salary	83,361	94,203	100,638
						Actual Total Cash Compensation	85,990	102,161	109,890

Code: AZT571-T4 Level: T4

Survey: WTW Energy Services Middle Management, Professional & Support Survey - United States - Org Wtd

Scope: Industry Group: Energy Services and Utilities

Data Cut: 2018 WTW Energy Services Middle Management, Professional & Support Survey - United States - Org Wtd

Description : Function Description: Provides technical support to engineers and scientists in areas such as production, operations, maintenance, safety, testing, process improvement or product development. Uses schematics, diagrams, written and verbal descriptions or defined plans to perform testing and troubleshooting on electronic or mechanical components, equipment or systems. Gathers, maintains, formats, compiles and manipulates technical data using established formulae and procedures and performs detailed mathematical calculations. Discipline Description: Provides expert technical support for gas transmission systems that transport natural gas by pipeline, including incidental storage and/or gas distribution systems that transport natural gas to the final consumer by pipeline. Focuses on pipeline and compressor systems for natural gas transmission and/or distribution, including activities such as installing and/or inspecting rectifier stations and anodes used to minimize corrosive effects of static-electricity discharge between gas pipeline and ground. Career Level description: Band: Has advanced and specialized expertise, typically developed through a combination of job-related training and considerable work experience. Proposes improvements to processes. May act as a lead, coordinating and facilitating the work of others but is not a supervisor. Works autonomously within established procedures and practices. Spends a majority of working time performing the same work processes and activities as employees on team.

Comment : no M1 match; adjust for level

Market Comparison

Pay Type	Composite	Survey Pay Elements	Employee Pay Elements	Comparison	25th	50th	75th
Base 50 50th Percentile	Base (All Jobs)	Base Salary	Base Salary	Market	80,374	89,004	98,778
				Average Pay	--	--	--
				Differential	0.0	0.0	0.0

Overall Comment

None

Mgr, Service | OPS-GTS-T4 / Operations

Job Details

Job Family	Gas Technical Services	Global Grade	-
Country	United States	Communicated Level	-
Incs	0	Structure Name	-
		Structure Code	-

Grade None	Min	Mid	Max

Employee Pay	Avg
Base 50	-

Survey Matches (8)

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Engineering Technicians - Specialist Para-Professional (S4)	48	2999	33	0.00%	0.00%	Base Salary	63,575	71,560	82,850
						Actual Total Cash Compensation	63,729	72,604	85,474

Code: ENS.05.000.S40 Level: S4

Survey: Mercer Engineering & Design Survey - United States - Org Wtd

Scope: All Data

Data Cut: 2018 Mercer Engineering & Design Survey - United States - Org Wtd

Description : Positions in this sub-family are responsible for performing engineering technician para-professional work to support/assist engineers in the organization. This sub-family captures various types of technicians, regardless of their area of specialization. Technicians who work in an Engineering discipline, or a related Engineering trade, but that do not possess the formal educational and experience requirements of a certified Engineer should be matched to this sub-family. A Specialist Para-Professional (S4) requires advanced knowledge of operational procedures and tools obtained through extensive work experience and may require vocational or technical education. Responsibilities may include: Working under limited supervision for non-routine situations and may be responsible for leading daily operations. Training, delegating and reviewing the work of lower level employees. Problems are typically difficult and non-routine but not complex.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Engineering Technicians - Specialist Para-Professional (S4)	5	621	34	0.00%	0.00%	Base Salary	--	74,470	--
						Actual Total Cash Compensation	--	79,018	--

Code: ENS.05.000.S40 Level: S4

Survey: Mercer Engineering & Design Survey - United States - Org Wtd

Scope: Industry - Super Sector: Energy

Data Cut: 2018 Mercer Engineering & Design Survey - United States - Org Wtd

Description : Positions in this sub-family are responsible for performing engineering technician para-professional work to support/assist engineers in the organization. This sub-family captures various types of technicians, regardless of their area of specialization. Technicians who work in an Engineering discipline, or a related Engineering trade, but that do not possess the formal educational and experience requirements of a certified Engineer should be matched to this sub-family. A Specialist Para-Professional (S4) requires advanced knowledge of operational procedures and tools obtained through extensive work experience and may require vocational or technical education. Responsibilities may include: Working under limited supervision for non-routine situations and may be responsible for leading daily operations. Training, delegating and reviewing the work of lower level employees. Problems are typically difficult and non-routine but not complex.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Engineering Technicians - Specialist Para-Professional (S4)	8	23	33	0.00%	0.00%	Base Salary	56,419	73,918	95,798
						Actual Total Cash Compensation	57,065	75,052	95,798

Code: ENS.05.000.S40 Level: S4

Survey: Mercer Engineering & Design Survey - United States - Org Wtd

Scope: Net Revenue - Millions: Less than 500 US Dollar In Millions

Data Cut: 2018 Mercer Engineering & Design Survey - United States - Org Wtd

Description : Positions in this sub-family are responsible for performing engineering technician para-professional work to support/assist engineers in the organization. This sub-family captures various types of technicians, regardless of their area of specialization. Technicians who work in an Engineering discipline, or a related Engineering trade, but that do not possess the formal educational and experience requirements of a certified Engineer should be matched to this sub-family. A Specialist Para-Professional (S4) requires advanced knowledge of operational procedures and tools obtained through extensive work experience and may require vocational or technical education. Responsibilities may include: Working under limited supervision for non-routine situations and may be responsible for leading daily operations. Training, delegating and reviewing the work of lower level employees. Problems are typically difficult and non-routine but not complex.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Energy Delivery/Distribution|Gas Distribution Construction and/or Maintenance|Lead/ Advanced (Technical Support)-T4	8	257	50	0.00%	0.00%	Base Salary	76,640	83,951	101,270
						Actual Total Cash Compensation	81,524	87,290	103,175

Code: EDD050-T4 Level: T4

Survey: WTW Energy Services Middle Management, Professional & Support Survey - United States - Org Wtd

Scope: Industry Group: Energy Services and Utilities

Data Cut: 2018 WTW Energy Services Middle Management, Professional & Support Survey - United States - Org Wtd

Description : Function Description: Directs, coordinates, implements and plans distribution activities that provide electric and/or gas service to customers, including operation, line construction and/or maintenance. Discipline Description: Constructs, removes and maintains gas distribution facilities and equipment, including pipe, gauges and valves. May be responsible for field engineering and/or operating activities. Coordinates, schedules and supervises crews engaged in the construction, removal and maintenance of facilities and equipment for gas distribution. Dispatches field crews engaged in the construction, maintenance and emergency restoration of gas service. Responsibilities may be limited to an assigned district or area. Career Level description: Band: Has advanced and specialized expertise, typically developed through a combination of job-related training and considerable work experience. Proposes improvements to processes. May act as a lead, coordinating and facilitating the work of others but is not a supervisor. Works autonomously within established procedures and practices. Spends a majority of working time performing the same work processes and activities as employees on team.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Energy Delivery/Distribution|Gas Distribution Construction and/or Maintenance|Lead/ Advanced (Technical Support)-T4	9	259	50	0.00%	0.00%	Base Salary	77,892	83,715	96,314
						Actual Total Cash Compensation	82,652	89,339	100,124

Code: EDD050-T4 Level: T4

Survey: WTW Energy Services Middle Management, Professional & Support Survey - United States - Org Wtd

Scope: Total Sample

Data Cut: 2018 WTW Energy Services Middle Management, Professional & Support Survey - United States - Org Wtd

Description : Function Description: Directs, coordinates, implements and plans distribution activities that provide electric and/or gas service to customers, including operation, line construction and/or maintenance. Discipline Description: Constructs, removes and maintains gas distribution facilities and equipment, including pipe, gauges and valves. May be responsible for field engineering and/or operating activities. Coordinates, schedules and supervises crews engaged in the construction, removal and maintenance of facilities and equipment for gas distribution. Dispatches field crews engaged in the construction, maintenance and emergency restoration of gas service. Responsibilities may be limited to an assigned district or area. Career Level description: Band: Has advanced and specialized expertise, typically developed through a combination of job-related training and considerable work experience. Proposes improvements to processes. May act as a lead, coordinating and facilitating the work of others but is not a supervisor. Works autonomously within established procedures and practices. Spends a majority of working time performing the same work processes and activities as employees on team.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Technical Specialty/Skilled Trade|Equipment Maintenance Technical Specialty|Lead/ Advanced (Technical Support)-T4	7	55	50	0.00%	0.00%	Base Salary	67,500	77,926	108,927
						Actual Total Cash Compensation	68,979	77,926	110,400

Code: AZT010-T4 Level: T4

Survey: WTW Energy Services Middle Management, Professional & Support Survey - United States - Org Wtd

Scope: Industry Group: Energy Services and Utilities

Data Cut: 2018 WTW Energy Services Middle Management, Professional & Support Survey - United States - Org Wtd

Description : Function Description: Provides technical support to engineers and scientists in areas such as production, operations, maintenance, safety, testing, process improvement or product development. Uses schematics, diagrams, written and verbal descriptions or defined plans to perform testing and troubleshooting on electronic or mechanical components, equipment or systems. Gathers, maintains, formats, compiles and manipulates technical data using established formulae and procedures and performs detailed mathematical calculations. Discipline Description: Performs preventive maintenance and repairs on equipment and systems (e.g., mechanical, electrical). Evaluates and recommends equipment improvements to improve availability, capability and yield. Performs equipment failure analyses (including preventive and unscheduled maintenance). Troubleshoots and diagnoses equipment problems. Prepares technical reports to document equipment modifications and equipment maintenance procedures. Career Level description: Band: Has advanced and specialized expertise, typically developed through a combination of job-related training and considerable work experience. Proposes improvements to processes. May act as a lead, coordinating and facilitating the work of others but is not a supervisor. Works autonomously within established procedures and practices. Spends a majority of working time performing the same work processes and activities as employees on team.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Technical Specialty/Skilled Trade|Equipment	10	106	50	0.00%	0.00%	Base Salary	74,033	78,019	97,089

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Maintenance Technical Specialty|Lead/ Advanced (Technical Support)-T4						Actual Total Cash Compensation	74,402	80,988	107,978

Code: AZT010-T4 Level: T4

Survey: WTW Energy Services Middle Management, Professional & Support Survey - United States - Org Wtd

Scope: Total Sample

Data Cut: 2018 WTW Energy Services Middle Management, Professional & Support Survey - United States - Org Wtd

Description : Function Description: Provides technical support to engineers and scientists in areas such as production, operations, maintenance, safety, testing, process improvement or product development. Uses schematics, diagrams, written and verbal descriptions or defined plans to perform testing and troubleshooting on electronic or mechanical components, equipment or systems. Gathers, maintains, formats, compiles and manipulates technical data using established formulae and procedures and performs detailed mathematical calculations. Discipline Description: Performs preventive maintenance and repairs on equipment and systems (e.g., mechanical, electrical). Evaluates and recommends equipment improvements to improve availability, capability and yield. Performs equipment failure analyses (including preventive and unscheduled maintenance). Troubleshoots and diagnoses equipment problems. Prepares technical reports to document equipment modifications and equipment maintenance procedures. Career Level description: Band: Has advanced and specialized expertise, typically developed through a combination of job-related training and considerable work experience. Proposes improvements to processes. May act as a lead, coordinating and facilitating the work of others but is not a supervisor. Works autonomously within established procedures and practices. Spends a majority of working time performing the same work processes and activities as employees on team.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Technical Specialty/Skilled Trade|Equipment Maintenance Technical Specialty|Lead/ Advanced (Technical Support)-T4	61	2355	100	0.00%	0.00%	Base Salary	62,962	69,591	78,082
						Actual Total Cash Compensation	63,632	71,399	79,889

Code: AZT010-T4 Level: T4

Survey: WTW General Industry Middle Management, Professional & Support Survey - TAC - FP - United States - Org Wtd

Scope: Position Listing: For-Profit Organizations

Data Cut: 2018 WTW General Industry Middle Management, Professional & Support Survey - TAC - FP - United States - Org Wtd

Description : Function Description: Provides technical support to engineers and scientists in areas such as production, operations, maintenance, safety, testing, process improvement or product development. Uses schematics, diagrams, written and verbal descriptions or defined plans to perform testing and troubleshooting on electronic or mechanical components, equipment or systems. Gathers, maintains, formats, compiles and manipulates technical data using established formulae and procedures and performs detailed mathematical calculations. Discipline Description: Performs preventive maintenance and repairs on equipment and systems (e.g., mechanical, electrical). Evaluates and recommends equipment improvements to improve availability, capability and yield. Performs equipment failure analyses (including preventive and unscheduled maintenance). Troubleshoots and diagnoses equipment problems. Prepares technical reports to document equipment modifications and equipment maintenance procedures. Career Level description: Band: Has advanced and specialized expertise, typically developed through a combination of job-related training and considerable work experience. Proposes improvements to processes. May act as a lead, coordinating and facilitating the work of others but is not a supervisor. Works autonomously within established procedures and practices. Spends a majority of working time performing the same work processes and activities as employees on team.

Comment : None

Market Comparison

Pay Type	Composite	Survey Pay Elements	Employee Pay Elements	Comparison	25th	50th	75th
Base 50 50th Percentile	Base (All Jobs)	Base Salary	Base Salary	Market	68,468	76,181	92,578
				Average Pay	--	--	--
				Differential	0.0	0.0	0.0

Overall Comment

None

Network Administrator | ITS-INF-T2 / IT

Job Details

Job Family	Infrastructure	Global Grade	-
Country	United States	Communicated Level	-
Incs	0	Structure Name	-
		Structure Code	-

Grade None	Min	Mid	Max

Employee Pay	Avg
Base 50	-

Survey Matches (4)

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
IT Data/Voice Network Administration - Experienced Para-Professional (S2)	11	46	100	0.00%	0.00%	Base Salary	50,003	54,174	62,716
						Actual Total Cash Compensation	50,003	55,678	62,716

Code: ITC.08.031.S20 Level: S2

Survey: Mercer/Gartner Information Technology Survey - United States - Org Wtd

Scope: All Data

Data Cut: 2018 Mercer/Gartner Information Technology Survey - United States - Org Wtd

Description : IT Data/Voice Network Administration work focuses on planning the network implementation, determining physical and logical layouts, installing, configuring, and maintaining ICT data and voice networks including: Meeting end user needs by ensuring the uptime, performance, resource availability, and security of the networks managed within established budgets and operational guidelines. Determining and diagramming the physical layout which illustrates the physical location of and the connections between devices participating on the network. Determining and diagramming the logical layout which documents the communication protocols (e.g., IP, TCP, POP3, etc.) and type of service/application (email, file transfer, web browsing, etc.) for each segment of the network. Automating routine tasks using scripting and writing basic computer programs to address more complex systems software configuration and enhancement Level: An Experienced Para-Professional (S2) requires basic knowledge of job procedures and tools obtained through work experience and may require vocational or technical education. May require the following proficiency: Works under moderate supervision. Problems are typically of a routine nature, but may at times require interpretation or deviation from standard procedures. Communicates information that requires some explanation or interpretation. Typical Title: IT Data/Voice Network Administration Assistant.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Network Operations & Control (NOC) Technician (Telecommunications) - Experienced Para-Professional (S2)	72	456	50	0.00%	0.00%	Base Salary	56,166	62,410	69,099
						Actual Total Cash Compensation	56,912	63,988	69,963

Code: ENS.05.132.S20 Level: S2

Survey: Mercer/Gartner Information Technology Survey - United States - Org Wtd

Scope: All Data

Data Cut: 2018 Mercer/Gartner Information Technology Survey - United States - Org Wtd

Description : Operating from a remote base or in a Network Operations Control environment monitors critical network elements to keep the network and systems functioning in a stable operation mode. Assists in ensuring quick service restoration of problems using fault management procedures. Assists in the documentation of NOC processes, procedures, and resolution information. Level: An Experienced Para-Professional (S2) requires basic knowledge of job procedures and tools obtained through work experience and may require vocational or technical education. May require the following proficiency: Works under moderate supervision. Problems are typically of a routine nature, but may at times require interpretation or deviation from standard procedures. Communicates information that requires some explanation or interpretation.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Network Operations & Control (NOC) Technician (Telecommunications) - Experienced Para-Professional (S2)	10	77	50	0.00%	0.00%	Base Salary	59,748	64,206	80,388
						Actual Total Cash Compensation	61,253	69,806	85,821

Code: ENS.05.132.S20 Level: S2

Survey: Mercer/Gartner Information Technology Survey - United States - Org Wtd

Scope: Industry - Super Sector: Energy

Data Cut: 2018 Mercer/Gartner Information Technology Survey - United States - Org Wtd

Description : Operating from a remote base or in a Network Operations Control environment monitors critical network elements to keep the network and systems functioning in a stable operation mode. Assists in ensuring quick service restoration of problems using fault management procedures. Assists in the documentation of NOC processes, procedures, and resolution information. Level: An Experienced Para-Professional (S2) requires basic knowledge of job procedures and tools obtained through work experience and may require vocational or technical education. May require the following proficiency: Works under moderate supervision. Problems are typically of a routine nature, but may at times require interpretation or deviation from standard procedures. Communicates information that requires some explanation or interpretation.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
IT Administration|Network Control/ Administration|Intermediate (Technical Support)-T2	22	298	100	0.00%	0.00%	Base Salary	49,343	54,656	60,491
						Actual Total Cash Compensation	49,343	56,772	61,005

Code: AIT040-T2 Level: T2

Survey: WTW General Industry Middle Management, Professional & Support Survey - TAC - FP - United States - Org Wtd

Scope: Position Listing: For-Profit Organizations

Data Cut: 2018 WTW General Industry Middle Management, Professional & Support Survey - TAC - FP - United States - Org Wtd

Description : Function Description: Manages the Information Technology (IT) infrastructure within an organization, including the physical network (e.g., LANs/ WANs, servers, terminals) as well as server applications and software (e.g., PeopleSoft, Oracle). Configures, installs, maintains and upgrades server applications and hardware. Discipline Description: Provides technical expertise in the management of a public and/or private network; tests and analyzes network facilities, including network control software, routers, switches, lines, modems, adapters and servers. Installs, supports and/or maintains LANs and/or WANs; evaluates and recommends networking product and software upgrades. Performs technical analyses of software, hardware and transmission facilities using various diagnostic tools in support of efficient network operations. Monitors data traffic and controls network resource performance to ensure high-quality transmission. Identifies, diagnoses and resolves technical problems related to network failure/integrity and usage of PC hardware and software. Career Level description: Band: Has working knowledge and skills to perform a defined set of analytical/scientific methods or operational processes. Applies experience and skills to complete assigned work within own area of expertise. Works within standard operating procedures and/or scientific methods. Works with a moderate degree of supervision.

Comment : None

Market Comparison

Pay Type	Composite	Survey Pay Elements	Employee Pay Elements	Comparison	25th	50th	75th
Base 50 50th Percentile	Base (All Jobs)	Base Salary	Base Salary	Market	52,434	57,379	65,984
				Average Pay	--	--	--
				Differential	0.0	0.0	0.0

Overall Comment

None

Network Engineer | ITS-INF-T4 / IT

Job Details

Job Family	Infrastructure	Global Grade	-
Country	United States	Communicated Level	-
Incs	0	Structure Name	-
		Structure Code	-

Grade None	Min	Mid	Max

Employee Pay	Avg
Base 50	-

Survey Matches (4)

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
IT Data/Voice Network Administration - Senior Para-Professional (S3)	9	60	100	10.00%	0.00%	Base Salary	66,941	73,385	88,768
						Actual Total Cash Compensation	67,990	73,385	89,758

Code: ITC.08.031.S30 Level: S3

Survey: Mercer/Gartner Information Technology Survey - United States - Org Wtd

Scope: All Data

Data Cut: 2018 Mercer/Gartner Information Technology Survey - United States - Org Wtd

Description : IT Data/Voice Network Administration work focuses on planning the network implementation, determining physical and logical layouts, installing, configuring, and maintaining ICT data and voice networks including: Meeting end user needs by ensuring the uptime, performance, resource availability, and security of the networks managed within established budgets and operational guidelines. Determining and diagramming the physical layout which illustrates the physical location of and the connections between devices participating on the network. Determining and diagramming the logical layout which documents the communication protocols (e.g., IP, TCP, POP3, etc.) and type of service/application (email, file transfer, web browsing, etc.) for each segment of the network. Automating routine tasks using scripting and writing basic computer programs to address more complex systems software configuration and enhancement Level: A Senior Para-Professional (S3) requires broad knowledge of operational procedures and tools obtained through extensive work experience and may require vocational or technical education. May require the following proficiency: Works under limited supervision for routine situations. Provides assistance and training to lower level employees. Problems typically are not routine and require analysis to understand. Typical Title: IT Data/Voice Network Administration Assistant.

Comment : adjust for level

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Network Operations & Control (NOC) Technician (Telecommunications) - Senior Para-Professional (S3)	54	1024	100	10.00%	0.00%	Base Salary	77,736	83,719	91,219
						Actual Total Cash Compensation	78,170	85,459	95,681

Code: ENS.05.132.S30 Level: S3

Survey: Mercer/Gartner Information Technology Survey - United States - Org Wtd

Scope: All Data

Data Cut: 2018 Mercer/Gartner Information Technology Survey - United States - Org Wtd

Description : Operating from a remote base or in a Network Operations Control environment monitors critical network elements to keep the network and systems functioning in a stable operation mode. Assists in ensuring quick service restoration of problems using fault management procedures. Assists in the documentation of NOC processes, procedures, and resolution information. Level: A Senior Para-Professional (S3) requires broad knowledge of operational procedures and tools obtained through extensive work experience and may require vocational or technical education. May require the following proficiency: Works under limited supervision for routine situations. Provides assistance and training to lower level employees. Problems typically are not routine and require analysis to understand.

Comment : adjust for level

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Network Operations & Control (NOC) Technician (Telecommunications) - Senior Para-Professional (S3)	9	119	100	0.00%	0.00%	Base Salary	71,307	81,998	87,490
						Actual Total Cash Compensation	75,728	86,851	94,101

Code: ENS.05.132.S30 Level: S3

Survey: Mercer/Gartner Information Technology Survey - United States - Org Wtd

Scope: Industry - Super Sector: Energy

Data Cut: 2018 Mercer/Gartner Information Technology Survey - United States - Org Wtd

Description : Operating from a remote base or in a Network Operations Control environment monitors critical network elements to keep the network and systems functioning in a stable operation mode. Assists in ensuring quick service restoration of problems using fault management procedures. Assists in the documentation of NOC processes, procedures, and resolution information. Level: A Senior Para-Professional (S3) requires broad knowledge of operational procedures and tools obtained through extensive work experience and may require vocational or technical education. May require the following proficiency: Works under limited supervision for routine situations. Provides assistance and training to lower level employees. Problems typically are not routine and require analysis to understand.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
IT Administration|Network Control/ Administration|Lead/Advanced (Technical Support)-T4	16	180	100	0.00%	0.00%	Base Salary	68,103	90,277	103,813
						Actual Total Cash Compensation	70,196	96,782	106,813

Code: AIT040-T4 Level: T4

Survey: WTW General Industry Middle Management, Professional & Support Survey - TAC - FP - United States - Org Wtd

Scope: Position Listing: For-Profit Organizations

Data Cut: 2018 WTW General Industry Middle Management, Professional & Support Survey - TAC - FP - United States - Org Wtd

Description : Function Description: Manages the Information Technology (IT) infrastructure within an organization, including the physical network (e.g., LANs/ WANs, servers, terminals) as well as server applications and software (e.g., PeopleSoft, Oracle). Configures, installs, maintains and upgrades server applications and hardware. Discipline Description: Provides technical expertise in the management of a public and/or private network; tests and analyzes network facilities, including network control software, routers, switches, lines, modems, adapters and servers. Installs, supports and/or maintains LANs and/or WANs; evaluates and recommends networking product and software upgrades. Performs technical analyses of software, hardware and transmission facilities using various diagnostic tools in support of efficient network operations. Monitors data traffic and controls network resource performance to ensure high-quality transmission. Identifies, diagnoses and resolves technical problems related to network failure/integrity and usage of PC hardware and software. Career Level description: Band: Has advanced and specialized expertise, typically developed through a combination of job-related training and considerable work experience. Proposes improvements to processes. May act as a lead, coordinating and facilitating the work of others but is not a supervisor. Works autonomously within established procedures and practices. Spends a majority of working time performing the same work processes and activities as employees on team.

Comment : None

Market Comparison

Pay Type	Composite	Survey Pay Elements	Employee Pay Elements	Comparison	25th	50th	75th
Base 50 50th Percentile	Base (All Jobs)	Base Salary	Base Salary	Market	71,022	82,345	92,822
				Average Pay	--	--	--
				Differential	0.0	0.0	0.0

Overall Comment

None

Operations Tech I | OPS-GTS-T1 / Operations

Job Details

Job Family	Gas Technical Services	Global Grade	-
Country	United States	Communicated Level	-
Incs	0	Structure Name	-
		Structure Code	-

Grade None	Min	Mid	Max

Employee Pay	Avg
Base 50	-

Survey Matches (6)

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Engineering Technicians - Entry Para-Professional (S1)	266	6322	33	0.00%	0.00%	Base Salary	36,469	41,730	48,744
						Actual Total Cash Compensation	37,164	43,425	49,691

Code: ENS.05.000.S10 Level: S1

Survey: Mercer Manufacturing Survey - United States - Org Wtd

Scope: All Data

Data Cut: 2018 Mercer Manufacturing Survey - United States - Org Wtd

Description : Positions in this sub-family are responsible for performing engineering technician para-professional work to support/assist engineers in the organization. This sub-family captures various types of technicians, regardless of their area of specialization. Technicians who work in an Engineering discipline, or a related Engineering trade, but that do not possess the formal educational and experience requirements of a certified Engineer should be matched to this sub-family. An Entry Para-Professional (S1) is an entry-level position typically requiring little to no prior knowledge or experience. Work is routine or follows standard procedures. Work is closely supervised. Communicates information that requires little explanation or interpretation.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Engineering Technicians - Entry Para-Professional (S1)	12	195	34	0.00%	0.00%	Base Salary	39,747	44,487	49,507
						Actual Total Cash Compensation	39,884	45,069	49,507

Code: ENS.05.000.S10 Level: S1

Survey: Mercer Manufacturing Survey - United States - Org Wtd

Scope: Industry - Super Sector: Energy

Data Cut: 2018 Mercer Manufacturing Survey - United States - Org Wtd

Description : Positions in this sub-family are responsible for performing engineering technician para-professional work to support/assist engineers in the organization. This sub-family captures various types of technicians, regardless of their area of specialization. Technicians who work in an Engineering discipline, or a related Engineering trade, but that do not possess the formal educational and experience requirements of a certified Engineer should be matched to this sub-family. An Entry Para-Professional (S1) is an entry-level position typically requiring little to no prior knowledge or experience. Work is routine or follows standard procedures. Work is closely supervised. Communicates information that requires little explanation or interpretation.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Engineering Technicians - Entry Para-Professional (S1)	61	449	33	0.00%	0.00%	Base Salary	36,844	41,267	47,632
						Actual Total Cash Compensation	38,114	42,093	48,058

Code: ENS.05.000.S10 Level: S1

Survey: Mercer Manufacturing Survey - United States - Org Wtd

Scope: Net Revenue - Millions: Less than 500 US Dollar In Millions

Data Cut: 2018 Mercer Manufacturing Survey - United States - Org Wtd

Description : Positions in this sub-family are responsible for performing engineering technician para-professional work to support/assist engineers in the organization. This sub-family captures various types of technicians, regardless of their area of specialization. Technicians who work in an Engineering discipline, or a related Engineering trade, but that do not possess the formal educational and experience requirements of a certified Engineer should be matched to this sub-family. An Entry Para-Professional (S1) is an entry-level position typically requiring little to no prior knowledge or experience. Work is routine or follows standard procedures. Work is closely supervised. Communicates information that requires little explanation or interpretation.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Energy Delivery/Distribution|Gas Distribution	7	268	100	-10.00%	0.00%	Base Salary	48,653	49,978	60,023

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Construction and/or Maintenance|Intermediate (Technical Support)-T2						Actual Total Cash Compensation	50,599	52,511	60,023

Code: EDD050-T2   Level: T2

Survey: WTW Energy Services Middle Management, Professional & Support Survey - United States - Org Wtd

Scope: Industry Group: Energy Services and Utilities

Data Cut: 2018 WTW Energy Services Middle Management, Professional & Support Survey - United States - Org Wtd

Description : Function Description: Directs, coordinates, implements and plans distribution activities that provide electric and/or gas service to customers, including operation, line construction and/or maintenance. Discipline Description: Constructs, removes and maintains gas distribution facilities and equipment, including pipe, gauges and valves. May be responsible for field engineering and/or operating activities. Coordinates, schedules and supervises crews engaged in the construction, removal and maintenance of facilities and equipment for gas distribution. Dispatches field crews engaged in the construction, maintenance and emergency restoration of gas service. Responsibilities may be limited to an assigned district or area. Career Level description: Band: Has working knowledge and skills to perform a defined set of analytical/scientific methods or operational processes. Applies experience and skills to complete assigned work within own area of expertise. Works within standard operating procedures and/or scientific methods. Works with a moderate degree of supervision.

Comment : no T1 match; adjust for level

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Technical Specialty/Skilled Trade|Equipment Maintenance Technical Specialty|Entry (Technical Support)-T1	10	231	50	0.00%	0.00%	Base Salary	40,108	52,304	67,807
						Actual Total Cash Compensation	47,356	58,463	72,824

Code: AZT010-T1   Level: T1

Survey: WTW Energy Services Middle Management, Professional & Support Survey - United States - Org Wtd

Scope: Industry Group: Energy Services and Utilities

Data Cut: 2018 WTW Energy Services Middle Management, Professional & Support Survey - United States - Org Wtd

Description : Function Description: Provides technical support to engineers and scientists in areas such as production, operations, maintenance, safety, testing, process improvement or product development. Uses schematics, diagrams, written and verbal descriptions or defined plans to perform testing and troubleshooting on electronic or mechanical components, equipment or systems. Gathers, maintains, formats, compiles and manipulates technical data using established formulae and procedures and performs detailed mathematical calculations. Discipline Description: Performs preventive maintenance and repairs on equipment and systems (e.g., mechanical, electrical). Evaluates and recommends equipment improvements to improve availability, capability and yield. Performs equipment failure analyses (including preventive and unscheduled maintenance). Troubleshoots and diagnoses equipment problems. Prepares technical reports to document equipment modifications and equipment maintenance procedures. Career Level description: Band: Has basic skills in an analytical or scientific method or operational process. Works within clearly defined standard operating procedures and/or scientific methods and adheres to quality guidelines. Works with close supervision.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Technical Specialty/Skilled Trade|Equipment Maintenance Technical Specialty|Entry (Technical Support)-T1	13	266	50	0.00%	0.00%	Base Salary	39,989	55,037	62,861
						Actual Total Cash Compensation	45,516	59,112	67,297

Code: AZT010-T1   Level: T1

Survey: WTW Energy Services Middle Management, Professional & Support Survey - United States - Org Wtd

Scope: Total Sample

Data Cut: 2018 WTW Energy Services Middle Management, Professional & Support Survey - United States - Org Wtd

Description : Function Description: Provides technical support to engineers and scientists in areas such as production, operations, maintenance, safety, testing, process improvement or product development. Uses schematics, diagrams, written and verbal descriptions or defined plans to perform testing and troubleshooting on electronic or mechanical components, equipment or systems. Gathers, maintains, formats, compiles and manipulates technical data using established formulae and procedures and performs detailed mathematical calculations. Discipline Description: Performs preventive maintenance and repairs on equipment and systems (e.g., mechanical, electrical). Evaluates and recommends equipment improvements to improve availability, capability and yield. Performs equipment failure analyses (including preventive and unscheduled maintenance). Troubleshoots and diagnoses equipment problems. Prepares technical reports to document equipment modifications and equipment maintenance procedures. Career Level description: Band: Has basic skills in an analytical or scientific method or operational process. Works within clearly defined standard operating procedures and/or scientific methods and adheres to quality guidelines. Works with close supervision.

Comment : None

Market Comparison

Pay Type	Composite	Survey Pay Elements	Employee Pay Elements	Comparison	25th	50th	75th
Base 50 50th Percentile	Base (All Jobs)	Base Salary	Base Salary	Market	42,136	48,721	57,998
				Average Pay	--	--	--
				Differential	0.0	0.0	0.0

Overall Comment

None

Project Manager | OPS-PMG-P3 / Operations

Job Details

Job Family	Project Management	Global Grade	-
Country	United States	Communicated Level	-
Incs	0	Structure Name	-
		Structure Code	-

Grade None	Min	Mid	Max

Employee Pay	Avg
Base 50	-

Survey Matches (8)

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
General Business Project/Program Management - Senior Professional (P3)	557	13627	3	0.00%	0.00%	Base Salary	87,719	98,729	112,488
						Actual Total Cash Compensation	91,443	104,958	120,013

Code: PPM.01.000.P30 Level: P3

Survey: Mercer Corporate Services & Human Resources Survey - United States - Org Wtd

Scope: All Data

Data Cut: 2018 Mercer Corporate Services & Human Resources Survey - United States - Org Wtd

Description : Positions in this sub-family are responsible for planning, organizing, and controlling resources/processes to achieve project/program objectives within scope, time, quality, and budget constraints. General project management work requires only general knowledge of the project/business requirements and no specific technical knowledge is required. A Senior Professional (P3) applies advanced knowledge of job area typically obtained through advanced education and work experience. Responsibilities may include: Managing projects / processes, working independently with limited supervision. Coaching and reviewing the work of lower level professionals. Problems faced are difficult and sometimes complex.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
General Business Project/Program Management - Senior Professional (P3)	38	417	34	0.00%	0.00%	Base Salary	89,554	106,367	117,087
						Actual Total Cash Compensation	91,575	115,554	130,106

Code: PPM.01.000.P30 Level: P3

Survey: Mercer Corporate Services & Human Resources Survey - United States - Org Wtd

Scope: Industry - Super Sector: Energy

Data Cut: 2018 Mercer Corporate Services & Human Resources Survey - United States - Org Wtd

Description : Positions in this sub-family are responsible for planning, organizing, and controlling resources/processes to achieve project/program objectives within scope, time, quality, and budget constraints. General project management work requires only general knowledge of the project/business requirements and no specific technical knowledge is required. A Senior Professional (P3) applies advanced knowledge of job area typically obtained through advanced education and work experience. Responsibilities may include: Managing projects / processes, working independently with limited supervision. Coaching and reviewing the work of lower level professionals. Problems faced are difficult and sometimes complex.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
General Business Project/Program Management - Senior Professional (P3)	79	420	33	0.00%	0.00%	Base Salary	85,781	97,382	111,674
						Actual Total Cash Compensation	86,619	102,616	118,150

Code: PPM.01.000.P30 Level: P3

Survey: Mercer Corporate Services & Human Resources Survey - United States - Org Wtd

Scope: Net Revenue - Millions: Less than 500 US Dollar In Millions

Data Cut: 2018 Mercer Corporate Services & Human Resources Survey - United States - Org Wtd

Description : Positions in this sub-family are responsible for planning, organizing, and controlling resources/processes to achieve project/program objectives within scope, time, quality, and budget constraints. General project management work requires only general knowledge of the project/business requirements and no specific technical knowledge is required. A Senior Professional (P3) applies advanced knowledge of job area typically obtained through advanced education and work experience. Responsibilities may include: Managing projects / processes, working independently with limited supervision. Coaching and reviewing the work of lower level professionals. Problems faced are difficult and sometimes complex.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Project/Program Management|Project/Program	59	974	34	0.00%	0.00%	Base Salary	93,261	101,078	108,151

	Pay Elements	25th	50th	75th
Management Generalist/Multidiscipline|Career (Professional)-P3	Actual Total Cash Compensation	102,977	109,887	121,212

Code: APM000-P3 Level: P3

Survey: WTW Energy Services Middle Management, Professional & Support Survey - United States - Org Wtd

Scope: Industry Group: Energy Services and Utilities

Data Cut: 2018 WTW Energy Services Middle Management, Professional & Support Survey - United States - Org Wtd

Description : Function Description: Plans, monitors and manages internal projects from initiation through completion. Secures required resources and uses formal processes and tools to manage resources, budgets, risks and changes. Manages projects to ensure on-time completion according to specifications and within budgeted costs. At the higher levels, incumbents manage large multifaceted projects; at lower levels, incumbents may be concerned with clearly identifiable elements or functions within a larger project. Typically incumbents matched to this function are working towards or have achieved certification in project management. Discipline Description: Plans, monitors and manages internal projects from initiation through completion. Leads or coordinates project planning, resourcing, staffing, supply and subcontract management, progress reporting, troubleshooting and people management. Ensures project results meet requirements regarding technical quality, reliability, schedule and cost. Monitors performance and recommends schedule changes, cost adjustments or resource additions. Responsibilities are within the Project/Program Management Function as a generalist or in a combination of Disciplines. Career Level description: Band: Has in-depth knowledge in own discipline and basic knowledge of related disciplines. Solves complex problems; takes a new perspective on existing solutions. Works independently; receives minimal guidance. May lead projects or project steps within a broader project or have accountability for ongoing activities or objectives. Acts as a resource for colleagues with less experience. May represent the level at which career may stabilize for many years or even until retirement.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Project/Program Management|Project/Program Management Generalist/Multidiscipline|Career (Professional)-P3	22	125	33	0.00%	0.00%	Base Salary	91,311	106,052	124,040
						Actual Total Cash Compensation	95,627	110,751	141,152

Code: APM000-P3 Level: P3

Survey: WTW Energy Services Middle Management, Professional & Support Survey - United States - Org Wtd

Scope: Revenue: Less than $1Billion

Data Cut: 2018 WTW Energy Services Middle Management, Professional & Support Survey - United States - Org Wtd

Description : Function Description: Plans, monitors and manages internal projects from initiation through completion. Secures required resources and uses formal processes and tools to manage resources, budgets, risks and changes. Manages projects to ensure on-time completion according to specifications and within budgeted costs. At the higher levels, incumbents manage large multifaceted projects; at lower levels, incumbents may be concerned with clearly identifiable elements or functions within a larger project. Typically incumbents matched to this function are working towards or have achieved certification in project management. Discipline Description: Plans, monitors and manages internal projects from initiation through completion. Leads or coordinates project planning, resourcing, staffing, supply and subcontract management, progress reporting, troubleshooting and people management. Ensures project results meet requirements regarding technical quality, reliability, schedule and cost. Monitors performance and recommends schedule changes, cost adjustments or resource additions. Responsibilities are within the Project/Program Management Function as a generalist or in a combination of Disciplines. Career Level description: Band: Has in-depth knowledge in own discipline and basic knowledge of related disciplines. Solves complex problems; takes a new perspective on existing solutions. Works independently; receives minimal guidance. May lead projects or project steps within a broader project or have accountability for ongoing activities or objectives. Acts as a resource for colleagues with less experience. May represent the level at which career may stabilize for many years or even until retirement.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Project/Program Management|Project/Program Management Generalist/Multidiscipline|Career (Professional)-P3	67	1158	33	0.00%	0.00%	Base Salary	93,129	100,114	107,599
						Actual Total Cash Compensation	100,487	107,713	121,212

Code: APM000-P3 Level: P3

Survey: WTW Energy Services Middle Management, Professional & Support Survey - United States - Org Wtd

Scope: Total Sample

Data Cut: 2018 WTW Energy Services Middle Management, Professional & Support Survey - United States - Org Wtd

Description : Function Description: Plans, monitors and manages internal projects from initiation through completion. Secures required resources and uses formal processes and tools to manage resources, budgets, risks and changes. Manages projects to ensure on-time completion according to specifications and within budgeted costs. At the higher levels, incumbents manage large multifaceted projects; at lower levels, incumbents may be concerned with clearly identifiable elements or functions within a larger project. Typically incumbents matched to this function are working towards or have achieved certification in project management. Discipline Description: Plans, monitors and manages internal projects from initiation through completion. Leads or coordinates project planning, resourcing, staffing, supply and subcontract management, progress reporting, troubleshooting and people management. Ensures project results meet requirements regarding technical quality, reliability, schedule and cost. Monitors performance and recommends schedule changes, cost adjustments or resource additions. Responsibilities are within the Project/Program Management Function as a generalist or in a combination of Disciplines. Career Level description: Band: Has in-depth knowledge in own discipline and basic knowledge of related disciplines. Solves complex problems; takes a new perspective on existing solutions. Works independently; receives minimal guidance. May lead projects or project steps within a broader project or have accountability for ongoing activities or objectives. Acts as a resource for colleagues with less experience. May represent the level at which career may stabilize for many years or even until retirement.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Project/Program Management|Project/Program Management Generalist/Multidiscipline|Career (Professional)-P3	15	151	50	0.00%	0.00%	Base Salary	70,407	80,747	105,723
						Actual Total Cash Compensation	72,074	82,247	109,770

Code: APM000-P3 Level: P3

Survey: WTW General Industry Middle Management, Professional & Support Survey - TAC - FP - United States - Org Wtd

Scope: Break Name: Global Revenue | Break Value: Less than $500 Million | Position Listing: For-Profit Organizations

Data Cut: 2018 WTW General Industry Middle Management, Professional & Support Survey - TAC - FP - United States - Org Wtd

Description : Function Description: Plans, monitors and manages internal projects from initiation through completion. Secures required resources and uses formal processes and tools to manage resources, budgets, risks and changes. Manages projects to ensure on-time completion according to specifications and within budgeted costs. At the higher levels, incumbents manage large multifaceted projects; at lower levels, incumbents may be concerned with clearly identifiable elements or functions within a larger project. Typically incumbents matched to this function are working towards or have achieved certification in project management. Discipline Description: Plans, monitors and manages internal projects from initiation through completion. Leads or coordinates project planning, resourcing, staffing, supply and subcontract management, progress reporting, troubleshooting and people management. Ensures project results meet requirements regarding technical quality, reliability, schedule and cost. Monitors performance and recommends schedule changes, cost adjustments or resource additions. Responsibilities are within the Project/Program Management Function as a generalist or in a combination of Disciplines. Career Level description: Band: Has in-depth knowledge in own discipline and basic knowledge of related disciplines. Solves complex problems; takes a new perspective on existing solutions. Works independently; receives minimal guidance. May lead projects or project steps within a broader project or have accountability for ongoing activities or objectives. Acts as a resource for colleagues with less experience. May represent the level at which career may stabilize for many years or even until retirement.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Project/Program Management|Project/Program Management Generalist/Multidiscipline|Career (Professional)-P3	233	10603	50	0.00%	0.00%	Base Salary	83,319	92,020	104,148
						Actual Total Cash Compensation	86,793	98,055	111,692

Code: APM000-P3 Level: P3

Survey: WTW General Industry Middle Management, Professional & Support Survey - TAC - FP - United States - Org Wtd

Scope: Position Listing: For-Profit Organizations

Data Cut: 2018 WTW General Industry Middle Management, Professional & Support Survey - TAC - FP - United States - Org Wtd

Description : Function Description: Plans, monitors and manages internal projects from initiation through completion. Secures required resources and uses formal processes and tools to manage resources, budgets, risks and changes. Manages projects to ensure on-time completion according to specifications and within budgeted costs. At the higher levels, incumbents manage large multifaceted projects; at lower levels, incumbents may be concerned with clearly identifiable elements or functions within a larger project. Typically incumbents matched to this function are working towards or have achieved certification in project management. Discipline Description: Plans, monitors and manages internal projects from initiation through completion. Leads or coordinates project planning, resourcing, staffing, supply and subcontract management, progress reporting, troubleshooting and people management. Ensures project results meet requirements regarding technical quality, reliability, schedule and cost. Monitors performance and recommends schedule changes, cost adjustments or resource additions. Responsibilities are within the Project/Program Management Function as a generalist or in a combination of Disciplines. Career Level description: Band: Has in-depth knowledge in own discipline and basic knowledge of related disciplines. Solves complex problems; takes a new perspective on existing solutions. Works independently; receives minimal guidance. May lead projects or project steps within a broader project or have accountability for ongoing activities or objectives. Acts as a resource for colleagues with less experience. May represent the level at which career may stabilize for many years or even until retirement.

Comment : None

Market Comparison

Pay Type	Composite	Survey Pay Elements	Employee Pay Elements	Comparison	25th	50th	75th
Base 50 50th Percentile	Base (All Jobs)	Base Salary	Base Salary	Market	85,491	96,314	110,439
				Average Pay	--	--	--
				Differential	0.0	0.0	0.0

Overall Comment

None

Railcar Unloader | OPS-LOG-W1 / Operations

Job Details

Job Family	Logistics	Global Grade	-
Country	United States	Communicated Level	-
Incs	0	Structure Name	-
		Structure Code	-

Grade None	Min	Mid	Max

Employee Pay	Avg
Base 50	-

Survey Matches (8)

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Logistics - Entry Para-Professional (S1)	32	929	50	0.00%	0.00%	Base Salary	33,332	39,456	43,753
Code: SCN.04.000.S10 Level: S1						Actual Total Cash Compensation	33,332	40,242	44,926

Survey: Mercer Logistics & Supply Chain Survey - United States - Org Wtd

Scope: All Data

Data Cut: 2018 Mercer Logistics & Supply Chain Survey - United States - Org Wtd

Description : Positions in this sub-family are responsible for planning, controlling, and implementing processes related to materials and finished goods storage and movement including: Materials Movement & Storage. Finished Goods Movement & Storage. Inventory Control. Fleet Vehicles & Traffic Management. General Logistics Optimization, Planning & Control An Entry Para-Professional (S1) is an entry-level position typically requiring little to no prior knowledge or experience. Work is routine or follows standard procedures. Work is closely supervised. Communicates information that requires little explanation or interpretation.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Logistics - Entry Para-Professional (S1)	6	73	50	0.00%	0.00%	Base Salary	--	37,114	--
Code: SCN.04.000.S10 Level: S1						Actual Total Cash Compensation	--	37,316	--

Survey: Mercer Logistics & Supply Chain Survey - United States - Org Wtd

Scope: Net Revenue - Millions: Less than 500 US Dollar In Millions

Data Cut: 2018 Mercer Logistics & Supply Chain Survey - United States - Org Wtd

Description : Positions in this sub-family are responsible for planning, controlling, and implementing processes related to materials and finished goods storage and movement including: Materials Movement & Storage. Finished Goods Movement & Storage. Inventory Control. Fleet Vehicles & Traffic Management. General Logistics Optimization, Planning & Control An Entry Para-Professional (S1) is an entry-level position typically requiring little to no prior knowledge or experience. Work is routine or follows standard procedures. Work is closely supervised. Communicates information that requires little explanation or interpretation.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Supply Chain and Logistics|Entry (Production/ Manual Labor)-W1	15	105	50	0.00%	0.00%	Base Salary	31,720	36,296	45,805
Code: ASC-W1 Level: W1						Actual Total Cash Compensation	32,407	36,856	47,674

Survey: WTW Energy Services Middle Management, Professional & Support Survey - United States - Org Wtd

Scope: Industry Group: Energy Services and Utilities

Data Cut: 2018 WTW Energy Services Middle Management, Professional & Support Survey - United States - Org Wtd

Description : Function Description: Performs supply chain and logistics functions, which may include, but are not limited to, material procurement, production planning, inventory control, outsourcing, vendor selection and distribution. Creates integrated processes among internal functions such as operations, purchasing and logistics, and outside suppliers. Focuses resources on continuous improvement of the movement of materials through various production processes and establishes key performance metrics and benchmarks relating to supply chain planning/forecasting to measure actual performance against goals on a regular basis. Promotes alignment by understanding and communicating customer needs and requirements throughout the organization. Career Level description: Band: Has little or no prior relevant training or work experience. Works under close supervision with little autonomy. Works with clearly defined methods and tasks that are described in detail.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Supply Chain and Logistics|Entry (Production/	17	111	50	0.00%	0.00%	Base Salary	31,855	36,296	44,545

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Manual Labor)-W1 Code: ASC-W1 Level: W1						Actual Total Cash Compensation	32,224	36,856	45,479

Survey: WTW Energy Services Middle Management, Professional & Support Survey - United States - Org Wtd

Scope: Total Sample

Data Cut: 2018 WTW Energy Services Middle Management, Professional & Support Survey - United States - Org Wtd

Description : Function Description: Performs supply chain and logistics functions, which may include, but are not limited to, material procurement, production planning, inventory control, outsourcing, vendor selection and distribution. Creates integrated processes among internal functions such as operations, purchasing and logistics, and outside suppliers. Focuses resources on continuous improvement of the movement of materials through various production processes and establishes key performance metrics and benchmarks relating to supply chain planning/forecasting to measure actual performance against goals on a regular basis. Promotes alignment by understanding and communicating customer needs and requirements throughout the organization. Career Level description: Band: Has little or no prior relevant training or work experience. Works under close supervision with little autonomy. Works with clearly defined methods and tasks that are described in detail.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Supply Chain and Logistics|Entry (Production/ Manual Labor)-W1 Code: ASC-W1 Level: W1	16	329	100	0.00%	0.00%	Base Salary	25,930	29,673	34,752
						Actual Total Cash Compensation	27,005	29,748	36,006

Survey: WTW General Industry Middle Management, Professional & Support Survey - TAC - FP - United States - Org Wtd

Scope: Break Name: Global Revenue | Break Value: Less than $500 Million | Position Listing: For-Profit Organizations

Data Cut: 2018 WTW General Industry Middle Management, Professional & Support Survey - TAC - FP - United States - Org Wtd

Description : Function Description: Performs supply chain and logistics functions, which may include, but are not limited to, material procurement, production planning, inventory control, outsourcing, vendor selection and distribution. Creates integrated processes among internal functions such as operations, purchasing and logistics, and outside suppliers. Focuses resources on continuous improvement of the movement of materials through various production processes and establishes key performance metrics and benchmarks relating to supply chain planning/forecasting to measure actual performance against goals on a regular basis. Promotes alignment by understanding and communicating customer needs and requirements throughout the organization. Career Level description: Band: Has little or no prior relevant training or work experience. Works under close supervision with little autonomy. Works with clearly defined methods and tasks that are described in detail.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Supply Chain and Logistics|Entry (Production/ Manual Labor)-W1 Code: ASC-W1 Level: W1	7	20	100	0.00%	0.00%	Base Salary	32,751	36,600	48,085
						Actual Total Cash Compensation	32,751	40,073	48,085

Survey: WTW General Industry Middle Management, Professional & Support Survey - TAC - FP - United States - Org Wtd

Scope: Break Name: Industry Group | Break Value: Chemicals | Position Listing: For-Profit Organizations

Data Cut: 2018 WTW General Industry Middle Management, Professional & Support Survey - TAC - FP - United States - Org Wtd

Description : Function Description: Performs supply chain and logistics functions, which may include, but are not limited to, material procurement, production planning, inventory control, outsourcing, vendor selection and distribution. Creates integrated processes among internal functions such as operations, purchasing and logistics, and outside suppliers. Focuses resources on continuous improvement of the movement of materials through various production processes and establishes key performance metrics and benchmarks relating to supply chain planning/forecasting to measure actual performance against goals on a regular basis. Promotes alignment by understanding and communicating customer needs and requirements throughout the organization. Career Level description: Band: Has little or no prior relevant training or work experience. Works under close supervision with little autonomy. Works with clearly defined methods and tasks that are described in detail.

Comment : included Chemical due to haz mat nature of job; no Energy match provided

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Supply Chain and Logistics|Entry (Production/ Manual Labor)-W1 Code: ASC-W1 Level: W1	161	39748	100	0.00%	0.00%	Base Salary	29,415	32,528	36,304
						Actual Total Cash Compensation	29,683	32,812	37,856

Survey: WTW General Industry Middle Management, Professional & Support Survey - TAC - FP - United States - Org Wtd

Scope: Position Listing: For-Profit Organizations

Data Cut: 2018 WTW General Industry Middle Management, Professional & Support Survey - TAC - FP - United States - Org Wtd

Description : Function Description: Performs supply chain and logistics functions, which may include, but are not limited to, material procurement, production planning, inventory control, outsourcing, vendor selection and distribution. Creates integrated processes among internal functions such as operations, purchasing and logistics, and outside suppliers. Focuses resources on continuous improvement of the movement of materials through various production processes and establishes key performance metrics and benchmarks relating to supply chain planning/forecasting to measure actual performance against goals on a regular basis. Promotes alignment by understanding and communicating customer needs and requirements throughout the organization. Career Level description: Band: Has little or no prior relevant training or work experience. Works under close supervision with little autonomy. Works with clearly defined methods and tasks that are described in detail.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Supply Chain and Logistics|Transportation - Heavy Delivery Vehicle Operations|Entry (Production/Manual Labor)-W1	11	2668	100	0.00%	0.00%	Base Salary	34,291	36,067	39,106
						Actual Total Cash Compensation	34,710	36,067	39,924

Code: ASC054-W1 Level: W1

Survey: WTW General Industry Middle Management, Professional & Support Survey - TAC - FP - United States - Org Wtd

Scope: Position Listing: For-Profit Organizations

Data Cut: 2018 WTW General Industry Middle Management, Professional & Support Survey - TAC - FP - United States - Org Wtd

Description : Function Description: Performs supply chain and logistics functions, which may include, but are not limited to, material procurement, production planning, inventory control, outsourcing, vendor selection and distribution. Creates integrated processes among internal functions such as operations, purchasing and logistics, and outside suppliers. Focuses resources on continuous improvement of the movement of materials through various production processes and establishes key performance metrics and benchmarks relating to supply chain planning/forecasting to measure actual performance against goals on a regular basis. Promotes alignment by understanding and communicating customer needs and requirements throughout the organization. Discipline Description: Operates heavy trucks or similar vehicles to pick up and deliver products, supplies and equipment to and from organization, supplier and customer sites. Actions may involve complex pickups and deliveries, e.g., night deliveries, international travel, transport of dangerous and hazardous products. Career Level description: Band: Has little or no prior relevant training or work experience. Works under close supervision with little autonomy. Works with clearly defined methods and tasks that are described in detail.

Comment : None

Market Comparison

Pay Type	Composite	Survey Pay Elements	Employee Pay Elements	Comparison	25th	50th	75th
Base 50 50th Percentile	Base (All Jobs)	Base Salary	Base Salary	Market	31,062	34,908	40,963
				Average Pay	--	--	--
				Differential	0.0	0.0	0.0

Overall Comment

None

Regulatory Analyst III | LGL-RGC-P4 / Legal/Compliance

Job Details

Job Family	Regulatory Compliance	Global Grade	-
Country	United States	Communicated Level	-
Incs	0	Structure Name	-
		Structure Code	-

Grade None	Min	Mid	Max
Employee Pay		Avg	
Base 50		-	

Survey Matches (7)

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
General Regulatory Affairs - Specialist Professional (P4)	81	420	33	0.00%	0.00%	Base Salary	93,453	114,721	134,004
						Actual Total Cash Compensation	103,721	125,046	148,324

Code: LCA.04.001.P40 Level: P4

Survey: Mercer Finance, Accounting, & Legal Survey - United States - Org Wtd

Scope: All Data

Data Cut: 2018 Mercer Finance, Accounting, & Legal Survey - United States - Org Wtd

Description : Responsible for ensuring that organization's activities are conducted ethically and in compliance with relevant regulations, laws and standards. Develops and implements regulatory strategies, procedures and controls for new products and/or business activities that require governmental approvals. Prepares and submits regulatory applications such as permits, licenses, certificates and authorization required by governmental agencies. Coordinates government interactions and compliance activities; and interacts with regulatory agencies. Level: A Specialist Professional (P4) is a recognized subject matter expert in job area typically obtained through advanced education and work experience. Responsibilities typically include: Managing large projects or processes with limited oversight from manager. Coaching, reviewing and delegating work to lower level professionals. Problems faced are difficult and often complex. Typical Title: Regulatory Affairs Representative.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
General Regulatory Affairs - Specialist Professional (P4)	13	54	34	0.00%	0.00%	Base Salary	98,271	110,531	125,077
						Actual Total Cash Compensation	109,185	121,861	143,916

Code: LCA.04.001.P40 Level: P4

Survey: Mercer Finance, Accounting, & Legal Survey - United States - Org Wtd

Scope: Industry - Super Sector: Energy

Data Cut: 2018 Mercer Finance, Accounting, & Legal Survey - United States - Org Wtd

Description : Responsible for ensuring that organization's activities are conducted ethically and in compliance with relevant regulations, laws and standards. Develops and implements regulatory strategies, procedures and controls for new products and/or business activities that require governmental approvals. Prepares and submits regulatory applications such as permits, licenses, certificates and authorization required by governmental agencies. Coordinates government interactions and compliance activities; and interacts with regulatory agencies. Level: A Specialist Professional (P4) is a recognized subject matter expert in job area typically obtained through advanced education and work experience. Responsibilities typically include: Managing large projects or processes with limited oversight from manager. Coaching, reviewing and delegating work to lower level professionals. Problems faced are difficult and often complex. Typical Title: Regulatory Affairs Representative.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
General Regulatory Affairs - Specialist Professional (P4)	6	6	33	0.00%	0.00%	Base Salary	--	94,350	--
						Actual Total Cash Compensation	--	94,350	--

Code: LCA.04.001.P40 Level: P4

Survey: Mercer Finance, Accounting, & Legal Survey - United States - Org Wtd

Scope: Net Revenue - Millions: Less than 500 US Dollar In Millions

Data Cut: 2018 Mercer Finance, Accounting, & Legal Survey - United States - Org Wtd

Description : Responsible for ensuring that organization's activities are conducted ethically and in compliance with relevant regulations, laws and standards. Develops and implements regulatory strategies, procedures and controls for new products and/or business activities that require governmental approvals. Prepares and submits regulatory applications such as permits, licenses, certificates and authorization required by governmental agencies. Coordinates government interactions and compliance activities; and interacts with regulatory agencies. Level: A Specialist Professional (P4) is a recognized subject matter expert in job area typically obtained through advanced education and work experience. Responsibilities typically include: Managing large projects or processes with limited oversight from manager. Coaching, reviewing and delegating work to lower level professionals. Problems faced are difficult and often complex. Typical Title: Regulatory Affairs Representative.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Corporate Affairs/Communications|Regulatory Affairs and Compliance|Specialist (Professional)-P4	46	296	34	0.00%	0.00%	Base Salary	108,456	117,083	128,914
						Actual Total Cash Compensation	119,188	131,306	144,840

Code: ACA050-P4   Level: P4

Survey: WTW Energy Services Middle Management, Professional & Support Survey - United States - Org Wtd

Scope: Industry Group: Energy Services and Utilities

Data Cut: 2018 WTW Energy Services Middle Management, Professional & Support Survey - United States - Org Wtd

Description : Function Description: Researches, develops, plans, designs, maintains and implements policies and programs that enhance the organization's relations with the community, the public, government and regulatory authorities, shareholders and employees. Delivers communications through various media. Coordinates dissemination of the organization's communications with news or trade media contacts, through special events, public speaking or other means to reach defined audiences and meet specific program objectives. Discipline Description: Maintains the organization's ongoing relationships with regulatory commissions/authorities. Coordinates and conducts the assessment of internal controls to ensure compliance as required by regulatory commissions/authorities. Develops programs and processes to manage complaint cases brought to regulatory authorities and develops process improvements to avoid future complaints. Advances organization positions with internal and external parties. Prepares and sponsors testimony to governmental or regulatory agencies. Career Level description: Band: Is recognized as an expert in own area within the organization. Has specialized depth and/or breadth of expertise in own discipline or function. Interprets internal or external issues and recommends solutions/best practices. Solves complex problems; takes a broad perspective to identify solutions. May lead functional teams or projects. Works independently, with guidance in only the most complex situations. Progression to this level is typically restricted on the basis of business requirement.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Corporate Affairs/Communications|Regulatory Affairs and Compliance|Specialist (Professional)-P4	10	14	33	0.00%	0.00%	Base Salary	111,422	122,643	134,920
						Actual Total Cash Compensation	119,721	140,237	167,581

Code: ACA050-P4   Level: P4

Survey: WTW Energy Services Middle Management, Professional & Support Survey - United States - Org Wtd

Scope: Revenue: Less than $1Billion

Data Cut: 2018 WTW Energy Services Middle Management, Professional & Support Survey - United States - Org Wtd

Description : Function Description: Researches, develops, plans, designs, maintains and implements policies and programs that enhance the organization's relations with the community, the public, government and regulatory authorities, shareholders and employees. Delivers communications through various media. Coordinates dissemination of the organization's communications with news or trade media contacts, through special events, public speaking or other means to reach defined audiences and meet specific program objectives. Discipline Description: Maintains the organization's ongoing relationships with regulatory commissions/authorities. Coordinates and conducts the assessment of internal controls to ensure compliance as required by regulatory commissions/authorities. Develops programs and processes to manage complaint cases brought to regulatory authorities and develops process improvements to avoid future complaints. Advances organization positions with internal and external parties. Prepares and sponsors testimony to governmental or regulatory agencies. Career Level description: Band: Is recognized as an expert in own area within the organization. Has specialized depth and/or breadth of expertise in own discipline or function. Interprets internal or external issues and recommends solutions/best practices. Solves complex problems; takes a broad perspective to identify solutions. May lead functional teams or projects. Works independently, with guidance in only the most complex situations. Progression to this level is typically restricted on the basis of business requirement.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Corporate Affairs/Communications|Regulatory Affairs and Compliance|Specialist (Professional)-P4	49	309	33	0.00%	0.00%	Base Salary	107,866	117,433	127,530
						Actual Total Cash Compensation	119,097	130,941	144,061

Code: ACA050-P4   Level: P4

Survey: WTW Energy Services Middle Management, Professional & Support Survey - United States - Org Wtd

Scope: Total Sample

Data Cut: 2018 WTW Energy Services Middle Management, Professional & Support Survey - United States - Org Wtd

Description : Function Description: Researches, develops, plans, designs, maintains and implements policies and programs that enhance the organization's relations with the community, the public, government and regulatory authorities, shareholders and employees. Delivers communications through various media. Coordinates dissemination of the organization's communications with news or trade media contacts, through special events, public speaking or other means to reach defined audiences and meet specific program objectives. Discipline Description: Maintains the organization's ongoing relationships with regulatory commissions/authorities. Coordinates and conducts the assessment of internal controls to ensure compliance as required by regulatory commissions/authorities. Develops programs and processes to manage complaint cases brought to regulatory authorities and develops process improvements to avoid future complaints. Advances organization positions with internal and external parties. Prepares and sponsors testimony to governmental or regulatory agencies. Career Level description: Band: Is recognized as an expert in own area within the organization. Has specialized depth and/or breadth of expertise in own discipline or function. Interprets internal or external issues and recommends solutions/best practices. Solves complex problems; takes a broad perspective to identify solutions. May lead functional teams or projects. Works independently, with guidance in only the most complex situations. Progression to this level is typically restricted on the basis of business requirement.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Corporate Affairs/Communications|Regulatory Affairs and Compliance|Specialist (Professional)-P4	79	614	100	0.00%	0.00%	Base Salary	98,831	109,946	126,861
						Actual Total Cash Compensation	104,466	118,347	142,743

Code: ACA050-P4 Level: P4

Survey: WTW General Industry Middle Management, Professional & Support Survey - TAC - FP - United States - Org Wtd

Scope: Position Listing: For-Profit Organizations

Data Cut: 2018 WTW General Industry Middle Management, Professional & Support Survey - TAC - FP - United States - Org Wtd

Description : Function Description: Researches, develops, plans, designs, maintains and implements policies and programs that enhance the organization's relations with the community, the public, government and regulatory authorities, shareholders and employees. Delivers communications through various media. Coordinates dissemination of the organization's communications with news or trade media contacts, through special events, public speaking or other means to reach defined audiences and meet specific program objectives. Discipline Description: Maintains the organization's ongoing relationships with regulatory commissions/authorities. Coordinates and conducts the assessment of internal controls to ensure compliance as required by regulatory commissions/authorities. Develops programs and processes to manage complaint cases brought to regulatory authorities and develops process improvements to avoid future complaints. Advances organization positions with internal and external parties. Prepares and sponsors testimony to governmental or regulatory agencies. Career Level description: Band: Is recognized as an expert in own area within the organization. Has specialized depth and/or breadth of expertise in own discipline or function. Interprets internal or external issues and recommends solutions/best practices. Solves complex problems; takes a broad perspective to identify solutions. May lead functional teams or projects. Works independently, with guidance in only the most complex situations. Progression to this level is typically restricted on the basis of business requirement.

Comment : None

Market Comparison

Pay Type	Composite	Survey Pay Elements	Employee Pay Elements	Comparison	25th	50th	75th
Base 50 50th Percentile	Base (All Jobs)	Base Salary	Base Salary	Market	101,994	111,851	128,857
				Average Pay	--	--	--
				Differential	0.0	0.0	0.0

Overall Comment

None

Safety, Compl&Train Coord | OPS-CMS-T3 / Operations

Job Details

Job Family	Compliance/Safety	Global Grade	-
Country	United States	Communicated Level	-
Incs	0	Structure Name	-
		Structure Code	-

Grade None	Min	Mid	Max

Employee Pay	Avg
Base 50	-

Survey Matches (3)

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Employee/Labor Health & Safety Technician - Experienced Para-Professional (S2)	22	58	100	10.00%	0.00%	Base Salary	47,564	51,328	68,066
						Actual Total Cash Compensation	49,367	52,980	73,863

Code: ENS.05.086.S20 Level: S2

Survey: Mercer Manufacturing Survey - United States - Org Wtd

Scope: All Data

Data Cut: 2018 Mercer Manufacturing Survey - United States - Org Wtd

Description : Employee/Labor Health & Safety Technician work focuses on implementing engineering solutions to mitigate hazardous workplace conditions including: Implementing and monitoring employee/labor health & safety programs in accordance with organization, regulatory, and labor union requirements/ agreements. Taking preliminary samples and measurements of hazardous forces and toxic substances. Removing hazards and/or protecting employees through training, revising work procedures, or requiring use of protective clothing/personal protective equipment. Taking measures to ensure that workplace conditions comply with applicable government regulations and labor union agreements and all required records are prepared and maintained Level: An Experienced Para-Professional (S2) requires basic knowledge of job procedures and tools obtained through work experience and may require vocational or technical education. May require the following proficiency: Works under moderate supervision. Problems are typically of a routine nature, but may at times require interpretation or deviation from standard procedures. Communicates information that requires some explanation or interpretation. Typical Title: Employee Health & Safety Technician, Labor Safety Technician.

Comment : adjust for level

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Environmental Health and Safety| Environmental Health and Safety Generalist/ Multidiscipline|Senior (Technical Support)-T3	5	145	100	0.00%	0.00%	Base Salary	55,312	79,804	90,990
						Actual Total Cash Compensation	58,341	79,804	97,848

Code: AHS000-T3 Level: T3

Survey: WTW Energy Services Middle Management, Professional & Support Survey - United States - Org Wtd

Scope: Total Sample

Data Cut: 2018 WTW Energy Services Middle Management, Professional & Support Survey - United States - Org Wtd

Description : Function Description: Designs, develops, implements and oversees the organization's environmental health and safety programs and procedures to safeguard employees and surrounding communities and to ensure that all facilities are in compliance with regulations. Discipline Description: Designs, develops, implements and oversees the organization's environmental, health and safety programs and procedures to safeguard employees and surrounding communities and to ensure that all facilities are in compliance with regulations. Responsibilities are within the Environmental Health and Safety Function as a generalist or in a combination of Disciplines. Career Level description: Band: Has full proficiency in a range of technical processes or procedures (or deep skills in a single area) through job-related training and considerable work experience. Completes a variety of atypical assignments. Works within defined technical processes and procedures or methodologies and may help determine the appropriate approach for new assignments. Works with a limited degree of supervision, with oversight focused only on complex new assignments. Acts as an informal resource for colleagues with less experience.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Environmental Health and Safety| Environmental Health and Safety Generalist/ Multidiscipline|Senior (Technical Support)-T3	33	96	100	0.00%	0.00%	Base Salary	53,488	63,024	73,430
						Actual Total Cash Compensation	55,326	64,144	73,430

Code: AHS000-T3 Level: T3

Survey: WTW General Industry Middle Management, Professional & Support Survey - TAC - FP - United States - Org Wtd

Scope: Position Listing: For-Profit Organizations

Data Cut: 2018 WTW General Industry Middle Management, Professional & Support Survey - TAC - FP - United States - Org Wtd

Description : Function Description: Designs, develops, implements and oversees the organization's environmental health and safety programs and procedures to safeguard employees and surrounding communities and to ensure that all facilities are in compliance with regulations. Discipline Description: Designs, develops, implements and oversees the organization's environmental, health and safety programs and procedures to safeguard employees and surrounding communities and to ensure that all facilities are in compliance with regulations. Responsibilities are within the Environmental Health and Safety Function as a generalist or in a combination of Disciplines. Career Level description: Band: Has full proficiency in a range of technical processes or procedures (or deep skills in a single area) through job-related training and considerable work experience. Completes a variety of atypical assignments. Works within defined technical processes and procedures or methodologies and may help determine the appropriate approach for new assignments. Works with a limited degree of supervision, with oversight focused only on complex new assignments. Acts as an informal resource for colleagues with less experience.

Comment : None

Market Comparison

Pay Type	Composite	Survey Pay Elements	Employee Pay Elements	Comparison	25th	50th	75th
Base 50 50th Percentile	Base (All Jobs)	Base Salary	Base Salary	Market Average Pay Differential	52,121 -- 0.0	64,719 -- 0.0	77,495 -- 0.0

Overall Comment

None

Sales Rep | SMK-SLR-P1 / Sales/Marketing

Job Details

Job Family	Sales/Account Management	Global Grade	-
Country	United States	Communicated Level	-
Incs	0	Structure Name	-
		Structure Code	-

Grade None	Min	Mid	Max

Employee Pay	Avg
Base 50	-

Survey Matches (4)

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Direct Sales - Entry Professional (P1)	17	303	100	0.00%	0.00%	Base Salary	44,563	52,436	70,883
Code: SMP.07.022.P10 Level: P1						Actual Total Cash Compensation	44,563	61,330	76,976

Survey: Mercer Sales, Marketing, & Communications Survey - United States - Org Wtd

Scope: All Data

Data Cut: 2018 Mercer Sales, Marketing, & Communications Survey - United States - Org Wtd

Description : Direct Sales involves selling directly to the end consumer/business purchaser through primarily field (i.e., face-to-face) interactions with customers including: New sales to new customers as well as cross/up/repeat sales to existing customers. Assessing customer needs and suggesting appropriate products, services, and/or solutions. Developing and delivering sales bids, proposals, and presentations and conducting product demonstrations Level: An Entry Professional (P1) applies broad theoretical job knowledge typically obtained through advanced education. May require the following proficiency: Work is closely supervised. Problems faced are not typically difficult or complex. Explains facts, policies and practices related to job area. Typical Title: Direct Sales Representative.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Direct Sales|Direct Sales Generalist/ Multidiscipline|Entry (Customer/Client Management and Sales)-S1	6	17	50	0.00%	0.00%	Base Salary	55,982	60,755	64,196
Code: CSD000-S1 Level: S1						Actual Total Cash Compensation	60,958	65,856	69,777

Survey: WTW Energy Services Middle Management, Professional & Support Survey - United States - Org Wtd

Scope: Industry Group: Energy Services and Utilities

Data Cut: 2018 WTW Energy Services Middle Management, Professional & Support Survey - United States - Org Wtd

Description : Function Description: Closes direct sales of products and/or services in order to meet individual/team quotas and the organization's business objectives. Creates, monitors and revises lead generation plans to ensure a substantive sales opportunity pipeline. Typically, sales cycles are relatively short. Discipline Description: Promotes and sells a portfolio of technical and/or nontechnical products and/or services and solutions directly to current and new end customers. Informs customers of new product/service introductions and prices. Creates, monitors and revises lead generation plans to ensure a substantive sales opportunity pipeline. Responsibilities are within the Direct Sales Function as a generalist or in a combination of Disciplines. Career Level description: Band: Typically requires a college or university degree or the equivalent work experience and has general awareness of business, financials, products/services and the market. Works with territory/account, product/services or sales process with limited complexity. Has limited direct contact with clients and no authority/opportunity to set and negotiate product/service terms. Relies on manager to provide planning and manage resources.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Direct Sales|Direct Sales Generalist/ Multidiscipline|Entry (Customer/Client Management and Sales)-S1	8	44	50	0.00%	0.00%	Base Salary	52,910	60,755	67,027
Code: CSD000-S1 Level: S1						Actual Total Cash Compensation	60,791	65,856	70,862

Survey: WTW Energy Services Middle Management, Professional & Support Survey - United States - Org Wtd

Scope: Total Sample

Data Cut: 2018 WTW Energy Services Middle Management, Professional & Support Survey - United States - Org Wtd

Description : Function Description: Closes direct sales of products and/or services in order to meet individual/team quotas and the organization's business objectives. Creates, monitors and revises lead generation plans to ensure a substantive sales opportunity pipeline. Typically, sales cycles are relatively short. Discipline Description: Promotes and sells a portfolio of technical and/or nontechnical products and/or services and solutions directly to current and new end customers. Informs customers of new product/service introductions and prices. Creates, monitors and revises lead generation plans to ensure a substantive sales opportunity pipeline. Responsibilities are within the Direct Sales Function as a generalist or in a combination of Disciplines. Career Level description: Band:

Typically requires a college or university degree or the equivalent work experience and has general awareness of business, financials, products/services and the market. Works with territory/account, product/services or sales process with limited complexity. Has limited direct contact with clients and no authority/opportunity to set and negotiate product/service terms. Relies on manager to provide planning and manage resources.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Direct Sales|Direct Sales Generalist/ Multidiscipline|Entry (Customer/Client Management and Sales)-S1	42	3460	100	0.00%	0.00%	Base Salary	48,128	57,665	65,869
						Actual Total Cash Compensation	52,822	63,625	72,475

Code: CSD000-S1 Level: S1

Survey: WTW General Industry Middle Management, Professional & Support Survey - TAC - FP - United States - Org Wtd

Scope: Position Listing: For-Profit Organizations

Data Cut: 2018 WTW General Industry Middle Management, Professional & Support Survey - TAC - FP - United States - Org Wtd

Description : Function Description: Closes direct sales of products and/or services in order to meet individual/team quotas and the organization's business objectives. Creates, monitors and revises lead generation plans to ensure a substantive sales opportunity pipeline. Typically, sales cycles are relatively short. Discipline Description: Promotes and sells a portfolio of technical and/or nontechnical products and/or services and solutions directly to current and new end customers. Informs customers of new product/service introductions and prices. Creates, monitors and revises lead generation plans to ensure a substantive sales opportunity pipeline. Responsibilities are within the Direct Sales Function as a generalist or in a combination of Disciplines. Career Level description: Band: Typically requires a college or university degree or the equivalent work experience and has general awareness of business, financials, products/services and the market. Works with territory/account, product/services or sales process with limited complexity. Has limited direct contact with clients and no authority/opportunity to set and negotiate product/service terms. Relies on manager to provide planning and manage resources.

Comment : None

Market Comparison

Pay Type	Composite	Survey Pay Elements	Employee Pay Elements	Comparison	25th	50th	75th
Base 50 50th Percentile	Base (All Jobs)	Base Salary	Base Salary	Market	49,046	56,952	67,455
				Average Pay	--	--	--
				Differential	0.0	0.0	0.0

Overall Comment

None

Senior Engineer | ENG-ENG-P4 / Engineering

Job Details

Job Family	Engineers	Global Grade	-
Country	United States	Communicated Level	-
Incs	0	Structure Name	-
		Structure Code	-

Grade None	Min	Mid	Max

Employee Pay	Avg
Base 50	-

Survey Matches (6)

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Civil/Construction Engineering - Specialist Professional (P4)	5	20	34	0.00%	0.00%	Base Salary	--	100,884	--
						Actual Total Cash Compensation	--	109,905	--

Code: ENS.03.R14.P40 Level: P4

Survey: Mercer Engineering & Design Survey - United States - Org Wtd

Scope: Industry - Super Sector: Energy

Data Cut: 2018 Mercer Engineering & Design Survey - United States - Org Wtd

Description : Associated Specializations: Civil/Construction/Structural Engineering (Construction) - P40; General Municipal Engineering (Construction & Civil Infrastructure) - P40; Heating & Ventilating Systems Engineering (Construction) - P40; Landscape Engineering (Construction) - P40; Rail Engineering (Construction & Civil Infrastructure) - P40; Structural Engineering: Buildings (Construction) - P40; Structural Engineering: Facade (Construction) - P40; Sub-Sea Engineering (Construction & Civil Infrastructure) - P40; Water/Waste Engineering (Construction & Civil Infrastructure) - P40

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Civil/Construction Engineering - Specialist Professional (P4)	6	114	33	0.00%	0.00%	Base Salary	--	108,396	--
						Actual Total Cash Compensation	--	112,728	--

Code: ENS.03.R14.P40 Level: P4

Survey: Mercer Engineering & Design Survey - United States - Org Wtd

Scope: Net Revenue - Millions: Less than 500 US Dollar In Millions

Data Cut: 2018 Mercer Engineering & Design Survey - United States - Org Wtd

Description : Associated Specializations: Civil/Construction/Structural Engineering (Construction) - P40; General Municipal Engineering (Construction & Civil Infrastructure) - P40; Heating & Ventilating Systems Engineering (Construction) - P40; Landscape Engineering (Construction) - P40; Rail Engineering (Construction & Civil Infrastructure) - P40; Structural Engineering: Buildings (Construction) - P40; Structural Engineering: Facade (Construction) - P40; Sub-Sea Engineering (Construction & Civil Infrastructure) - P40; Water/Waste Engineering (Construction & Civil Infrastructure) - P40

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Civil/Construction Engineering - Specialist Professional (P4)	22	477	33	0.00%	0.00%	Base Salary	101,440	109,254	130,096
						Actual Total Cash Compensation	103,511	120,203	136,760

Code: ENS.03.R14.P40 Level: P4

Survey: Mercer Engineering & Design Survey - United States - Org Wtd

Scope: All Data

Data Cut: 2018 Mercer Engineering & Design Survey - United States - Org Wtd

Description : Associated Specializations: Civil/Construction/Structural Engineering (Construction) - P40; General Municipal Engineering (Construction & Civil Infrastructure) - P40; Heating & Ventilating Systems Engineering (Construction) - P40; Landscape Engineering (Construction) - P40; Rail Engineering (Construction & Civil Infrastructure) - P40; Structural Engineering: Buildings (Construction) - P40; Structural Engineering: Facade (Construction) - P40; Sub-Sea Engineering (Construction & Civil Infrastructure) - P40; Water/Waste Engineering (Construction & Civil Infrastructure) - P40

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Engineering|Civil Engineering|Specialist (Professional)-P4	25	620	100	0.00%	0.00%	Base Salary	104,430	121,308	134,580
						Actual Total Cash Compensation	106,730	127,292	147,124

Code: AZE040-P4 Level: P4

Survey: WTW General Industry Middle Management, Professional & Support Survey - TAC - FP - United States - Org Wtd

Scope: Position Listing: For-Profit Organizations

Data Cut: 2018 WTW General Industry Middle Management, Professional & Support Survey - TAC - FP - United States - Org Wtd

Description : Function Description: Performs engineering work in operations, production, construction or maintenance environments. Designs and scales up manufacturing processes, instruments and equipment and tests manufactured products to maintain quality. Plans, designs and estimates time and cost and oversees construction and maintenance of structures, facilities, systems and components. Analyzes and develops solutions to engineering problems related to manufacturing equipment and systems or the causes of component failures. Develops and applies engineering standards and procedures and provides advice on issues within the engineering field. Discipline Description: Plans and designs structures and facilities such as bridges, railroads, roads, airports, harbors, dams, irrigation projects, pipelines, tunnels, power plants and other projects. Analyzes proposed projects to ensure structural reliability, resource efficiency and cost-effectiveness. May construct models to identify project specifications and meet related needs. Career Level description: Band: Is recognized as an expert in own area within the organization. Has specialized depth and/or breadth of expertise in own discipline or function. Interprets internal or external issues and recommends solutions/best practices. Solves complex problems; takes a broad perspective to identify solutions. May lead functional teams or projects. Works independently, with guidance in only the most complex situations. Progression to this level is typically restricted on the basis of business requirement.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Engineering|Gas Transmission Engineering| Specialist (Professional)-P4 Code: AZE570-P4 Level: P4	9	26	50	0.00%	0.00%	Base Salary	117,928	122,529	140,407
						Actual Total Cash Compensation	130,586	139,561	151,506

Survey: WTW Energy Services Middle Management, Professional & Support Survey - United States - Org Wtd

Scope: Industry Group: Energy Services and Utilities

Data Cut: 2018 WTW Energy Services Middle Management, Professional & Support Survey - United States - Org Wtd

Description : Function Description: Performs engineering work in operations, production, construction or maintenance environments. Designs and scales up manufacturing processes, instruments and equipment and tests manufactured products to maintain quality. Plans, designs and estimates time and cost and oversees construction and maintenance of structures, facilities, systems and components. Analyzes and develops solutions to engineering problems related to manufacturing equipment and systems or the causes of component failures. Develops and applies engineering standards and procedures and provides advice on issues within the engineering field. Discipline Description: Plans, designs and engineers pipelines and compressor stations and meter and regulator stations for natural gas transmission. Installs and inspects rectifier stations and anodes used to minimize corrosive effects of static-electricity discharge between gas pipeline and ground. Career Level description: Band: Is recognized as an expert in own area within the organization. Has specialized depth and/or breadth of expertise in own discipline or function. Interprets internal or external issues and recommends solutions/best practices. Solves complex problems; takes a broad perspective to identify solutions. May lead functional teams or projects. Works independently, with guidance in only the most complex situations. Progression to this level is typically restricted on the basis of business requirement.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Engineering|Gas Transmission Engineering| Specialist (Professional)-P4 Code: AZE570-P4 Level: P4	10	32	50	0.00%	0.00%	Base Salary	118,209	124,816	140,982
						Actual Total Cash Compensation	131,275	141,286	158,960

Survey: WTW Energy Services Middle Management, Professional & Support Survey - United States - Org Wtd

Scope: Total Sample

Data Cut: 2018 WTW Energy Services Middle Management, Professional & Support Survey - United States - Org Wtd

Description : Function Description: Performs engineering work in operations, production, construction or maintenance environments. Designs and scales up manufacturing processes, instruments and equipment and tests manufactured products to maintain quality. Plans, designs and estimates time and cost and oversees construction and maintenance of structures, facilities, systems and components. Analyzes and develops solutions to engineering problems related to manufacturing equipment and systems or the causes of component failures. Develops and applies engineering standards and procedures and provides advice on issues within the engineering field. Discipline Description: Plans, designs and engineers pipelines and compressor stations and meter and regulator stations for natural gas transmission. Installs and inspects rectifier stations and anodes used to minimize corrosive effects of static-electricity discharge between gas pipeline and ground. Career Level description: Band: Is recognized as an expert in own area within the organization. Has specialized depth and/or breadth of expertise in own discipline or function. Interprets internal or external issues and recommends solutions/best practices. Solves complex problems; takes a broad perspective to identify solutions. May lead functional teams or projects. Works independently, with guidance in only the most complex situations. Progression to this level is typically restricted on the basis of business requirement.

Comment : None

Market Comparison

Pay Type	Composite	Survey Pay Elements	Employee Pay Elements	Comparison	25th	50th	75th
Base 50 50th Percentile	Base (All Jobs)	Base Salary	Base Salary	Market	109,860	117,035	136,569
				Average Pay	--	--	--
				Differential	0.0	0.0	0.0

FPSC EXH NO. 77
ADMITTED

Overall Comment

None

Service Coordinator | OPS-ADM-U2 / Operations

Job Details

Job Family	Administrative	Global Grade	-
Country	United States	Communicated Level	-
Incs	0	Structure Name	-
		Structure Code	-

Grade None	Min	Mid	Max
Employee Pay		Avg	
Base 50		-	

Survey Matches (8)

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Contact Center Customer Service: Non-Technical - Experienced Para-Professional (S2)	472	79405	25	0.00%	0.00%	Base Salary	33,938	38,753	44,401
						Actual Total Cash Compensation	34,902	39,517	45,321

Code: CSV.02.050.S20 Level: S2

Survey: Mercer Contact Center Survey - United States - Org Wtd

Scope: All Data

Data Cut: 2018 Mercer Contact Center Survey - United States - Org Wtd

Description : Contact Center Customer Service: Non-Technical provides post-sale non-technical customer service to business or end-consumer customers via phone, online chat, or text including: Responding to a high volume of low complexity general inquiries (e.g., general product and pricing information, billing issues, warranties, etc.) Providing responses to customer inquiries based on pre-determined scripts and other response guidance tools. Recommending alternative products or services (e.g., warranties) as part of customer issue resolution This position is not compensated based on achievement of sales targets. Work Environment: Typically located in a call center environment Level: An Experienced Para-Professional (S2) requires basic knowledge of job procedures and tools obtained through work experience and may require vocational or technical education. May require the following proficiency: Works under moderate supervision. Problems are typically of a routine nature, but may at times require interpretation or deviation from standard procedures. Communicates information that requires some explanation or interpretation. Specialization Match Note: Match incumbents in call center positions that focus 100% on new order processing to the Order Processing specialization in the Sales Operations/Administration sub-family in the Sales, Marketing & Product Management job family. These positions are typically Business-to-Consumer (B2C) and exist in cases where the customer is asked to select between: Assistance with a new order (call is routed to the Order Processing specialization). Assistance with an existing order (call is routed to this specialization) Typical Title: Customer Support Representative, Customer Care Representative.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Contact Center Customer Service: Non-Technical - Experienced Para-Professional (S2)	23	1420	25	0.00%	0.00%	Base Salary	36,602	39,401	44,871
						Actual Total Cash Compensation	38,462	42,110	46,820

Code: CSV.02.050.S20 Level: S2

Survey: Mercer Contact Center Survey - United States - Org Wtd

Scope: Industry - Sector: Energy Utilities

Data Cut: 2018 Mercer Contact Center Survey - United States - Org Wtd

Description : Contact Center Customer Service: Non-Technical provides post-sale non-technical customer service to business or end-consumer customers via phone, online chat, or text including: Responding to a high volume of low complexity general inquiries (e.g., general product and pricing information, billing issues, warranties, etc.) Providing responses to customer inquiries based on pre-determined scripts and other response guidance tools. Recommending alternative products or services (e.g., warranties) as part of customer issue resolution This position is not compensated based on achievement of sales targets. Work Environment: Typically located in a call center environment Level: An Experienced Para-Professional (S2) requires basic knowledge of job procedures and tools obtained through work experience and may require vocational or technical education. May require the following proficiency: Works under moderate supervision. Problems are typically of a routine nature, but may at times require interpretation or deviation from standard procedures. Communicates information that requires some explanation or interpretation. Specialization Match Note: Match incumbents in call center positions that focus 100% on new order processing to the Order Processing specialization in the Sales Operations/Administration sub-family in the Sales, Marketing & Product Management job family. These positions are typically Business-to-Consumer (B2C) and exist in cases where the customer is asked to select between: Assistance with a new order (call is routed to the Order Processing specialization). Assistance with an existing order (call is routed to this specialization) Typical Title: Customer Support Representative, Customer Care Representative.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Contact Center Customer Service: Non-Technical - Experienced Para-Professional (S2)	30	1530	25	0.00%	0.00%	Base Salary	35,771	39,196	44,927
						Actual Total Cash Compensation	37,498	41,830	46,841

Code: CSV.02.050.S20 Level: S2

Survey: Mercer Contact Center Survey - United States - Org Wtd

Scope: Industry - Super Sector: Energy

Data Cut: 2018 Mercer Contact Center Survey - United States - Org Wtd

Description : Contact Center Customer Service: Non-Technical provides post-sale non-technical customer service to business or end-consumer customers via phone, online chat, or text including: Responding to a high volume of low complexity general inquiries (e.g., general product and pricing information, billing issues, warranties, etc.) Providing responses to customer inquiries based on pre-determined scripts and other response guidance tools. Recommending alternative products or services (e.g., warranties) as part of customer issue resolution This position is not compensated based on achievement of sales targets. Work Environment: Typically located in a call center environment Level: An Experienced Para-Professional (S2) requires basic knowledge of job procedures and tools obtained through work experience and may require vocational or technical education. May require the following proficiency: Works under moderate supervision. Problems are typically of a routine nature, but may at times require interpretation or deviation from standard procedures. Communicates information that requires some explanation or interpretation. Specialization Match Note: Match incumbents in call center positions that focus 100% on new order processing to the Order Processing specialization in the Sales Operations/Administration sub-family in the Sales, Marketing & Product Management job family. These positions are typically Business-to-Consumer (B2C) and exist in cases where the customer is asked to select between: Assistance with a new order (call is routed to the Order Processing specialization). Assistance with an existing order (call is routed to this specialization) Typical Title: Customer Support Representative, Customer Care Representative.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Contact Center Customer Service: Non-Technical - Experienced Para-Professional (S2)	76	1603	25	0.00%	0.00%	Base Salary	38,285	43,203	48,935
Code: CSV.02.050.S20 Level: S2						Actual Total Cash Compensation	38,817	44,265	49,330

Survey: Mercer Contact Center Survey - United States - Org Wtd

Scope: Net Revenue - Millions: Less than 500 US Dollar in millions

Data Cut: 2018 Mercer Contact Center Survey - United States - Org Wtd

Description : Contact Center Customer Service: Non-Technical provides post-sale non-technical customer service to business or end-consumer customers via phone, online chat, or text including: Responding to a high volume of low complexity general inquiries (e.g., general product and pricing information, billing issues, warranties, etc.) Providing responses to customer inquiries based on pre-determined scripts and other response guidance tools. Recommending alternative products or services (e.g., warranties) as part of customer issue resolution This position is not compensated based on achievement of sales targets. Work Environment: Typically located in a call center environment Level: An Experienced Para-Professional (S2) requires basic knowledge of job procedures and tools obtained through work experience and may require vocational or technical education. May require the following proficiency: Works under moderate supervision. Problems are typically of a routine nature, but may at times require interpretation or deviation from standard procedures. Communicates information that requires some explanation or interpretation. Specialization Match Note: Match incumbents in call center positions that focus 100% on new order processing to the Order Processing specialization in the Sales Operations/Administration sub-family in the Sales, Marketing & Product Management job family. These positions are typically Business-to-Consumer (B2C) and exist in cases where the customer is asked to select between: Assistance with a new order (call is routed to the Order Processing specialization). Assistance with an existing order (call is routed to this specialization) Typical Title: Customer Support Representative, Customer Care Representative.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Customer Support/Operations|Customer Support/Operations Generalist/Multidiscipline|Intermediate (Business Support)-U2	19	424	50	0.00%	0.00%	Base Salary	41,325	48,700	61,121
Code: AMS000-U2 Level: U2						Actual Total Cash Compensation	44,782	51,849	65,242

Survey: WTW Energy Services Middle Management, Professional & Support Survey - United States - Org Wtd

Scope: Industry Group: Energy Services and Utilities

Data Cut: 2018 WTW Energy Services Middle Management, Professional & Support Survey - United States - Org Wtd

Description : Function Description: Provides new and existing customers with the best possible service in relation to billing inquiries, service requests, suggestions and complaints. Includes Call Center - Outbound, Call Center/Customer Service and e-Commerce Customer Service. Discipline Description: Provides new and existing customers with the best possible service in relation to billing inquiries, service requests, suggestions and complaints. Resolves customer inquiries and complaints fairly and effectively. Provides product and service information to customers and identifies upselling opportunities to maintain and increase income streams from customer relationships. Recommends and implements programs to support customer needs. Responsibilities are within the Customer Support/ Operations Function as a generalist or in a combination of Disciplines. Career Level description: Band: Has working knowledge and skills developed through formal training or work experience. Works within established procedures with a moderate degree of supervision. Identifies the problem and all relevant issues in straightforward situations, assesses each using standard procedures and makes sound decisions.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Customer Support/Operations|Customer Support/Operations Generalist/Multidiscipline|	19	424	50	0.00%	0.00%	Base Salary	41,325	48,700	61,121
						Actual Total Cash	44,782	51,849	65,242

Intermediate (Business Support)-U2

Compensation

Code: AMS000-U2 Level: U2

Survey: WTW Energy Services Middle Management, Professional & Support Survey - United States - Org Wtd

Scope: Total Sample

Data Cut: 2018 WTW Energy Services Middle Management, Professional & Support Survey - United States - Org Wtd

Description : Function Description: Provides new and existing customers with the best possible service in relation to billing inquiries, service requests, suggestions and complaints. Includes Call Center - Outbound, Call Center/Customer Service and e-Commerce Customer Service. Discipline Description: Provides new and existing customers with the best possible service in relation to billing inquiries, service requests, suggestions and complaints. Resolves customer inquiries and complaints fairly and effectively. Provides product and service information to customers and identifies upselling opportunities to maintain and increase income streams from customer relationships. Recommends and implements programs to support customer needs. Responsibilities are within the Customer Support/ Operations Function as a generalist or in a combination of Disciplines. Career Level description: Band: Has working knowledge and skills developed through formal training or work experience. Works within established procedures with a moderate degree of supervision. Identifies the problem and all relevant issues in straightforward situations, assesses each using standard procedures and makes sound decisions.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Customer Support/Operations|Customer Support/Operations Generalist/Multidiscipline| Intermediate (Business Support)-U2	6	69	50	0.00%	0.00%	Base Salary	35,631	44,346	50,587
						Actual Total Cash Compensation	35,631	44,346	50,587

Code: AMS000-U2 Level: U2

Survey: WTW General Industry Middle Management, Professional & Support Survey - TAC - FP - United States - Org Wtd

Scope: Break Name: Global Revenue | Break Value: Less than $500 Million | Position Listing: For-Profit Organizations

Data Cut: 2018 WTW General Industry Middle Management, Professional & Support Survey - TAC - FP - United States - Org Wtd

Description : Function Description: Provides new and existing customers with the best possible service in relation to billing inquiries, service requests, suggestions and complaints. Includes Call Center - Outbound, Call Center/Customer Service and e-Commerce Customer Service. Discipline Description: Provides new and existing customers with the best possible service in relation to billing inquiries, service requests, suggestions and complaints. Resolves customer inquiries and complaints fairly and effectively. Provides product and service information to customers and identifies upselling opportunities to maintain and increase income streams from customer relationships. Recommends and implements programs to support customer needs. Responsibilities are within the Customer Support/ Operations Function as a generalist or in a combination of Disciplines. Career Level description: Band: Has working knowledge and skills developed through formal training or work experience. Works within established procedures with a moderate degree of supervision. Identifies the problem and all relevant issues in straightforward situations, assesses each using standard procedures and makes sound decisions.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Customer Support/Operations|Customer Support/Operations Generalist/Multidiscipline| Intermediate (Business Support)-U2	94	6964	50	0.00%	0.00%	Base Salary	35,697	43,176	47,611
						Actual Total Cash Compensation	36,206	43,828	48,725

Code: AMS000-U2 Level: U2

Survey: WTW General Industry Middle Management, Professional & Support Survey - TAC - FP - United States - Org Wtd

Scope: Position Listing: For-Profit Organizations

Data Cut: 2018 WTW General Industry Middle Management, Professional & Support Survey - TAC - FP - United States - Org Wtd

Description : Function Description: Provides new and existing customers with the best possible service in relation to billing inquiries, service requests, suggestions and complaints. Includes Call Center - Outbound, Call Center/Customer Service and e-Commerce Customer Service. Discipline Description: Provides new and existing customers with the best possible service in relation to billing inquiries, service requests, suggestions and complaints. Resolves customer inquiries and complaints fairly and effectively. Provides product and service information to customers and identifies upselling opportunities to maintain and increase income streams from customer relationships. Recommends and implements programs to support customer needs. Responsibilities are within the Customer Support/ Operations Function as a generalist or in a combination of Disciplines. Career Level description: Band: Has working knowledge and skills developed through formal training or work experience. Works within established procedures with a moderate degree of supervision. Identifies the problem and all relevant issues in straightforward situations, assesses each using standard procedures and makes sound decisions.

Comment : None

Market Comparison

Pay Type	Composite	Survey Pay Elements	Employee Pay Elements	Comparison	25th	50th	75th
Base 50 50th Percentile	Base (All Jobs)	Base Salary	Base Salary	Market	37,713	44,200	52,001
				Average Pay	--	--	--
				Differential	0.0	0.0	0.0

Overall Comment

None

Service Technician | OPS-GTS-T2 / Operations

Job Details

Job Family	Gas Technical Services	Global Grade	-
Country	United States	Communicated Level	-
Incs	0	Structure Name	-
		Structure Code	-

Grade None	Min	Mid	Max
Employee Pay		Avg	
Base 50		-	

Survey Matches (7)

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Engineering Technicians - Experienced Para-Professional (S2)	181	24103	33	0.00%	0.00%	Base Salary	49,593	55,952	65,758
						Actual Total Cash Compensation	50,244	58,386	67,692

Code: ENS.05.000.S20 Level: S2

Survey: Mercer Engineering & Design Survey - United States - Org Wtd

Scope: All Data

Data Cut: 2018 Mercer Engineering & Design Survey - United States - Org Wtd

Description : Positions in this sub-family are responsible for performing engineering technician para-professional work to support/assist engineers in the organization. This sub-family captures various types of technicians, regardless of their area of specialization. Technicians who work in an Engineering discipline, or a related Engineering trade, but that do not possess the formal educational and experience requirements of a certified Engineer should be matched to this sub-family. An Experienced Para-Professional (S2) requires basic knowledge of job procedures and tools obtained through work experience and may require vocational or technical education. May require the following proficiency: Works under moderate supervision. Problems are typically of a routine nature, but may at times require interpretation or deviation from standard procedures. Communicates information that requires some explanation or interpretation.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Engineering Technicians - Experienced Para-Professional (S2)	37	709	33	0.00%	0.00%	Base Salary	49,858	57,533	64,556
						Actual Total Cash Compensation	50,740	59,502	68,251

Code: ENS.05.000.S20 Level: S2

Survey: Mercer Engineering & Design Survey - United States - Org Wtd

Scope: Net Revenue - Millions: Less than 500 US Dollar In Millions

Data Cut: 2018 Mercer Engineering & Design Survey - United States - Org Wtd

Description : Positions in this sub-family are responsible for performing engineering technician para-professional work to support/assist engineers in the organization. This sub-family captures various types of technicians, regardless of their area of specialization. Technicians who work in an Engineering discipline, or a related Engineering trade, but that do not possess the formal educational and experience requirements of a certified Engineer should be matched to this sub-family. An Experienced Para-Professional (S2) requires basic knowledge of job procedures and tools obtained through work experience and may require vocational or technical education. May require the following proficiency: Works under moderate supervision. Problems are typically of a routine nature, but may at times require interpretation or deviation from standard procedures. Communicates information that requires some explanation or interpretation.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Engineering Technicians - Experienced Para-Professional (S2)	18	1721	34	0.00%	0.00%	Base Salary	47,437	59,643	69,780
						Actual Total Cash Compensation	49,521	60,035	72,156

Code: ENS.05.000.S20 Level: S2

Survey: Mercer Engineering & Design Survey - United States - Org Wtd

Scope: Industry - Super Sector: Energy

Data Cut: 2018 Mercer Engineering & Design Survey - United States - Org Wtd

Description : Positions in this sub-family are responsible for performing engineering technician para-professional work to support/assist engineers in the organization. This sub-family captures various types of technicians, regardless of their area of specialization. Technicians who work in an Engineering discipline, or a related Engineering trade, but that do not possess the formal educational and experience requirements of a certified Engineer should be matched to this sub-family. An Experienced Para-Professional (S2) requires basic knowledge of job procedures and tools obtained through work experience and may require vocational or technical education. May require the following proficiency: Works under moderate supervision. Problems are typically of a routine nature, but may at times require interpretation or deviation from standard procedures. Communicates information that requires some explanation or interpretation.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Technical Specialty/Skilled Trade|Equipment Maintenance Technical Specialty|Intermediate (Technical Support)-T2	13	345	50	0.00%	0.00%	Base Salary	53,042	59,874	80,014
						Actual Total Cash Compensation	57,183	66,959	86,149

Code: AZT010-T2 Level: T2

Survey: WTW Energy Services Middle Management, Professional & Support Survey - United States - Org Wtd

Scope: Industry Group: Energy Services and Utilities

Data Cut: 2018 WTW Energy Services Middle Management, Professional & Support Survey - United States - Org Wtd

Description : Function Description: Provides technical support to engineers and scientists in areas such as production, operations, maintenance, safety, testing, process improvement or product development. Uses schematics, diagrams, written and verbal descriptions or defined plans to perform testing and troubleshooting on electronic or mechanical components, equipment or systems. Gathers, maintains, formats, compiles and manipulates technical data using established formulae and procedures and performs detailed mathematical calculations. Discipline Description: Performs preventive maintenance and repairs on equipment and systems (e.g., mechanical, electrical). Evaluates and recommends equipment improvements to improve availability, capability and yield. Performs equipment failure analyses (including preventive and unscheduled maintenance). Troubleshoots and diagnoses equipment problems. Prepares technical reports to document equipment modifications and equipment maintenance procedures. Career Level description: Band: Has working knowledge and skills to perform a defined set of analytical/scientific methods or operational processes. Applies experience and skills to complete assigned work within own area of expertise. Works within standard operating procedures and/or scientific methods. Works with a moderate degree of supervision.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Technical Specialty/Skilled Trade|Equipment Maintenance Technical Specialty|Intermediate (Technical Support)-T2	16	404	50	0.00%	0.00%	Base Salary	52,002	61,542	77,877
						Actual Total Cash Compensation	56,152	66,992	84,196

Code: AZT010-T2 Level: T2

Survey: WTW Energy Services Middle Management, Professional & Support Survey - United States - Org Wtd

Scope: Total Sample

Data Cut: 2018 WTW Energy Services Middle Management, Professional & Support Survey - United States - Org Wtd

Description : Function Description: Provides technical support to engineers and scientists in areas such as production, operations, maintenance, safety, testing, process improvement or product development. Uses schematics, diagrams, written and verbal descriptions or defined plans to perform testing and troubleshooting on electronic or mechanical components, equipment or systems. Gathers, maintains, formats, compiles and manipulates technical data using established formulae and procedures and performs detailed mathematical calculations. Discipline Description: Performs preventive maintenance and repairs on equipment and systems (e.g., mechanical, electrical). Evaluates and recommends equipment improvements to improve availability, capability and yield. Performs equipment failure analyses (including preventive and unscheduled maintenance). Troubleshoots and diagnoses equipment problems. Prepares technical reports to document equipment modifications and equipment maintenance procedures. Career Level description: Band: Has working knowledge and skills to perform a defined set of analytical/scientific methods or operational processes. Applies experience and skills to complete assigned work within own area of expertise. Works within standard operating procedures and/or scientific methods. Works with a moderate degree of supervision.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Technical Specialty/Skilled Trade|Equipment Maintenance Technical Specialty|Intermediate (Technical Support)-T2	6	44	50	0.00%	0.00%	Base Salary	42,159	45,622	49,499
						Actual Total Cash Compensation	44,182	47,351	50,771

Code: AZT010-T2 Level: T2

Survey: WTW General Industry Middle Management, Professional & Support Survey - TAC - FP - United States - Org Wtd

Scope: Break Name: Global Revenue | Break Value: Less than $500 Million | Position Listing: For-Profit Organizations

Data Cut: 2018 WTW General Industry Middle Management, Professional & Support Survey - TAC - FP - United States - Org Wtd

Description : Function Description: Provides technical support to engineers and scientists in areas such as production, operations, maintenance, safety, testing, process improvement or product development. Uses schematics, diagrams, written and verbal descriptions or defined plans to perform testing and troubleshooting on electronic or mechanical components, equipment or systems. Gathers, maintains, formats, compiles and manipulates technical data using established formulae and procedures and performs detailed mathematical calculations. Discipline Description: Performs preventive maintenance and repairs on equipment and systems (e.g., mechanical, electrical). Evaluates and recommends equipment improvements to improve availability, capability and yield. Performs equipment failure analyses (including preventive and unscheduled maintenance). Troubleshoots and diagnoses equipment problems. Prepares technical reports to document equipment modifications and equipment maintenance procedures. Career Level description: Band: Has working knowledge and skills to perform a defined set of analytical/scientific methods or operational processes. Applies experience and skills to complete assigned work within own area of expertise. Works within standard operating procedures and/or scientific methods. Works with a moderate degree of supervision.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th

Technical Specialty/Skilled Trade|Equipment Maintenance Technical Specialty|Intermediate (Technical Support)-T2	97	3034	50	0.00%	0.00%	Base Salary	45,232	49,899	56,832
						Actual Total Cash Compensation	45,838	51,193	59,596

Code: AZT010-T2 Level: T2

Survey: WTW General Industry Middle Management, Professional & Support Survey - TAC - FP - United States - Org Wtd

Scope: Position Listing: For-Profit Organizations

Data Cut: 2018 WTW General Industry Middle Management, Professional & Support Survey - TAC - FP - United States - Org Wtd

Description : Function Description: Provides technical support to engineers and scientists in areas such as production, operations, maintenance, safety, testing, process improvement or product development. Uses schematics, diagrams, written and verbal descriptions or defined plans to perform testing and troubleshooting on electronic or mechanical components, equipment or systems. Gathers, maintains, formats, compiles and manipulates technical data using established formulae and procedures and performs detailed mathematical calculations. Discipline Description: Performs preventive maintenance and repairs on equipment and systems (e.g., mechanical, electrical). Evaluates and recommends equipment improvements to improve availability, capability and yield. Performs equipment failure analyses (including preventive and unscheduled maintenance). Troubleshoots and diagnoses equipment problems. Prepares technical reports to document equipment modifications and equipment maintenance procedures. Career Level description: Band: Has working knowledge and skills to perform a defined set of analytical/scientific methods or operational processes. Applies experience and skills to complete assigned work within own area of expertise. Works within standard operating procedures and/or scientific methods. Works with a moderate degree of supervision.

Comment : None

Market Comparison

Pay Type	Composite	Survey Pay Elements	Employee Pay Elements	Comparison	25th	50th	75th
Base 50 50th Percentile	Base (All Jobs)	Base Salary	Base Salary	Market	48,388	55,399	66,280
				Average Pay	--	--	--
				Differential	0.0	0.0	0.0

Overall Comment

None

Sr Database Admin | ITS-DIM-T3 / IT

Job Details

Job Family	Data & Information Management	Global Grade	-
Country	United States	Communicated Level	-
Incs	0	Structure Name	-
		Structure Code	-

Grade None	Min	Mid	Max

Employee Pay	Avg
Base 50	-

Survey Matches (1)

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
IT Administration|Database Administration| Senior (Technical Support)-T3 Code: AIT030-T3 Level: T3	20	124	100	0.00%	0.00%	Base Salary	62,514	73,210	105,239
						Actual Total Cash Compensation	63,980	73,398	108,249

Survey: WTW General Industry Middle Management, Professional & Support Survey - TAC - FP - United States - Org Wtd

Scope: Position Listing: For-Profit Organizations

Data Cut: 2018 WTW General Industry Middle Management, Professional & Support Survey - TAC - FP - United States - Org Wtd

Description : Function Description: Manages the Information Technology (IT) infrastructure within an organization, including the physical network (e.g., LANs/ WANs, servers, terminals) as well as server applications and software (e.g., PeopleSoft, Oracle). Configures, installs, maintains and upgrades server applications and hardware. Discipline Description: Administers database utilities, monitors the relationships between the database users and applications, and maintains the organization's databases across multiple platforms and computing environments. Applies understanding of relational database concepts and query languages in order to design required summary or aggregation tables to support analyses. Collaborates with technology/infrastructure staff to identify data relationships and functional requirements; analyzes and resolves issues related to information flow and content. Maintains database support tools, database tables and dictionaries and recovery and back-up procedures. Performs data modeling studies and develops detailed data models; maintains data model and entity relationship diagrams. Career Level description: Band: Has full proficiency in a range of technical processes or procedures (or deep skills in a single area) through job-related training and considerable work experience. Completes a variety of atypical assignments. Works within defined technical processes and procedures or methodologies and may help determine the appropriate approach for new assignments. Works with a limited degree of supervision, with oversight focused only on complex new assignments. Acts as an informal resource for colleagues with less experience.

Comment : None

Market Comparison

Pay Type	Composite	Survey Pay Elements	Employee Pay Elements	Comparison	25th	50th	75th
Base 50 50th Percentile	Base (All Jobs)	Base Salary	Base Salary	Market	62,514	73,210	105,239
				Average Pay	--	--	--
				Differential	0.0	0.0	0.0

Overall Comment

None

Sr Dir, Financial Policy | FIN-FNA-P5 / Finance

Job Details

Job Family	Financial Analysis	Global Grade	-
Country	United States	Communicated Level	-
Incs	0	Structure Name	-
		Structure Code	-

Grade None	Min	Mid	Max

Employee Pay	Avg
Base 50	-

Survey Matches (5)

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Accounting - Expert Professional (P5)	71	249	50	0.00%	0.00%	Base Salary	89,334	114,495	136,150
Code: FIN.06.000.P50 Level: P5						Actual Total Cash Compensation	97,959	131,050	148,500

Survey: Mercer Finance, Accounting, & Legal Survey - United States - Org Wtd

Scope: All Data

Data Cut: 2018 Mercer Finance, Accounting, & Legal Survey - United States - Org Wtd

Description : Positions in this sub-family are responsible for managing or performing work in general financial accounting activities of the organization, including: Financial transaction recording standards. Control/reconciliation of accounts and records. Cost accounting/budgeting. Accounting reports/schedules for internal audiences (management reporting) and for external audiences (compliance reporting). May include administrative/transactional accounting support work, such as ledger maintenance and data entry An Expert Professional (P5) is a recognized master in professional discipline typically obtained through advanced education and work experience. Typically responsible for: Establishing operational plans for job area. Developing and implementing new products, processes, standards or operational plans that will have impact on the achievement of functional results. Requires communication with leadership.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Accounting - Expert Professional (P5)	15	56	50	0.00%	0.00%	Base Salary	114,011	131,410	142,429
Code: FIN.06.000.P50 Level: P5						Actual Total Cash Compensation	132,501	146,400	170,410

Survey: Mercer Finance, Accounting, & Legal Survey - United States - Org Wtd

Scope: Industry - Super Sector: Energy

Data Cut: 2018 Mercer Finance, Accounting, & Legal Survey - United States - Org Wtd

Description : Positions in this sub-family are responsible for managing or performing work in general financial accounting activities of the organization, including: Financial transaction recording standards. Control/reconciliation of accounts and records. Cost accounting/budgeting. Accounting reports/schedules for internal audiences (management reporting) and for external audiences (compliance reporting). May include administrative/transactional accounting support work, such as ledger maintenance and data entry An Expert Professional (P5) is a recognized master in professional discipline typically obtained through advanced education and work experience. Typically responsible for: Establishing operational plans for job area. Developing and implementing new products, processes, standards or operational plans that will have impact on the achievement of functional results. Requires communication with leadership.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Accounting - Expert Professional (P5)	6	13	0	0.00%	0.00%	Base Salary	--	76,936	--
Code: FIN.06.000.P50 Level: P5						Actual Total Cash Compensation	--	85,231	--

Survey: Mercer Finance, Accounting, & Legal Survey - United States - Org Wtd

Scope: Net Revenue - Millions: Less than 500 US Dollar In Millions

Data Cut: 2018 Mercer Finance, Accounting, & Legal Survey - United States - Org Wtd

Description : Positions in this sub-family are responsible for managing or performing work in general financial accounting activities of the organization, including: Financial transaction recording standards. Control/reconciliation of accounts and records. Cost accounting/budgeting. Accounting reports/schedules for internal audiences (management reporting) and for external audiences (compliance reporting). May include administrative/transactional accounting support work, such as ledger maintenance and data entry An Expert Professional (P5) is a recognized master in professional discipline typically obtained through advanced education and work experience. Typically responsible for: Establishing operational plans for job area. Developing and implementing new products, processes, standards or operational plans that will have impact on the achievement of functional results. Requires communication with leadership.

Comment : 0 weighted; reference only

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Accounting|Accounting Policy and Research|Specialist (Professional)-P4	10	21	200	15.00%	0.00%	Base Salary	110,295	134,694	167,071
Code: AFB030-P4 Level: P4						Actual Total Cash Compensation	130,338	152,237	215,809

Survey: WTW Energy Services Middle Management, Professional & Support Survey - United States - Org Wtd

Scope: Industry Group: Energy Services and Utilities

Data Cut: 2018 WTW Energy Services Middle Management, Professional & Support Survey - United States - Org Wtd

Description : Function Description: Establishes and maintains accounting policies and controls, fiscal controls, preparing financial reports and safeguarding the organization's assets. Maintains accounting and financial records and reports, including general ledger, financial statements, regulatory and management reports. Discipline Description: Conducts extensive research regarding the impact to financial statements of potential changes to accounting rules proposed by accounting standards setters and advises senior management regarding same. Develops, implements and communicates new policies and processes to comply with newly issued accounting standards. Provides accounting guidance related to proposed transactions to ensure conformity with local country Generally Accepted Accounting Principles, International Financial Reporting Standards, and company policies and procedures. Ensures that relevant accounting standards are appropriately and consistently applied. Career Level description: Band: Is recognized as an expert in own area within the organization. Has specialized depth and/or breadth of expertise in own discipline or function. Interprets internal or external issues and recommends solutions/best practices. Solves complex problems; takes a broad perspective to identify solutions. May lead functional teams or projects. Works independently, with guidance in only the most complex situations. Progression to this level is typically restricted on the basis of business requirement.

Comment : premium adjust for P5 level

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Accounting|General Accounting|Master (Professional)-P5	43	239	100	0.00%	0.00%	Base Salary	116,131	130,794	152,391
Code: AFB010-P5 Level: P5						Actual Total Cash Compensation	128,459	148,305	179,400

Survey: WTW General Industry Middle Management, Professional & Support Survey - TAC - FP - United States - Org Wtd

Scope: Position Listing: For-Profit Organizations

Data Cut: 2018 WTW General Industry Middle Management, Professional & Support Survey - TAC - FP - United States - Org Wtd

Description : Function Description: Establishes and maintains accounting policies and controls, fiscal controls, preparing financial reports and safeguarding the organization's assets. Maintains accounting and financial records and reports, including general ledger, financial statements, regulatory and management reports. Discipline Description: Performs general accounting activities, including the preparation, maintenance and reconciliation of ledger accounts and financial statements such as balance sheets, profit-and-loss statements and capital expenditure schedules. Prepares, records, analyzes and reports accounting transactions and ensures the integrity of accounting records for completeness, accuracy and compliance with accepted accounting policies and principles. Provides financial support, including forecasting, budgeting and analyzing variations from budget. Analyzes and prepares statutory accounts, financial statements and reports. Conducts or assists in the documentation of accounting projects. Career Level description: Band: Is recognized as an expert within the organization and has in-depth and/or breadth of expertise in own discipline and broad knowledge of other disciplines within the function. Anticipates internal and/or external business challenges and/or regulatory issues; recommends process, product or service improvements. Solves unique and complex problems that have a broad impact on the business. Contributes to the development of functional strategy. Leads project teams to achieve milestones and objectives. Progression to this level is typically restricted on the basis of business requirements. Typically operates with broad latitude in a complex environment.

Comment : None

Market Comparison

Pay Type	Composite	Survey Pay Elements	Employee Pay Elements	Comparison	25th	50th	75th
Base 50 50th Percentile	Base (All Jobs)	Base Salary	Base Salary	Market	109,599	130,784	156,456
				Average Pay	--	--	--
				Differential	0.0	0.0	0.0

Overall Comment

None

Sr Mgr, Ops & Compl Engg | ENG-ENG-M3 / Engineering

Job Details

Job Family	Engineers	Global Grade	-
Country	United States	Communicated Level	-
Incs	0	Structure Name	-
		Structure Code	-

Grade None	Min	Mid	Max
Employee Pay		Avg	
Base 50		-	

Survey Matches (3)

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Civil/Construction Engineering - Senior Manager (M4)	18	165	100	0.00%	0.00%	Base Salary	127,330	153,806	173,825
						Actual Total Cash Compensation	143,115	159,426	178,030

Code: ENS.03.R14.M40 Level: M4

Survey: Mercer Engineering & Design Survey - United States - Org Wtd

Scope: All Data

Data Cut: 2018 Mercer Engineering & Design Survey - United States - Org Wtd

Description : Associated Specializations: Civil/Construction/Structural Engineering (Construction) - M40; General Municipal Engineering (Construction & Civil Infrastructure) - M40; Heating & Ventilating Systems Engineering (Construction) - M40; Landscape Engineering (Construction) - M40; Rail Engineering (Construction & Civil Infrastructure) - M40; Structural Engineering: Buildings (Construction) - M40; Structural Engineering: Facade (Construction) - M40; Sub-Sea Engineering (Construction & Civil Infrastructure) - M40; Water/Waste Engineering (Construction & Civil Infrastructure) - M40

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Engineering|Civil Engineering|Senior Manager (Supervisory/Management)-M3	10	76	100	0.00%	0.00%	Base Salary	143,445	156,749	180,438
						Actual Total Cash Compensation	173,504	186,546	206,183

Code: AZE040-M3 Level: M3

Survey: WTW General Industry Middle Management, Professional & Support Survey - TAC - FP - United States - Org Wtd

Scope: Position Listing: For-Profit Organizations

Data Cut: 2018 WTW General Industry Middle Management, Professional & Support Survey - TAC - FP - United States - Org Wtd

Description : Function Description: Performs engineering work in operations, production, construction or maintenance environments. Designs and scales up manufacturing processes, instruments and equipment and tests manufactured products to maintain quality. Plans, designs and estimates time and cost and oversees construction and maintenance of structures, facilities, systems and components. Analyzes and develops solutions to engineering problems related to manufacturing equipment and systems or the causes of component failures. Develops and applies engineering standards and procedures and provides advice on issues within the engineering field. Discipline Description: Plans and designs structures and facilities such as bridges, railroads, roads, airports, harbors, dams, irrigation projects, pipelines, tunnels, power plants and other projects. Analyzes proposed projects to ensure structural reliability, resource efficiency and cost-effectiveness. May construct models to identify project specifications and meet related needs. Career Level description: Band: Provides leadership to managers; may also provide leadership to supervisors and/or professional staff. Has accountability for the performance and results of multiple related units. Develops departmental plans, including business, production, operational and/or organizational priorities. Controls resources and policy formation in area of responsibility. Decisions are guided by resource availability and functional objectives.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Engineering|Gas Transmission Engineering| Senior Manager (Supervisory/Management)-M3	6	25	100	0.00%	0.00%	Base Salary	166,933	177,645	194,671
						Actual Total Cash Compensation	205,874	219,090	246,230

Code: AZE570-M3 Level: M3

Survey: WTW Energy Services Middle Management, Professional & Support Survey - United States - Org Wtd

Scope: Total Sample

Data Cut: 2018 WTW Energy Services Middle Management, Professional & Support Survey - United States - Org Wtd

Description : Function Description: Performs engineering work in operations, production, construction or maintenance environments. Designs and scales up manufacturing processes, instruments and equipment and tests manufactured products to maintain quality. Plans, designs and estimates time and cost and oversees construction and maintenance of structures, facilities, systems and components. Analyzes and develops solutions to engineering problems related to manufacturing equipment and systems or the causes of component failures. Develops and applies engineering standards and procedures and provides advice on issues within the engineering field. Discipline Description: Plans, designs and engineers pipelines and compressor stations and meter and regulator stations for natural gas transmission. Installs and inspects rectifier stations and anodes used to minimize corrosive effects of static-electricity discharge between gas pipeline and ground. Career Level description: Band: Provides leadership to managers; may also provide leadership to supervisors and/or professional staff. Has accountability for the performance and results of multiple related units. Develops departmental plans, including business, production, operational and/or organizational priorities. Controls resources and policy formation in area of responsibility. Decisions are guided by resource availability and functional objectives.

Comment : None

Market Comparison

Pay Type	Composite	Survey Pay Elements	Employee Pay Elements	Comparison	25th	50th	75th
Base 50 50th Percentile	Base (All Jobs)	Base Salary	Base Salary	Market Average Pay Differential	145,903 -- 0.0	162,733 -- 0.0	182,978 -- 0.0

Overall Comment

None

Supv, Gas Ops-SW | OPS-GTD-M1 / Operations

Job Details

Job Family	Gas Transmission/Distribution	Global Grade	-
Country	United States	Communicated Level	-
Incs	0	Structure Name	-
		Structure Code	-

Grade None	Min	Mid	Max

Employee Pay	Avg
Base 50	-

Survey Matches (5)

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Multiple Repair & Maintenance Trades Specializations - Team Leader (Professonals) (M2)	14	111	100	0.00%	0.00%	Base Salary	76,346	83,577	99,205
						Actual Total Cash Compensation	82,240	88,175	106,946

Code: PSK.05.999.M20 Level: M2

Survey: Mercer Manufacturing Survey - United States - Org Wtd

Scope: All Data

Data Cut: 2018 Mercer Manufacturing Survey - United States - Org Wtd

Description : This benchmark is intended for incumbents who have responsibility for more than one Specialization within the Sub-family. Level: A Team Leader (M2) supervises professional level employees (typically entry or experienced level) and may also supervise some para-professional employees. Responsibilities typically include: Setting goals and objectives for team members for achievement of operational results. Problems faced may be difficult but typically are not complex. Ensures policies, practices and procedures are understood and followed by direct reports, customers and stakeholders.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Energy Delivery/Distribution|Gas Distribution Construction and/or Maintenance|Supervisor (Supervisory/Management)-M1	28	1591	100	0.00%	0.00%	Base Salary	90,704	99,441	104,307
						Actual Total Cash Compensation	98,609	107,291	118,161

Code: EDD050-M1 Level: M1

Survey: WTW Energy Services Middle Management, Professional & Support Survey - United States - Org Wtd

Scope: Industry Group: Energy Services and Utilities

Data Cut: 2018 WTW Energy Services Middle Management, Professional & Support Survey - United States - Org Wtd

Description : Function Description: Directs, coordinates, implements and plans distribution activities that provide electric and/or gas service to customers, including operation, line construction and/or maintenance. Discipline Description: Constructs, removes and maintains gas distribution facilities and equipment, including pipe, gauges and valves. May be responsible for field engineering and/or operating activities. Coordinates, schedules and supervises crews engaged in the construction, removal and maintenance of facilities and equipment for gas distribution. Dispatches field crews engaged in the construction, maintenance and emergency restoration of gas service. Responsibilities may be limited to an assigned district or area. Career Level description: Band: Coordinates and supervises the daily activities of a support, production or operations team. Sets priorities for the team to ensure task completion; coordinates work activities with other supervisors. Decisions and problem-solving are guided by policies, procedures and business plan; receives guidance and oversight from manager. Typically does not spend more than 20% of time performing the work supervised.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Technical Specialty/Skilled Trade|Equipment Maintenance Technical Specialty|Supervisor (Supervisory/Management)-M1	7	17	50	0.00%	0.00%	Base Salary	67,173	75,000	89,164
						Actual Total Cash Compensation	73,188	78,000	95,820

Code: AZT010-M1 Level: M1

Survey: WTW General Industry Middle Management, Professional & Support Survey - TAC - FP - United States - Org Wtd

Scope: Break Name: Global Revenue | Break Value: Less than $500 Million | Position Listing: For-Profit Organizations

Data Cut: 2018 WTW General Industry Middle Management, Professional & Support Survey - TAC - FP - United States - Org Wtd

Description : Function Description: Provides technical support to engineers and scientists in areas such as production, operations, maintenance, safety, testing, process improvement or product development. Uses schematics, diagrams, written and verbal descriptions or defined plans to perform testing and troubleshooting on electronic or mechanical components, equipment or systems. Gathers, maintains, formats, compiles and manipulates technical data using established formulae and procedures and performs detailed mathematical calculations. Discipline Description: Performs preventive maintenance and repairs on equipment and systems (e.g., mechanical, electrical). Evaluates and recommends equipment improvements to improve availability, capability and yield. Performs equipment failure analyses (including preventive and unscheduled maintenance). Troubleshoots and diagnoses equipment problems. Prepares technical reports to document

equipment modifications and equipment maintenance procedures. Career Level description: Band: Coordinates and supervises the daily activities of a support, production or operations team. Sets priorities for the team to ensure task completion; coordinates work activities with other supervisors. Decisions and problem-solving are guided by policies, procedures and business plan; receives guidance and oversight from manager. Typically does not spend more than 20% of time performing the work supervised.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Technical Specialty/Skilled Trade|Equipment Maintenance Technical Specialty|Supervisor (Supervisory/Management)-M1	129	3110	50	0.00%	0.00%	Base Salary	75,000	82,588	92,762
						Actual Total Cash Compensation	77,982	87,168	100,953

Code: AZT010-M1 Level: M1

Survey: WTW General Industry Middle Management, Professional & Support Survey - TAC - FP - United States - Org Wtd

Scope: Position Listing: For-Profit Organizations

Data Cut: 2018 WTW General Industry Middle Management, Professional & Support Survey - TAC - FP - United States - Org Wtd

Description : Function Description: Provides technical support to engineers and scientists in areas such as production, operations, maintenance, safety, testing, process improvement or product development. Uses schematics, diagrams, written and verbal descriptions or defined plans to perform testing and troubleshooting on electronic or mechanical components, equipment or systems. Gathers, maintains, formats, compiles and manipulates technical data using established formulae and procedures and performs detailed mathematical calculations. Discipline Description: Performs preventive maintenance and repairs on equipment and systems (e.g., mechanical, electrical). Evaluates and recommends equipment improvements to improve availability, capability and yield. Performs equipment failure analyses (including preventive and unscheduled maintenance). Troubleshoots and diagnoses equipment problems. Prepares technical reports to document equipment modifications and equipment maintenance procedures. Career Level description: Band: Coordinates and supervises the daily activities of a support, production or operations team. Sets priorities for the team to ensure task completion; coordinates work activities with other supervisors. Decisions and problem-solving are guided by policies, procedures and business plan; receives guidance and oversight from manager. Typically does not spend more than 20% of time performing the work supervised.

Comment : None

Survey Job	Orgs	Incs	Wt	Adj	Geo	Pay Elements	25th	50th	75th
Technical Specialty/Skilled Trade|Gas Transmission and/or Distribution Technical Specialty|Lead/Advanced (Technical Support)-T4	5	19	100	10.00%	0.00%	Base Salary	83,361	94,203	100,638
						Actual Total Cash Compensation	85,990	102,161	109,890

Code: AZT571-T4 Level: T4

Survey: WTW Energy Services Middle Management, Professional & Support Survey - United States - Org Wtd

Scope: Industry Group: Energy Services and Utilities

Data Cut: 2018 WTW Energy Services Middle Management, Professional & Support Survey - United States - Org Wtd

Description : Function Description: Provides technical support to engineers and scientists in areas such as production, operations, maintenance, safety, testing, process improvement or product development. Uses schematics, diagrams, written and verbal descriptions or defined plans to perform testing and troubleshooting on electronic or mechanical components, equipment or systems. Gathers, maintains, formats, compiles and manipulates technical data using established formulae and procedures and performs detailed mathematical calculations. Discipline Description: Provides expert technical support for gas transmission systems that transport natural gas by pipeline, including incidental storage and/or gas distribution systems that transport natural gas to the final consumer by pipeline. Focuses on pipeline and compressor systems for natural gas transmission and/or distribution, including activities such as installing and/or inspecting rectifier stations and anodes used to minimize corrosive effects of static-electricity discharge between gas pipeline and ground. Career Level description: Band: Has advanced and specialized expertise, typically developed through a combination of job-related training and considerable work experience. Proposes improvements to processes. May act as a lead, coordinating and facilitating the work of others but is not a supervisor. Works autonomously within established procedures and practices. Spends a majority of working time performing the same work processes and activities as employees on team.

Comment : no M1 match; adjust for level

Market Comparison

Pay Type	Composite	Survey Pay Elements	Employee Pay Elements	Comparison	25th	50th	75th
Base 50 50th Percentile	Base (All Jobs)	Base Salary	Base Salary	Market	80,374	89,004	98,778
				Average Pay	--	--	--
				Differential	0.0	0.0	0.0

Overall Comment

None

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Summary of Market Data by Level and Function

Row Labels	Average of Annual Base Salary 10th (Aged)*	Average of Annual Base Salary Median (Aged)*	Average of Annual Base Salary 90th (Aged)*
M1	**$85,148**	**$108,056**	**$130,482**
Customer Service	**$65,755**	**$89,047**	**$108,363**
Collections	$70,340	$90,229	$108,577
Customer Billing	$71,447	$93,815	$120,143
Customer Contact Center	$57,735	$82,214	$95,922
Customer Service Support & Administration	$63,499	$89,930	$108,808
Engineering	**$99,817**	**$124,772**	**$149,726**
Engineers	$99,817	$124,772	$149,726
Finance	**$88,067**	**$108,353**	**$131,747**
Accounting	$81,808	$104,421	$126,575
Audit	$85,223	$102,747	$126,283
Financial Analysis	$90,196	$112,746	$135,295
Tax	$95,041	$113,499	$138,836
Human Resources	**$86,657**	**$113,303**	**$137,986**
HR Management	$86,657	$113,303	$137,986
IT	**$95,881**	**$121,122**	**$142,881**
Infrastructure	$101,230	$120,088	$141,380
IT Management	$90,532	$122,155	$144,383
Legal/Compliance	**$91,188**	**$117,514**	**$152,667**
Regulatory Compliance	$91,188	$117,514	$152,667
Operations	**$87,600**	**$109,215**	**$133,594**
Compliance/Safety	$95,241	$116,267	$142,106
Construction Project Management	$82,621	$113,431	$154,757
Gas Services	$89,197	$112,747	$130,913
Gas Technical Services	$86,222	$107,778	$129,333
Gas Transmission/Distribution	$88,730	$107,408	$126,883
Line Locating	$92,231	$107,372	$125,966
Logistics	$78,960	$99,502	$125,197
Sales/Marketing	**$82,723**	**$108,273**	**$123,707**
Communications	$83,129	$103,911	$124,694
Energy Efficiency/Conservation	$86,376	$108,205	$127,428
Energy Marketing & Trading	$81,801	$118,477	$122,824
Marketing	$81,801	$110,132	$122,824

Summary of Market Data by Level and Function

Row Labels	Average of Annual Base Salary 10th (Aged)*	Average of Annual Base Salary Median (Aged)*	Average of Annual Base Salary 90th (Aged)*
Sales/Account Management	$80,510	$100,638	$120,765
Operations-Propane	**$87,600**	**$109,215**	**$133,594**
Compliance/Safety	$95,241	$116,267	$142,106
Construction Project Management	$82,621	$113,431	$154,757
Gas Services	$89,197	$112,747	$130,913
Gas Technical Services	$86,222	$107,778	$129,333
Gas Transmission/Distribution	$88,730	$107,408	$126,883
Line Locating	$92,231	$107,372	$125,966
Logistics	$78,960	$99,502	$125,197
M2	**$109,356**	**$134,148**	**$163,432**
Customer Service	**$91,650**	**$122,964**	**$147,594**
Customer Billing	$104,988	$128,076	$150,953
Customer Contact Center	$82,605	$117,357	$148,620
Customer Service Support & Administration	$87,359	$123,458	$143,209
Engineering	**$118,371**	**$139,008**	**$168,146**
Engineers	$118,371	$139,008	$168,146
Finance	**$108,677**	**$134,545**	**$163,046**
Accounting	$100,781	$128,462	$158,459
Audit	$111,560	$136,715	$162,262
Financial Analysis	$107,829	$137,405	$161,652
Tax	$114,539	$135,599	$169,812
Human Resources	**$111,981**	**$132,732**	**$161,621**
HR Management	$111,981	$132,732	$161,621
IT	**$120,229**	**$143,739**	**$172,238**
Infrastructure	$119,448	$144,489	$175,666
IT Management	$121,010	$142,989	$168,810
Legal/Compliance	**$114,342**	**$140,424**	**$166,662**
Regulatory Compliance	$114,342	$140,424	$166,662
Operations	**$110,074**	**$135,435**	**$163,198**
Compliance/Safety	$115,452	$137,495	$166,404
Construction Project Management	$102,405	$135,242	$165,022
Electric Transmission/Distribution	$115,361	$141,764	$166,624
Gas Services	$116,216	$138,064	$165,776

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Summary of Market Data by Level and Function

Row Labels	Average of Annual Base Salary 10th (Aged)*	Average of Annual Base Salary Median (Aged)*	Average of Annual Base Salary 90th (Aged)*
Gas Technical Services	$111,865	$131,900	$157,277
Gas Transmission/Distribution	$112,276	$134,423	$163,126
Logistics	$96,946	$129,155	$158,155
Sales/Marketing	**$112,039**	**$132,682**	**$169,790**
Business Development	$118,490	$136,827	$179,666
Communications	$103,311	$129,786	$158,324
Energy Marketing & Trading	$130,437	$142,159	$191,763
Marketing	$99,206	$123,564	$160,894
Sales/Account Management	$108,752	$131,072	$158,305
Operations-Propane	**$109,193**	**$134,380**	**$162,627**
Compliance/Safety	$115,452	$137,495	$166,404
Construction Project Management	$102,405	$135,242	$165,022
Gas Services	$116,216	$138,064	$165,776
Gas Technical Services	$111,865	$131,900	$157,277
Gas Transmission/Distribution	$112,276	$134,423	$163,126
Logistics	$96,946	$129,155	$158,155
M3	**$137,227**	**$164,784**	**$199,052**
Customer Service	**$136,113**	**$152,997**	**$190,235**
Customer Service Support & Administration	$136,113	$152,997	$190,235
Engineering	**$146,544**	**$170,315**	**$202,085**
Engineers	$146,544	$170,315	$202,085
Finance	**$134,471**	**$167,051**	**$196,928**
Accounting	$136,173	$161,900	$183,073
Audit	$130,928	$168,863	$203,244
Financial Analysis	$136,311	$170,389	$204,467
Human Resources	**$131,154**	**$164,420**	**$193,835**
HR Management	$131,154	$164,420	$193,835
IT	**$145,910**	**$171,596**	**$198,912**
IT Management	$145,910	$171,596	$198,912
Operations	**$137,044**	**$162,465**	**$198,780**
Compliance/Safety	$139,323	$166,013	$193,234
Electric Transmission/Distribution	$139,103	$160,964	$187,338
Gas Technical Services	$132,958	$159,045	$204,830

Summary of Market Data by Level and Function

Row Labels	Average of Annual Base Salary 10th (Aged)*	Average of Annual Base Salary Median (Aged)*	Average of Annual Base Salary 90th (Aged)*
Gas Transmission/Distribution	$136,793	$163,839	$209,719
Sales/Marketing	**$138,014**	**$172,518**	**$207,021**
Business Development	$138,014	$172,518	$207,021
Operations-Propane	**$136,358**	**$162,966**	**$202,595**
Compliance/Safety	$139,323	$166,013	$193,234
Gas Technical Services	$132,958	$159,045	$204,830
Gas Transmission/Distribution	$136,793	$163,839	$209,719
M4	**$157,784**	**$196,163**	**$233,207**
Operations	**$161,332**	**$198,475**	**$234,485**
Electric Transmission/Distribution	$177,739	$205,184	$234,245
Gas Services	$156,662	$196,732	$232,149
Gas Technical Services	$156,662	$197,166	$232,149
Gas Transmission/Distribution	$154,266	$194,819	$239,394
Sales/Marketing	**$149,349**	**$186,686**	**$224,024**
Sales/Account Management	$149,349	$186,686	$224,024
Operations-Propane	**$155,864**	**$196,239**	**$234,564**
Gas Services	$156,662	$196,732	$232,149
Gas Technical Services	$156,662	$197,166	$232,149
Gas Transmission/Distribution	$154,266	$194,819	$239,394
P1	**$50,789**	**$62,047**	**$76,083**
Customer Service	**$50,044**	**$59,058**	**$69,786**
Customer Billing	$48,956	$59,915	$69,603
Customer Service Support & Administration	$51,133	$58,200	$69,970
Engineering	**$66,960**	**$72,521**	**$91,064**
Design	$66,960	$72,521	$91,064
Finance	**$50,823**	**$58,741**	**$70,918**
Accounting	$51,160	$56,556	$68,101
Financial Analysis	$48,144	$60,180	$72,216
Tax	$53,166	$59,486	$72,439
Human Resources	**$51,666**	**$61,160**	**$69,990**
Employee/Labor Relations	$49,193	$61,389	$71,170
HRIS	$50,883	$63,604	$76,324
Talent Acquisition/Recruiting	$53,012	$60,225	$67,616

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Summary of Market Data by Level and Function

Row Labels	Average of Annual Base Salary 10th (Aged)*	Average of Annual Base Salary Median (Aged)*	Average of Annual Base Salary 90th (Aged)*
Total Rewards	$53,577	$59,424	$64,851
IT	**$51,991**	**$62,101**	**$73,637**
Business Systems Analysis	$55,126	$62,652	$74,997
Data & Information Management	$50,678	$63,347	$76,016
Systems Administration	$54,655	$61,035	$72,079
Technical Support	$47,505	$61,371	$71,456
Legal/Compliance	**$51,099**	**$60,121**	**$71,922**
Regulatory Compliance	$51,099	$60,121	$71,922
Operations	**$49,446**	**$63,400**	**$80,820**
Administrative	$49,294	$57,792	$72,899
Compliance/Safety	$47,066	$64,353	$74,490
Construction Project Management	$51,727	$66,975	$95,106
Gas Transmission/Distribution	$45,216	$62,466	$74,083
Logistics	$51,645	$61,838	$73,237
Project Management	$51,727	$66,975	$95,106
Sales/Marketing	**$48,362**	**$60,191**	**$74,278**
Energy Efficiency/Conservation	$50,636	$62,512	$81,160
Marketing	$47,758	$59,698	$71,637
Sales/Account Management	$46,692	$58,365	$70,038
Operations-Propane	**$49,446**	**$63,400**	**$80,820**
Administrative	$49,294	$57,792	$72,899
Compliance/Safety	$47,066	$64,353	$74,490
Construction Project Management	$51,727	$66,975	$95,106
Gas Transmission/Distribution	$45,216	$62,466	$74,083
Logistics	$51,645	$61,838	$73,237
Project Management	$51,727	$66,975	$95,106
P2	**$63,918**	**$77,626**	**$97,315**
Customer Service	**$52,369**	**$67,429**	**$87,392**
Customer Billing	$55,357	$67,334	$88,083
Customer Contact Center	$52,729	$65,911	$79,093
Customer Service Support & Administration	$49,022	$69,041	$94,999
Engineering	**$74,551**	**$85,617**	**$107,327**
Design	$73,413	$84,666	$97,204

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Summary of Market Data by Level and Function

Row Labels	Average of Annual Base Salary 10th (Aged)*	Average of Annual Base Salary Median (Aged)*	Average of Annual Base Salary 90th (Aged)*
Electrical Engineers	$74,085	$84,716	$111,011
Engineers	$74,935	$85,566	$102,206
Engineers (gas)	$75,772	$87,521	$118,887
Finance	**$61,698**	**$73,907**	**$90,091**
Accounting	$58,616	$70,162	$83,751
Audit	$61,681	$75,194	$93,328
Financial Analysis	$63,957	$75,708	$92,309
Tax	$62,783	$74,834	$89,900
Treasury	$61,453	$73,640	$91,165
General Services	**$61,635**	**$74,524**	**$95,478**
Facilities	$61,635	$74,524	$95,478
Human Resources	**$62,139**	**$74,746**	**$92,766**
Employee/Labor Relations	$60,755	$73,851	$91,864
HRIS	$64,334	$79,056	$90,941
Talent Acquisition/Recruiting	$64,563	$74,387	$91,025
Total Rewards	$58,903	$71,690	$97,233
IT	**$67,624**	**$82,000**	**$100,501**
Business Systems Analysis	$66,598	$78,764	$95,305
Data & Information Management	$72,826	$88,190	$111,978
Infrastructure	$68,212	$84,980	$110,553
IT Project Management	$69,574	$85,562	$107,240
Security	$66,944	$80,992	$93,026
Systems Administration	$66,175	$82,394	$96,491
Technical Support	$63,041	$73,117	$88,913
Legal/Compliance	**$63,148**	**$77,708**	**$95,105**
Corporate Governance	$61,617	$75,211	$91,135
Regulatory Compliance	$64,680	$80,204	$99,075
Operations	**$65,163**	**$78,693**	**$101,232**
Administrative	$57,954	$68,334	$93,729
Compliance/Safety	$67,052	$82,102	$98,314
Construction Project Management	$66,387	$79,488	$105,401
Electric Transmission/Distribution	$69,763	$85,549	$115,482
Gas Services	$70,058	$80,438	$102,565

Summary of Market Data by Level and Function

Row Labels	Average of Annual Base Salary 10th (Aged)*	Average of Annual Base Salary Median (Aged)*	Average of Annual Base Salary 90th (Aged)*
Gas Transmission/Distribution	$60,652	$75,815	$90,978
Logistics	$61,197	$76,104	$97,731
Project Management	$68,242	$81,711	$105,657
Sales/Marketing	**$60,221**	**$76,474**	**$94,958**
Business Development	$63,804	$79,755	$95,706
Communications	$61,103	$73,989	$89,106
Energy Efficiency/Conservation	$62,250	$76,962	$90,731
Energy Marketing & Trading	$63,181	$80,879	$108,358
Marketing	$57,600	$75,934	$97,362
Marketing/Integrated Communications	$55,768	$71,969	$87,099
Sales/Account Management	$57,843	$75,828	$96,344
Operations-Propane	**$64,506**	**$77,713**	**$99,197**
Administrative	$57,954	$68,334	$93,729
Compliance/Safety	$67,052	$82,102	$98,314
Construction Project Management	$66,387	$79,488	$105,401
Gas Services	$70,058	$80,438	$102,565
Gas Transmission/Distribution	$60,652	$75,815	$90,978
Logistics	$61,197	$76,104	$97,731
Project Management	$68,242	$81,711	$105,657
P3	**$79,811**	**$96,480**	**$118,355**
Customer Service	**$61,438**	**$82,609**	**$109,572**
Customer Billing	$75,862	$84,924	$95,822
Customer Contact Center	$51,018	$78,933	$111,169
Customer Service	$59,436	$83,290	$115,648
Customer Service Support & Administration	$59,436	$83,290	$115,648
Engineering	**$86,782**	**$104,529**	**$126,869**
Design	$83,185	$105,785	$120,215
Electrical Engineers	$90,365	$106,819	$133,794
Engineers	$88,483	$104,666	$122,810
Engineers (gas)	$85,094	$100,845	$130,658
Finance	**$75,408**	**$91,929**	**$112,757**
Accounting	$74,587	$90,731	$109,890
Audit	$79,179	$93,568	$108,867

Summary of Market Data by Level and Function

Row Labels	Average of Annual Base Salary 10th (Aged)*	Average of Annual Base Salary Median (Aged)*	Average of Annual Base Salary 90th (Aged)*
Financial Analysis	$74,132	$92,665	$111,198
Tax	$77,005	$91,818	$121,085
Treasury	$72,135	$90,861	$112,745
General Services	**$73,958**	**$92,419**	**$118,940**
Facilities	$73,958	$92,419	$118,940
Human Resources	**$78,945**	**$95,266**	**$112,799**
Employee/Labor Relations	$76,842	$95,637	$119,077
HRIS	$75,639	$97,255	$111,756
Talent Acquisition/Recruiting	$81,145	$92,152	$109,474
Total Rewards	$82,154	$96,020	$110,886
IT	**$90,226**	**$104,596**	**$123,249**
Business Systems Analysis	$86,088	$101,422	$122,258
Data & Information Management	$104,540	$115,570	$131,514
Infrastructure	$91,408	$106,367	$125,100
IT Project Management	$97,377	$114,018	$134,122
Security	$89,896	$104,942	$123,151
Systems Administration	$91,766	$102,383	$118,556
Technical Support	$70,505	$87,472	$108,042
Legal/Compliance	**$81,286**	**$96,261**	**$118,500**
Corporate Governance	$77,327	$92,764	$117,008
Regulatory Compliance	$85,245	$99,758	$119,991
Operations	**$79,733**	**$97,608**	**$120,969**
Administrative	$67,608	$83,535	$105,722
Compliance/Safety	$81,997	$99,614	$120,491
Construction Project Management	$86,635	$102,519	$124,039
Electric Transmission/Distribution	$92,839	$105,538	$128,190
Gas Services	$80,766	$98,460	$120,128
Gas Transmission/Distribution	$62,470	$93,950	$127,731
Logistics	$76,298	$93,580	$115,895
Project Management	$89,251	$103,670	$125,556
Sales/Marketing	**$82,008**	**$94,994**	**$116,091**
Business Development	$82,462	$97,458	$109,804
Communications	$78,376	$90,518	$112,317

Summary of Market Data by Level and Function

Row Labels	Average of Annual Base Salary 10th (Aged)*	Average of Annual Base Salary Median (Aged)*	Average of Annual Base Salary 90th (Aged)*
Energy Efficiency/Conservation	$87,628	$97,761	$107,764
Energy Marketing & Trading	$86,400	$106,387	$132,340
Marketing	$80,452	$87,717	$114,264
Marketing/Integrated Communications	$80,010	$91,011	$112,499
Sales/Account Management	$78,728	$94,105	$123,651
Operations-Propane	**$77,861**	**$96,475**	**$119,937**
Administrative	$67,608	$83,535	$105,722
Compliance/Safety	$81,997	$99,614	$120,491
Construction Project Management	$86,635	$102,519	$124,039
Gas Services	$80,766	$98,460	$120,128
Gas Transmission/Distribution	$62,470	$93,950	$127,731
Logistics	$76,298	$93,580	$115,895
Project Management	$89,251	$103,670	$125,556
P4	**$100,827**	**$119,582**	**$144,791**
Engineering	**$110,727**	**$127,364**	**$155,025**
Engineers	$109,170	$128,901	$148,176
Engineers (gas)	$112,284	$125,828	$161,874
Finance	**$93,373**	**$114,108**	**$136,380**
Accounting	$85,637	$106,704	$129,798
Audit	$96,191	$118,338	$139,185
Financial Analysis	$94,130	$117,663	$141,196
Tax	$97,532	$113,729	$135,341
General Services	**$98,614**	**$113,966**	**$133,504**
Security	$98,614	$113,966	$133,504
Human Resources	**$92,972**	**$114,803**	**$136,060**
Employee/Labor Relations	$92,972	$114,803	$136,060
IT	**$110,067**	**$128,325**	**$147,184**
Infrastructure	$107,411	$129,675	$150,228
IT Project Management	$117,679	$131,979	$153,878
Security	$108,526	$126,272	$143,989
Systems Administration	$106,651	$125,375	$140,641
Legal/Compliance	**$101,110**	**$126,530**	**$151,059**
Government Affairs	$100,852	$127,328	$155,604

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Summary of Market Data by Level and Function

Row Labels	Average of Annual Base Salary 10th (Aged)*	Average of Annual Base Salary Median (Aged)*	Average of Annual Base Salary 90th (Aged)*
Regulatory Compliance	$101,368	$125,731	$146,513
Operations	**$99,170**	**$117,868**	**$146,555**
Administrative	$81,235	$104,076	$136,738
Compliance/Safety	$99,449	$120,769	$141,007
Construction Project Management	$105,323	$124,089	$153,756
Gas Services	$103,691	$121,983	$147,498
Gas Transmission/Distribution	$103,691	$121,983	$147,498
Logistics	$101,628	$114,310	$152,834
Sales/Marketing	**$101,315**	**$117,267**	**$142,774**
Business Development	$110,372	$129,672	$153,312
Communications	$96,105	$108,677	$127,466
Energy Marketing & Trading	$112,292	$128,772	$165,128
Marketing	$91,219	$103,696	$133,658
Marketing/Integrated Communications	$96,587	$115,515	$134,307
Operations-Propane	**$99,170**	**$117,868**	**$146,555**
Administrative	$81,235	$104,076	$136,738
Compliance/Safety	$99,449	$120,769	$141,007
Construction Project Management	$105,323	$124,089	$153,756
Gas Services	$103,691	$121,983	$147,498
Gas Transmission/Distribution	$103,691	$121,983	$147,498
Logistics	$101,628	$114,310	$152,834
P5	**$120,154**	**$148,084**	**$178,269**
Finance	**$106,207**	**$132,759**	**$159,311**
Accounting	$103,670	$129,588	$155,505
Financial Analysis	$108,744	$135,930	$163,116
General Services	**$122,524**	**$153,154**	**$183,785**
Security	$122,524	$153,154	$183,785
Legal/Compliance	**$140,716**	**$165,355**	**$201,268**
Regulatory Compliance	$140,716	$165,355	$201,268
Sales/Marketing	**$125,113**	**$156,391**	**$187,670**
Business Development	$125,113	$156,391	$187,670
P6	**$147,439**	**$189,022**	**$228,199**
Legal/Compliance	**$147,439**	**$189,022**	**$228,199**

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Summary of Market Data by Level and Function

Row Labels	Average of Annual Base Salary 10th (Aged)*	Average of Annual Base Salary Median (Aged)*	Average of Annual Base Salary 90th (Aged)*
General Counsel	$147,439	$189,022	$228,199
T1	**$43,456**	**$53,595**	**$69,021**
Engineering	**$44,934**	**$50,629**	**$56,192**
Design	$48,098	$51,631	$56,762
Engineers	$44,296	$52,445	$55,710
Mapping	$42,409	$47,812	$56,105
IT	**$40,360**	**$49,487**	**$67,045**
Technical Support	$40,360	$49,487	$67,045
Operations	**$43,405**	**$56,099**	**$75,384**
Electric Transmission/Distribution	$44,490	$55,613	$66,735
Gas Technical Services	$46,102	$56,451	$78,249
Line Locating	$39,624	$56,233	$81,167
Operations-Propane	**$42,863**	**$56,342**	**$79,708**
Gas Technical Services	$46,102	$56,451	$78,249
Line Locating	$39,624	$56,233	$81,167
T2	**$51,019**	**$63,209**	**$78,032**
Engineering	**$51,053**	**$62,745**	**$78,410**
Design	$49,865	$61,643	$75,644
Electrical Engineers	$52,053	$67,597	$79,339
Engineers	$51,069	$62,753	$90,308
Mapping	$51,224	$58,986	$68,348
IT	**$49,184**	**$57,432**	**$71,541**
Technical Support	$49,184	$57,432	$71,541
Operations	**$51,623**	**$64,572**	**$79,031**
Electric Transmission/Distribution	$55,362	$69,202	$83,043
Gas Construction	$50,319	$62,899	$75,479
Gas Services	$47,404	$59,256	$71,107
Gas Technical Services	$52,567	$65,165	$83,329
Line Locating	$52,461	$66,338	$82,198
Operations-Propane	**$50,688**	**$63,414**	**$78,028**
Gas Construction	$50,319	$62,899	$75,479
Gas Services	$47,404	$59,256	$71,107
Gas Technical Services	$52,567	$65,165	$83,329

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Summary of Market Data by Level and Function

Row Labels	Average of Annual Base Salary 10th (Aged)*	Average of Annual Base Salary Median (Aged)*	Average of Annual Base Salary 90th (Aged)*
Line Locating	$52,461	$66,338	$82,198
T3	**$57,412**	**$77,771**	**$97,391**
Engineering	**$59,796**	**$72,010**	**$88,378**
Design	$63,553	$76,376	$96,180
Mapping	$56,040	$67,644	$80,576
IT	**$54,390**	**$69,841**	**$86,578**
Technical Support	$54,390	$69,841	$86,578
Operations	**$59,189**	**$81,768**	**$102,358**
Electric Transmission/Distribution	$73,376	$90,290	$108,288
Gas Services	$49,265	$76,162	$95,823
Gas Technical Services	$56,691	$79,258	$101,210
Line Locating	$57,424	$81,361	$104,112
Operations-Propane	**$54,460**	**$78,927**	**$100,382**
Gas Services	$49,265	$76,162	$95,823
Gas Technical Services	$56,691	$79,258	$101,210
Line Locating	$57,424	$81,361	$104,112
T4	**$68,736**	**$88,506**	**$109,206**
Engineering	**$69,901**	**$81,909**	**$98,548**
Design	$81,179	$90,539	$109,161
Mapping	$58,624	$73,280	$87,935
Operations	**$70,352**	**$92,115**	**$114,924**
Compliance/Safety	$65,703	$89,354	$111,536
Electric Transmission/Distribution	$80,761	$96,963	$122,201
Gas Technical Services	$64,591	$90,027	$111,036
Operations-Propane	**$65,147**	**$89,691**	**$111,286**
Compliance/Safety	$65,703	$89,354	$111,536
Gas Technical Services	$64,591	$90,027	$111,036
U1	**$32,280**	**$40,672**	**$53,980**
Customer Service	**$31,830**	**$39,417**	**$50,023**
Customer Billing	$34,233	$42,792	$51,350
Customer Contact Center	$30,041	$34,716	$48,718
Customer Service	$31,215	$40,743	$50,000
Finance	**$31,126**	**$38,907**	**$46,689**

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Summary of Market Data by Level and Function

Row Labels	Average of Annual Base Salary 10th (Aged)*	Average of Annual Base Salary Median (Aged)*	Average of Annual Base Salary 90th (Aged)*
Treasury	$31,126	$38,907	$46,689
General Services	**$32,833**	**$41,940**	**$59,343**
Administrative	$32,833	$41,940	$59,343
Operations	**$33,255**	**$42,802**	**$60,881**
Administrative	$33,255	$42,802	$60,881
Operations-Propane	**$33,255**	**$42,802**	**$60,881**
Administrative	$33,255	$42,802	$60,881
U2	**$39,826**	**$48,422**	**$64,186**
Customer Service	**$37,070**	**$46,248**	**$68,597**
Collections	$39,197	$48,487	$74,979
Customer Billing	$36,600	$45,925	$61,162
Customer Contact Center	$34,610	$42,536	$65,137
Customer Service Support & Administration	$37,873	$48,044	$73,108
Finance	**$39,411**	**$48,172**	**$60,530**
Treasury	$39,411	$48,172	$60,530
General Services	**$41,529**	**$50,165**	**$66,574**
Administrative	$41,529	$50,165	$66,574
Human Resources	**$47,690**	**$56,090**	**$74,181**
Total Rewards	$47,690	$56,090	$74,181
Operations	**$40,771**	**$49,150**	**$62,234**
Administrative	$41,754	$48,565	$64,786
Logistics	$39,788	$49,735	$59,682
Sales/Marketing	**$38,875**	**$46,736**	**$54,903**
Marketing/Integrated Communications	$44,255	$51,604	$59,564
Sales/Account Management	$33,495	$41,868	$50,242
Operations-Propane	**$40,771**	**$49,150**	**$62,234**
Administrative	$41,754	$48,565	$64,786
Logistics	$39,788	$49,735	$59,682
U3	**$49,015**	**$61,832**	**$78,857**
Customer Service	**$42,983**	**$54,334**	**$71,265**
Collections	$44,355	$55,444	$66,533
Customer Billing	$43,296	$56,092	$68,139
Customer Contact Center	$41,298	$51,466	$79,124

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Summary of Market Data by Level and Function

Row Labels	Average of Annual Base Salary 10th (Aged)*	Average of Annual Base Salary Median (Aged)*	Average of Annual Base Salary 90th (Aged)*
General Services	**$58,512**	**$70,586**	**$85,478**
Administrative	$58,512	$70,586	$85,478
Human Resources	**$45,865**	**$61,956**	**$79,597**
Total Rewards	$45,865	$61,956	$79,597
Operations	**$49,843**	**$63,565**	**$82,512**
Administrative	$49,128	$57,448	$74,280
Logistics	$50,558	$69,682	$90,744
Sales/Marketing	**$51,828**	**$64,059**	**$79,120**
Energy Efficiency/Conservation	$48,895	$58,943	$77,479
Marketing	$54,105	$67,631	$81,157
Marketing/Integrated Communications	$52,483	$65,604	$78,725
Operations-Propane	**$49,843**	**$63,565**	**$82,512**
Administrative	$49,128	$57,448	$74,280
Logistics	$50,558	$69,682	$90,744
U4	**$52,526**	**$67,882**	**$80,011**
Customer Service	**$44,897**	**$60,457**	**$71,375**
Collections	$39,250	$62,770	$73,823
Customer Billing	$46,051	$57,564	$69,077
Customer Contact Center	$42,026	$60,506	$68,240
Customer Service	$48,579	$60,724	$72,868
Customer Service Support & Administration	$48,579	$60,724	$72,868
Finance	**$49,386**	**$61,732**	**$74,078**
Treasury	$49,386	$61,732	$74,078
Operations	**$64,485**	**$79,686**	**$95,121**
Administrative	$55,787	$67,892	$80,467
Logistics	$73,183	$91,479	$109,775
Sales/Marketing	**$45,975**	**$63,943**	**$68,685**
Sales/Account Management	$45,975	$63,943	$68,685
Operations-Propane	**$64,485**	**$79,686**	**$95,121**
Administrative	$55,787	$67,892	$80,467
Logistics	$73,183	$91,479	$109,775
U5	**$55,583**	**$68,453**	**$86,737**
Customer Service	**$55,788**	**$67,224**	**$87,550**

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Summary of Market Data by Level and Function

Row Labels	Average of Annual Base Salary 10th (Aged)*	Average of Annual Base Salary Median (Aged)*	Average of Annual Base Salary 90th (Aged)*
Collections	$68,462	$64,459	$91,144
Customer Billing	$54,487	$72,538	$77,205
Customer Contact Center	$44,416	$64,674	$94,303
Operations	**$55,276**	**$70,297**	**$85,518**
Administrative	$55,276	$70,297	$85,518
Operations-Propane	**$55,276**	**$70,297**	**$85,518**
Administrative	$55,276	$70,297	$85,518
W1	**$33,961**	**$41,797**	**$58,323**
Operations	**$33,961**	**$41,797**	**$58,323**
Gas Construction	$34,363	$42,953	$51,544
Gas Services	$34,363	$42,953	$51,544
Logistics	$33,157	$39,483	$71,882
Operations-Propane	**$33,961**	**$41,797**	**$58,323**
Gas Construction	$34,363	$42,953	$51,544
Gas Services	$34,363	$42,953	$51,544
Logistics	$33,157	$39,483	$71,882
W2	**$39,947**	**$50,239**	**$62,539**
Operations	**$39,947**	**$50,239**	**$62,539**
Gas Construction	$45,112	$56,391	$67,669
Gas Services	$37,028	$46,285	$55,542
Logistics	$37,701	$48,043	$64,407
Operations-Propane	**$39,947**	**$50,239**	**$62,539**
Gas Construction	$45,112	$56,391	$67,669
Gas Services	$37,028	$46,285	$55,542
Logistics	$37,701	$48,043	$64,407
W3	**$47,904**	**$64,452**	**$80,477**
Operations	**$47,904**	**$64,452**	**$80,477**
Gas Construction	$48,176	$63,197	$81,292
Gas Services	$46,836	$62,780	$76,056
Gas Technical Services	$48,176	$64,953	$81,292
Logistics	$48,428	$66,879	$83,268
Operations-Propane	**$47,904**	**$64,452**	**$80,477**
Gas Construction	$48,176	$63,197	$81,292

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Summary of Market Data by Level and Function

Row Labels	Average of Annual Base Salary 10th (Aged)*	Average of Annual Base Salary Median (Aged)*	Average of Annual Base Salary 90th (Aged)*
Gas Services	$46,836	$62,780	$76,056
Gas Technical Services	$48,176	$64,953	$81,292
Logistics	$48,428	$66,879	$83,268
W4	**$49,623**	**$73,014**	**$93,632**
Operations	**$49,623**	**$73,014**	**$93,632**
Gas Services	$49,623	$69,626	$93,632
Gas Technical Services	$49,623	$79,788	$93,632
Gas Transmission/Distribution	$49,623	$69,626	$93,632
Operations-Propane	**$49,623**	**$73,014**	**$93,632**
Gas Services	$49,623	$69,626	$93,632
Gas Technical Services	$49,623	$79,788	$93,632
Gas Transmission/Distribution	$49,623	$69,626	$93,632

Row Labels	Average of Average of Annual Base Salary 10th (Aged)	Average of Average of Annual Base Salary Median (Aged)	Average of Average of Annual Base Salary 90th (Aged)
M1	$85,148	$108,056	$130,482
M2	$109,356	$134,148	$163,432
M3	$137,227	$164,784	$199,052
M4	$157,784	$196,163	$233,207
P1	$50,789	$62,047	$76,083
P2	$63,918	$77,626	$97,315
P3	$79,811	$96,480	$118,355
P4	$100,827	$119,582	$144,791
P5	$120,154	$148,084	$178,269
P6	$147,439	$189,022	$228,199
T1	$43,456	$53,595	$69,021
T2	$51,019	$63,209	$78,032
T3	$57,412	$77,771	$97,391
T4	$68,736	$88,506	$109,206
U1	$32,280	$40,672	$53,980
U2	$39,826	$48,422	$64,186
U3	$49,015	$61,832	$78,857
U4	$52,526	$67,882	$80,011
U5	$55,583	$68,453	$86,737
W1	$33,961	$41,797	$58,323
W2	$39,947	$50,239	$62,539
W3	$47,904	$64,452	$80,477
W4	$49,623	$73,014	$93,632
Grand Total	**$74,862**	**$92,260**	**$113,350**

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Market Data by Functions & Families

Function	Function Code	Family	Family Code	Level	New Job Code	Min (Annual Base Salary 10th)	Mid (Annual Base Salary Median)	Max (Annual Base Salary 90th)	Average of Annual Base Salary 10th (Aged)	Average of Annual Base Salary Median (Aged)	Average of Annual Base Salary 90th (Aged)	Comments		
Customer Service	CUS	Collections	COL	M1	CUS-COL-M1	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A			
Customer Service	CUS	Collections	COL	U2	CUS-COL-U2	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A			
Customer Service	CUS	Collections	COL	U3	CUS-COL-U3	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A		#N/A	#N/A
Customer Service	CUS	Collections	COL	U4	CUS-COL-U4	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A			
Customer Service	CUS	Collections	COL	U5	CUS-COL-U5	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A			
Customer Service	CUS	Customer Billing	CBL	M1	CUS-CBL-M1	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A			
Customer Service	CUS	Customer Billing	CBL	M2	CUS-CBL-M2	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A			
Customer Service	CUS	Customer Billing	CBL	P1	CUS-CBL-P1	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A			
Customer Service	CUS	Customer Billing	CBL	P2	CUS-CBL-P2	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A			
Customer Service	CUS	Customer Billing	CBL	P3	CUS-CBL-P3	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A			
Customer Service	CUS	Customer Billing	CBL	U1	CUS-CBL-U1	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A			
Customer Service	CUS	Customer Billing	CBL	U2	CUS-CBL-U2	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A		#N/A	#N/A
Customer Service	CUS	Customer Billing	CBL	U3	CUS-CBL-U3	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A		#N/A	#N/A
Customer Service	CUS	Customer Billing	CBL	U4	CUS-CBL-U4	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A			
Customer Service	CUS	Customer Billing	CBL	U5	CUS-CBL-U5	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A			
Customer Service	CUS	Customer Contact Center	CCC	M1	CUS-CCC-M1	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A			
Customer Service	CUS	Customer Contact Center	CCC	M2	CUS-CCC-M2	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A			
Customer Service	CUS	Customer Contact Center	CCC	P2	CUS-CCC-P2	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A			
Customer Service	CUS	Customer Contact Center	CCC	P3	CUS-CCC-P3	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A			
Customer Service	CUS	Customer Contact Center	CCC	U1	CUS-CCC-U1	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A			
Customer Service	CUS	Customer Contact Center	CCC	U2	CUS-CCC-U2	33,849	40,770	63,704	34,610	41,688	65,137		0.83	1.56
Customer Service	CUS	Customer Contact Center	CCC	U3	CUS-CCC-U3	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A			
Customer Service	CUS	Customer Contact Center	CCC	U4	CUS-CCC-U4	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A			
Customer Service	CUS	Customer Contact Center	CCC	U5	CUS-CCC-U5	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A			
Customer Service	CUS	Customer Service	CSV	P3	CUS-CSV-P3	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A			
Customer Service	CUS	Customer Service	CSV	U1	CUS-CSV-U1	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A			
Customer Service	CUS	Customer Service	CSV	U4	CUS-CSV-U4	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A			
Customer Service	CUS	Customer Service Support & Administration	CSA	M1	CUS-CSA-M1	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A			
Customer Service	CUS	Customer Service Support & Administration	CSA	M2	CUS-CSA-M2	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A			
Customer Service	CUS	Customer Service Support & Administration	CSA	M3	CUS-CSA-M3	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A			
Customer Service	CUS	Customer Service Support & Administration	CSA	P1	CUS-CSA-P1	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	changed from T to P band		
Customer Service	CUS	Customer Service Support & Administration	CSA	P2	CUS-CSA-P2	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A			
Customer Service	CUS	Customer Service Support & Administration	CSA	P3	CUS-CSA-P3	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	changed from T to P band		
Customer Service	CUS	Customer Service Support & Administration	CSA	U2	CUS-CSA-U2	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A			
Customer Service	CUS	Customer Service Support & Administration	CSA	U4	CUS-CSA-U4	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A			
Engineering	ENG	Design	DES	P1	ENG-DES-P1	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	changed from T to P band		
Engineering	ENG	Design	DES	P2	ENG-DES-P2	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	changed from T to P band		
Engineering	ENG	Design	DES	P3	ENG-DES-P3	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	changed from T to P band		
Engineering	ENG	Design	DES	T1	ENG-DES-T1	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A			
Engineering	ENG	Design	DES	T2	ENG-DES-T2	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A			
Engineering	ENG	Design	DES	T3	ENG-DES-T3	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A			
Engineering	ENG	Design	DES	T4	ENG-DES-T4	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A			
Engineering	ENG	Electrical Engineers	ECE	P2	ENG-ECE-P2	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A			
Engineering	ENG	Electrical Engineers	ECE	P3	ENG-ECE-P3	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A			
Engineering	ENG	Electrical Engineers	ECE	T2	ENG-ECE-T2	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A			
Engineering	ENG	Engineers	ENG	M1	ENG-ENG-M1	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A			
Engineering	ENG	Engineers	ENG	M2	ENG-ENG-M2	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A			
Engineering	ENG	Engineers	ENG	M3	ENG-ENG-M3	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A			
Engineering	ENG	Engineers	ENG	P2	ENG-ENG-P2	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A			
Engineering	ENG	Engineers	ENG	P3	ENG-ENG-P3	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A			
Engineering	ENG	Engineers	ENG	P4	ENG-ENG-P4	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A			
Engineering	ENG	Engineers	ENG	T1	ENG-ENG-T1	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A			

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Engineering	ENG	Engineers	ENG	T2	ENG-ENG-T2	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A			
Engineering	ENG	Engineers (gas)	GES	P2	ENG-GES-P2	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A			
Engineering	ENG	Engineers (gas)	GES	P3	ENG-GES-P3	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A			
Engineering	ENG	Engineers (gas)	GES	P4	ENG-GES-P4	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A			
Engineering	ENG	Mapping	MAP	T1	ENG-MAP-T1	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A			
Engineering	ENG	Mapping	MAP	T2	ENG-MAP-T2	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A			
Engineering	ENG	Mapping	MAP	T3	ENG-MAP-T3	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A			
Engineering	ENG	Mapping	MAP	T4	ENG-MAP-T4	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A			
Finance	FIN	Accounting	ACT	M1	FIN-ACT-M1	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A			
Finance	FIN	Accounting	ACT	M2	FIN-ACT-M2	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A			
Finance	FIN	Accounting	ACT	M3	FIN-ACT-M3	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A			
Finance	FIN	Accounting	ACT	P1	FIN-ACT-P1	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A			
Finance	FIN	Accounting	ACT	P2	FIN-ACT-P2	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A			
Finance	FIN	Accounting	ACT	P3	FIN-ACT-P3	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A			
Finance	FIN	Accounting	ACT	P4	FIN-ACT-P4	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A			
Finance	FIN	Accounting	ACT	P5	FIN-ACT-P5	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A			
Finance	FIN	Audit	AUD	M1	FIN-AUD-M1	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A			
Finance	FIN	Audit	AUD	M2	FIN-AUD-M2	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A			
Finance	FIN	Audit	AUD	M3	FIN-AUD-M3	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A			
Finance	FIN	Audit	AUD	P2	FIN-AUD-P2	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A			
Finance	FIN	Audit	AUD	P3	FIN-AUD-P3	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A			
Finance	FIN	Audit	AUD	P4	FIN-AUD-P4	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A			
Finance	FIN	Financial Analysis	FNA	M1	FIN-FNA-M1	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A			
Finance	FIN	Financial Analysis	FNA	M2	FIN-FNA-M2	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A			
Finance	FIN	Financial Analysis	FNA	M3	FIN-FNA-M3	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A			
Finance	FIN	Financial Analysis	FNA	P1	FIN-FNA-P1	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A			
Finance	FIN	Financial Analysis	FNA	P2	FIN-FNA-P2	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A			
Finance	FIN	Financial Analysis	FNA	P3	FIN-FNA-P3	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A			
Finance	FIN	Financial Analysis	FNA	P4	FIN-FNA-P4	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A			
Finance	FIN	Financial Analysis	FNA	P5	FIN-FNA-P5	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A			
Finance	FIN	Tax	TAX	M1	FIN-TAX-M1	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A			
Finance	FIN	Tax	TAX	M2	FIN-TAX-M2	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A			
Finance	FIN	Tax	TAX	P1	FIN-TAX-P1	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A			
Finance	FIN	Tax	TAX	P2	FIN-TAX-P2	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A			
Finance	FIN	Tax	TAX	P3	FIN-TAX-P3	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A			
Finance	FIN	Tax	TAX	P4	FIN-TAX-P4	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A			
Finance	FIN	Treasury	TRE	P2	FIN-TRE-P2	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A			
Finance	FIN	Treasury	TRE	P3	FIN-TRE-P3	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A			
Finance	FIN	Treasury	TRE	U1	FIN-TRE-U1	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A			
Finance	FIN	Treasury	TRE	U2	FIN-TRE-U2	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A			
Finance	FIN	Treasury	TRE	U4	FIN-TRE-U4	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A			
General Services	GNS	Administrative	ADM	U1	GNS-ADM-U1	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A			
General Services	GNS	Administrative	ADM	U2	GNS-ADM-U2	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A			
General Services	GNS	Administrative	ADM	U3	GNS-ADM-U3	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A			
General Services	GNS	Facilities	FAC	P2	GNS-FAC-P2	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A		#N/A	#N/A
General Services	GNS	Facilities	FAC	P3	GNS-FAC-P3	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A		#N/A	#N/A
General Services	GNS	Security	SEC	P4	GNS-SEC-P4	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A			
General Services	GNS	Security	SEC	P5	GNS-SEC-P5	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A			
Human Resources	HUR	Employee/Labor Relations	ELR	P1	HUR-ELR-P1	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A			
Human Resources	HUR	Employee/Labor Relations	ELR	P2	HUR-ELR-P2	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A			
Human Resources	HUR	Employee/Labor Relations	ELR	P3	HUR-ELR-P3	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A			
Human Resources	HUR	Employee/Labor Relations	ELR	P4	HUR-ELR-P4	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A			
Human Resources	HUR	HR Management	MGM	M1	HUR-MGM-M1	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A			
Human Resources	HUR	HR Management	MGM	M2	HUR-MGM-M2	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A			
Human Resources	HUR	HR Management	MGM	M3	HUR-MGM-M3	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A			
Human Resources	HUR	HRIS	HRS	P1	HUR-HRS-P1	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A			
Human Resources	HUR	HRIS	HRS	P2	HUR-HRS-P2	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A			

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Human Resources	HUR	HRIS	HRS	P3	HUR-HRS-P3	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A			
Human Resources	HUR	Talent Acquisition/Recruiting	REC	P1	HUR-REC-P1	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A			
Human Resources	HUR	Talent Acquisition/Recruiting	REC	P2	HUR-REC-P2	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A			
Human Resources	HUR	Talent Acquisition/Recruiting	REC	P3	HUR-REC-P3	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A			
Human Resources	HUR	Total Rewards	TRW	P1	HUR-TRW-P1	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A			
Human Resources	HUR	Total Rewards	TRW	P2	HUR-TRW-P2	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A			
Human Resources	HUR	Total Rewards	TRW	P3	HUR-TRW-P3	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A			
Human Resources	HUR	Total Rewards	TRW	U2	HUR-TRW-U2	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A			
Human Resources	HUR	Total Rewards	TRW	U3	HUR-TRW-U3	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A			
IT	ITS	Business Systems Analysis	BSA	P1	ITS-BSA-P1	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A		#N/A	#N/A
IT	ITS	Business Systems Analysis	BSA	P2	ITS-BSA-P2	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A			
IT	ITS	Business Systems Analysis	BSA	P3	ITS-BSA-P3	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A			
IT	ITS	Data & Information Management	DIM	P1	ITS-DIM-P1	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A			
IT	ITS	Data & Information Management	DIM	P2	ITS-DIM-P2	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	changed from T to P band		
IT	ITS	Data & Information Management	DIM	P3	ITS-DIM-P3	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A			
IT	ITS	Infrastructure	INF	M1	ITS-INF-M1	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A			
IT	ITS	Infrastructure	INF	M2	ITS-INF-M2	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A			
IT	ITS	Infrastructure	INF	P2	ITS-INF-P2	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	changed from T to P band		
IT	ITS	Infrastructure	INF	P3	ITS-INF-P3	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	changed from T to P band		
IT	ITS	Infrastructure	INF	P4	ITS-INF-P4	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	changed from T to P band		
IT	ITS	IT Management	ITM	M1	ITS-ITM-M1	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A			
IT	ITS	IT Management	ITM	M2	ITS-ITM-M2	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A			
IT	ITS	IT Management	ITM	M3	ITS-ITM-M3	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A			
IT	ITS	IT Project Management	PMG	P2	ITS-PMG-P2	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A			
IT	ITS	IT Project Management	PMG	P3	ITS-PMG-P3	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A			
IT	ITS	IT Project Management	PMG	P4	ITS-PMG-P4	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A			
IT	ITS	Security	SEC	P2	ITS-SEC-P2	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A			
IT	ITS	Security	SEC	P3	ITS-SEC-P3	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A			
IT	ITS	Security	SEC	P4	ITS-SEC-P4	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A			
IT	ITS	Systems Administration	SYS	P1	ITS-SYS-P1	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A			
IT	ITS	Systems Administration	SYS	P2	ITS-SYS-P2	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A			
IT	ITS	Systems Administration	SYS	P3	ITS-SYS-P3	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	changed from T to P band		
IT	ITS	Systems Administration	SYS	P4	ITS-SYS-P4	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A			
IT	ITS	Technical Support	TSP	P1	ITS-TSP-P1	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A			
IT	ITS	Technical Support	TSP	P2	ITS-TSP-P2	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A			
IT	ITS	Technical Support	TSP	P3	ITS-TSP-P3	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A			
IT	ITS	Technical Support	TSP	T1	ITS-TSP-T1	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A			
IT	ITS	Technical Support	TSP	T2	ITS-TSP-T2	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A			
IT	ITS	Technical Support	TSP	T3	ITS-TSP-T3	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A			
Legal/Compliance	LGL	Corporate Governance	CGV	P2	LGL-CGV-P2	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A			
Legal/Compliance	LGL	Corporate Governance	CGV	P3	LGL-CGV-P3	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A			
Legal/Compliance	LGL	General Counsel	GCN	P6	LGL-GCN-P6	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A			
Legal/Compliance	LGL	Government Affairs	GAF	P4	LGL-GAF-P4	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A			
Legal/Compliance	LGL	Regulatory Compliance	RGC	M1	LGL-RGC-M1	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A			
Legal/Compliance	LGL	Regulatory Compliance	RGC	M2	LGL-RGC-M2	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A			
Legal/Compliance	LGL	Regulatory Compliance	RGC	P1	LGL-RGC-P1	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A			
Legal/Compliance	LGL	Regulatory Compliance	RGC	P2	LGL-RGC-P2	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A			
Legal/Compliance	LGL	Regulatory Compliance	RGC	P3	LGL-RGC-P3	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A			
Legal/Compliance	LGL	Regulatory Compliance	RGC	P4	LGL-RGC-P4	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A			
Legal/Compliance	LGL	Regulatory Compliance	RGC	P5	LGL-RGC-P5	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A			
Operations	OPS	Administrative	ADM	P1	OPS-ADM-P1	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A			
Operations	OPS	Administrative	ADM	P2	OPS-ADM-P2	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A			
Operations	OPS	Administrative	ADM	P3	OPS-ADM-P3	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A			
Operations	OPS	Administrative	ADM	P4	OPS-ADM-P4	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A			
Operations	OPS	Administrative	ADM	U1	OPS-ADM-U1	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A			
Operations	OPS	Administrative	ADM	U2	OPS-ADM-U2	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A			
Operations	OPS	Administrative	ADM	U3	OPS-ADM-U3	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A			

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Operations	OPS	Administrative	ADM	U4	OPS-ADM-U4	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A				#N/A	#N/A
Operations	OPS	Administrative	ADM	U5	OPS-ADM-U5	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	Mapped to Admin Jobs at P2 and U4 Level	Mgr, Propane Admin	Supv, Ops Administrative		
Operations	OPS	Compliance/Safety	CMS	M1	OPS-CMS-M1	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A					
Operations	OPS	Compliance/Safety	CMS	M2	OPS-CMS-M2	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A					
Operations	OPS	Compliance/Safety	CMS	M3	OPS-CMS-M3	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A					
Operations	OPS	Compliance/Safety	CMS	P1	OPS-CMS-P1	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A					
Operations	OPS	Compliance/Safety	CMS	P2	OPS-CMS-P2	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	changed from T to P band				
Operations	OPS	Compliance/Safety	CMS	P3	OPS-CMS-P3	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	changed from T to P band				
Operations	OPS	Compliance/Safety	CMS	P4	OPS-CMS-P4	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	changed from T to P band				
Operations	OPS	Compliance/Safety	CMS	T4	OPS-CMS-T4	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A					
Operations	OPS	Construction Project Management	CPM	M1	OPS-CPM-M1	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A					
Operations	OPS	Construction Project Management	CPM	M2	OPS-CPM-M2	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A					
Operations	OPS	Construction Project Management	CPM	P1	OPS-CPM-P1	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A					
Operations	OPS	Construction Project Management	CPM	P2	OPS-CPM-P2	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	changed from T to P band				
Operations	OPS	Construction Project Management	CPM	P3	OPS-CPM-P3	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	changed from T to P band				
Operations	OPS	Construction Project Management	CPM	P4	OPS-CPM-P4	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A					
Operations	OPS	Electric Transmission/Distribution	ETD	M2	OPS-ETD-M2	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A					
Operations	OPS	Electric Transmission/Distribution	ETD	M3	OPS-ETD-M3	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A					
Operations	OPS	Electric Transmission/Distribution	ETD	M4	OPS-ETD-M4	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A					
Operations	OPS	Electric Transmission/Distribution	ETD	P2	OPS-ETD-P2	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A					
Operations	OPS	Electric Transmission/Distribution	ETD	P3	OPS-ETD-P3	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A					
Operations	OPS	Electric Transmission/Distribution	ETD	T1	OPS-ETD-T1	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A					
Operations	OPS	Electric Transmission/Distribution	ETD	T2	OPS-ETD-T2	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A					
Operations	OPS	Electric Transmission/Distribution	ETD	T3	OPS-ETD-T3	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A					
Operations	OPS	Electric Transmission/Distribution	ETD	T4	OPS-ETD-T4	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A					
Operations	OPS	Gas Construction	GSC	T2	OPS-GSC-T2	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A					
Operations	OPS	Gas Construction	GSC	W1	OPS-GSC-W1	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A					
Operations	OPS	Gas Construction	GSC	W2	OPS-GSC-W2	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A					
Operations	OPS	Gas Construction	GSC	W3	OPS-GSC-W3	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A					
Operations	OPS	Gas Services	GSS	M1	OPS-GSS-M1	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A					
Operations	OPS	Gas Services	GSS	M2	OPS-GSS-M2	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A					
Operations	OPS	Gas Services	GSS	M4	OPS-GSS-M4	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A					
Operations	OPS	Gas Services	GSS	P2	OPS-GSS-P2	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A					
Operations	OPS	Gas Services	GSS	P3	OPS-GSS-P3	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A					
Operations	OPS	Gas Services	GSS	P4	OPS-GSS-P4	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A					
Operations	OPS	Gas Services	GSS	T2	OPS-GSS-T2	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A					
Operations	OPS	Gas Services	GSS	T3	OPS-GSS-T3	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A					
Operations	OPS	Gas Services	GSS	W1	OPS-GSS-W1	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A					
Operations	OPS	Gas Services	GSS	W2	OPS-GSS-W2	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A					
Operations	OPS	Gas Services	GSS	W3	OPS-GSS-W3	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A					
Operations	OPS	Gas Services	GSS	W4	OPS-GSS-W4	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A					
Operations	OPS	Gas Technical Services	GTS	M1	OPS-GTS-M1	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A					
Operations	OPS	Gas Technical Services	GTS	M2	OPS-GTS-M2	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A					
Operations	OPS	Gas Technical Services	GTS	M3	OPS-GTS-M3	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A					
Operations	OPS	Gas Technical Services	GTS	M4	OPS-GTS-M4	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A					
Operations	OPS	Gas Technical Services	GTS	T1	OPS-GTS-T1	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A					
Operations	OPS	Gas Technical Services	GTS	T2	OPS-GTS-T2	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A					
Operations	OPS	Gas Technical Services	GTS	T3	OPS-GTS-T3	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A					
Operations	OPS	Gas Technical Services	GTS	T4	OPS-GTS-T4	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A					
Operations	OPS	Gas Technical Services	GTS	W3	OPS-GTS-W3	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A					
Operations	OPS	Gas Technical Services	GTS	W4	OPS-GTS-W4	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A					
Operations	OPS	Gas Transmission/Distribution	GTD	M1	OPS-GTD-M1	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A					
Operations	OPS	Gas Transmission/Distribution	GTD	M2	OPS-GTD-M2	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A					
Operations	OPS	Gas Transmission/Distribution	GTD	M3	OPS-GTD-M3	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A					
Operations	OPS	Gas Transmission/Distribution	GTD	M4	OPS-GTD-M4	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A					
Operations	OPS	Gas Transmission/Distribution	GTD	P1	OPS-GTD-P1	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A					
Operations	OPS	Gas Transmission/Distribution	GTD	P2	OPS-GTD-P2	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A					

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Operations	OPS	Gas Transmission/Distribution	GTD	P3	OPS-GTD-P3	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A		
Operations	OPS	Gas Transmission/Distribution	GTD	P4	OPS-GTD-P4	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A		
Operations	OPS	Gas Transmission/Distribution	GTD	W4	OPS-GTD-W4	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A		
Operations	OPS	Line Locating	LLC	M1	OPS-LLC-M1	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A		
Operations	OPS	Line Locating	LLC	T1	OPS-LLC-T1	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A		
Operations	OPS	Line Locating	LLC	T2	OPS-LLC-T2	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A		
Operations	OPS	Line Locating	LLC	T3	OPS-LLC-T3	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A		
Operations	OPS	Logistics	LOG	M1	OPS-LOG-M1	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A		
Operations	OPS	Logistics	LOG	M2	OPS-LOG-M2	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A		
Operations	OPS	Logistics	LOG	P1	OPS-LOG-P1	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A		
Operations	OPS	Logistics	LOG	P2	OPS-LOG-P2	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A		
Operations	OPS	Logistics	LOG	P3	OPS-LOG-P3	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A		
Operations	OPS	Logistics	LOG	P4	OPS-LOG-P4	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A		
Operations	OPS	Logistics	LOG	U2	OPS-LOG-U2	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A		
Operations	OPS	Logistics	LOG	U3	OPS-LOG-U3	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A		
Operations	OPS	Logistics	LOG	U4	OPS-LOG-U4	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A
Operations	OPS	Logistics	LOG	W1	OPS-LOG-W1	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A		
Operations	OPS	Logistics	LOG	W2	OPS-LOG-W2	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A		
Operations	OPS	Logistics	LOG	W3	OPS-LOG-W3	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A		
Operations	OPS	Project Management	PMG	P1	OPS-PMG-P1	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A		
Operations	OPS	Project Management	PMG	P2	OPS-PMG-P2	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A		
Operations	OPS	Project Management	PMG	P3	OPS-PMG-P3	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A		
Operations-Propane	OPP	Administrative	ADM	P1	OPP-ADM-P1	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A		
Operations-Propane	OPP	Administrative	ADM	P2	OPP-ADM-P2	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A		
Operations-Propane	OPP	Administrative	ADM	P3	OPP-ADM-P3	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A		
Operations-Propane	OPP	Administrative	ADM	P4	OPP-ADM-P4	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A		
Operations-Propane	OPP	Administrative	ADM	U1	OPP-ADM-U1	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A		
Operations-Propane	OPP	Administrative	ADM	U2	OPP-ADM-U2	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A		
Operations-Propane	OPP	Administrative	ADM	U3	OPP-ADM-U3	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A		
Operations-Propane	OPP	Administrative	ADM	U4	OPP-ADM-U4	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A
Operations-Propane	OPP	Administrative	ADM	U5	OPP-ADM-U5	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A		
Operations-Propane	OPP	Compliance/Safety	CMS	M1	OPP-CMS-M1	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A		
Operations-Propane	OPP	Compliance/Safety	CMS	M2	OPP-CMS-M2	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A		
Operations-Propane	OPP	Compliance/Safety	CMS	M3	OPP-CMS-M3	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A		
Operations-Propane	OPP	Compliance/Safety	CMS	P1	OPP-CMS-P1	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A		
Operations-Propane	OPP	Compliance/Safety	CMS	P2	OPP-CMS-P2	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A		
Operations-Propane	OPP	Compliance/Safety	CMS	P3	OPP-CMS-P3	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A		
Operations-Propane	OPP	Compliance/Safety	CMS	P4	OPP-CMS-P4	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A		
Operations-Propane	OPP	Compliance/Safety	CMS	T4	OPP-CMS-T4	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A		
Operations-Propane	OPP	Construction Project Management	CPM	M1	OPP-CPM-M1	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A		
Operations-Propane	OPP	Construction Project Management	CPM	M2	OPP-CPM-M2	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A		
Operations-Propane	OPP	Construction Project Management	CPM	P1	OPP-CPM-P1	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A		
Operations-Propane	OPP	Construction Project Management	CPM	P2	OPP-CPM-P2	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A		
Operations-Propane	OPP	Construction Project Management	CPM	P3	OPP-CPM-P3	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A		
Operations-Propane	OPP	Construction Project Management	CPM	P4	OPP-CPM-P4	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A		
Operations-Propane	OPP	Gas Construction	GSC	T2	OPP-GSC-T2	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A		
Operations-Propane	OPP	Gas Construction	GSC	W1	OPP-GSC-W1	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A		
Operations-Propane	OPP	Gas Construction	GSC	W2	OPP-GSC-W2	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A		
Operations-Propane	OPP	Gas Construction	GSC	W3	OPP-GSC-W3	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A		
Operations-Propane	OPP	Gas Services	GSS	M1	OPP-GSS-M1	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A		
Operations-Propane	OPP	Gas Services	GSS	M2	OPP-GSS-M2	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A		
Operations-Propane	OPP	Gas Services	GSS	M4	OPP-GSS-M4	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A		
Operations-Propane	OPP	Gas Services	GSS	P2	OPP-GSS-P2	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A		
Operations-Propane	OPP	Gas Services	GSS	P3	OPP-GSS-P3	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A		
Operations-Propane	OPP	Gas Services	GSS	P4	OPP-GSS-P4	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A		
Operations-Propane	OPP	Gas Services	GSS	T2	OPP-GSS-T2	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A		
Operations-Propane	OPP	Gas Services	GSS	T3	OPP-GSS-T3	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A		

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Operations-Propane	OPP	Gas Services	GSS	W1	OPP-GSS-W1	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A		
Operations-Propane	OPP	Gas Services	GSS	W2	OPP-GSS-W2	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A		
Operations-Propane	OPP	Gas Services	GSS	W3	OPP-GSS-W3	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A		
Operations-Propane	OPP	Gas Services	GSS	W4	OPP-GSS-W4	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A		
Operations-Propane	OPP	Gas Technical Services	GTS	M1	OPP-GTS-M1	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A		
Operations-Propane	OPP	Gas Technical Services	GTS	M2	OPP-GTS-M2	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A		
Operations-Propane	OPP	Gas Technical Services	GTS	M3	OPP-GTS-M3	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A		
Operations-Propane	OPP	Gas Technical Services	GTS	M4	OPP-GTS-M4	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A		
Operations-Propane	OPP	Gas Technical Services	GTS	T1	OPP-GTS-T1	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A		
Operations-Propane	OPP	Gas Technical Services	GTS	T2	OPP-GTS-T2	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A		
Operations-Propane	OPP	Gas Technical Services	GTS	T3	OPP-GTS-T3	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A		
Operations-Propane	OPP	Gas Technical Services	GTS	T4	OPP-GTS-T4	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A		
Operations-Propane	OPP	Gas Technical Services	GTS	W3	OPP-GTS-W3	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A		
Operations-Propane	OPP	Gas Technical Services	GTS	W4	OPP-GTS-W4	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A		
Operations-Propane	OPP	Gas Transmission/Distribution	GTD	M1	OPP-GTD-M1	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A		
Operations-Propane	OPP	Gas Transmission/Distribution	GTD	M2	OPP-GTD-M2	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A		
Operations-Propane	OPP	Gas Transmission/Distribution	GTD	M3	OPP-GTD-M3	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A		
Operations-Propane	OPP	Gas Transmission/Distribution	GTD	M4	OPP-GTD-M4	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A		
Operations-Propane	OPP	Gas Transmission/Distribution	GTD	P1	OPP-GTD-P1	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A		
Operations-Propane	OPP	Gas Transmission/Distribution	GTD	P2	OPP-GTD-P2	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A		
Operations-Propane	OPP	Gas Transmission/Distribution	GTD	P3	OPP-GTD-P3	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A		
Operations-Propane	OPP	Gas Transmission/Distribution	GTD	P4	OPP-GTD-P4	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A		
Operations-Propane	OPP	Gas Transmission/Distribution	GTD	W4	OPP-GTD-W4	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A		
Operations-Propane	OPP	Line Locating	LLC	M1	OPP-LLC-M1	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A		
Operations-Propane	OPP	Line Locating	LLC	T1	OPP-LLC-T1	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A		
Operations-Propane	OPP	Line Locating	LLC	T2	OPP-LLC-T2	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A		
Operations-Propane	OPP	Line Locating	LLC	T3	OPP-LLC-T3	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A		
Operations-Propane	OPP	Logistics	LOG	M1	OPP-LOG-M1	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A		
Operations-Propane	OPP	Logistics	LOG	M2	OPP-LOG-M2	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A		
Operations-Propane	OPP	Logistics	LOG	P1	OPP-LOG-P1	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A		
Operations-Propane	OPP	Logistics	LOG	P2	OPP-LOG-P2	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A		
Operations-Propane	OPP	Logistics	LOG	P3	OPP-LOG-P3	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A		
Operations-Propane	OPP	Logistics	LOG	P4	OPP-LOG-P4	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A		
Operations-Propane	OPP	Logistics	LOG	U2	OPP-LOG-U2	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A		
Operations-Propane	OPP	Logistics	LOG	U3	OPP-LOG-U3	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A
Operations-Propane	OPP	Logistics	LOG	U4	OPP-LOG-U4	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A		
Operations-Propane	OPP	Logistics	LOG	W1	OPP-LOG-W1	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A		
Operations-Propane	OPP	Logistics	LOG	W2	OPP-LOG-W2	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A		
Operations-Propane	OPP	Logistics	LOG	W3	OPP-LOG-W3	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A		
Operations-Propane	OPP	Project Management	PMG	P1	OPP-PMG-P1	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A		
Operations-Propane	OPP	Project Management	PMG	P2	OPP-PMG-P2	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A		
Operations-Propane	OPP	Project Management	PMG	P3	OPP-PMG-P3	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A		
Sales/Marketing	SMK	Business Development	BDV	M2	SMK-BDV-M2	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A		
Sales/Marketing	SMK	Business Development	BDV	M3	SMK-BDV-M3	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A		
Sales/Marketing	SMK	Business Development	BDV	P2	SMK-BDV-P2	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A		
Sales/Marketing	SMK	Business Development	BDV	P3	SMK-BDV-P3	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A		
Sales/Marketing	SMK	Business Development	BDV	P4	SMK-BDV-P4	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A		
Sales/Marketing	SMK	Business Development	BDV	P5	SMK-BDV-P5	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A		
Sales/Marketing	SMK	Communications	COM	M1	SMK-COM-M1	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A		
Sales/Marketing	SMK	Communications	COM	M2	SMK-COM-M2	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A		
Sales/Marketing	SMK	Communications	COM	P2	SMK-COM-P2	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A		
Sales/Marketing	SMK	Communications	COM	P3	SMK-COM-P3	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A		
Sales/Marketing	SMK	Communications	COM	P4	SMK-COM-P4	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A		
Sales/Marketing	SMK	Energy Efficiency/Conservation	EEC	M1	SMK-EEC-M1	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A		
Sales/Marketing	SMK	Energy Efficiency/Conservation	EEC	P1	SMK-EEC-P1	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A		
Sales/Marketing	SMK	Energy Efficiency/Conservation	EEC	P2	SMK-EEC-P2	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A		
Sales/Marketing	SMK	Energy Efficiency/Conservation	EEC	P3	SMK-EEC-P3	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A		

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Sales/Marketing	SMK	Energy Efficiency/Conservation	EEC	U3	SMK-EEC-U3	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A
Sales/Marketing	SMK	Energy Marketing & Trading	EMT	M1	SMK-EMT-M1	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A		
Sales/Marketing	SMK	Energy Marketing & Trading	EMT	M2	SMK-EMT-M2	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A		
Sales/Marketing	SMK	Energy Marketing & Trading	EMT	P2	SMK-EMT-P2	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A		
Sales/Marketing	SMK	Energy Marketing & Trading	EMT	P3	SMK-EMT-P3	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A		
Sales/Marketing	SMK	Energy Marketing & Trading	EMT	P4	SMK-EMT-P4	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A		
Sales/Marketing	SMK	Marketing	MKT	M1	SMK-MKT-M1	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A		
Sales/Marketing	SMK	Marketing	MKT	M2	SMK-MKT-M2	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A		
Sales/Marketing	SMK	Marketing	MKT	P1	SMK-MKT-P1	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A		
Sales/Marketing	SMK	Marketing	MKT	P2	SMK-MKT-P2	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A		
Sales/Marketing	SMK	Marketing	MKT	P3	SMK-MKT-P3	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A		
Sales/Marketing	SMK	Marketing	MKT	P4	SMK-MKT-P4	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A		
Sales/Marketing	SMK	Marketing	MKT	U3	SMK-MKT-U3	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A
Sales/Marketing	SMK	Marketing/Integrated Communications	MIC	P2	SMK-MIC-P2	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A		
Sales/Marketing	SMK	Marketing/Integrated Communications	MIC	P3	SMK-MIC-P3	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A		
Sales/Marketing	SMK	Marketing/Integrated Communications	MIC	P4	SMK-MIC-P4	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A		
Sales/Marketing	SMK	Marketing/Integrated Communications	MIC	U2	SMK-MIC-U2	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A		
Sales/Marketing	SMK	Marketing/Integrated Communications	MIC	U3	SMK-MIC-U3	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A
Sales/Marketing	SMK	Sales/Account Management	SAM	M1	SMK-SAM-M1	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A		
Sales/Marketing	SMK	Sales/Account Management	SAM	M2	SMK-SAM-M2	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A		
Sales/Marketing	SMK	Sales/Account Management	SAM	M4	SMK-SAM-M4	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A		
Sales/Marketing	SMK	Sales/Account Management	SAM	P1	SMK-SAM-P1	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A		
Sales/Marketing	SMK	Sales/Account Management	SAM	P2	SMK-SAM-P2	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A		
Sales/Marketing	SMK	Sales/Account Management	SAM	P3	SMK-SAM-P3	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A		
Sales/Marketing	SMK	Sales/Account Management	SAM	U2	SMK-SAM-U2	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A		
Sales/Marketing	SMK	Sales/Account Management	SAM	U4	SMK-SAM-U4	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A		

Row Labels	Average of Annual Base Salary Average	Average of Annual Base Salary 10th	Average of Annual Base Salary Median	Average of Annual Base Salary 90th	Average of Annual Base Salary Average (Aged)	Average of Annual Base Salary 10th (Aged)	Average of Annual Base Salary Median (Aged)	Average of Annual Base Salary 90th (Aged)
CUS-CCC-U2	43,520	33,849	40,770	63,704	44,499	34,610	41,688	65,137
Grand Total	**43,520**	**33,849**	**40,770**	**63,704**	**44,499**	**34,610**	**41,688**	**65,137**

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E1189

Market Data as of 4/1/2019 WTW MMPS Survey

														Aged by 2.25% to 1/1/2020			
Our Job Code	Function Name	Discipline Code	Discipline Name	Level Code	Level Name	Break Name	Break Value	Annual Base Salary Average	Annual Base Salary 10th	Annual Base Salary Median	Annual Base Salary 90th	Annual Base Salary Average (Aged)	Annual Base Salary 10th (Aged)	Annual Base Salary Median (Aged)	Annual Base Salary 90th (Aged)
CUS-CCC-U2	Customer Support/Operations	AMS020	Customer Contact Center Generalist/Multidiscipline	U2	Intermediate (Business Support)	Organization Unit	Corporate	42,321.00	32,806.00	40,476.00	57,841.00	43,273.22	33,544.14	41,386.71	59,142.42
CUS-CCC-U2	Customer Support/Operations	AMS020	Customer Contact Center Generalist/Multidiscipline	U2	Intermediate (Business Support)	Industry Group	Energy Services and Utilities	43,980.00	34,246.00	40,792.00	58,664.00	44,969.55	35,016.54	41,709.82	59,983.94
CUS-CCC-U2	Customer Support/Operations	AMS020	Customer Contact Center Generalist/Multidiscipline	U2	Intermediate (Business Support)	Revenue	Less than $1Billion	46,205.00	34,602.00	41,248.00	71,325.00	47,244.61	35,380.55	42,176.08	72,929.81
CUS-CCC-U2	Customer Support/Operations	AMS020	Customer Contact Center Generalist/Multidiscipline	U2	Intermediate (Business Support)	Organization Unit	Noncorporate	45,072.00	34,609.00	40,313.00	65,218.00	46,086.12	35,387.70	41,220.04	66,685.41
CUS-CCC-U2	Customer Support/Operations	AMS020	Customer Contact Center Generalist/Multidiscipline	U2	Intermediate (Business Support)	Region	Northeast	42,441.00		42,107.00		43,395.92		43,054.41	
CUS-CCC-U2	Customer Support/Operations	AMS020	Customer Contact Center Generalist/Multidiscipline	U2	Intermediate (Business Support)	Region	Southeast	41,101.00	32,980.00	39,686.00	65,470.00	42,025.77	33,722.05	40,578.94	66,943.08

E1189

Break Name	Break Value
Industry Group	Energy Services and Utilities
Organization Unit	Corporate
Organization Unit	Noncorporate
Region	Northeast
Region	Southeast
Revenue	Less than $1Billion
Industry Group	Energy Services and Utilities
Organization Unit	Noncorporate

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E1191

COST OF EQUITY ESTIMATES, U.S. EQUITY MARKET-LISTED ENTITIES			
	Estimates		
METHODOLOGY	Low	High	Average
Discounted Cash Flow			
Mid-Sized Electric Utilities	9.37%	9.77%	9.57%
Gas Distribution Utilities	9.55%	12.08%	10.81%
Capital Asset Pricing Model			
Mid-Sized Electric Utilities	10.39%	11.61%	11.18%
Gas Distribution Utilities	10.14%	11.31%	10.72%
Low Risk Non-Utility Companies	10.10%	11.63%	11.29%
Risk Premia Model			
Mid-Sized Electric Utilities			10.52%
Gas Distribution Utilities			9.89%
Low Risk Non-Utility Companies			11.39%
Realized Market Returns, Rolling 10-Yrs			
For 2013-2023			
Mid-Sized Electric Utilities			11.52%
Gas Distribution Utilities			13.21%
Low Risk Non-Utility Companies			9.89%

Estimates of Market Cost Equity

X	SD
11.14%	1.12%
2.69%	1.83%
10.70%	11.58%

	Range	
	Low	*High*
COE Estimates, US Exchange-Listed Utilities	10.30%	11.98%
Average	11.14%	
Average w/Issuance Costs	10.44%	12.22%
	11.34%	

E1191

CHESAPEAKE UTILITIES CORPORATION
PUBLIC OFFERINGS OF COMMON STOCK

Item	ATM Public Offering	Offering Related to Acquisition	Company Programs (1)	Company Programs (1)	Company Programs (1)	Company Programs (1)	Company Programs (1)
Date of Prospectus	08/17/20	11/09/23	2018	2019	2020	2021	2022
Number of Shares Issued	735,336	4,438,596	34,103	25,231	322,729	193,569	86,008
Share Price	$ 84.96	$ 85.50	$ 71.83	$ 91.18	$ 87.03	$ 120.56	$ 132.68
Underwriting Discount	2.04%	3.25%	0.00%	0.00%	0.27%	0.29%	0.16%
Gross Value to Company	$ 62,476,739	$ 379,499,958	$2,449,644	$2,300,622	$ 28,087,801	$ 23,335,997	$ 11,411,428
Estimated Company Expenses	$ 1,271,468	$ 12,333,749	$ -	$ -	$ 75,200	$ 68,625	$ 17,779
Net value Per Share	$61,205,271	$367,166,209	$2,449,644	$2,300,622	$28,012,601	$23,267,372	$11,393,649

(1) Includes Dividend Reinvestment and Direct Stock Purchase Plan, 401K Plan, Stock Incentive Compensation Plan.

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E1192

CAPM ESTIMATES OF THE COST OF EQUITY CAPITAL: MODERATE-SIZED ELECTRIC UTILITIES

Small Low-Risk Entities		Adjusted CAPM Beta		Unadjusted Beta	
Company	Ticker	2019-2023	2023	2019-2023	2023
ALLETE, Inc.	ALE	0.83	1.00	0.75	1.00
Alliant Energy Corporation	LNT	0.74	0.93	0.62	0.90
Black Hills	BCK	1.00	1.00	1.00	1.00
CenterPoint Energy, Inc.	CNP	1.16	1.13	1.25	1.20
Evergy, Inc.	EVRG	0.77	1.00	0.65	1.00
Hawaiian Electric Industries, Inc.	HE	0.68	1.00	0.53	1.00
IDACORP, Inc.	IDA	0.78	0.93	0.67	0.90
MGE Energy, Inc.	MGEE	0.74	0.87	0.62	0.80
Northwestern Energy Group	NEW	0.98	1.00	0.97	1.00
OGE Energy Corp.	OGE	0.92	1.07	0.88	1.10
Otter Tail Corporation	OTTR	0.82	1.00	0.73	1.00
Pinnacle West Capital Corporation	PNW	0.76	1.00	0.65	1.00
PNM Resources, Inc.	PNM	0.83	0.93	0.75	0.90
Portland General Electric Company	POR	0.76	0.93	0.64	0.90
Unitil Corporation	UTL	1.01	0.93	1.01	0.90
	Average	0.85	0.98	0.78	0.97
	Standard Deviation	0.13	0.06	0.20	0.10
	Weighted Average:	0.87	1.01	0.81	1.01

CAPM ESTIMATES

	Cost of Equity Capital, Unadjusted	Risk-Free Rate	Market Beta, Adjusted	Expected Market Return
Low	10.39%	3.39%	0.97	10.63%
High	11.61%	4.31%	1.00	11.62%
Weighted Average	11.18%	3.85%	1.01	11.13%

U.S. Equity Market Risk Premia: 7.28%

AVERAGE REALIZED HISTORICAL RETURNS, PRICE INFLATION (%)

	U.S. Treasury Debt				Equity Markets			
	Bills	In-T Debt	L-T Debt	Corporate Debt	Large Cap	US Markets	Small Cap	Inflation
1920s	3.6750	4.2075	5.0550	5.2300	16.2877	16.7025	14.3109	-3.7000
1930s	0.5560	4.6420	5.0350	7.0370	0.0412	5.3050	23.0563	-1.9300
1940s	0.4100	1.8086	3.2988	2.7190	4.0982	10.6430	33.8058	3.8591
1950s	1.8690	1.4473	0.1557	4.2620	14.9661	19.6620	23.2687	2.2418
1960s	3.8870	3.6191	1.4578	1.8070	5.2569	9.2800	22.2346	2.5273
1970s	6.3240	7.0692	5.6675	7.1590	3.2001	7.9250	17.7967	7.4366
1980s	8.9210	12.0067	13.7249	13.8280	13.2109	17.3570	18.7589	5.1284
1990s	4.9330	7.5042	9.2285	8.8350	16.1305	18.8660	14.7386	2.9501
2000s	2.7730	6.3323	8.3127	7.7350	-0.6056	1.9320	22.1626	2.5661
2010s	0.5218	3.1055	7.1648	9.0766	11.8046	14.3320	10.1922	1.7561
1947-2023	3.3014	5.0193	5.5838	6.5388	8.1033	11.4547	19.9208	3.5463
1970-2023	4.4483	6.4458	7.7054	8.3333	8.9966	12.1753	16.7809	4.0004
1990-2023	2.3305	4.4043	6.4810	6.9583	9.5814	11.6967	15.1583	2.5294

Expected Inflation 2.46

Sample Period Long-Term Risk Free Rate

2003-2024 TD	3.97
2018-2024 TD	3.39
Current	4.31

Sample Period Market Returns (%)

	Nominal	Inflation	Real
1947-2023	11.4547	3.546	7.91
1970-2023	12.18	4.00	8.17
1990-2023	11.70	2.53	9.17

Expected Future Market Returns (%)

	Real Return	Inflation	Nominal
1970-2023	8.17	2.46	10.63
1990-2023	9.17	2.46	11.62

Small to Mid-Sized Electricity Distributors

Company Name	Ticker	Market Price	Shares Outstanding (000s)	Market Capitalization ($ 000s)	Capitalization Weights
ALLETE, Inc.	ALE	63.22	57,300	3,622,506	4%
Alliant Energy Corporation	LNT	55.29	253,000	13,988,370	14%
Black Hills	BKH	65.37	67,000	4,379,790	4%
CenterPoint Energy, Inc.	CNP	30.68	631,000	19,359,080	19%
Evergy, Inc.	EVRG	62.47	230,000	14,368,100	14%
Hawaiian Electric Industries, Inc	HE	39.10	109,700	4,289,270	4%
IDACORP, Inc.	IDA	111.67	50,700	5,661,669	6%
MGE Energy, Inc.	MGEE	77.14	36,163	2,789,614	3%
Northwestern Energy Group	NWE	58.94	60,321	3,555,348	4%
OGE Energy Corp.	OGE	37.43	200,300	7,497,229	7%
Otter Tail Corporation	OTTR	72.52	41,668	3,021,763	3%
Pinnacle West Capital Corporati	PNW	78.92	113,400	8,949,528	9%
PNM Resources, Inc.	PNM	48.03	86,296	4,144,797	4%
Portland General Electric Comp:	POR	50.41	97,760	4,928,082	5%
Unitil Corporation	UTL	55.89	16,045	896,755	1%
				101,451,901	1.000

CAPM ESTIMATES OF THE COST OF EQUITY CAPITAL: GAS DISTRIBUTION UTILITIES

Small Low-Risk Entities		Adjusted CAPM Beta		Unadjusted Beta	
Company	Ticker	2019-2023	2023	2019-2023	2023
Atmos Energy Corporation	ATO	0.74	0.93	0.62	0.90
Chesapeake Utilities Corporation	CPK	0.72	0.87	0.59	0.80
New Jersey Resources Corporation	NJR	0.85	1.00	0.78	1.00
Northwest Natural Holding Company	NWN	0.75	1.00	0.62	1.00
ONE Gas, Inc.	OGS	0.79	0.93	0.68	0.90
Southwest Gas Holdings, Inc.	SWX	0.75	0.93	0.62	0.90
	Average	0.77	0.94	0.65	0.92
	Standard Deviation	0.05	0.05	0.07	0.08
	Weighted Average:	0.76	0.94	0.65	0.92

CAPM ESTIMATES

	Cost of Equity Capital, Unadjusted	Risk-Free Rate	Market Beta, Adjusted	Expected Market Return
Low	10.14%	3.39%	0.93	10.63%
High	11.31%	4.31%	0.96	11.62%
Weighted Average	10.72%	3.85%	0.94377	11.13%

U.S. Equity Market Risk Premia: 7.28%

Small to Mid-Sized Natural Gas Distributors

Company Name	Ticker	Market Price	Shares Outstanding (000s)	Market Capitalization ($ 000s)	Capitalization Weights
Atmos Energy Corporation	ATO	101.99	145,100	14,798,749	43%
Chesapeake Utilities Corporatio	CPK	91.97	18,370	1,689,489	5%
New Jersey Resources Corporat	NJR	49.56	97,028	4,808,708	14%
Northwest Natural Holding Com	NWN	66.60	36,213	2,411,786	7%
ONE Gas, Inc.	OGS	87.57	55,600	4,868,892	14%
Southwest Gas Holdings, Inc.	SWX	82.36	70,787	5,830,017	17%
				34,407,641	100%

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LR or SR; LR=1,SR=0	EFS or DPS; CFS=1,DPS=0	EPS Share
1.00	0.00	0.10

DISCOUNTED CASH FLOW ESTIMATES OF COST OF EQUITY: MODERATE-SIZED ELECTRIC UTILITIES, 2021

Electric Utility	Ticker	Dividend Per Share	Effective Year Forward Dividend	Average Market Price Per Share,	Adjusted Dividend Yield	Expected Growth	Single Stage DCF Estimates of Cost of Equity Capital
ALLETE, Inc.	ALE	2.52	2.56	70.69	3.63%	3.48%	7.11%
Alliant Energy Corporation	LNT	1.61	1.66	56.17	2.96%	6.67%	9.63%
Black Hills	BCK	2.29	2.36	68.99	3.42%	6.27%	9.70%
CenterPoint Energy, Inc.	CNP	0.66	0.68	24.42	2.79%	6.27%	9.06%
Evergy, Inc.	EVRG	2.18	2.24	64.06	3.50%	5.84%	9.34%
Hawaiian Electric Industries, Inc.	HE	1.36	1.40	43.20	3.25%	6.27%	9.52%
IDACORP, Inc.	IDA	2.88	3.00	102.14	2.94%	8.38%	11.32%
MGE Energy, Inc.	MGEE	1.52	1.55	75.22	2.07%	4.38%	6.45%
Northwestern Energy Group	NEW	2.48	2.52	67.82	3.72%	3.32%	7.04%
OGE Energy Corp.	OGE	1.63	1.69	33.49	5.06%	7.95%	13.01%
Otter Tail Corporation	OTTR	1.56	1.61	47.89	3.36%	6.27%	9.63%
Pinnacle West Capital Corporation	PNW	3.36	3.45	84.53	4.08%	5.09%	9.16%
PNM Resources, Inc.	PNM	1.33	1.41	49.54	2.85%	12.55%	15.40%
Portland General Electric Company	POR	1.70	1.74	50.48	3.45%	5.06%	8.51%
Unitil Corporation	UTL	1.52	1.57	57.59	2.72%	6.27%	8.99%

DCF ESTIMATES, MODERATE-SIZED ELECTRIC UTILITIES

	Adjusted Dividend	Growth	Unadjusted Cost Rate
Average	3.32%	6.27%	9.59%
S. D.	0.69%	2.23%	2.28%
Range			
Low	3.66%	5.15%	8.82%
High	2.98%	7.39%	10.36%
Weighted Average	3.36%	6.33%	9.69%

	Cost Rate, Adjusted for Issuance Costs
Weighted Average	9.90%

Summary of Results

2021	9.69%
2022	9.77%
2023	9.37%

Company		Ticker	Capitalization	Weights
ALLETE, Inc.	ALE	ALE	$3,761	0.04
Alliant Energy (	LNT	LNT	$14,069	0.15
Black Hills	BCK	BCK	$4,361	0.05
CenterPoint En	CNP	CNP	$15,358	0.16
Evergy, Inc.	EVRG	EVRG	$14,689	0.15
Hawaiian Electi	HE	HE	$4,722	0.05
IDACORP, Inc.	IDA	IDA	$5,160	0.05
MGE Energy, Ir	MGEE	MGEE	$2,720	0.03
Northwestern I	NWE	NEW	$3,507	0.04
OGE Energy Co	OGE	OGE	$6,701	0.07
Otter Tail Corp	OTTR	OTTR	$1,990	0.02
Pinnacle West	PNW	PNW	$9,553	0.10
PNM Resource	PNM	PNM	$4,252	0.04
Portland Gene	POR	POR	$4,513	0.05
Unitil Corporat UTL		UTL	$896	0.01
		Total	$96,253	1.00

Analysis Results

2021	\djusted for Issuance Costs
2022	ıdjusted Cost Rate
2023	8.59%

LR or SR; LR=1,SR=0	CFS or DPS; CFS=1,DPS=0	EPS Share
1.00	0.00	0.10

DISCOUNTED CASH FLOW ESTIMATES OF COST OF EQUITY: MODERATE-SIZED ELECTRIC UTILITIES, 2022

Electric Utility	Ticker	Dividend Per Share	Effective Year Forward Dividend	Average Market Price Per Share,	Adjusted Dividend Yield	Expected Growth	Single Stage DCF Estimates of Cost of Equity Capital
ALLETE, Inc.	ALE	2.60	2.65	58.89	4.49%	3.51%	8.00%
Alliant Energy Corporation	LNT	1.71	1.77	57.85	3.06%	6.72%	9.77%
Black Hills	BCK	2.41	2.49	72.37	3.44%	6.33%	9.76%
CenterPoint Energy, Inc.	CNP	0.70	0.72	30.22	2.39%	6.33%	8.72%
Evergy, Inc.	EVRG	2.33	2.40	67.08	3.58%	5.91%	9.49%
Hawaiian Electric Industries, Inc.	HE	1.40	1.44	40.65	3.55%	6.33%	9.88%
IDACORP, Inc.	IDA	3.04	3.16	102.39	3.08%	7.57%	10.65%
MGE Energy, Inc.	MGEE	1.59	1.63	76.77	2.12%	4.49%	6.61%
Northwestern Energy Group	NEW	2.52	2.59	55.66	4.65%	5.57%	10.22%
OGE Energy Corp.	OGE	1.64	1.70	38.48	4.42%	7.35%	11.77%
Otter Tail Corporation	OTTR	1.65	1.70	58.86	2.89%	6.33%	9.22%
Pinnacle West Capital Corporation	PNW	3.42	3.50	71.24	4.91%	4.67%	9.58%
PNM Resources, Inc.	PNM	1.41	1.49	46.06	3.24%	11.88%	15.13%
Portland General Electric Company	POR	1.79	1.84	46.64	3.95%	5.61%	9.56%
Unitil Corporation	UTL	1.56	1.61	50.17	3.21%	6.33%	9.54%

DCF ESTIMATES, MODERATE-SIZED ELECTRIC UTILITIES

	Adjusted Dividend Yield	Expected Growth	Unadjusted Cost Rate
Average	3.53%	6.33%	9.86%
S. D.	0.82%	1.87%	1.86%
Range			
Low	3.94%	5.39%	9.34%
High	3.12%	7.26%	10.39%
Weighted Average	3.42%	6.35%	9.77%

	Cost Rate, Adjusted for Issuance Costs
Weighted Average	9.99%

	Company		Ticker	Capitalization	Weights
	ALLETE, Inc.	ALE	ALE	$3,371	0.03
	Alliant Energy (	LNT	LNT	$14,528	0.15
	Black Hills	BCK	BCK	$4,694	0.05
117	CenterPoint En	CNP	CNP	$19,039	0.19
118	Evergy, Inc.	EVRG	EVRG	$15,398	0.15
	Hawaiian Electi	HE	HE	$4,450	0.04
120	IDACORP, Inc.	IDA	IDA	$5,177	0.05
	MGE Energy, Ir	MGEE	MGEE	$2,776	0.03
	Northwestern I	NEW	NEW	$3,104	0.03
	OGE Energy Co	OGE	OGE	$7,704	0.08
	Otter Tail Corp	OTTR	OTTR	$2,450	0.02
125	Pinnacle West	PNW	PNW	$8,063	0.08
	PNM Resource	PNM	PNM	$3,954	0.04
	Portland Gene	POR	POR	$4,164	0.04
	Unitil Corporat UTL		UTL	$807	0.01
129			Total	$99,678	1.00

LR or SR; LR=1,SR=0	CFS or DPS; CFS=1,DPS=0	EPS Share
0.00	0.00	0.10

DISCOUNTED CASH FLOW ESTIMATES OF COST OF EQUITY: MODERATE-SIZED ELECTRIC UTILITIES, 2023

Electric Utility	Ticker	Dividend Per Share	Effective Year Forward Dividend	Average Market Price Per Share,	Adjusted Dividend Yield	Expected Growth	Single Stage DCF Estimates of Cost of Equity Capital
ALLETE, Inc.	ALE	2.71	2.82	63.22	4.46%	8.20%	12.66%
Alliant Energy Corporation	LNT	1.81	1.87	55.29	3.38%	6.29%	9.66%
Black Hills	BCK	2.50	2.60	65.37	3.97%	7.76%	11.73%
CenterPoint Energy, Inc.	CNP	0.77	0.79	30.68	2.56%	4.06%	6.62%
Evergy, Inc.	EVRG	2.48	2.57	62.47	4.11%	7.01%	11.12%
Hawaiian Electric Industries, Inc.	HE	1.08	1.11	39.10	2.84%	5.58%	8.41%
IDACORP, Inc.	IDA	3.20	3.26	111.67	2.92%	3.69%	6.61%
MGE Energy, Inc.	MGEE	1.67	1.71	77.14	2.22%	5.38%	7.60%
Northwestern Energy Group	NEW	2.56	2.64	58.94	4.47%	6.04%	10.51%
OGE Energy Corp.	OGE	1.66	1.73	37.43	4.63%	9.00%	13.63%
Otter Tail Corporation	OTTR	1.75	1.80	72.52	2.49%	6.11%	8.59%
Pinnacle West Capital Corporation	PNW	3.48	3.55	78.92	4.50%	4.10%	8.59%
PNM Resources, Inc.	PNM	1.57	1.61	48.03	3.35%	4.99%	8.34%
Portland General Electric Company	POR	1.88	1.94	50.41	3.85%	6.37%	10.21%
Unitil Corporation	UTL	1.62	1.67	55.89	2.99%	6.04%	9.02%

DCF ESTIMATES, MODERATE-SIZED ELECTRIC UTILITIES

	Adjusted Dividend Yield	Expected Growth	Unadjusted Cost Rate
Average	3.52%	6.04%	9.55%
S. D.	0.82%	1.52%	2.08%
Range			
Low	3.93%	5.28%	9.20%
High	3.10%	6.80%	9.90%
Weighted Average	3.53%	5.84%	9.37%

	Cost Rate, Adjusted for Issuance Costs
Weighted Average	9.59%

Company		Ticker	Capitalization	Weights	Growth	Finance	Average	
ALLETE, Inc.	ALE	ALE	$3,623	0.04	8%	8%	8%	
Alliant Energy (	LNT	LNT	$13,988	0.14	6%	6%	6%	
Black Hills	BCK	BCK	$4,380	0.04	7%	8%	8%	
CenterPoint En	CNP	CNP	$19,359	0.19	4%	4%	4%	Yahoo Finance
Evergy, Inc.	EVRG	EVRG	$14,368	0.14	5%	9%	7%	
Hawaiian Electi	HE	HE	$4,289	0.04	4%	7%	6%	
IDACORP, Inc.	IDA	IDA	$5,662	0.06	4%	4%	4%	
MGE Energy, Ir	MGEE	MGEE	$2,790	0.03	5%	5%	5%	
Northwestern I	NEW	NEW	$3,555	0.04	18%	-12%	3%	
OGE Energy Co	OGE	OGE	$7,497	0.07	9%	9%	9%	Yahoo Finance
Otter Tail Corp	OTTR	OTTR	$3,022	0.03	6%	6%	6%	
Pinnacle West	PNW	PNW	$8,950	0.09	4%	4%	4%	
PNM Resource	PNM	PNM	$4,145	0.04	6%	4%	5%	
Portland Gene	POR	POR	$4,928	0.05	7%	6%	6%	
Unitil Corporat UTL		UTL	$897	0.01				
		Total	$101,452	1.00				

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LR or SR; LR=1,SR=0	EFS or DPS; CFS=1,DPS=(	EPS Share
1.00	0.00	0.10

DISCOUNTED CASH FLOW ESTIMATES OF COST OF EQUITY: GAS DISTRIBUTION UTILITIES, 2021

Gas Utility	Ticker	Dividend Per Share	Effective Year Forward Dividend Rate	Average Market Price Per Share, April - May '15	Adjusted Dividend Yield	Expected Growth	Single Stage DCF Estimates of Cost of Equity Capital
Atmos Energy Corporation	ATO	2.50	2.61	103.79	2.52%	9.11%	11.63%
Chesapeake Utilities Corporation	CPK	1.69	1.75	120.89	1.45%	7.12%	8.57%
New Jersey Resources Corporation	NJR	1.36	1.40	43.13	3.26%	6.61%	9.86%
Northwest Natural Holding Company	NWN	1.92	2.01	54.40	2.76%	9.25%	12.02%
ONE Gas, Inc.	OGS	2.32	2.50	80.58	3.10%	15.46%	18.57%
Southwest Gas Holdings, Inc.	SWX	2.38	2.47	70.91	3.49%	7.96%	11.45%

DCF ESTIMATES, MODERATE-SIZED ELECTRIC UTILITIES

	Adjusted Dividend	Growth	Unadjusted Cost Rate
Average	2.76%	9.25%	12.02%
S. D.	0.73%	3.22%	3.46%
Range			
Low	3.13%	7.64%	10.8%
High	2.40%	10.86%	13.3%
Weighted Average	2.78%	9.30%	12.08%
			Cost Rate, Adjusted for Issuance Costs
Weighted Average			12.26%

Summary of Results

2021	12.08%
2022	11.96%
2023	9.55%

Company	Ticker	Capitalization	Weights
Atmos Energy Corporation	ATO	$13,744	0.44
Chesapeake Utilities Corporation	CPK	$2,269	0.07
New Jersey Resources Corporatior	NJR	$5,013	0.16
Northwest Natural Holding Compa	NWN	$1,697	0.05
ONE Gas, Inc.	OGS	$4,297	0.14
Southwest Gas Holdings, Inc.	SWX	$3,997	0.13
	Total	$31,017	1.00

LR or SR; LR=1,SR=0	CFS or DPS; CFS=1,DPS=(	EPS Share
1.00	0.00	0.10

DISCOUNTED CASH FLOW ESTIMATES OF COST OF EQUITY: GAS DISTRIBUTION UTILITIES, 2022

Gas Utility	Ticker	Dividend Per Share	Effective Year Forward Dividend Rate	Average Market Price Per Share, April - May '15	Adjusted Dividend Yield	Expected Growth	Single Stage DCF Estimates of Cost of Equity Capital
Atmos Energy Corporation	ATO	2.72	2.85	111.76	2.55%	9.35%	11.9%
Chesapeake Utilities Corporation	CPK	1.84	1.91	122.00	1.56%	7.47%	9.0%
New Jersey Resources Corporation	NJR	1.45	1.50	42.79	3.50%	6.76%	10.3%
Northwest Natural Holding Company	NWN	1.93	2.02	47.29	2.76%	9.04%	11.8%
ONE Gas, Inc.	OGS	2.48	2.66	82.63	3.22%	14.39%	17.6%
Southwest Gas Holdings, Inc.	SWX	2.48	2.57	87.13	2.95%	7.22%	10.2%

DCF ESTIMATES, MODERATE-SIZED ELECTRIC UTILITIES

	Adjusted Dividend Yield	Expected Growth	Unadjusted Cost Rate
Average	2.76%	9.04%	11.79%
S. D.	0.67%	2.82%	3.04%
Range			
Low	3.09%	7.63%	10.7%
High	2.42%	10.45%	12.9%
Weighted Average	2.77%	9.19%	11.96%
			Cost Rate, Adjusted for Issuance Costs
Weighted Average			12.14%

Company	Ticker	Capitalization	Weights
Atmos Energy Corporation	ATO	$15,747	0.46
Chesapeake Utilities Corporation	CPK	$2,154	0.06
New Jersey Resources Corporatior	NJR	$4,193	0.12
Northwest Natural Holding Compa	NWN	$1,655	0.05
ONE Gas, Inc.	OGS	$4,479	0.13
Southwest Gas Holdings, Inc.	SWX	$5,925	0.17
	Total	$34,153	1.00

LR or SR; LR=1,SR=0	CFS or DPS; CFS=1,DPS=(	EPS Share
1.00	0.00	0.10

DISCOUNTED CASH FLOW ESTIMATES OF COST OF EQUITY: GAS DISTRIBUTION UTILITIES, 2023

Gas Utility	Ticker	Dividend Per Share	Effective Year Forward Dividend Rate	Average Market Price Per Share, April - May '15	Adjusted Dividend Yield	Expected Growth	Single Stage DCF Estimates of Cost of Equity Capital
Atmos Energy Corporation	ATO	2.96	3.07	114.55	2.68%	7.64%	10.32%
Chesapeake Utilities Corporation	CPK	2.31	2.39	123.50	1.94%	7.30%	9.24%
New Jersey Resources Corporation	NJR	1.59	1.65	51.67	3.18%	7.00%	10.18%
Northwest Natural Holding Company	NWN	1.94	2.00	46.85	4.27%	6.00%	10.27%
ONE Gas, Inc.	OGS	2.60	2.64	77.29	3.42%	3.25%	6.67%
Southwest Gas Holdings, Inc.	SWX	2.48	2.53	56.46	4.48%	4.00%	8.48%

DCF ESTIMATES, MODERATE-SIZED ELECTRIC UTILITIES

	Adjusted Dividend Yield	Expected Growth	Unadjusted Cost Rate
Average	3.33%	5.86%	9.19%
S. D.	0.96%	1.83%	1.43%
Range			
Low	3.81%	4.95%	8.8%
High	2.85%	6.78%	9.6%
Weighted Average	3.09%	6.45%	9.55%
			Cost Rate, Adjusted for Issuance Costs
Weighted Average			9.74%

Company	Ticker	Capitalization	Weights	Growth	Finance	Average
Atmos Energy Corporation	ATO	$16,621	0.49	7.5%	7.8%	7.6%
Chesapeake Utilities Corporation	CPK	$2,269	0.07		2.4%	2.4%
New Jersey Resources Corporatior	NJR	$5,013	0.15		7.0%	7.0%
Northwest Natural Holding Compa	NWN	$1,697	0.05	6.0%	6.0%	6.0%
ONE Gas, Inc.	OGS	$4,297	0.13	3.7%	2.8%	3.3%
Southwest Gas Holdings, Inc.	SWX	$3,997	0.12	4.0%	4.0%	4.0%
	Total	$33,894	1.00			

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	29	30	31	32	33	34	35	36
HISTORICAL MARKET RETURNS FOR MODERATE-SIZED ELECTRIC UTILITIES, AVERAGE PER ANNUM								
Company	**2014-16**	**2015-17**	**2016-18**	**2017-19**	**2018-2020**	**2019-2021**	**2020-2022**	**2021-2023**
ALLETE, Inc.	16.1%	15.3%	12.9%	11.4%	8.3%	14.8%	19.0%	15.7%
Alliant Energy Corporation	20.8%	19.7%	18.4%	14.5%	14.6%	13.8%	15.6%	12.9%
CenterPoint Energy, Inc.	21.9%	23.5%	14.3%	6.0%	0.9%	10.8%	12.4%	18.2%
Black Hills	15.4%	11.9%	21.3%	18.6%	14.7%	9.6%	9.3%	10.6%
Evergy, Inc.	17.7%	17.9%	14.4%	13.8%	19.3%	18.1%	17.3%	7.1%
Hawaiian Electric Industries, Inc.	16.9%	10.3%	2.2%	12.1%	12.1%	17.6%	7.2%	11.8%
IDACORP, Inc.	17.7%	12.7%	16.9%	17.7%	19.2%	17.7%	19.0%	13.4%
MGE Energy, Inc.	13.1%	16.7%	14.9%	14.3%	15.6%	21.9%	16.0%	12.9%
OGE Energy Corp.	34.7%	23.2%	15.4%	10.6%	-2.5%	2.0%	4.9%	16.9%
Otter Tail Corporation	4.8%	17.2%	14.9%	16.7%	3.0%	15.6%	18.8%	24.1%
Pinnacle West Capital Corporation	19.5%	21.8%	13.7%	12.9%	11.3%	18.7%	14.1%	12.7%
PNM Resources, Inc.	21.9%	22.8%	25.4%	17.5%	14.7%	13.4%	15.4%	15.5%
Portland General Electric Company	14.4%	21.2%	14.6%	15.1%	11.8%	14.1%	10.1%	12.8%
Northwestern Energy Group	13.9%	11.5%	14.9%	16.2%	15.1%	11.6%	6.2%	11.0%
Unitil Corporation	13.0%	15.8%	15.5%	13.7%	13.9%	17.2%	16.5%	16.4%
Average	17.5%	17.4%	15.3%	14.1%	11.5%	14.5%	13.4%	14.1%
Weighted Average	17.4%	17.0%	16.9%	15.1%	13.0%	13.9%	13.6%	13.1%

	29	30	31	32 #	33	34	35	36
HISTORICAL MARKET RETURNS FOR GAS DISTRIBUTION UTILITIES, AVERAGE PER ANNUM								
Company	**2014-16**	**2015-17**	**2016-18**	**2017-19**	**2018-2020**	**2019-2021**	**2020-2022**	**2021-2023**
Atmos Energy Corporation	18.2%	18.5%	18.7%	22.4%	22.2%	19.6%	20.0%	14.4%
Chesapeake Utilities Corporation	16.0%	24.8%	17.9%	23.0%	22.9%	23.3%	19.3%	17.3%
New Jersey Resources Corporation	8.3%	10.3%	7.9%	16.0%	20.5%	21.1%	14.2%	14.1%
Northwest Natural Holding Company	5.6%	0.2%	2.9%	4.9%	10.7%	14.3%	13.2%	11.5%
ONE Gas, Inc.	0.0%	0.0%	0.0%	18.5%	31.1%	26.8%	23.4%	16.6%
Southwest Gas Holdings, Inc.	24.7%	18.7%	14.3%	12.3%	13.2%	18.8%	14.1%	11.7%
Average	12.1%	12.1%	10.3%	16.2%	20.1%	20.6%	17.4%	14.3%
Weighted Average	14.4%	14.5%	13.4%	18.9%	21.5%	20.6%	18.5%	14.4%

														0.04857384	
Ticker															
ATO	-0.12128	-0	0											Capitalization Weights	Atmos Energy Corp
CPK	0.349398	-1	1	0.0612245	0.06891	0	0.29328	0	0.130965	0.176154	0.9912026	0.9753525	0.1409047	0.364813263	Chesapeake Utilities
NJR	0.029642	0	#	0.0011592	-0.13971	#	0.632972	#	-0.77006	-0.01386	2.5321865	0.1545564	0.476809	0.051600679	New Jersey Resources Corp
NWN	0.14656	-0	0	0.1526737	0.141267	#	0.167087	0	0.077124	0.090018	1.4217532	0.9041433	0.1340346	0.009125764	Northwest Natural Gas Co
SWX	-0.22413	-0	0	0.0317496	0.031418	#	-0.03122	0	0.014228	0.050423	1.1210061	0.3891139	0.0919252	0.150436789	Southwest Gas
WGL	0.005525	-0	0	0.2853136	0.158713	#	0.318321	0	-0.10759	0.140685	1.5014052	0.9017272	0.1978651	0.080878792	WGL Holdings Inc
				0.0664877	0.236232	#	0.0222	0	0.153241	0.127226	1.3979155	0.9682404	0.134431	0.160097306	
														0.183047408	

E	5yr	10yr
A	0.559355	
A	0.111871	
A	1.246839	

N	5yr	10yr
A	0.475541	
A	0.095108	
A	1.494245	

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Table 4

Also, Exhibit NAC-10

Sample 1: Moderate-Sized Electric Utilities

	Cost of Equity Capital, Unadjusted	Risk-Free Rate	Market Beta, Adjusted	Expected Market Return
Low	10.39%	3.39%	0.97	10.63%
High	11.61%	4.31%	1.00	11.62%
Weighted Average	11.18%	3.85%	1.01	11.13%

Sample 2: Natural Gas Distribution Utilities

	Cost of Equity Capital, Unadjusted	Risk-Free Rate	Market Beta, Adjusted	Expected Market Return
Low	10.14%	3.39%	0.93	10.63%
High	11.31%	4.31%	0.96	11.62%
Weighted Average	10.72%	3.85%	0.94	11.13%

Sample 3: Small Non-Utilites

	Cost of Equity Capital, Unadjusted	Risk-Free Rate	Market Beta, Adjusted	Expected Market Return
Low	10.10%	3.39%	0.93	10.63%
High	11.63%	4.31%	1.00	11.62%
Weighted Average	11.29%	3.85%	1.02	11.13%

Table 5
Also, NAC-15
Summary of Electric Utility Discounted Cash Flow Results

2021	**Dividend Yield**	**Expected Growth in Cash Flows**	**Unadjusted Cost Rate**
Low	2.98%	5.15%	8.45%
High	3.66%	7.39%	10.73%
Weighted Average	3.36%	6.33%	9.69%

2022	**Dividend Yield**	**Expected Growth in Cash Flows**	**Unadjusted Cost Rate**
Low	3.12%	5.39%	8.93%
High	3.94%	7.26%	10.79%
Weighted Average	3.42%	6.35%	9.77%

2023	**Dividend Yield**	**Expected Growth in Cash Flows**	**Unadjusted Cost Rate**
Low	3.10%	5.28%	8.51%
High	3.93%	6.80%	10.60%
Weighted Average	3.53%	5.84%	9.37%

Table 6
Also, NAC-19
Summary of Gas Utility Discounted Cash Flow Results

2021	Dividend Yield	Expected Growth in Cash Flows	Unadjusted Cost Rate
Low	2.40%	7.64%	10.29%
High	3.13%	10.86%	13.75%
Weighted Average	2.78%	9.30%	12.08%

2022	Dividend Yield	Expected Growth in Cash Flows	Unadjusted Cost Rate
Low	2.42%	7.63%	10.27%
High	3.09%	10.45%	13.32%
Weighted Average	2.77%	9.19%	11.96%

2023	Dividend Yield	Expected Growth in Cash Flows	Unadjusted Cost Rate
Low	2.85%	4.95%	8.48%
High	3.81%	6.78%	9.91%
Weighted Average	3.09%	6.45%	9.55%

Table 7
Also, NAC-23
Risk Premia and Equity Returns

	Equity Returns		Real Returns on US Treasury Debt		
	L-Cap	S-Cap	LT US Debt	InT US Debt	T-Bills
2014	11.39%	1.66%	24.62%	3.77%	0.02%
2015	-0.73%	-12.02%	-0.67%	1.89%	0.02%
2016	9.54%	22.04%	1.38%	1.29%	0.20%
2017	19.42%	16.96%	6.36%	1.25%	0.79%
2018	-6.24%	-17.04%	-0.54%	1.53%	1.80%
2019	28.88%	19.52%	12.09%	6.29%	2.14%
2020	16.26%	0.18%	15.19%	7.38%	0.45%
2021	26.89%	34.98%	-5.08%	-2.53%	0.04%
2022	-19.44%	-5.67%	-26.73%	-9.72%	1.43%
2023	24.23%	5.36%	3.16%	4.59%	4.97%
Average	11.02%	6.60%	2.98%	1.57%	1.19%

	Overall Financial Markets	**Utility Sector Return Requirements**		
		Electricity	Natural Gas	Low-Risk Non-Utilities
Approximate Baseline Real Return, Risk Free	1.53%	1.53%	1.53%	1.53%
Expected Inflation	2.46%	3.98%	3.98%	3.98%
Differential Cost of Capital for Asset Classes				
Intermediate Term U.S. Treasury Securities	0.05%	4.03%	4.03%	4.03%
Long-Term U.S. Treasury Securities	1.40%	5.43%	5.43%	5.43%
Risk Premia for Equity Market Asset				

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Class	5.83%	11.27%	11.27%	11.27%
Total Return, Equity Capital	11.27%	**10.52%**	**9.89%**	**11.39%**
CAPM Beta		0.87	0.76	1.02

E1201

Table 8
Also, NAC-24
Market Returns: Year Ending 10-Year Averages

Market Returns: Year Ending 10-Year Averages	2020	2021	2022	2023
Moderate Sized Electric Utilities				
Average Across the Sample	11.57%	12.22%	11.52%	9.65%
	2013-2023 Average Unadjusted			**11.52%**
Natural Gas Utilities				
Average Across the Sample	13.71%	12.81%	12.88%	8.95%
	2013-2023 Average Unadjusted			**13.21%**
Small Non-Utility Companies (5-year avg)				
Average Across the Sample	11.70%	18.49%	-21.60%	17.43%
	2013-2023 Average Unadjusted			**9.89%**

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NAC-11

CAPM ESTIMATES OF THE COST OF EQUITY CAPITAL: ELECTRIC UTILITIES

CAPM ESTIMATES OF THE COST OF EQUITY CAPITAL: MODERATE-SIZED ELECTRIC UTILITIES

Small Low-Risk Entities		Adjusted CAPM Beta		Unadjusted Beta	
Company	**Ticker**	**2018-2023**	**2023**	**2018-2023**	**2023**
ALLETE, Inc.	ALE	0.83	1.00	0.75	1.00
Alliant Energy Corporation	LNT	0.74	0.93	0.62	0.90
Black Hills	BCK	1.00	1.00	1.00	1.00
CenterPoint Energy, Inc.	CNP	1.16	1.13	1.25	1.20
Evergy, Inc.	EVRG	0.77	1.00	0.65	1.00
Hawaiian Electric Industries, Inc.	HE	0.68	1.00	0.53	1.00
IDACORP, Inc.	IDA	0.78	0.93	0.67	0.90
MGE Energy, Inc.	MGEE	0.74	0.87	0.62	0.80
Northwestern Energy Group	NEW	0.98	1.00	0.97	1.00
OGE Energy Corp.	OGE	0.92	1.07	0.88	1.10
Otter Tail Corporation	OTTR	0.82	1.00	0.73	1.00
Pinnacle West Capital Corporation	PNW	0.76	1.00	0.65	1.00
PNM Resources, Inc.	PNM	0.83	0.93	0.75	0.90
Portland General Electric Company	POR	0.76	0.93	0.64	0.90
Unitil Corporation	UTL	1.01	0.93	1.01	0.90
	Average	0.85	0.98	0.78	0.97
	Standard Deviation	0.13	0.06	0.20	0.10
	Weighted Average:	0.87	1.01	0.81	1.01

CAPM ESTIMATES

	Cost of Equity Capital, Unadjusted	Risk-Free Rate	Market Beta, Adjusted	Expected Market Return
Low	10.39%	3.39%	0.97	10.63%
High	11.61%	4.31%	1.00	11.62%
Weighted Average	11.18%	3.85%	1.01	11.13%

U.S. Equity Market Risk Premia: 7.28%

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E1203

NAC-12

CAPM ESTIMATES OF THE COST OF EQUITY CAPITAL: GAS DISTRIBUTION UTILITIES

CAPM ESTIMATES OF THE COST OF EQUITY CAPITAL: GAS DISTRIBUTION UTILITIES

Small Low-Risk Entities		Adjusted CAPM Beta		Unadjusted Beta	
Company	**Ticker**	**2018-2023**	**2023**	**2018-2023**	**2023**
Atmos Energy Corporation	ATO	0.74	0.93	0.62	0.90
Chesapeake Utilities Corporation	CPK	0.72	0.87	0.59	0.80
New Jersey Resources Corporation	NJR	0.85	1.00	0.78	1.00
Northwest Natural Holding Company	NWN	0.75	1.00	0.62	1.00
ONE Gas, Inc.	OGS	0.79	0.93	0.68	0.90
Southwest Gas Holdings, Inc.	SWX	0.75	0.93	0.62	0.90
	Average	0.77	0.94	0.65	0.92
	Standard Deviation	0.05	0.05	0.07	0.08
	Weighted Average:	0.76	0.94	0.65	0.92

CAPM ESTIMATES

	Cost of Equity Capital, Unadjusted	Risk-Free Rate	Market Beta, Adjusted	Expected Market Return
Low	10.14%	3.39%	0.93	10.63%
High	11.31%	4.31%	0.96	11.62%
Weighted Average	10.72%	3.85%	0.94	11.13%

U.S. Equity Market Risk Premia: 7.28%

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NAC-13
CAPM ESTIMATES OF THE COST OF EQUITY CAPITAL: MODERATE-SIZED UTILITIES

CAPM ESTIMATES OF THE COST OF EQUITY CAPITAL: MODERATE-SIZED UTILITIES

Small Low-Risk Entities		Adjusted CAPM Beta		Unadjusted Beta	
Company	**Ticker**	**2018-2023**	**2023**	**2018-2023**	**2023**
ALLETE, Inc.	ALE	0.83	1.00	0.75	1.00
Alliant Energy Corporation	LNT	0.74	0.93	0.62	0.90
Black Hills	BCK	1.00	1.00	1.00	1.00
CenterPoint Energy, Inc.	CNP	1.16	1.13	1.25	1.20
Evergy, Inc.	EVRG	0.77	1.00	0.65	1.00
Hawaiian Electric Industries, Inc.	HE	0.68	1.00	0.53	1.00
IDACORP, Inc.	IDA	0.78	0.93	0.67	0.90
MGE Energy, Inc.	MGEE	0.74	0.87	0.62	0.80
Northwestern Energy Group	NEW	0.98	1.00	0.97	1.00
OGE Energy Corp.	OGE	0.92	1.07	0.88	1.10
Otter Tail Corporation	OTTR	0.82	1.00	0.73	1.00
Pinnacle West Capital Corporation	PNW	0.76	1.00	0.65	1.00
PNM Resources, Inc.	PNM	0.83	0.93	0.75	0.90
Portland General Electric Company	POR	0.76	0.93	0.64	0.90
Unitil Corporation	UTL	1.01	0.93	1.01	0.90
Atmos Energy Corporation	ATO	0.74	0.93	0.62	0.90
Chesapeake Utilities Corporation	CPK	0.72	0.87	0.59	0.80
New Jersey Resources Corporation	NJR	0.85	1.00	0.78	1.00
Northwest Natural Holding Company	NWN	0.75	1.00	0.62	1.00
ONE Gas, Inc.	OGS	0.79	0.93	0.68	0.90
Southwest Gas Holdings, Inc.	SWX	0.75	0.93	0.62	0.90
	Average	0.83	0.97	0.74	0.96
	Standard Deviation	0.12	0.06	0.18	0.09
	Weighted Average:	0.85	0.99	0.77	0.99

CAPM ESTIMATES

	Cost of Equity Capital, Unadjusted	Risk-Free Rate	Market Beta, Adjusted	Expected Market Return
Low	10.31%	3.39%	0.96	10.63%
High	11.53%	4.31%	0.99	11.62%
Weighted Average	11.06%	3.85%	0.99	11.13%

U.S. Equity Market Risk Premia: 7.28%

E1205

NAC-14

CAPM ESTIMATES OF THE COST OF EQUITY CAPITAL: SMALL-SIZED NON-UTILITY COMPANIES

CAPM ESTIMATES OF THE COST OF EQUITY CAPITAL: SMALL-SIZED NON-UTILITY COMPANIES

Small Low-Risk Entities		Adjusted CAPM Beta		Unadjusted Beta	
Company	**Ticker**	**2018-2023**	**2023**	**2022-2023**	**2023**
John Wiley & Sons, Inc.	WLY	0.93	0.93	0.90	0.90
Ingredion	INGR	0.90	0.87	0.86	0.81
Kinross Gold Corp	KGC	0.82	0.87	0.73	0.80
HNI Corporation	HNI	1.05	1.07	1.08	1.10
Kaman Corporation	KAMN	1.16	1.13	1.25	1.19
Smith & Wesson Brands, Inc.	SWBI	0.72	0.73	0.58	0.60
Entravision Communications Corporation	EVC	1.00	1.00	1.00	1.00
Luxfer Holdings PLC	LXFR	0.93	0.89	0.89	0.84
The Aaron's Company, Inc.	AAN	1.14	1.27	1.21	1.40
Natural Grocers by Vitamin Cottage, Inc.	NGVC	0.83	0.73	0.75	0.60
Adams Resources & Energy, Inc.	AE	1.02	1.13	1.04	1.20
LifeVantage Corporation	LFVN	0.98	0.93	0.98	0.90
Sonoco Products	SON	0.90	1.00	0.86	1.00
Sensient Technologies	SXT	0.93	0.93	0.90	0.90
	Average	0.95	0.96	0.93	0.95
	Standard Deviation	0.12	0.15	0.18	0.22
	Weighted Average:	0.99	1.02	0.94	0.98

CAPM ESTIMATES

	Cost of Equity Capital, Unadjusted	Risk-Free Rate	Market Beta, Adjusted	Expected Market Return
Low	10.10%	3.39%	0.93	10.63%
High	11.63%	4.31%	1.00	11.62%
Weighted Average	11.29%	3.85%	1.02	11.13%
		U.S. Equity Market Risk Premia:		7.28%

	Cost Rate, Adjusted for Issuance Costs
Low	
High	11.86%
Weighted Average	11.51%

NAC-16

DISCOUNTED CASH FLOW ESTIMATES OF COST OF EQUITY: MODERATE-SIZED ELECTRIC UTILITIES, 2023

DISCOUNTED CASH FLOW ESTIMATES OF COST OF EQUITY: MODERATE-SIZED ELECTRIC UTILITIES, 2023

Electric Utility	Ticker	Dividend Per Share	Effective Year Forward Dividend	Average Market Price Per Share, December '23	Adjusted Dividend Yield	Expected Growth	Single Stage DCF Estimates of Cost of Equity Capital
ALLETE, Inc.	ALE	2.71	2.82	63.22	4.46%	8.20%	12.66%
Alliant Energy Corporation	LNT	1.81	1.87	55.29	3.38%	6.29%	9.66%
Black Hills	BCK	2.50	2.60	65.37	3.97%	7.76%	11.73%
CenterPoint Energy, Inc.	CNP	0.77	0.79	30.68	2.56%	4.06%	6.62%
Evergy, Inc.	EVRG	2.48	2.57	62.47	4.11%	7.01%	11.12%
Hawaiian Electric Industries, Inc.	HE	1.08	1.11	39.10	2.84%	5.58%	8.41%
IDACORP, Inc.	IDA	3.20	3.26	111.67	2.92%	3.69%	6.61%
MGE Energy, Inc.	MGEE	1.67	1.71	77.14	2.22%	5.38%	7.60%
Northwestern Energy Group	NEW	2.56	2.64	58.94	4.47%	6.04%	10.51%
OGE Energy Corp.	OGE	1.66	1.73	37.43	4.63%	9.00%	13.63%
Otter Tail Corporation	OTTR	1.75	1.80	72.52	2.49%	6.11%	8.59%
Pinnacle West Capital Corporation	PNW	3.48	3.55	78.92	4.50%	4.10%	8.59%
PNM Resources, Inc.	PNM	1.57	1.61	48.03	3.35%	4.99%	8.34%
Portland General Electric Company	POR	1.88	1.94	50.41	3.85%	6.37%	10.21%
Unitil Corporation	UTL	1.62	1.67	55.89	2.99%	6.04%	9.02%

DCF ESTIMATES, MODERATE-SIZED ELECTRIC UTILITIES

	Adjusted Dividend Yield	Expected Growth	Unadjusted Cost Rate
Average	3.52%	6.04%	9.55%
S. D.	0.82%	1.52%	2.08%
Range			
Low	3.10%	5.28%	8.51%
High	3.93%	6.80%	10.60%
Weighted Average	3.53%	5.84%	9.37%

	Cost Rate, Adjusted for Issuance Costs
Weighted Average	9.59%

NAC-17

DISCOUNTED CASH FLOW ESTIMATES OF COST OF EQUITY: MODERATE-SIZED ELECTRIC UTILITIES, 2022

DISCOUNTED CASH FLOW ESTIMATES OF COST OF EQUITY: MODERATE-SIZED ELECTRIC UTILITIES, 2022

Electric Utility	Ticker	Dividend Per Share	Effective Year Forward Dividend	Average Market Price Per Share, December '22	Adjusted Dividend Yield	Expected Growth	Single Stage DCF Estimates of Cost of Equity Capital
ALLETE, Inc.	ALE	2.60	2.65	58.89	4.49%	3.51%	8.00%
Alliant Energy Corporation	LNT	1.71	1.77	57.85	3.06%	6.72%	9.77%
Black Hills	BCK	2.41	2.49	72.37	3.44%	6.33%	9.76%
CenterPoint Energy, Inc.	CNP	0.70	0.72	30.22	2.39%	6.33%	8.72%
Evergy, Inc.	EVRG	2.33	2.40	67.08	3.58%	5.91%	9.49%
Hawaiian Electric Industries, Inc.	HE	1.40	1.44	40.65	3.55%	6.33%	9.88%
IDACORP, Inc.	IDA	3.04	3.16	102.39	3.08%	7.57%	10.65%
MGE Energy, Inc.	MGEE	1.59	1.63	76.77	2.12%	4.49%	6.61%
Northwestern Energy Group	NEW	2.52	2.59	55.66	4.65%	5.57%	10.22%
OGE Energy Corp.	OGE	1.64	1.70	38.48	4.42%	7.35%	11.77%
Otter Tail Corporation	OTTR	1.65	1.70	58.86	2.89%	6.33%	9.22%
Pinnacle West Capital Corporation	PNW	3.42	3.50	71.24	4.91%	4.67%	9.58%
PNM Resources, Inc.	PNM	1.41	1.49	46.06	3.24%	11.88%	15.13%
Portland General Electric Company	POR	1.79	1.84	46.64	3.95%	5.61%	9.56%
Unitil Corporation	UTL	1.56	1.61	50.17	3.21%	6.33%	9.54%

DCF ESTIMATES, MODERATE-SIZED ELECTRIC UTILITIES

	Adjusted Dividend Yield	Expected Growth	Unadjusted Cost Rate
Average	3.53%	6.33%	9.86%
S. D.	0.82%	1.87%	1.86%
Range			
Low	3.12%	5.39%	8.93%
High	3.94%	7.26%	10.79%
Weighted Average	3.42%	6.35%	9.77%
			Cost Rate, Adjusted for Issuance Costs
		Weighted Average	9.99%

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NAC-18

DISCOUNTED CASH FLOW ESTIMATES OF COST OF EQUITY: MODERATE-SIZED ELECTRIC UTILITIES, 2021

DISCOUNTED CASH FLOW ESTIMATES OF COST OF EQUITY: MODERATE-SIZED ELECTRIC UTILITIES, 2021

Electric Utility	Ticker	Dividend Per Share	Effective Year Forward Dividend	Average Market Price Per Share, December '21	Adjusted Dividend Yield	Expected Growth	Single Stage DCF Estimates of Cost of Equity Capital
ALLETE, Inc.	ALE	2.52	2.56	70.69	3.63%	3.48%	7.11%
Alliant Energy Corporation	LNT	1.61	1.66	56.17	2.96%	6.67%	9.63%
Black Hills	BCK	2.29	2.36	68.99	3.42%	6.27%	9.70%
CenterPoint Energy, Inc.	CNP	0.66	0.68	24.42	2.79%	6.27%	9.06%
Evergy, Inc.	EVRG	2.18	2.24	64.06	3.50%	5.84%	9.34%
Hawaiian Electric Industries, Inc.	HE	1.36	1.40	43.20	3.25%	6.27%	9.52%
IDACORP, Inc.	IDA	2.88	3.00	102.14	2.94%	8.38%	11.32%
MGE Energy, Inc.	MGEE	1.52	1.55	75.22	2.07%	4.38%	6.45%
Northwestern Energy Group	NEW	2.48	2.52	67.82	3.72%	3.32%	7.04%
OGE Energy Corp.	OGE	1.63	1.69	33.49	5.06%	7.95%	13.01%
Otter Tail Corporation	OTTR	1.56	1.61	47.89	3.36%	6.27%	9.63%
Pinnacle West Capital Corporation	PNW	3.36	3.45	84.53	4.08%	5.09%	9.16%
PNM Resources, Inc.	PNM	1.33	1.41	49.54	2.85%	12.55%	15.40%
Portland General Electric Company	POR	1.70	1.74	50.48	3.45%	5.06%	8.51%
Unitil Corporation	UTL	1.52	1.57	57.59	2.72%	6.27%	8.99%

DCF ESTIMATES, MODERATE-SIZED ELECTRIC UTILITIES

	Adjusted Dividend Yield	Expected Growth	Unadjusted Cost Rate
Average	3.32%	6.27%	9.59%
S. D.	0.69%	2.23%	2.28%
Range			
Low	2.98%	5.15%	8.45%
High	3.66%	7.39%	10.73%
Weighted Average	3.36%	6.33%	9.69%

	Cost Rate, Adjusted for Issuance Costs
Weighted Average	9.90%

E1210

NAC-20

DISCOUNTED CASH FLOW ESTIMATES OF COST OF EQUITY: GAS DISTRIBUTION UTILITIES, 2023

DISCOUNTED CASH FLOW ESTIMATES OF COST OF EQUITY: GAS DISTRIBUTION UTILITIES, 2023

Gas Utility	Ticker		Dividend Per Share	Effective Year Forward Dividend	Average Market Price Per Share, December '23	Adjusted Dividend Yield	Expected Growth	Single Stage DCF Estimates of Cost of Equity Capital
Atmos Energy Corporation	ATO	#	2.96	3.07	114.55	2.68%	7.64%	10.32%
Chesapeake Utilities Corporation	CPK	#	2.31	2.39	123.50	1.94%	7.30%	9.24%
New Jersey Resources Corporation	NJR	#	1.59	1.65	51.67	3.18%	7.00%	10.18%
Northwest Natural Holding Company	NWN	#	1.94	2.00	46.85	4.27%	6.00%	10.27%
ONE Gas, Inc.	OGS	#	2.60	2.64	77.29	3.42%	3.25%	6.67%
Southwest Gas Holdings, Inc.	SWX	#	2.48	2.53	56.46	4.48%	4.00%	8.48%

DCF ESTIMATES, MODERATE-SIZED ELECTRIC UTILITIES

	Adjusted Dividend Yield	Expected Growth	Unadjusted Cost Rate
Average	3.33%	5.86%	9.19%
S. D.	0.96%	1.83%	1.43%
Range			
Low	2.85%	4.95%	8.48%
High	3.81%	6.78%	9.91%
Weighted Average	3.09%	6.45%	9.55%
			Cost Rate, Adjusted for Issuance Costs
		Weighted Average	9.74%

NAC-21

DISCOUNTED CASH FLOW ESTIMATES OF COST OF EQUITY: GAS DISTRIBUTION UTILITIES, 2022

DISCOUNTED CASH FLOW ESTIMATES OF COST OF EQUITY: GAS DISTRIBUTION UTILITIES, 2022

Gas Utility	Ticker		Dividend Per Share	Effective Year Forward Dividend	Average Market Price Per Share, December '22	Adjusted Dividend Yield	Expected Growth	Single Stage DCF Estimates of Cost of Equity Capital
Atmos Energy Corporation	ATO	#	2.72	2.85	111.76	2.55%	9.35%	11.9%
Chesapeake Utilities Corporation	CPK	#	1.84	1.91	122.00	1.56%	7.47%	9.0%
New Jersey Resources Corporation	NJR	#	1.45	1.50	42.79	3.50%	6.76%	10.3%
Northwest Natural Holding Company	NWN	#	1.93	2.02	47.29	2.76%	9.04%	11.8%
ONE Gas, Inc.	OGS	#	2.48	2.66	82.63	3.22%	14.39%	17.6%
Southwest Gas Holdings, Inc.	SWX	#	2.48	2.57	87.13	2.95%	7.22%	10.2%

DCF ESTIMATES, MODERATE-SIZED ELECTRIC UTILITIES

	Adjusted Dividend Yield	Expected Growth	Unadjusted Cost Rate
Average	2.76%	9.04%	11.79%
S. D.	0.67%	2.82%	3.04%
Range			
Low	2.42%	7.63%	10.27%
High	3.09%	10.45%	13.32%
Weighted Average	2.77%	9.19%	11.96%

	Cost Rate, Adjusted for Issuance Costs
Weighted Average	12.14%

NAC-22

DISCOUNTED CASH FLOW ESTIMATES OF COST OF EQUITY: GAS DISTRIBUTION UTILITIES, 2021

DISCOUNTED CASH FLOW ESTIMATES OF COST OF EQUITY: GAS DISTRIBUTION UTILITIES, 2021

Gas Utility	Ticker		Dividend Per Share	Effective Year Forward Dividend	Average Market Price Per Share, December '21	Adjusted Dividend Yield	Expected Growth	Single Stage DCF Estimates of Cost of Equity Capital
Atmos Energy Corporation	ATO	#	2.50	2.61	103.79	2.52%	9.11%	11.63%
Chesapeake Utilities Corporation	CPK	#	1.69	1.75	120.89	1.45%	7.12%	8.57%
New Jersey Resources Corporation	NJR	#	1.36	1.40	43.13	3.26%	6.61%	9.86%
Northwest Natural Holding Company	NWN	#	1.92	2.01	54.40	2.76%	9.25%	12.02%
ONE Gas, Inc.	OGS	#	2.32	2.50	80.58	3.10%	15.46%	18.57%
Southwest Gas Holdings, Inc.	SWX	#	2.38	2.47	70.91	3.49%	7.96%	11.45%

DCF ESTIMATES, MODERATE-SIZED ELECTRIC UTILITIES

	Adjusted Dividend Yield	Expected Growth	Unadjusted Cost Rate
Average	2.76%	9.25%	12.02%
S. D.	0.73%	3.22%	3.46%
Range			
Low	2.40%	7.64%	10.29%
High	3.13%	10.86%	13.75%
Weighted Average	2.78%	9.30%	12.08%

	Cost Rate, Adjusted for Issuance Costs
Weighted Average	12.26%

NAC-25

AVERAGE REALIZED HISTORICAL RETURNS, PRICE INFLATION (%)

AVERAGE REALIZED HISTORICAL RETURNS, PRICE INFLATION (%)

	U.S. Treasury Debt				Equity Markets			
	Bills	In-T Debt	L-T Debt	Corporate Debt	Large Cap	US Markets	Small Cap	Inflation
1920s	3.6750	4.2075	5.0550	5.2300	16.2877	16.7025	14.3109	-3.7000
1930s	0.5560	4.6420	5.0350	7.0370	0.0412	5.3050	23.0563	-1.9300
1940s	0.4100	1.8086	3.2988	2.7190	4.0982	10.6430	33.8058	3.8591
1950s	1.8690	1.4473	0.1557	4.2620	14.9661	19.6620	23.2687	2.2418
1960s	3.8870	3.6191	1.4578	1.8070	5.2569	9.2800	22.2346	2.5273
1970s	6.3240	7.0692	5.6675	7.1590	3.2001	7.9250	17.7967	7.4366
1980s	8.9210	12.0067	13.7249	13.8280	13.2109	17.3570	18.7589	5.1284
1990s	4.9330	7.5042	9.2285	8.8350	16.1305	18.8660	14.7386	2.9501
2000s	2.7730	6.3323	8.3127	7.7350	-0.6056	1.9320	22.1626	2.5661
2010s	0.5218	3.1055	7.1648	9.0766	11.8046	14.3320	10.1922	1.7561
1947-2023	3.3014	5.0193	5.5838	6.5388	8.1033	11.4547	19.9208	3.5463
1970-2023	4.4483	6.4458	7.7054	8.3333	8.9966	12.1753	16.7809	4.0004
1990-2023	2.3305	4.4043	6.4810	6.9583	9.5814	11.6967	15.1583	2.5294

Expected Inflation 2.46

Sample Period Long-Term Risk Free Rate

2013-2023	4.31
2021-2023	3.39

Sample Period Market Returns (%)

	Nominal	Inflation	Real
1947-2023	11.4547	3.5463	7.91
1970-2023	12.18	4.00	8.17
1990-2023	11.70	2.53	9.17

Expected Future Market Returns (%)

Real Return	Inflation	Nominal

E1214

1970-2023	8.17	2.46	10.63
1990-2023	9.17	2.46	11.62

NAC-26
Capitalization Weights for Small to Mid-Sized Electricity Distributors

Small to Mid-Sized Electricity Distributors					
Company Name	**Ticker**	**Market Price**	**Shares Outstanding (000s)**	**Market Capitalization ($ 000s)**	**Capitalization Weights**
ALLETE, Inc.	ALE	63.22	57,300	3,622,506	4%
Alliant Energy Corporation	LNT	55.29	253,000	13,988,370	14%
Black Hills	BKH	65.37	67,000	4,379,790	4%
CenterPoint Energy, Inc.	CNP	30.68	631,000	19,359,080	19%
Evergy, Inc.	EVRG	62.47	230,000	14,368,100	14%
Hawaiian Electric Industries, Inc.	HE	39.10	109,700	4,289,270	4%
IDACORP, Inc.	IDA	111.67	50,700	5,661,669	6%
MGE Energy, Inc.	MGEE	77.14	36,163	2,789,614	3%
Northwestern Energy Group	NWE	58.94	60,321	3,555,348	4%
OGE Energy Corp.	OGE	37.43	200,300	7,497,229	7%
Otter Tail Corporation	OTTR	72.52	41,668	3,021,763	3%
Pinnacle West Capital Corporation	PNW	78.92	113,400	8,949,528	9%
PNM Resources, Inc.	PNM	48.03	86,296	4,144,797	4%
Portland General Electric Company	POR	50.41	97,760	4,928,082	5%
Unitil Corporation	UTL	55.89	16,045	896,755	1%

101,451,901

E1216

NAC-27

Capitalization Weights for Small to Mid-Sized Natural Gas Distributors

Small to Mid-Sized Natural Gas Distributors					
Company Name	**Ticker**	**Market Price**	**Shares Outstanding (000s)**	**Market Capitalization ($ 000s)**	**Capitalization Weights**
Atmos Energy Corporation	ATO	101.99	145,100	14,798,749	43%
Chesapeake Utilities Corporation	CPK	91.97	18,370	1,689,489	5%
New Jersey Resources Corporation	NJR	49.56	97,028	4,808,708	14%
Northwest Natural Holding Compai	NWN	66.60	36,213	2,411,786	7%
ONE Gas, Inc.	OGS	87.57	55,600	4,868,892	14%
Southwest Gas Holdings, Inc.	SWX	82.36	70,787	5,830,017	17%
				34,407,641	

NAC-28

Capitalization Weights for Small to Mid-Sized Distribution Utilities

Small to Mid-Sized Distribution Utilities					
Company Name	Ticker	Market Price	Shares Outstanding (000s)	Market Capitalization ($ 000s)	Capitalization Weights
ALLETE, Inc.	ALE	63.22	57,300	3,622,506	2.7%
Alliant Energy Corporation	LNT	55.29	253,000	13,988,370	10.3%
Black Hills	BKH	65.37	67,000	4,379,790	3.2%
CenterPoint Energy, Inc.	CNP	30.68	631,000	19,359,080	14.2%
Evergy, Inc.	EVRG	62.47	230,000	14,368,100	10.6%
Hawaiian Electric Industries, Inc.	HE	39.10	109,700	4,289,270	3.2%
IDACORP, Inc.	IDA	111.67	50,700	5,661,669	4.2%
MGE Energy, Inc.	MGEE	77.14	36,163	2,789,614	2.1%
Northwestern Energy Group	NWE	58.94	60,321	3,555,348	2.6%
OGE Energy Corp.	OGE	37.43	200,300	7,497,229	5.5%
Otter Tail Corporation	OTTR	72.52	41,668	3,021,763	2.2%
Pinnacle West Capital Corporation	PNW	78.92	113,400	8,949,528	6.6%
PNM Resources, Inc.	PNM	48.03	86,296	4,144,797	3.1%
Portland General Electric Company	POR	50.41	97,760	4,928,082	3.6%
Unitil Corporation	UTL	55.89	16,045	896,755	0.7%
Atmos Energy Corporation	ATO	101.99	145,100	14,798,749	10.9%
Chesapeake Utilities Corporation	CPK	91.97	18,370	1,689,489	1.2%
New Jersey Resources Corporation	NJR	49.56	97,028	4,808,708	3.5%
Northwest Natural Holding Company	NWN	66.60	36,213	2,411,786	1.8%
ONE Gas, Inc.	OGS	87.57	55,600	4,868,892	3.6%
Southwest Gas Holdings, Inc.	SWX	82.36	70,787	5,830,017	4.3%

135,859,541.59

NAC-29

Market Returns: Moderate Sized Electric Utilities Year Ending 10-Year Averages

Market Returns: Moderate Sized Electric Utilities Year Ending 10-Year Averages				
	2020	**2021**	**2022**	**2023**
ALLETE, Inc.	9.02%	10.89%	9.04%	7.48%
Alliant Energy Corporation	14.57%	14.87%	13.54%	11.37%
CenterPoint Energy, Inc.	8.36%	10.30%	11.54%	9.62%
Black Hills	9.74%	11.54%	12.81%	8.32%
Evergy, Inc.	13.40%	13.35%	13.09%	10.38%
Hawaiian Electric Industries, Inc.	9.84%	10.18%	9.02%	8.07%
IDACORP, Inc.	12.81%	13.75%	13.35%	12.40%
MGE Energy, Inc.	13.10%	13.88%	12.96%	11.05%
OGE Energy Corp.	8.93%	7.50%	9.00%	5.69%
Otter Tail Corporation	12.06%	12.81%	15.43%	13.68%
Pinnacle West Capital Corporation	11.96%	11.78%	9.13%	7.68%
PNM Resources, Inc.	14.70%	16.35%	13.28%	11.23%
Portland General Electric Company	12.59%	11.55%	10.38%	8.74%
Unitil Corporation	12.74%	13.17%	11.02%	10.55%
Northwestern Energy Group	9.74%	11.44%	9.23%	8.46%
Average Across the Sample	**11.57%**	**12.22%**	**11.52%**	**9.65%**
	2020-2023 Average Unadjusted			**11.24%**

NAC-30
HISTORICAL MARKET RETURNS FOR MODERATE-SIZED ELECTRIC UTILITIES, AVERAGE PER ANNUM

HISTORICAL MARKET RETURNS FOR MODERATE-SIZED ELECTRIC UTILITIES, AVERAGE PER ANNUM								
Company	**2014-16**	**2015-17**	**2016-18**	**2017-19**	**2018-2020**	**2019-2021**	**2020-2022**	**2021-2023**
ALLETE, Inc.	8.3%	14.8%	19.0%	15.7%	-1.9%	4.1%	-3.1%	10.2%
Alliant Energy Corporation	14.6%	13.8%	15.6%	12.9%	9.9%	13.0%	10.9%	9.0%
CenterPoint Energy, Inc.	0.9%	10.8%	12.4%	18.2%	-8.3%	11.3%	11.6%	27.7%
Black Hills	14.7%	9.6%	9.3%	10.6%	1.2%	11.9%	4.5%	7.2%
Evergy, Inc.	19.3%	18.1%	17.3%	7.1%	5.9%	9.7%	9.2%	7.9%
Hawaiian Electric Industries, Inc.	12.1%	17.6%	7.2%	11.8%	8.4%	11.7%	3.3%	4.4%
IDACORP, Inc.	19.2%	17.7%	19.0%	13.4%	5.0%	6.7%	4.7%	11.4%
MGE Energy, Inc.	15.6%	21.9%	16.0%	12.9%	1.8%	11.5%	7.4%	9.9%
OGE Energy Corp.	-2.5%	2.0%	4.9%	16.9%	2.3%	7.9%	4.0%	12.4%
Otter Tail Corporation	3.0%	15.6%	18.8%	24.1%	7.1%	7.2%	9.8%	22.6%
Pinnacle West Capital Corporation	11.3%	18.7%	14.1%	12.7%	0.7%	7.4%	-3.6%	7.5%
PNM Resources, Inc.	14.7%	13.4%	15.4%	15.5%	5.6%	12.8%	4.7%	11.2%
Portland General Electric Company	11.8%	14.1%	10.1%	12.8%	4.2%	10.7%	0.5%	8.3%
Unitil Corporation	13.9%	17.2%	16.5%	16.4%	4.1%	9.9%	0.0%	8.5%
Northwestern Energy Group	15.1%	11.6%	6.2%	11.0%	3.2%	13.1%	-1.4%	7.2%
Average	11.5%	14.5%	13.4%	14.1%	3.3%	9.9%	4.2%	11.0%
Weighted Average	12.9%	14.1%	14.0%	13.3%	4.2%	10.5%	5.9%	10.5%

FPSC EXH NO. 77
ADMITTED

Ticker											
ATO											
CPK	0	0.0612245	0.06891	0	0.29328	0	0.130965	0.176154	0.99120261	0.9753525	0.14090468
NJR	1	0.0011592	-0.139714	#	0.632972	#	-0.770056	-0.013856	2.5321865	0.1545564	0.47680897
NWN	#	0.1526737	0.141267	#	0.167087	0	0.077124	0.090018	1.42175322	0.9041433	0.13403463
SWX	0	0.0317496	0.031418	#	-0.031222	0	0.014228	0.050423	1.12100611	0.3891139	0.09192522
WGL	0	0.2853136	0.158713	#	0.318321	0	-0.107588	0.140685	1.50140521	0.9017272	0.19786511
	0	0.0664877	0.236232	#	0.0222	0	0.153241	0.127226	1.39791553	0.9682404	0.13443103

E	5yr	10yr
A	0.559355	
A	0.111871	
A	1.246839	
N	5yr	10yr

FPSC EXH NO. 77

ADMITTED

A	0.475541
A	0.095108
A	1.494245

FPSC EXH NO. 77

ADMITTED

E1223

NAC-31

Market Returns: Natural Gas Utilities Year Ending 10-Year Averages

Market Returns: Natural Gas Utilities Year Ending 10-Year Averages	2020	2021	2022	2023
AltaGas Ltd.	16.59%	15.15%	16.39%	13.19%
Chesapeake Utilities Corporation	19.11%	18.99%	19.04%	16.37%
New Jersey Resources Corporation	10.48%	11.86%	11.82%	13.42%
Northwest Natural Holding Company	6.34%	5.55%	4.28%	4.70%
Southwest Gas Holdings, Inc.	12.36%	9.67%	11.34%	6.04%
ONE Gas, Inc.	17.37%	15.66%	14.40%	0.00%
Average Across the Sample	**13.71%**	**12.81%**	**12.88%**	**8.95%**
2019-2023 Average Unadjusted				**12.09%**

E1223

NAC-32

HISTORICAL MARKET RETURNS FOR GAS DISTRIBUTION UTILITIES, AVERAGE PER ANNUM

HISTORICAL MARKET RETURNS FOR GAS DISTRIBUTION UTILITIES, AVERAGE PER ANNUM								
Company	**2014-16**	**2015-17**	**2016-18**	**2017-19**	**2018-2020**	**2019-2021**	**2020-2022**	**2021-2023**
Atmos Energy Corporation	22.2%	19.6%	20.0%	14.4%	10.1%	8.9%	5.6%	7.2%
Chesapeake Utilities Corporation	22.9%	23.3%	19.3%	17.3%	8.3%	20.4%	13.3%	15.7%
New Jersey Resources Corporation	20.5%	21.1%	14.2%	14.1%	-0.5%	8.4%	1.9%	20.1%
Northwest Natural Holding Company	10.7%	14.3%	13.2%	11.5%	4.5%	-0.6%	-7.6%	-5.3%
Southwest Gas Holdings, Inc.	13.2%	18.8%	14.1%	11.7%	-0.6%	2.6%	6.0%	-2.3%
ONE Gas, Inc.	31.1%	26.8%	23.4%	16.6%	7.9%	6.9%	1.1%	2.6%
Average	20.1%	20.6%	17.4%	14.3%	5.0%	7.7%	3.4%	6.3%
Weighted Average	21.5%	20.7%	18.4%	14.3%	6.3%	7.5%	3.9%	6.4%

NAC-33

Market Returns: Small Non-Utilities Year Ending 5-Year Averages

Market Returns: Small Non-Utilities Year Ending 5-Year Averages	2020	2021	2022	2023
John Wiley & Sons, Inc.	-3.47%	28.41%	-27.66%	-17.32%
Ingredion	-12.66%	26.06%	3.99%	13.54%
Kinross Gold Corp	54.85%	-20.03%	-27.54%	50.86%
HNI Corporation	-4.78%	25.57%	-29.44%	51.60%
Kaman Corporation	-12.12%	-23.07%	-46.47%	10.99%
Smith & Wesson Brands, Inc.	148.95%	0.28%	-50.39%	59.91%
Entravision Communications Corporation	12.60%	151.27%	-27.73%	-11.04%
Luxfer Holdings PLC	-8.59%	20.65%	-26.36%	-31.20%
Natural Grocers by Vitamin Cottage, Inc.	39.21%	5.75%	-33.89%	79.43%
Adams Resources & Energy, Inc.	-34.23%	19.38%	43.40%	-30.27%
LifeVantage Corporation	-40.29%	-32.19%	-41.14%	62.10%
Sonoco Products	-1.25%	0.61%	7.98%	-4.81%
Sensient Technologies	13.84%	37.75%	-25.54%	-7.24%
Average Across the Sample	**11.70%**	**18.49%**	**-21.60%**	**17.43%**
2020-2023 Average Unadjusted				**6.50%**

NAC-34

HISTORICAL MARKET RETURNS FOR SMALL, NON-UTILITY COMPANIES, AVERAGE PER ANNUM

Non-Utility Companies	2020	2021	2022	2023	2020-2022 Avg	2020-2023 Avg	Market Cap	Proportion
John Wiley & Sons, Inc.	-3.47%	28.41%	-27.66%	-17.32%	-5.53%	-3%	1,763,411	6%
Ingredion	-12.66%	26.06%	3.99%	13.54%	14.53%	7%	7,162,980	25%
Kinross Gold Corp	54.85%	-20.03%	-27.54%	50.86%	1.10%	21%	7,405,200	26%
HNI Corporation	-4.78%	25.57%	-29.44%	51.60%	15.91%	10%	1,861,435	6%
Kaman Corporation	-12.12%	-23.07%	-46.47%	10.99%	-19.52%	-10%	678,264	2%
Smith & Wesson Brands, Inc.	148.95%	0.28%	-50.39%	59.91%	3.27%	26%	621,645	2%
Entravision Communications Corporation	12.60%	151.27%	-27.73%	-11.04%	37.50%	24%	366,547	1%
Luxfer Holdings PLC	-8.59%	20.65%	-26.36%	-31.20%	-12.30%	-8%	239,860	1%
Natural Grocers by Vitamin Cottage, Inc.	39.21%	5.75%	-33.89%	79.43%	17.10%	11%	363,920	1%
Adams Resources & Energy, Inc.	-34.23%	19.38%	43.40%	-30.27%	10.84%	0%	66,680	0%
LifeVantage Corporation	-40.29%	-32.19%	-41.14%	62.10%	-3.74%	-7%	75,342	0%
Sonoco Products	-1.25%	0.61%	7.98%	-4.81%	1.26%	4%	5,491,686	19%
Sensient Technologies	13.84%	37.75%	-25.54%	-7.24%	1.66%	8%	2,773,782	10%
							28,870,752	100%

2020-2022 Wtd Avg	2020-2023 Wtd Avg
5.19%	9.89%

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FPUC's Response to Staff's Twentieth Data Request (Nos. 1-17)

(Including All Attachments)

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition for rate increase by Florida Public Utilities Company.	DOCKET NO. 20240099-EI

FPUC'S RESPONSES TO STAFF'S TWENTIETH SET OF DATA REQUESTS

1. Please refer to MFR Schedule B-13, page 3, line numbers 15, and 21 through 28 for the following questions.

a) For purposes of clarity, please list the total estimated cost for each project. If this amount differs from the amount provided in column (4) of this schedule, please explain why for each.

b) For each project, please indicate if an economic analysis, such as a cumulative present value revenue requirement analysis or other cost-effectiveness analysis, was completed. If so, please provide the results of the analysis. If not, please explain why.

Company Response:

a. The total amount on line 15 should have been $2,700,000. The CWIP balance as of November 2025, which was $1,500,000, was inadvertently recorded in MFR B-13 instead of the estimated amount projected to be closed in December 2025 of $2,700,000.

The total amount on line 21 was correctly recorded at $720,000 for 5 replacements.

The total amount on line 28 of $500,000 was the amount budgeted and included in the filing. The estimate provided in Data Request 6 item 12 for this item of $750,000 is a more recent estimate.

b. These projects are being performed for system reliability purposes in order to provide for safe and reliable electric service as the existing equipment is nearing the end of life expectancy. Given that reliability is a major priority for the Company and likewise important to our customers, a cost-effectiveness analysis was deemed irrelevant in this context.

2. Please refer to MFR Schedule C-7(2025), page 1, lines 8 through 27, page 3, lines 68 through 71, and page 5, lines 72 through 84. Please provide a general explanation of how FPUC typically estimates projected transmission and distribution O&M expenses.

Company Response:

Interviews are conducted on a department by department basis with each department manager, typically between the May – July time frame, to assess and evaluate the future cost projections and to establish the budget for the upcoming year. We typically use the actuals for the preceding 12-months ending in May as the starting point, apply a grossed up factor, and then the respective department managers make additional adjustments based on any known changes, historical outliers, etc.

3. Please refer to MFR Schedule C-7(2025), page 3, lines 68 through 71, and page 5, lines 72 through 84. Please provide a brief description of what is included in the costs for each of the transmission and distribution maintenance categories.

Company Response:

Please refer to the attached file "DR 20.3 Summary of Maintenance Expenses".

4. Please refer to FPUC's response to Staff's Sixth Set of Data Requests, No. 1 for the following questions.

a) Regarding the blanket projects, please indicate if the Commission has previously approved similar projects for FPUC. If so, please identify the Commission order(s) approving those projects.

b) Regarding the replacements of NW Florida substations, please identify the typical service life and the current age of the assets to be replaced.

Company Response:

a. **Blanket projects were included in the forecast of plant additions in the Company's last natural gas rate case, Docket No. 20220067-GU. Also, please note that the response to DR 6.4 and DR 6.14 net rate base amount of $8,373,855.39 included net plant for blankets in 2024 of $5,883,947. As of November 2024, actual costs of $6,270,123 have already been charged to these work orders. Blanket work orders are a normal rate base cost incurred by the Company.**

b. **Given that these are not currently FPUC assets, a visual inspection was done to evaluate the age of the transformers. Base on that inspection, it appear that there are four transformers that are 58 years old, and one transformer that is 17 years old. The average service life of distribution substation equipment based on information from FPUC and other IOUs in Florida indicates a range of useful life of 45 to 60 years. The exact age of the other equipment can't be determined visually and will require additional information to accurately determine the age of the equipment. Other information such as previous and current equipment test results are needed to verify the actual condition of the equipment. This information, along with the age, will feed into the final determination on when it is best to replace the equipment. Since actual age and testing information has not been made available at this time, it**

was necessary to make some assumptions based on visual information and substation design on what upgrades and redesign may be necessary going forward. Based on these assumptions, we developed some preliminary construction designs to address the upgrades and redesign of the substations, which will be confirmed when additional information becomes available.

5. Please refer to FPUC's response to Staff's Sixth Set of Data Requests, No. 2. For each project listed below, please explain why the total cost provided in the associated Excel file response differs from the value provided for the test year on MFR Schedule B-11.

   a) AIP Substation.

   b) JL Terry Substation.

Company Response:

The higher costs provided in the response to Staff's Sixth Set of Data Requests, No. 2 for both AIP Substation and JL Terry substation, are based on the most recent estimate updates and, are therefore, more accurate than the original projection. Both files provided in the data request show the total amount of costs that are projected to be closed to plant in 2025.

6. Please refer to FPUC's responses to Staff's Sixth Set of Data Requests, Nos. 2 and 12. For each of the projects that include contingency costs, please explain how these amounts were determined. As part of this response, please identify the percentage of the overall project cost that the contingency cost amounts to for each project.

Company Response:

Below are listed the projects in which contingency cost was included in the project cost

estimate. Contingency costs are an estimate that is based on the confidence level of the overall cost estimate.

- **AIP Substation – $629,000 contingency cost for approximately 10% of total cost.**
- **Step Down Substation Upgrades - $100,000 contingency cost for approximately 3.1% of total cost.**
- **Transformer at JLT - $100,000 contingency cost for approximately 4.3% of total cost.**
- **Refurbish NW FL Substations - $310,000 contingency cost for approximately 4.8% of total cost.**
- **Install 69 KV UG Cable and 69 KV Switches - $50,000 contingency cost for approximately 6.6% of total cost.**
- **The total contingency cost percentage included in all projects is approximately 3.1%.**

7. Please refer to FPUC's responses to Staff's Sixth Set of Data Requests, Nos. 2 and 22(b). Regarding the purchase of NW Florida substations project, please indicate if the final purchase contract has been completed. If so, please provide the contracted purchase price for each of the listed substation assets.

Company Response:

We are currently finalizing the final purchase contract with FPL for the NW Florida substations.

8. Please refer to FPUC's response to Staff's Sixth Set of Data Requests, No. 5. Please describe FPUC's established purchasing guidelines for purchases or services below the O&M and capital amounts in Chesapeake Utilities Corporation's purchase policy.

Company Response:

E1232

Please refer to the attached file "DR 20.8 CHPK_Approved Purchasing Methods.docx".

9. Please refer to FPUC's response to Staff's Sixth Set of Data Requests, No. 7. Regarding the purchase of NW Florida Substations project, please provide the results of the analyses conducted for the alternatives listed. As part of this response, please provide a cost comparison between the total cost of purchasing the NW Florida substation assets and the total cost associated with each identified alternative.

Company Response:

The primary alternative considered was to construct five new substations as opposed to purchasing the substation assets from FPL. Although there was no detailed cost analysis completed, we did have the cost to rebuild the AIP Substation, which is included in this rate proceeding in the amount of $6,300,000. Not included in this estimate was the cost of two substation transformers which are being reused and no land cost since the land is currently owned by FPUC. These additions could have pushed the cost closer to $7,500,000 for one new substation. With the need for five substations the total cost could have been $30,000,000 compared to the initial estimate for purchasing FPL assets and upgrades, which are around $11,400,000. Please refer to the attached file "DR 20.9" for the cost/benefit analysis.

10. Please refer to FPUC's response to Staff's Sixth Set of Data Requests, No. 11 for the following questions.

a) Regarding the Self Healing project, please indicate how often FPUC typically experiences energy supply interruptions. As part of this response, please provide examples of instances when this project would be utilized.

b) Regarding the SD Substation 69 KV Loop and Switch project, please explain why backup transmission service to the substations on Amelia Island is necessary, and detail the modifications to the Step Down Substation that would occur. As part of this response, please indicate whether or not other backup transmission service is currently available to the substations on Amelia Island.

Company Response:

a. **A review of the reliability indicators shows that the SAIDI, CAIDI and SAIFI results have been extremely variable through the years. When comparing 2022 to 2023, you will notice a slight improvement. However, when compared to the other large IOU's, the FPUC reliability indicators do not compare favorably, which to some degree may be related to the significant size difference of the companies. The indices are impacted the most dramatically when large sections, such as an entire distribution feeder, are tripped off line due to an issue such as a tree on the line, car hitting pole, etc. With the self-healing technology projects, the approximate location of the issue can be determined and then line switches can be automatically opened or closed to restore power to a portion of the customers. This allows the bulk of the customers to have service restored with only the impacted section to remain off line until personnel are dispatched to restore power. Currently, the entire feeder would remain out of service until personnel can be contacted, travel to the location, determine the issue, and perform switching operations in an effort to get most of the customers back in service.**

b. **It is good utility practice to have back up transmission service to most substations in order to keep substations energized when one of the transmission lines is out of service or when maintenance work is necessary on the line. Unlike distribution lines**

that can be worked while still energized, FPUC does not have the ability to work on transmission lines while still energized. If there are not at least two transmission lines feeding a substation, maintenance activities would require the substation to be deenergized which would impact all customers served from that substation. Having the back up transmission line allows more reliability, allows maintenance to be performed without impact to customers, and provides for an improvement to the reliability indicators. The backup lines must also have connections to the substations on each end of the line to be the most effective. Work at the Step-Down substation would involve the installation of additional busses and switches that are necessary to connect the additional backup transmission line into the substation.

11. Please refer to FPUC's response to Staff's Sixth Set of Data Requests, No. 12 for the following questions.

a) Multiple projects include "Labor – ES&I" in the sheet titled "COST" and under the "Breakdown of Job Costs" category. Please define "ES&I".

b) For the SD Substation 69 KV Loop and Switch and Substation Upgrades projects, please explain why the total cost provided in the associated Excel file response for each project differs from the value provided on MFR Schedule B-13, column (4).

c) Regarding the Substation Upgrades project, please identify what percentage of the costs provided in the DR 6.12 Stepdown Cost and DR 6.12 Bypass Loop Excel files are included in MFR Schedule B-13, column (4), for each.

d) For purposes of clarity, please provide the total estimated cost for the manhole project.

Company Response:

a. **"Labor – ES&I" is the support from contractors for Engineering, Supervision and Inspection.**

b. **The $750,000 estimate for the 69KV cable and switches was projected to be done over two years, with $250,000 being closed in December 2024 and $500,000 being closed in May 2025. Since MFR B-13 only related to the 2025 projected test year, only the 2025 portion of the project was included as the total project balance.**

c. **The two files provided in Staff's Data Request 6, number 12, represent the total for both the 2024 and 2025 projected costs. Estimated costs for 2025 were $1 million. Since these costs were estimated closing quarterly, MFR B-13 column (4) should have shown the $250,000 projected cost for the last quarter.**

d. **The total estimated cost for manholes for 2025 was $400,000.**

12. Please refer to FPUC's response to Staff's Sixth Set of Data Requests, No. 18. For each of the projects listed below, please explain in detail how denial of each project will have a direct negative impact on the reliability of FPUC's electric system.

a) Self Healing Project.

b) SD Substation 69 KV Loop and Switch.

c) Substation Upgrades.

d) Minor Projects.

Company Response:

a. **Please refer to the response to 10a above.**

b. **Please refer to the response to 10b above.**

c. **As with any equipment, workload and aging eventually result in the reduction of**

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reliability, which is the same for substation equipment. Within the substation's design, there is some level of redundancy which allows short term emergencies, that are caused by equipment failure, to be manageable. However, most substation equipment has long lead times when purchasing the equipment, which creates the possibility of a second failure causing a significant event that may result in a large, extended outage. With continued maintenance and testing, the life of the equipment can be extended but it is still necessary to make a determination of when it is time to replace the equipment rather than be forced into the replacement.

d. The Endeavor project is needed to upgrade facilities, at a location that has extremely antiquated equipment, in order to support the load requirements in that area. The substation voltage regulators, electronic reclosers and removal of manholes is also similar to what is mentioned in 12(c) above. This equipment has been in service for a number of years handling the workload and needs to be replaced prior to failure while still in service. Getting this replacement equipment takes time and should not wait until it is too late.

13. Please refer to FPUC's response to Staff's Sixth Set of Data Requests, No. 22(b). Regarding the purchase of NW Florida Substations project, please explain why the estimated cost of $4.2 million differs from the estimated cost of $4.9 million as provided in MFR Schedule B-11 for the test year, and MFR Schedule B-13, column (4), for this project.

Company Response:

The $4,900,000 shown in MFR B-11 and B-13 consisted of both the purchase price of $4,200,000 and $700,000 for additional work to connect the substations to our system.

14. Please refer to FPUC's response to Staff's Sixth Set of Data Requests, No. 23(i). Please explain why the total cost provided in the Excel file response for the NW Florida IMC Technician differs from the value provided for this position on MFR Schedule C-7 (2024, 2025), page 7.

Company Response:

The total costs in the file support for Staff's Sixth Set of Data Requests No. 23 for NW Florida with the account number 582 in column C total $194,500. Since this amount was based on 2024 costs, the costs were increased by $582 or 3% to get to the amount shown in MFR C-7 page 7 for account 582 for 2025. The 3% was estimated at a composite between payroll times growth and inflation times growth.

15. Please refer to FPUC's response to Staff's Sixth Set of Data Requests, No. 23(m). Please list the procedures FPUC is attempting to comply with as it relates to the replacement of aging equipment and rebuilds of the AIP and JL Terry substations.

Company Response:

FPUC is registered with NERC and SERC/FRCC as a Transmission Owner and Distribution Provider, which places certain responsibilities on FPUC related to electric substations. NERC standard PRC-005-6 – Protection System, Automatic Reclosing and Sudden Pressure Relaying Maintenance is applicable to Transmission Owners and Distribution Providers. Within this standard, the Company must identify "Requirements and Measures" that will be followed to ensure "Compliance" with this standard. As the substation equipment ages, it becomes much more difficult to have the equipment meet all the testing requirements within the standard and must be replaced. This standard must

be complied with in order to avoid financial penalties enforced by NERC and to ensure reliable electric service to customers.

16. Please refer to FPUC's response to Staff's Sixth Set of Data Requests, No. 24(a). For purposes of clarity, please identify the substation to be rebuilt referenced in the direct testimony of witness Haffecke, page 16, lines 14 through 17.

Company Response:

The statement "the rebuild of an existing substation" on line 16 is in reference to the rebuild of the AIP substation and work at both the Step Down and JL Terry substations.

17. Please refer to FPUC's response to Staff's Sixth Set of Data Requests, No. 27(c). Please provide a salary breakdown for each line supervisor position similar to the format provided in the Microsoft Excel file titled "DR 6.6 GM450 engineering increase".

Company Response:

Please refer to the attached file "DR 20.17 Line Operation Supervisors".

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Account with detail	Amount	MFR C-7 p. 7 & 8 Adjustments	Total
5700	**6,984.24**		**6,984.24**
Cell Phones	0.93		
Facilities Maintenance	6,831.93		
Lodging & Travel	(0.30)		
Meals	0.65		
Other Vehicle Expenses	22.53		
Overtime/Comp Time/On Call	80.62		
Salaries	35.49		
Supplies & Misc Dept Expenses	6.38		
Uniforms	1.05		
Vehicle Fuel	4.12		
Vehicle Insurance	0.85		
5710	**2,657.01**		**2,657.01**
Cell Phones	2.35		
Facilities Maintenance	2,460.46		
Meals	2.35		
Other Vehicle Expenses	1.23		
Overtime/Comp Time/On Call	6.99		
Salaries	141.97		
Supplies & Misc Dept Expenses	7.89		
Uniforms	2.20		
Utilities-Gas & Elec	0.07		
Utilities-Telephone	27.53		
Vehicle Fuel	0.60		
Vehicle Insurance	1.32		
Water, Sewer, Cleaning, Lawn	2.03		
5900	**5,617.50**		**5,617.50**
Cell Phones	48.85		
Lodging & Travel	32.92		
Meals	16.36		
Memberships & Subscriptions	0.01		
Other Vehicle Expenses	1,191.82		
Overtime/Comp Time/On Call	402.38		
Salaries	3,497.86		
Seminars & Training	3.19		
Supplies & Misc Dept Expenses	71.48		
Uniforms	28.62		
Vehicle Fuel	286.37		
Vehicle Insurance	37.64		

5910	**(153.56)**			**(153.56)**
Facilities Maintenance	(306.99)			
Utilities-Telephone	153.43			
5920	**138,494.21**	**106,000.00**	Increase Substation Mtc.	**244,494.21**
Equipment & Hardware Maintenance	1,776.73			
Facilities Maintenance	132,317.33			
Other Facilities Costs	4,400.15			
5931	**291,325.00**	**93,895.00**	Increase SPP Costs (removed in C-1 and C-2)	**385,220.00**
Cell Phones	764.91			
Equipment & Hardware Maintenance	0.98			
Facilities Maintenance	5,282.18			
Leases	1,121.94			
Lodging & Travel	379.30			
Meals	561.96			
Memberships & Subscriptions	0.01			
Other Vehicle Expenses	11,131.44			
Overtime/Comp Time/On Call	5,440.72			
Salaries	63,589.54			
Seminars & Training	385.75			
Service Contractor Costs	192,304.58			
Supplies & Misc Dept Expenses	2,377.78			
Uniforms	1,579.11			
Utilities-Gas & Elec	5.68			
Utilities-Telephone	640.82			
Vehicle Fuel	5,008.28			
Vehicle Insurance	705.69			
Water, Sewer, Cleaning, Lawn	44.31			
5932	**2,662,706.99**	**783,754.00**	Increase SPP Costs (removed in C-1 and C-2)	**3,446,460.99**
Cell Phones	5,079.04			
Equipment & Hardware Maintenance	7.35			
Facilities Maintenance	38,422.69			
Leases	1,742.41			
Lodging & Travel	2,268.39			
Meals	3,263.09			
Memberships & Subscriptions	0.29			
Other Vehicle Expenses	79,437.02			
Overtime/Comp Time/On Call	186,497.79			
Salaries	359,310.78			
Seminars & Training	2,375.54			
Service Contractor Costs	1,916,246.16			

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Supplies & Misc Dept Expenses	15,615.30			
Uniforms	8,348.00			
Utilities-Gas & Elec	36.08			
Utilities-Telephone	981.53			
Vehicle Fuel	38,134.59			
Vehicle Insurance	4,867.83			
Water, Sewer, Cleaning, Lawn	73.12			
5933	**347,717.43**			**347,717.43**
Cell Phones	2,350.92			
Equipment & Hardware Maintenance	0.03			
Facilities Maintenance	36,343.08			
Leases	1,295.36			
Lodging & Travel	936.42			
Meals	1,481.56			
Memberships & Subscriptions	0.12			
Other Vehicle Expenses	37,102.32			
Overtime/Comp Time/On Call	42,272.22			
Salaries	191,133.84			
Seminars & Training	1,852.97			
Supplies & Misc Dept Expenses	7,384.70			
Uniforms	5,205.89			
Utilities-Gas & Elec	2.28			
Utilities-Telephone	910.56			
Vehicle Fuel	17,117.75			
Vehicle Insurance	2,276.02			
Water, Sewer, Cleaning, Lawn	51.38			
5940	**265,289.35**	**126,000.00**	Increase for Electric Line Op. Supervisors	**391,289.35**
Cell Phones	1,210.96			
Facilities Maintenance	14,160.16			
Leases	751.23			
Lodging & Travel	888.88			
Meals	550.20			
Other Vehicle Expenses	19,363.73			
Overtime/Comp Time/On Call	15,584.46			
Salaries	75,162.63			
Seminars & Training	1,379.23			
Service Contractor Costs	121,858.87			
Supplies & Misc Dept Expenses	4,978.38			
Uniforms	1,760.90			
Utilities-Gas & Elec	0.69			

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Utilities-Telephone	400.59			
Vehicle Fuel	6,392.93			
Vehicle Insurance	823.20			
Water, Sewer, Cleaning, Lawn	22.30			
5950	**23,036.31**	**97,414.00**	Increased Inventory usage	**120,450.31**
Cell Phones	180.17			
Facilities Maintenance	6,016.60			
Leases	115.50			
Lodging & Travel	121.87			
Meals	82.48			
Memberships & Subscriptions	0.01			
Other Vehicle Expenses	1,719.48			
Overtime/Comp Time/On Call	1,460.01			
Salaries	11,594.34			
Seminars & Training	75.60			
Supplies & Misc Dept Expenses	483.35			
Uniforms	192.68			
Utilities-Gas & Elec	0.13			
Utilities-Telephone	81.24			
Vehicle Fuel	780.93			
Vehicle Insurance	127.32			
Water, Sewer, Cleaning, Lawn	4.59			
5951	**32,709.73**			**32,709.73**
Cell Phones	175.38			
Facilities Maintenance	285.14			
Leases	12.55			
Lodging & Travel	22.90			
Meals	128.82			
Memberships & Subscriptions	0.01			
Other Vehicle Expenses	4,451.79			
Overtime/Comp Time/On Call	7,285.74			
Salaries	18,222.38			
Seminars & Training	5.36			
Supplies & Misc Dept Expenses	307.76			
Uniforms	261.79			
Utilities-Telephone	6.47			
Vehicle Fuel	1,329.55			
Vehicle Insurance	213.82			
Water, Sewer, Cleaning, Lawn	0.28			
5960	**85,682.39**			**85,682.39**

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Cell Phones	580.00	
Equipment & Hardware Maintenance	7.05	
Facilities Maintenance	21,595.41	
Leases	1,629.54	
Lodging & Travel	185.58	
Meals	195.51	
Other Vehicle Expenses	8,679.83	
Overtime/Comp Time/On Call	6,175.10	
Salaries	35,311.63	
Seminars & Training	1,149.81	
Supplies & Misc Dept Expenses	3,993.00	
Uniforms	2,393.39	
Utilities-Gas & Elec	33.87	
Utilities-Telephone	790.34	
Vehicle Fuel	2,471.59	
Vehicle Insurance	431.07	
Water, Sewer, Cleaning, Lawn	59.66	
5970	**174,993.58**	**174,993.58**
Cell Phones	238.76	
Facilities Maintenance	88,451.15	
Lodging & Travel	1,989.60	
Meals	253.47	
Other Vehicle Expenses	749.11	
Overtime/Comp Time/On Call	1,952.03	
Salaries	78,985.89	
Seminars & Training	1,021.42	
Supplies & Misc Dept Expenses	914.67	
Uniforms	261.85	
Vehicle Fuel	151.49	
Vehicle Insurance	24.15	
5980	**11,081.06**	**11,081.06**
Cell Phones	38.19	
Facilities Maintenance	6,025.82	
Leases	408.50	
Lodging & Travel	8.66	
Meals	29.30	
Memberships & Subscriptions	0.01	
Other Vehicle Expenses	467.82	
Overtime/Comp Time/On Call	120.97	
Salaries	3,418.36	

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Seminars & Training	3.17		
Supplies & Misc Dept Expenses	29.23		
Uniforms	80.24		
Utilities-Gas & Elec	0.11		
Utilities-Telephone	151.98		
Vehicle Fuel	247.27		
Vehicle Insurance	43.52		
Water, Sewer, Cleaning, Lawn	7.92		
Grand Total	**4,048,141.25**	**1,207,063.00**	**5,255,204.25**

Policy #:	
Effective Date:	
Revision #:	1

1. Policy Summary	
Title	Approved Purchasing Methods
Version / Date	July 13, 2022
Audience	All employees of Chesapeake Utilities Corporation and its Subsidiaries
Risks Addressed	Using unauthorized methods for purchasing leading to potential fraud, operational, or reputational loss
Procedure Location and Owner	Procurement is the Owner of this Policy. The policy is located on the Procurement SharePoint Site.

2. Purpose

This policy defines and outlines all approved purchasing methods for securing goods and services on behalf of the Company, unless superseded by those established by a governing regulator agency. This policy is effective January 1, 2021 and will be socialized throughout the organization. Upon the policy being socialized and mature, the Procurement Team will continue to inform and answer questions about the policy to all employees at that point.

3. Scope	
In Scope:	This policy applies to all persons involved in the purchase of goods or services for the Company or otherwise required to conduct business.
Out of Scope:	Energy commodities/cost of gas

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4. Mandatory Requirements

Role	Responsibility
VP Treasurer/Controller	• Approving changes to this policy • Resolving conflicts that may arise in the application of this policy
Procurement Team	• Acting as a partner during the competitive bidding process • Maintaining and managing this policy • NOTE: The Procurement Team may be engaged throughout the other related processes, such as purchase requisitions, vendor set up, contract negotiations, etc., which are out of scope for this Policy
Business Units and Corporate Departments	• Submitting notification to the Procurement Team when non-approved purchasing methods are used

Approved Purchasing Methods
All procurement requests and transactions must occur using one of six approved purchasing methods, as listed below:

- Negotiated Agreements or Contracts
- Competitive Bidding Process, unless approved via Sole Source
- Purchase Requisition (PR) or Purchase Order (PO) Process
- Company Purchasing Cards (P-Cards)
- Corporate Travel Card (Travel and Expense Only)
- Personal Re-imbursement

For additional information about Petty Cash or Imprest Checks, see the appropriate policy.

Employees who desire to purchase goods/services utilizing a method other than one of the methods listed above must receive approval from the Procurement Team.

All procurement transactions require a Non-Disclosure Agreement (NDA) to be signed when confidential information is shared from Chesapeake Utilities Corporation to the vendor.

The table below provides an overview of each purchasing method and additional requirements that must be followed when purchasing, with the exception of Travel and Expense purchases.

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	Total Cost of Ownership/Transaction Value		
Purchasing Requirement	**Less than $10,000**	**Between $10,000 and $250,000**	**Equal to or $250,000 OpEx or Greater than $1,000,000 Capital**
Purchase Method	Purchasing Card or PR/PO Process	PR/PO Process or Competitive Bid	Competitive Bid
Engagement of the Procurement Team	✗	✗	✓
Approval Required Prior to Purchase	✗	✗	✓
Competitive Bid	✗	✗	✓
Contract Required	✗	✗	✓
Non-Disclosure Agreement If Required (Legal Department)	✓	✓	✓
Vendor Setup Required – Purchasing Cards	✗	✗	N/A
Vendor Setup Required – PR/PO	✓	✓	✓
Receipt Submission Required	Required >= $75 for personal credit cards and >= $75 for Purchasing Card	✓	✓

Transaction value is determined based on the lesser of total contract spend or Total Cost of Ownership (TCO) for a year after the initial purchase. Stringing or splitting a purchase into two or more smaller transactions to intentionally circumvent this policy and the use of a higher level purchase method requirement is strictly forbidden.

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5. Policy Governance & Compliance

At the point this policy is completely socialized and adopted throughout the organization, any individual found in violation of this Policy could be subject to discipline, up to and including termination. Any exceptions to this Policy must be approved, in writing, by the Vice President/Controller.

6. Definitions & Applicability

N/A

7. Supporting Materials

Materials	Where located
N/A	

8. Applicable Accounting Standards

N/A

9. Regulatory Implications

N/A

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TOP WORK PLACES

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Estimated Purchase Cost and Upgrades	$	11,400,000
Accumulated Depreciation	$	(193,800)
	$	11,206,200
Depreciation Expense at 1.7%	$	193,800
Return on Investment at 6.98%	$	782,193
	$	975,993
Estimated Maintenance Expense	$	50,000
Estimated Costs	$	1,025,993
Estimated Savings on FPL Distribution Charge	$	1,380,657
Estimated Annual Savings	$	354,664

FPSC EXH NO. 78

ADMITTED

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Two Electric line Operation Supervisors, one in NE and one in NW Hiring by October 2024
To manage daily operations of the Field and Meter services along with construction and maintenance activities. They will provide oversight of fleet maintenance, compliance, and qualifications of all FTE's

	Total	% Capital	Capital Amt.	% Expense	Expense Amt.	Projected Expense 3 mths 2024	Projected Expense 2025
Salary NW	105,000	30%	31,500	70%	73,500	18,375	73,500
Salary NE	105,000	50%	52,500	50%	52,500	13,125	52,500
						31,500	126,000
926 Benefit OH 38.9%						12,254	49,014
408.1 Payroll Taxes at 7.65%						2,410	9,639

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FPUC's Response to Staff's Twenty First Data Request (Nos. 1-8)

(Including All Attachments)

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition for rate increase by Florida Public Utilities Company.	DOCKET NO. 20240099-EI

FPUC'S RESPONSES TO STAFF'S TWENTY FIRST SET OF DATA REQUESTS

1. Please refer to FPUC's response to Staff's Fourth Set of Data Requests, Question No. 10, Excel file titled, "DR 4.1 Weather Normalization Forecasts(35111451.1)," tab "NE Hist Data – MFR." Please state whether the Company agrees that staff's calculations shown in the table, listed on the following page, accurately depict FPUC's average annual residential customers and resulting growth rates for the Northeast service territory. If not, please explain why not.

	NE Residential Customers (12 mo. Avg.)	Percent Growth (Y/O/Y)	Average Historical Growth (2016-2023)
2015	13,910	-	
2016	14,091	1.31%	
2017	14,322	1.64%	
2018	14,518	1.37%	
2019	14,806	1.99%	
2020	15,188	2.58%	
2021	15,343	1.02%	
2022	15,440	0.63%	
2023	15,599	1.03%	1.44%
2024*	15,645	0.30%	
2025**	15,690	0.29%	

*Includes 4 months of actual data and 8 months of forecasted data
**Test Year

Company Response:

The Company agrees with the mathematics of the calculation based on the monthly data.

2. If the Company's answer to Question No. 1 is affirmative, please reference the table

above and explain why FPUC's 2024 and 2025 residential customer growth projections for the NE service area are lower than any other year in the historical period as well as substantially lower than the average growth rate experienced from 2016-2023.

Company Response:

The Company's NE service area is on Amelia Island which is substantially built out. While developers are still finding some land to develop, the size and frequency are far less than the historical norm. This has translated into lower-than-average growth projections for FPUC's NE service area. This is supported by a review of the number of recently completed Residential building permits for the City of Fernandina Beach, which is the primary municipality on Amelia Island. The number of completed building permits has been steadily declining since 2019.

Residential Building Permits[1]

Year Permit Issued	Completed
2019	159
2020	120
2021	128
2022	123
2023	55
2024	11

3. Please refer to FPUC's response to Staff's Fourth Set of Data Requests, Question No. 2(c). FPUC states that customer growth for the Northeast Residential class was

[1] City of Fernandina Beach, FL, *Citizen Self Service – Online Portal for Permits, Plans, Municipal Code Complaints and Inspections* (https://egselfservice.fbfl.us/EnerGovProd/SelfService#/search).

estimated to be 0.1 percent per month, which would equate to approximately 1.2 percent growth annually. Since FPUC's forecasted annual growth rate for the Northeast Residential class was 0.29 percent, please explain the apparent contradiction between these growth figures.

Company Response:

The Company's response to Staff's Fourth Set of Data Requests, Question No. 2(c) did not intend to imply that the growth rate for the NE Residential class is estimated to be 0.10 percent per month. Months May through December 2024 are forecast to be 0.10 percent higher than the average monthly Residential customers in 2023 and then adjusted by a seasonality factor, as customer numbers are seasonal. The calculation would have produced an annual average growth rate of 0.10 percent, not 1.2 percent, for 2024, had January through April not been actual. Because January through April 2024 were actuals, the calculated 2024 average annual growth rate was 0.30 percent. The underlying growth rate for 2025 is approximately 0.30 percent over 2024, and then adjusted by a seasonality factor.

4. Please refer to FPUC's response to Staff's Fourth Set of Data Requests, Question No. 10, Excel file titled, "DR 4.1 Weather Normalization Forecasts(35111451.1), tabs "Northeast Forecast Detail" and "Northwest Forecast Detail." Please explain the cause(s) for the relatively high error rates between actuals and forecasts for the following:

- NE Residential UPC – June 2024 (11.7%)
- NE Commercial Small UPC – June 2024 (14.1%)
- NE Commercial UPC – June 2024 (13.3%)
- NW Residential UPC – August 2024 (11.7%)

Company Response:

The likely primary cause of NE Residential, Commercial Small and Commercial UPC being above normal (forecast) in June 2024 is that May and June 2024 in Jacksonville were warmer (higher Cooling Degree Days) than normal. For example, the warmer weather in May and June 2024 implied that NE Residential UPC should have been 18.2% above normal. The difference between 18.2% and the observed 14.7% is due to regression error (i.e.; the NE Residential UPC for June 2024 was 14.7% above normal, not 11.7% as indicated in the question). July and August 2024 in Tallahassee were also warmer than normal, likely contributing to August 2024 NW Residential UPC being above normal. Regression analysis is a statistical exercise and contains a level of error. Even if actual weather is exactly normal, the actual UPC is unlikely to be exactly the normal value of UPC indicated by the regressions.

5. Please refer to Page 7, Line 23 of witness Taylor's Direct Testimony, where it appears there is a word or phase omitted after the word "during." Please amend.

Company Response:

The text omitted after "during" on Page 7, Line 23 of witness Taylor's Direct Testimony is "2025".

6. Please refer to FPUC's response to Staff's Fourth Set of Data Requests, Question No. 2(e). Please identify and provide the data that the utility relied upon in its determination that electricity demand is relatively price inelastic in the short term.

Company Response:

It is generally accepted that electricity demand is relatively price inelastic in the short term, and numerous research studies support this conclusion. Data was not used or

evaluated in developing this conclusion. Two research studies that support the conclusion that electricity demand in inelastic in price in the short term are:

***Price Elasticity for Energy Use in Buildings in the United States*, U.S. Energy Information Administration, January 2021.**

***The price elasticity of electricity demand in the United States: A three-dimensional analysis*, Paul J. Burke and Ashani Abayasekara, Center for Applied Macroeconomic Analysis, Australia National University, August 2017.**

7. Please provide the company's monthly residential price (at 1000 kwh or average usage - please specify) for the period January 2015 to December 2025 – historic and forecasted, with forecasted prices based on FPUC's proposed base rates, beginning April 2025 and approved clause rates beginning Jan 2025.

Company Response:

Please refer to the attached file "DR 21.7 Jan 2015 to Dec 2025 Monthly Res Price" which shows the typical bill in 2025 to be lower than in 2023 and 2024. In 2026, this bill will be lowered by an additional $12.80 since the Hurricane Michael costs will be fully amortized.

8. Please refer to FPUC's response to Staff's Fourth Set of Data Requests, Question No. 12, Excel file titled, "DR 4.1 Weather Normalization Forecasts (35111451.1)."

a) Referring to the tabs titled "NW - Residential," "NW – Commercial Small," and "NW – Commercial," please explain why the fit lines and error rates were omitted for the time period January 2015 to December 2018 for these UPC models, reducing each model to 64 observations.

b) Referring to the tab titled "NE – Commercial Small," please explain why this UPC model omits January 2015 – December 2019, reducing the model to 52 observations.

c) Referring to the tab titled "NW – Residential," please explain the (963) kwh UPC data point entry for November 2018.

d) Referring to the tab titled "NW Hist Data – MFR," under the Residential billed column, the data point entry for November 2018 is a negative (9,593,612) kwh. Please explain how this negative data point entry is possible. Please also explain how the data point entry for December 2018 is 23,464,792 kwh which is significantly higher than any other month, historical and forecasted. Please also explain in detail how the data points for these two successive months vastly differ.

For the Northwest service territory, if the historical data for the months of October 2018, November 2018, and December 2018 were influenced or distorted greatly by the effects of Hurricane Michael, please explain whether FPUC considered other modelling options to represent those three months in the UPC models (e.g. binary variables, data adjustments, etc), as an alternative to omitting all data point entries for the months prior to and surrounding Hurricane Michael (January 2015 – December 2018).

Company Response:

a) **The fit lines and errors in the regression analysis in tabs "NW - Residential," "NW – Commercial Small," and "NW – Commercial," for the time period January 2015 to December 2018 were not omitted; they were simply not calculated because the regression analysis started in January 2019.**

b) **Only data starting in January 2020 was used in the regression analysis, as this period more accurately reflects current Use Per Customer (UPC) behavior than data prior to January 2020. The 52 monthly observations from January 2020 to April 2024 is sufficient to perform a statistically valid and significant regression analysis.**

c) **The (963) kWh UPC data point entry for November 2018 on the "NW _Residential" tab is due to billing disruptions caused by Hurricane Michael. This data point was not used in the analysis.**

d) **The data for October, November and December 2018 in the "MW Hist Data – MFR" tab, including the Residential (9,593,612) data point in November 2018 and the Residential 23,464,792 data point in December 2018 is due to the disruptions caused by Hurricane Michael and adjustments/corrections in the FPUC billing system. This data was not used in the analysis.**

e) **The "distorted" data for the Months of October, November and December 2018 in the Northwest service area is due to Hurricane Michael. FPUC considered, but chose not to use, other modeling options for dealing with the distorted data. There was sufficient data after Hurricane Michael starting in January 2019, through April 2024, to perform a statistically valid and significant regression analysis.**

FPSC EXH NO. 79

ADMITTED

E1261

Historic												
	January	February	March	April	May	June	July	August	September	October	November	December
Customer Charge	14.00	14.00	14.00	14.00	14.00	14.00	14.00	14.00	14.00	14.00	14.00	14.00
Base Energy	19.60	19.60	19.60	19.60	19.60	19.60	19.60	19.60	19.60	19.60	19.60	19.60
Total Base Charge	33.60	33.60	33.60	33.60	33.60	33.60	33.60	33.60	33.60	33.60	33.60	33.60
Fuel Charge	102.90	102.90	102.90	102.90	102.90	102.90	102.90	102.90	102.90	102.90	102.90	102.90
Storm Surcharge		-	-	-	-	-	-	-	-	-	-	-
Storm Protection		-	-	-	-	-	-	-	-	-	-	-
Conservation	1.07	1.07	1.07	1.07	1.07	1.07	1.07	1.07	1.07	1.07	1.07	1.07
Total bill (before taxes)	137.57	137.57	137.57	137.57	137.57	137.57	137.57	137.57	137.57	137.57	137.57	137.57

E1261

FPSC EXH NO. 79

ADMITTED

E1262

Historic												
	January	February	March	April	May	June	July	August	September	October	November	December
Customer Charge	14.00	14.00	14.00	14.00	14.00	14.00	14.00	14.00	14.00	14.00	14.00	14.00
Base Energy	19.60	19.60	19.60	19.60	19.60	19.60	19.60	19.60	19.60	19.60	19.60	19.60
Total Base Charge	33.60	33.60	33.60	33.60	33.60	33.60	33.60	33.60	33.60	33.60	33.60	33.60
Fuel Charge	101.88	101.88	101.88	101.88	101.88	101.88	101.88	101.88	101.88	101.88	101.88	101.88
Storm Surcharge		-	-	-	-	-	-	-	-	-	-	-
Storm Protection		-	-	-	-	-	-	-	-	-	-	-
Conservation	1.35	1.35	1.35	1.35	1.35	1.35	1.35	1.35	1.35	1.35	1.35	1.35
Total bill (before taxes)	136.83	136.83	136.83	136.83	136.83	136.83	136.83	136.83	136.83	136.83	136.83	136.83

E1262

FPSC EXH NO. 79

ADMITTED

Historic												
	January	February	March	April	May	June	July	August	September	October	November	December
Customer Charge	14.00	14.00	14.00	14.00	14.00	14.00	14.00	14.00	14.00	14.00	14.00	14.00
Base Energy	19.60	19.60	19.60	19.60	19.60	19.60	19.60	19.60	19.60	19.60	19.60	19.60
Total Base Charge	33.60	33.60	33.60	33.60	33.60	33.60	33.60	33.60	33.60	33.60	33.60	33.60
Fuel Charge	100.55	100.55	100.55	100.55	100.55	100.55	100.55	100.55	100.55	100.55	100.55	100.55
Storm Surcharge		-	-	-	-	-	-	-	-	-	-	-
Storm Protection		-	-	-	-	-	-	-	-	-	-	-
Conservation	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Total bill (before taxes)	135.15	135.15	135.15	135.15	135.15	135.15	135.15	135.15	135.15	135.15	135.15	135.15

Limited ProcAnnual Fuel

Historic												
	January	February	March	April	May	June	July	August	September	October	November	December
Customer Charge	15.12	15.12	15.12	15.12	15.12	15.12	15.12	15.12	15.12	15.12	15.12	15.12
Base Energy	21.17	21.17	21.17	21.17	21.17	21.17	21.17	21.17	21.17	21.17	21.17	21.17
Total Base Charge	36.29	36.29	36.29	36.29	36.29	36.29	36.29	36.29	36.29	36.29	36.29	36.29
Fuel Charge	93.20	93.20	93.20	93.20	93.20	93.20	93.20	93.20	93.20	93.20	93.20	93.20
Storm Surcharge		-	-	-	-	-	-	-	-	-	-	-
Storm Protection		-	-	-	-	-	-	-	-	-	-	-
Conservation	1.02	1.02	1.02	1.02	1.02	1.02	1.02	1.02	1.02	1.02	1.02	1.02
Total bill (before taxes)	130.51	130.51	130.51	130.51	130.51	130.51	130.51	130.51	130.51	130.51	130.51	130.51

Historic												
	January	February	March	April	May	June	July	August	September	October	November	December
Customer Charge	14.69	14.69	14.69	14.69	14.69	14.69	14.69	14.69	14.69	14.69	14.69	14.69
Base Energy	20.57	20.57	20.57	20.57	20.57	20.57	20.57	20.57	20.57	20.57	20.57	20.57
Total Base Charge	35.26	35.26	35.26	35.26	35.26	35.26	35.26	35.26	35.26	35.26	35.26	35.26
Fuel Charge	95.26	95.26	95.26	95.26	95.26	95.26	95.26	95.26	95.26	95.26	95.26	95.26
Storm Surcharge				1.54	1.54	1.54	1.54	1.54	1.54	1.54	1.54	1.54
Storm Protection	-	-	-	-	-	-	-	-	-	-	-	-
Conservation	0.97	0.97	0.97	0.97	0.97	0.97	0.97	0.97	0.97	0.97	0.97	0.97
Total bill (before taxes)	131.49	131.49	131.49	133.03	133.03	133.03	133.03	133.03	133.03	133.03	133.03	133.03

PSC-2020-0347-AS-EI

FPSC EXH NO. 79
ADMITTED

E1266

Historic	Interim Rate										Final Rates	
	January	February	March	April	May	June	July	August	September	October	November	December
Customer Charge	23.35	23.35	23.35	23.35	23.35	23.35	23.35	23.35	23.35	23.35	17.16	17.16
Base Energy	32.69	32.69	32.69	32.69	32.69	32.69	32.69	32.69	32.69	32.69	24.02	24.02
Total Base Charge	56.04	56.04	56.04	56.04	56.04	56.04	56.04	56.04	56.04	56.04	41.18	41.18
Fuel Charge	74.59	74.59	74.59	74.59	74.59	74.59	74.59	74.59	74.59	74.59	74.59	74.59
Storm Surcharge	1.54	1.54	1.54	1.54	1.54	1.54	1.54	1.54	1.54	1.54	14.34	14.34
Storm Protection	-	-	-	-	-	-	-	-	-	-	-	-
Conservation	1.32	1.32	1.32	1.32	1.32	1.32	1.32	1.32	1.32	1.32	1.32	1.32
Total bill (before taxes)	133.49	133.49	133.49	133.49	133.49	133.49	133.49	133.49	133.49	133.49	131.43	131.43

PSC-2019-0501-PCO-EI

E1266

Historic												
	January	February	March	April	May	June	July	August	September	October	November	December
Customer Charge	16.95	16.95	16.95	16.95	16.95	16.95	16.95	16.95	16.95	16.95	16.95	16.95
Base Energy	23.73	23.73	23.73	23.73	23.73	23.73	23.73	23.73	23.73	23.73	23.73	23.73
Total Base Charge	40.68	40.68	40.68	40.68	40.68	40.68	40.68	40.68	40.68	40.68	40.68	40.68
Fuel Charge	69.61	69.61	69.61	69.61	69.61	69.61	69.61	69.61	69.61	69.61	69.61	69.61
Storm Surcharge	14.34	14.34	14.34	12.81	12.81	12.81	12.81	12.81	12.81	12.81	12.81	12.81
Storm Protection	-	-	-	-	-	-	-	-	-	-	-	-
Conservation	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50
Total bill (before taxes)	126.13	126.13	126.13	124.60	124.60	124.60	124.60	124.60	124.60	124.60	124.60	124.60

PSC-2019-0501-PCO-EI

Historic							Midcourse					
	January	February	March	April	May	June	July	August	September	October	November	December
Customer Charge	16.95	16.95	16.95	16.95	16.95	16.95	16.95	16.95	16.95	16.95	16.95	16.95
Base Energy	23.73	23.73	23.73	23.73	23.73	23.73	23.73	23.73	23.73	23.73	23.73	23.73
Total Base Charge	40.68	40.68	40.68	40.68	40.68	40.68	40.68	40.68	40.68	40.68	40.68	40.68
Fuel Charge	69.89	69.89	69.89	69.89	69.89	69.89	69.89	84.41	84.41	84.41	84.41	84.41
Storm Surcharge	12.80	12.80	12.80	12.80	12.80	12.80	12.80	12.80	12.80	12.80	12.80	12.80
Storm Protection	-	-	-	-	-	-	-	-	-	-	-	-
Conservation	1.34	1.34	1.34	1.34	1.34	1.34	1.34	1.34	1.34	1.34	1.34	1.34
Total bill (before taxes)	124.71	124.71	124.71	124.71	124.71	124.71	124.71	139.23	139.23	139.23	139.23	139.23

Historic												
	January	February	March	April	May	June	July	August	September	October	November	December
Customer Charge	16.95	16.95	16.95	16.95	16.95	16.95	16.95	16.95	16.95	16.95	16.95	16.95
Base Energy	23.73	23.73	23.73	23.73	23.73	23.73	23.73	23.73	23.73	23.73	23.73	23.73
Total Base Charge	40.68	40.68	40.68	40.68	40.68	40.68	40.68	40.68	40.68	40.68	40.68	40.68
Fuel Charge	113.96	113.96	113.96	113.96	113.96	113.96	113.96	113.96	113.96	113.96	113.96	113.96
Storm Surcharge	12.80	12.80	12.80	12.80	12.80	12.80	12.80	12.80	12.80	12.80	12.80	12.80
Storm Protection	2.50	2.50	2.50	2.50	2.50	2.50	2.50	2.50	2.50	2.50	2.50	2.50
Conservation	1.13	1.13	1.13	1.13	1.13	1.13	1.13	1.13	1.13	1.13	1.13	1.13
Total bill (before taxes)	171.07	171.07	171.07	171.07	171.07	171.07	171.07	171.07	171.07	171.07	171.07	171.07

Historic											Interim Base	
	January	February	March	April	May	June	July	August	September	October	November	December
Customer Charge	16.95	16.95	16.95	16.95	16.95	16.95	16.95	16.95	16.95	16.95	18.20	18.20
Base Energy	23.73	23.73	23.73	23.73	23.73	23.73	23.73	23.73	23.73	23.73	25.48	25.48
Total Base Charge	40.68	40.68	40.68	40.68	40.68	40.68	40.68	40.68	40.68	40.68	43.68	43.68
Fuel Charge	102.59	102.59	102.59	102.59	102.59	102.59	102.59	102.59	102.59	102.59	102.59	102.59
Storm Surcharge	12.80	12.80	12.80	12.80	12.80	12.80	12.80	12.80	12.80	12.80	12.80	12.80
Storm Protection	4.32	4.32	4.32	4.32	4.32	4.32	4.32	4.32	4.32	4.32	4.32	4.32
Conservation	1.44	1.44	1.44	1.44	1.44	1.44	1.44	1.44	1.44	1.44	1.44	1.44
Total bill (before taxes)	161.83	161.83	161.83	161.83	161.83	161.83	161.83	161.83	161.83	161.83	164.83	164.83

E1270

FPSC EXH NO. 79

ADMITTED

E1271

	Using Interim Rates			Using Estimated Final Rate								
Historic												
	January	February	March	April	May	June	July	August	September	October	November	December
Customer Charge	18.20	18.20	18.20	24.40	24.40	24.40	24.40	24.40	24.40	24.40	24.40	24.40
Base Energy	25.48	25.48	25.48	34.19	34.19	34.19	34.19	34.19	34.19	34.19	34.19	34.19
Total Base Charge	43.68	43.68	43.68	58.59	58.59	58.59	58.59	58.59	58.59	58.59	58.59	58.59
Fuel Charge	75.05	75.05	75.05	75.05	75.05	75.05	75.05	75.05	75.05	75.05	75.05	75.05
Storm Surcharge	12.80	12.80	12.80	12.80	12.80	12.80	12.80	12.80	12.80	12.80	12.80	12.80
Storm Protection	9.97	9.97	9.97	9.97	9.97	9.97	9.97	9.97	9.97	9.97	9.97	9.97
Conservation	1.21	1.21	1.21	1.21	1.21	1.21	1.21	1.21	1.21	1.21	1.21	1.21
Total bill (before taxes)	142.71	142.71	142.71	157.62	157.62	157.62	157.62	157.62	157.62	157.62	157.62	157.62

E1271

80

FPUC's Response to Staff's Twenty Second Data Request (Nos. 1-2)

(Including All Attachments)

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition for rate increase by Florida Public Utilities Company.	DOCKET NO. 20240099-EI

FPUC'S RESPONSES TO STAFF'S TWENTY SECOND SET OF DATA REQUESTS

1. Please refer to testimony of Florida Public Utilities Company (FPUC or Company) witness Napier, page 16, lines 5 through 8 for the following request:

   a) Please specify the total projected 2025 amount of economic development expense, exclusive of any sharing (i.e., total amount), contained in the Company's rate request.

   b) Please confirm the Company intends for its 2025 economic development expenditures to conform to the guidelines set forth in Rule 25-6.0426, Florida Administrative Code.

Company Response:

a) The total amount of economic development expense projected in 2025 is $19,055.

b) Yes, the Company intends the economic development expenditures to conform to the rule.

2. Please refer to Florida Public Utilities Company (Company or FPUC) Minimum Filing Requirements (MFR), Schedule C-35. Please provide this "Payroll and Fringe Benefit Increases Compared to CPI" schedule containing FPUC electric data, rather than Chesapeake/total company basis data.

Company Response:

This schedule was already provided as a response to Staff's Data Request 11 question 12. Please refer to file "DR 11.12 C-35 Electric", which is provided again for ease of reference.

FPSC EXH NO. 80

ADMITTED

E1275

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 20240099-EI

EXPLANATION: Provide the following Payroll and Fringe Benefits data for the historical test year and two prior years. If a projected test year is used, provide the same data for the projected test year and for prior years to include two historical years.

Type of Data Shown:
_x__ Projected Test Year Ended 12/31/25
_x__ Prior Year Ended 12/31/24
_x__ Historical Test Year Ended 12/31/23
Witness: Galtman

Line No.		12/31/2022 Amount	12/31/2022 % Increase	12/31/2022 CPI	Historic Test Year 12/31/2023 Amount	Historic Test Year 12/31/2023 %Increase	Historic Test Year 12/31/2023 CPI	Projected Test Year 12/31/2024 Amount	Projected Test Year 12/31/2024 %Increase	Projected Test Year 12/31/2024 CPI	Projected Test Year 12/31/2025 Amount	Projected Test Year 12/31/2025 %Increase	Projected Test Year 12/31/2025 CPI
1	Electric Division												
2													
3	Gross Payroll	6,775,527	N/A	9.59%	7,499,887	10.69%	2.61%	8,476,986	13.03%	2.84%	9,133,671	7.75%	2.31%
4	Gross Average Salary Per Employee	88,534	N/A	9.59%	91,295	3.12%	2.61%	99,554	9.05%	2.84%	106,021	6.50%	2.31%
5													
6	Fringe Benefits												
7													
8	Life Insurance	15,056	N/A	9.59%	1,197	-92.05%	2.61%	1,287	7.50%	2.84%	1,383	7.50%	2.31%
9	Medical Insurance	433,610	N/A	9.59%	707,367	63.13%	2.61%	760,417	7.50%	2.84%	817,457	7.50%	2.31%
10	Retirement Plan	(342,132)	N/A	9.59%	65,105	-119.03%	2.61%	(48,585)	-174.63%	2.84%	(48,883)	0.61%	2.31%
11	Employee Savings Plan	-	N/A	9.59%	-	0.00%	2.61%	-	0.00%	2.84%		0	2.31%
12	Federal Insurance Contributions Act	518,328	N/A	9.59%	603,429	16.42%	2.61%	648,821	7.52%	2.84%	700,350	7.94%	2.31%
13	Federal & State Unemployment Taxes	3,793	N/A	9.59%	4,149	9.38%	2.61%	4,306	3.78%	2.84%	4,455	3.46%	2.31%
14	Worker's Compensation	(2,454)	N/A	9.59%	27,009	-1200.62%	2.61%	28,058	3.89%	2.84%	29,773	6.11%	2.31%
15	Other-Specify			9.59%	-		2.61%			2.84%		0.00%	2.31%
16	401K	460,543	N/A	9.59%	569,038	23.56%	2.61%	591,768	3.99%	2.84%	657,600	11.12%	2.31%
17	Tuition Reimbursement	886	N/A	9.59%	1,028	16.04%	2.61%	1,105	7.50%	2.84%	1,188	7.50%	2.31%
18	Relocation Expenses	65,796	N/A	9.59%	19,008	100.00%	2.61%	20,434	7.50%	2.84%	21,967	7.50%	2.31%
19	Other health-related benefits (Note 1)	89,569	N/A	9.59%	14,541	-83.77%	2.61%	15,631	7.50%	2.84%	16,804	7.50%	2.31%
20	Other benefits (Note 2)	38,239	N/A	9.59%	45,239	18.31%	2.61%	48,632	7.50%	2.84%	52,280	7.50%	2.31%
21			N/A	9.59%		0.00%	2.61%		0.00%	2.84%	-	0.00%	2.31%
22	Sub Total-Fringes	1,281,233	N/A	9.59%	2,057,111	60.56%	2.61%	2,071,875	0.72%	2.84%	2,254,373	8.81%	2.31%
23													
24	Total Payroll and Fringes	8,056,760	N/A	9.59%	9,556,998	18.62%	2.61%	10,548,860	10.38%	2.84%	11,388,043	7.96%	2.31%
25													
26	Average Employees	77	N/A		82	7.34%		85	3.65%		86	1.17%	
27													
28	Payroll and Fringes Per Employee	105,276	N/A	9.59%	116,336	10.51%	2.61%	123,886	6.49%	2.84%	132,189	6.70%	2.31%
29													
30													
31	Note 1: Includes employee assistance program costs, family medical leave, long-term care and disability insurance.												
32	Note 2: Includes service awards, safety awards, and car allowances.												
33													
34													
35													

Supporting Schedules: Recap Schedules:

E1275

81

FPUC's Response to Staff's Twenty Third Data Request (Nos. 1-4)

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition for rate increase by Florida Public Utilities Company.	DOCKET NO. 20240099-EI

FPUC'S RESPONSES TO STAFF'S TWENTY THIRD SET OF DATA REQUESTS

1. In response to staff's tenth data request, FPUC indicated it is still testing out the range of its proposed radio system. Please explain how the radio system will adequately cover FPUC's service territory. As part of your response, please explain what alternative communication systems were evaluated, if any.

Company Response:

As part of the project, FPUC commissioned and just recently received the completed radio propagation study to ensure reliable radio coverage would be available over the entire electrical service territory. Changes in the vendors organization created the delay which pushed back the completion date for this project. The actual geographical electric service territories were provided to the vendor and, based on the coverage necessary, radio repeaters and antennas will be placed at strategic locations to ensure adequate, reliable inbound and outbound communications from different types of devices. Prior to beginning this project to install radios, the company explored options using cell phone technology to provide communications in place of radios. Although cell phones do work well in most situations, cell phone service after severe storms has not worked effectively which is when the communications are needed the most. Additionally, there are times during certain operations where it is necessary to communicate information to a large group of personnel. In this situation, radios work well at doing this where cell phone use

during this type of activity was very difficult. The company also evaluated which type of radios worked most effectively electric operations where consideration for working during inclement weather is required.

2. On MFR Schedule B-13, page 4 of 87, FPUC budgeted $800,000 for the cost of the radio system. However, on page 15 and 16, line 10 of witness Haffecke's testimony, the cost of the radio system is $1.3M. Please identify the total cost of the radio system and provide an itemized breakdown of what is included in the total cost.

Company Response:

MFR B-13 was only related to the open projects that had a balance in construction work in progress in 2025. The $800,000 was the budgeted amount for the Northeast part of the system which was projected to be closed in 2025. There was a separate project forecast for the Northwest part of the system for $500,000 which was expected to be closed in December 2024. However, given the radio vendor's organization changes, this project will now be completed in the first quarter of 2025. The two projects total the $1.3 million. However, as mentioned in Item #1 above, the radio propagation study was just recently completed which will push completion of the project into the first quarter of 2025.

3. Please refer to witness Haffecke's testimony, page 16, lines 6 through 8 and MFR Schedule B-13, page 4 of 87, Radio system (line 33). For purposes of clarity, please explain if both project names used are associated with one project. If not, please explain the difference.

Company Response:

Internally, projects are usually named separately for the Northeast and Northwest divisions. In our forecast for the rate case, the radio projects were reported separately for each division with one closing in December 2024 and one in March 2025.

4. Please refer to the direct testimony of witness Napier testimony page 22, lines 14 through 18. Please provide the estimated storm reserve charge per 1,000 kWh with FPUC's requested storm accrual increase of $446,979.

Company Response:

The increase in storm reserve costs in the filing are incorporated into the base rate calculation based on the cost of service study. But, if these were included separately as a storm surcharge, the charge for a year per 1,000 kWh would be $0.7282 or $0.0607 per month.

82

FPUC's Response to Staff's Twenty Fourth Data Request (No. 1)

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition for rate increase by Florida Public Utilities Company.	DOCKET NO. 20240099-EI

FPUC'S RESPONSES TO STAFF'S TWENTY FOURTH SET OF DATA REQUESTS

1. Referring to response No. 12 in Staff's Third Data Request filed in October 2024, the response states that the large industrial standby tariff customer to be moved to the GSLD- 1 tariff has questions regarding the move and that the Company is working through the process of providing information to the customer. Please provide an update regarding the current status of the process of moving the customer to the GSLD-1 tariff and if the customer's concerns have been addressed.

Company Response:

There have been several conversations with the customer regarding the move from the Standby tariff to the GSLD-1 tariff as part of this rate proceeding. The GSLD-1 tariff will reduce the demand charge and provide a financial benefit to the customer. The customer is in favor of this change. At this time, we believe all the customer's outstanding questions regarding the GSLD-1 tariff have been answered.

83

FPUC's Response to Staff's Twenty Fifth Data Request (Nos. 1-2)

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition for rate increase by Florida Public Utilities Company.	DOCKET NO. 20240099-EI

FPUC'S RESPONSES TO STAFF'S TWENTY FIFTH SET OF DATA REQUESTS

1. Please refer to Florida Public Utilities Company's (FPUC or Company) Response to Staffs 19th Data Request, No. 21.

a) Please explain in detail how witness Crowley calculated the Earnings Per Share (EPS) growth rate and the Dividend Per Share (DPS) growth rate in the equation provided in the response.

b) Please explain the source from which he obtained the EPS growth rate and DPS growth rate and provide the calculations for each electric utility in each Exhibit NAC 16, 17 and 18.

c) Please explain how historical growth rates are reliable indicators of expected growth rates.

d) Please provide copies of the pertinent pages of any academic text, publications or studies that support using 5-year and 10-year trends of historical EPS, DPS, and Cash Flow per share as reliable estimates of future growth in earnings.

COMPANY RESPONSE:

1a. For years 2021 and 2022, the Earnings per Share growth rate used in the DCF analysis equals the ten-year average historical growth rate of Earnings per Share for each company. These were calculated by taking the average of two methods of

determining average growth. The first method, a "deterministic" growth rate is calculated as geometric growth rate of earnings over a 10-year period (nine annual growth periods). The deterministic measure of earnings growth is calculated as follows, where *i* represents "company i" and *y* represents the year:

$$\boldsymbol{Deterministic\ EPS\ Growth_i = [\frac{(Earnings_{i,y=10})}{(Earnings_{i,y=1})}]^{(\frac{1}{9})} - 1}$$

The "trend" growth rate reflects an arithmetic average growth rate, as follows:

$$\boldsymbol{Trend\ EPS\ Growth_i = \frac{1}{9} * \sum_{y=1}^{9}\left[\frac{Earnings_{i,y}}{Earnings_{i,y-1}} - 1\right]}$$

Thus, the average used in the DCF analysis for years 2021 and 2022 was:

$$\boldsymbol{Average\ EPS\ Growth = \frac{Deterministic\ EPS\ Growth + Trend\ EPS\ Growth}{2}}$$

Historical growth rates were used as proxies for expected growth rates for the 2021 and 2022 analysis because expected growth rates from 2021 and 2022 were not available from Zacks and Yahoo Finance at the time of the analysis.

For the year 2023, such calculations were not used as expected earnings growth rates were available via Zacks Investment Research and Yahoo Finance, which provide financial services. Thus, for 2023, the earnings growth rates were calculated as the average of the earnings growth expectations published by each organization.

1b. For Exhibits NAC-17 and NAC-18, company earnings per share data were obtained from Morningstar, Inc. The calculations used to determine the growth rates follow the formulas provided in response to (1a). For Exhibit NAC-16, earnings growth expectations were obtained from Zacks Investment Research and Yahoo Finance. As explained in response to (1a), the earnings growth rates for 2023 were calculated as the average of the earnings growth expectations published by each organization.

1c. Historical rates of earnings and dividend growth are considered reasonable estimates of near-term growth for stable firms. Electric and gas utilities generally exhibit stable earnings and dividend growth. Utilities understand that past growth rates are embedded in investor expectations for the future, and deliberately seek steady ongoing earnings performance, as reflected in year-over-year earnings growth, with the potential for acceleration. The increased pace of the macroeconomy, particularly for the Southeast region, coupled with increased electrification portends a highly positive contemporary outlook. While not perfect predictors of the future because of unforeseen economic events, historical growth rates in earnings and dividends serve as a benchmark and are a reasonable estimate of near-term earnings growth.

1d. Chapter 11 of New York University Professor Aswath Damodaran's textbook *Security Analysis for Investment and Corporate Finance* states:

> **"There are three basic ways of estimating growth for any firm. One is to look at the growth in a firm's past earnings – its historical growth rate. While this can be a useful input when valuing stable firms, there are both dangers and limitations in using this growth rate for high growth firms."[1]**

As stated in response to (1c), energy utilities are considered a highly stable sector, such that historical growth rates provide a reasonable approximation of near-term future growth rates.

[1] Text can be found online, here: https://pages.stern.nyu.edu/~adamodar/pdfiles/valn2ed/ch11.pdf

2. Please refer to the Excel worksheets provided in DR 19.4 attached to FPUC's Response to Staff's 19th Data Request, No. 19.

a) In the DCF_EL worksheet, please explain what "cash flow per share" represents.

b) In the DCF_EL worksheet, please explain why the expected growth rates for 2021 in column O, lines 78, 79, 81, 86, and 90 are all the same and have the same formula in the cell?

c) In the DCF_EL worksheet, please explain why the expected growth rates for 2022 in column O, lines 117, 118, 120, 125, and 129 are all the same and have the same formula in the cell?

d) In the DCF_EL worksheet, please provide the calculations for the growth rates in columns Y and Z from Zack's and Yahoo for each electric utility in rows 153 through 167. Please provide copies of the source documentation for which the estimates were obtained.

e) In the DCF_EL worksheet, please explain why the expected growth rates for 2023 in column O, lines 163 and 169 are the same have the same formula in the cells. Please explain why the expected growth rates for Northwestern Energy Corporation and Until Corporation do not reflect eh results in the table in Column T, Row 152, though Column AA, Row 152.

f) In the hidden worksheet "YCP", please explain from what time period the share prices for the Companies in the years 2021, 2022, and 2023, in Column X, Y, and Z are derived. That is, is it a singular daily price or an average of a particular time period?

g) In the hidden worksheet "T R," all of the data under the headings in Row 1 are hard coded in. Please provide an explanation of what this worksheet represents.

h) In the hidden worksheet "T R," the data under the header "Total Market" is apparently used to derive the estimated market return for the Capital Asset Pricing Model (CAPM) result. Please provide the source from were this data was obtained and provide copies of the information to support the data.

COMPANY RESPONSE:

2a. In this case, "Cash Flow per Share" reflects the free cash flow of each firm divided by the number of outstanding shares of common stock for that company. Free cash flow is a measure of profitability that excludes the non-cash expenses. Although the information is included in the spreadsheet, the Cash Flow per Share is not used in the DCF calculation. Our firm generally include cash flow within our general cost of capital analysis package primarily to highlight potential issues. Though less of a concern currently, our analyses have found utility share prices to be sensitive to internal cash, particularly for utilities engaged in large construction projections. Sensitivity to internal cash is not surprising in view of long-term history: on occasion, large construction expenditures have caused electric utilities to operate with negative internal cashflow.

2b. For some companies, the historical growth rate of earnings or of dividends was clearly not reflective of forward-looking growth, as the historical

experience was anomalous. In these instances, a sample average of dividend growth was applied for the purpose of estimating the DCF model, rather than the historical average growth rate of dividends for the particular company. This approach aligns with financial market experience: investors take account of industrywide experience in the formation of expectations of individual entities within the relevant sector. For example, the 10-year deterministic (i.e., geometric) average growth rate of earnings for Black Hills in the 2021 DCF model was negative, even as earnings per share growth between 2021 and 2022, were highly positive. Using a sample average growth rate was a reasonable adjustment for these cases. To implement this methodology, the same formula is used in these cells—namely, an industry average calculation, and this results in the same number appearing for the cells in column O, lines 78, 79, 81, 86, and 90.

2c. See answer to (2b).

2d. Witness Crowley did not perform any calculations to obtain the growth estimates in columns Y and Z. These values are direct inputs from reported numbers obtained from Zacks and Yahoo Finance. Documentation from the time the analysis took place is no longer available. However, for purposes of illustration, I provide current estimates from both sources in the attached file "DR 25-2d". Note that the estimates from these publications will have changed since the model was filed.

2e. A sample average growth rate was used for the 2023 DCF estimate for NorthWestern Energy Group and Unitil Corporation. In the case of

NorthWestern Energy Group, the sample average was used because the growth rate estimates from Zacks and Yahoo Finance diverged so significantly that neither was believable. In the case of Unitil Corporation, earnings growth estimates were not available at the time from Zacks or Yahoo Finance. A reasonable alternative to dropping the two companies was to use a sample average growth rate for the purpose of calculating a single stage DCF estimate.

2f. The share prices that are used in the calculation of market returns (i.e., data from 2014 onward), found in sheet "YCP," reflect the close price of shares for each company, or the price at the market close, on the first trading day of May for each year. I use market valuations of equity in early May because, by this time, prior year 10-K filings have been released and the information has been priced into market expectations. Note that the column headers in this sheet are mislabeled and indicate December dates rather than the correct May dates.

2g. The data in sheet "T R" reflects the total return of various relevant asset classes, as reported by the Center for Research in Securities Prices ("CRSP") at the University of Chicago. For example, CRSP reports the total return, inclusive of dividends, of Large Cap Equities dating back to 1926. This spreadsheet draws upon this CRSP data.

2h. This data was obtained from the Center for Research in Securities Prices ("CRSP") at the University of Chicago. CRSP Data can be obtained here: https://www.crsp.org/research/crsp-historical-indexes/.

DCF Earnings Growth Forecasts

- ALLETE, Inc.
  - Zack's

Detailed Estimates

Enter Symbol

EPS Estimates

Exp Earnings Date	2/18/25	Earnings ESP	NA
Current Quarter	NA	Current Year	NA
EPS Last Quarter	NA	Next Year	NA
Last EPS Surprise	NA	EPS (TTM)	3.53
ABR	2.50	P/E (F1)	NA

% EPS Growth Estimates	ALE	IND	S&P
Current Qtr (Not defined)	NA	26.05	13.17
Next Qtr (Not defined)	NA	-28.49	NA
Current Year (Not defined)	NA	3.30	12.40
Next Year (Not defined)	NA	2.00	18.75
Past 5 Years	NA	3.00	8.10
Next 5 Years	NA	7.60	NA
PE	NA	13.60	24.90
PEG Ratio	NA	1.79	NA

  - Yahoo Finance

Earnings Estimate

Currency in USD	Current Qtr. (Dec 2024)	Next Qtr. (Mar 2025)	Current Year (2024)	Next Year (2025)
No. of Analysts	3	1	5	5
Avg. Estimate	1.08	0.99	3.71	3.99
Low Estimate	1	0.99	3.59	3.71
High Estimate	1.2	0.99	3.75	4.23
Year Ago EPS	0.89	0.88	4.3	3.71

- Alliant Energy Corporation
  - Zack's

Detailed Estimates

Enter Symbol

EPS Estimates

Exp Earnings Date	2/20/25	Earnings ESP	0.00%
Current Quarter	0.68	Current Year	3.04
EPS Last Quarter	1.15	Next Year	3.24
Last EPS Surprise	3.60%	EPS (TTM)	2.82
ABR	2.33	P/E (F1)	17.67

% EPS Growth Estimates	LNT	IND	S&P
Current Qtr (12/2024)	41.67	26.05	13.17
Next Qtr (03/2025)	4.84	-28.49	NA
Current Year (12/2024)	7.80	3.30	12.40
Next Year (12/2025)	6.58	2.00	18.75
Past 5 Years	5.70	3.00	8.10
Next 5 Years	6.60	7.60	NA
PE	17.67	13.60	24.90
PEG Ratio	2.68	1.79	NA

  - Yahoo Finance

Earnings Estimate

Currency in USD	Current Qtr. (Dec 2024)	Next Qtr. (Mar 2025)	Current Year (2024)	Next Year (2025)
No. of Analysts	7	2	10	11
Avg. Estimate	0.7	0.73	3.03	3.22
Low Estimate	0.67	0.64	3	3.19
High Estimate	0.79	0.82	3.07	3.26
Year Ago EPS	0.48	0.62	2.82	3.03

- Black Hills
  - Zack's

Detailed Estimates

Enter Symbol

EPS Estimates

Exp Earnings Date	2/5/25	Earnings ESP	NA
Current Quarter	NA	Current Year	3.91
EPS Last Quarter	0.35	Next Year	4.13
Last EPS Surprise	-25.53%	EPS (TTM)	3.72
ABR	3.20	P/E (F1)	13.66

% EPS Growth Estimates	BKH	IND	S&P
Current Qtr (12/2024)	NA	26.05	13.17
Next Qtr (03/2025)	NA	-28.49	NA
Current Year (12/2024)	0.00	3.30	12.40
Next Year (12/2025)	5.63	2.00	18.75
Past 5 Years	2.40	3.00	8.10
Next 5 Years	3.50	7.60	NA
PE	13.66	13.60	24.90
PEG Ratio	3.86	1.79	NA

  - Yahoo Finance

Earnings Estimate

Currency in USD	Current Qtr. (Dec 2024)	Next Qtr. (Mar 2025)	Current Year (2024)	Next Year (2025)
No. of Analysts	3	2	5	5
Avg. Estimate	1.26	1.84	3.89	4.1
Low Estimate	1.22	1.72	3.87	4.05
High Estimate	1.33	1.96	3.91	4.15
Year Ago EPS	1.17	1.87	3.91	3.89

- CenterPoint Energy, Inc.
  - Zack's

Detailed Estimates

Enter Symbol

EPS Estimates

Exp Earnings Date	2/18/25	Earnings ESP	0.00%
Current Quarter	0.40	Current Year	1.62
EPS Last Quarter	0.31	Next Year	1.74
Last EPS Surprise	-13.89%	EPS (TTM)	1.54
ABR	2.35	P/E (F1)	17.86

% EPS Growth Estimates	CNP	IND	S&P
Current Qtr (12/2024)	25.00	26.05	13.17
Next Qtr (03/2025)	3.64	-28.49	NA
Current Year (12/2024)	8.00	3.30	12.40
Next Year (12/2025)	7.41	2.00	18.75
Past 5 Years	-1.10	3.00	8.10
Next 5 Years	7.10	7.60	NA
PE	17.86	13.60	24.90
PEG Ratio	2.51	1.79	NA

  - Yahoo Finance

Earnings Estimate

Currency in USD	Current Qtr. (Dec 2024)	Next Qtr. (Mar 2025)	Current Year (2024)	Next Year (2025)
No. of Analysts	10	5	17	17
Avg. Estimate	0.4	0.56	1.62	1.75
Low Estimate	0.36	0.54	1.58	1.73
High Estimate	0.43	0.57	1.64	1.76
Year Ago EPS	0.32	0.55	1.5	1.62

FPSC EXH NO. 83
ADMITTED

E1294

- Evergy, Inc.
  - Zack's

Detailed Estimates

Enter Symbol

EPS Estimates

Exp Earnings Date	3/6/25	Earnings ESP	0.00%
Current Quarter	0.38	Current Year	3.84
EPS Last Quarter	2.02	Next Year	4.03
Last EPS Surprise	3.59%	EPS (TTM)	3.73
ABR	1.77	P/E (F1)	14.96

% EPS Growth Estimates	EVRG	IND	S&P
Current Qtr (12/2024)	40.74	26.05	13.17
Next Qtr (03/2025)	20.37	-28.49	NA
Current Year (12/2024)	8.47	3.30	12.40
Next Year (12/2025)	4.95	2.00	18.75
Past 5 Years	6.30	3.00	8.10
Next 5 Years	5.70	7.60	NA
PE	14.96	13.60	24.90
PEG Ratio	2.63	1.79	NA

  - Yahoo Finance

Earnings Estimate

Currency in USD	Current Qtr. (Dec 2024)	Next Qtr. (Mar 2025)	Current Year (2024)	Next Year (2025)
No. of Analysts	7	4	12	12
Avg. Estimate	0.45	0.65	3.84	4.04
Low Estimate	0.37	0.57	3.82	3.98
High Estimate	0.5	0.75	3.86	4.16
Year Ago EPS	0.27	0.54	3.54	3.84

FPSC EXH NO. 83
ADMITTED

E1295

- Hawaiian Electric Industries, Inc.
  - Zack's

Detailed Estimates

Enter Symbol

EPS Estimates

Exp Earnings Date	2/11/25	Earnings ESP	0.00%
Current Quarter	0.39	Current Year	1.71
EPS Last Quarter	0.46	Next Year	0.97
Last EPS Surprise	NA	EPS (TTM)	1.83
ABR	3.00	P/E (F1)	9.46

% EPS Growth Estimates	HE	IND	S&P
Current Qtr (12/2024)	-18.75	26.05	13.17
Next Qtr (03/2025)	NA	-28.49	NA
Current Year (12/2024)	533.33	3.30	12.40
Next Year (12/2025)	-43.27	2.00	18.75
Past 5 Years	-32.50	3.00	8.10
Next 5 Years	NA	7.60	NA
PE	9.46	13.60	24.90
PEG Ratio	NA	1.79	NA

  - Yahoo Finance

Earnings Estimate

Currency in USD	Current Qtr. (Dec 2024)	Next Qtr. (Mar 2025)	Current Year (2024)	Next Year (2025)
No. of Analysts	2	--	4	4
Avg. Estimate	0.34	0	1.64	1.47
Low Estimate	0.3	0	1.52	1.35
High Estimate	0.39	0	1.71	1.59
Year Ago EPS	0.48	0.38	2.04	1.64

FPSC EXH NO. 83
ADMITTED

E1296

- IDACORP, Inc.
    - Zack's

Detailed Estimates

Enter Symbol

EPS Estimates

Exp Earnings Date	2/20/25	Earnings ESP	0.80%
Current Quarter	0.63	Current Year	5.42
EPS Last Quarter	2.12	Next Year	5.86
Last EPS Surprise	-2.30%	EPS (TTM)	5.39
ABR	2.43	P/E (F1)	18.34

% EPS Growth Estimates	IDA	IND	S&P
Current Qtr (12/2024)	3.28	26.05	13.17
Next Qtr (03/2025)	10.53	-28.49	NA
Current Year (12/2024)	5.45	3.30	12.40
Next Year (12/2025)	8.12	2.00	18.75
Past 5 Years	3.00	3.00	8.10
Next 5 Years	8.30	7.60	NA
PE	18.34	13.60	24.90
PEG Ratio	2.21	1.79	NA

- Yahoo Finance

Earnings Estimate

Currency in USD	Current Qtr. (Dec 2024)	Next Qtr. (Mar 2025)	Current Year (2024)	Next Year (2025)
No. of Analysts	6	4	8	8
Avg. Estimate	0.63	1.07	5.42	5.85
Low Estimate	0.61	1.04	5.38	5.73
High Estimate	0.65	1.12	5.44	5.96
Year Ago EPS	0.61	0.95	5.14	5.42

FPSC EXH NO. 83

ADMITTED

E1297

- MGE Energy, Inc.
  - Zack's

Detailed Estimates

Enter Symbol

EPS Estimates

Exp Earnings Date	2/19/25	Earnings ESP	0.00%
Current Quarter	0.84	Current Year	3.44
EPS Last Quarter	1.13	Next Year	3.84
Last EPS Surprise	-3.42%	EPS (TTM)	3.27
ABR	4.35	P/E (F1)	23.53

% EPS Growth Estimates	MGEE	IND	S&P
Current Qtr (12/2024)	52.73	26.05	13.17
Next Qtr (03/2025)	3.23	-28.49	NA
Current Year (12/2024)	5.85	3.30	12.40
Next Year (12/2025)	11.63	2.00	18.75
Past 5 Years	6.30	3.00	8.10
Next 5 Years	NA	7.60	NA
PE	23.53	13.60	24.90
PEG Ratio	NA	1.79	NA

  - Yahoo Finance

Earnings Estimate

Currency in USD	Current Qtr. (Dec 2024)	Next Qtr. (Mar 2025)	Current Year (2024)	Next Year (2025)
No. of Analysts	1	1	2	2
Avg. Estimate	0.84	0.96	3.43	3.84
Low Estimate	0.84	0.96	3.31	3.73
High Estimate	0.84	0.96	3.56	3.95
Year Ago EPS	0.55	0.93	3.25	3.43

E1297

- Northwestern Energy Group
  - Zack's

Detailed Estimates

Enter Symbol

EPS Estimates

Exp Earnings Date	2/12/25	Earnings ESP	0.00%
Current Quarter	1.13	Current Year	3.39
EPS Last Quarter	0.65	Next Year	3.64
Last EPS Surprise	-7.14%	EPS (TTM)	3.65
ABR	2.11	P/E (F1)	14.21

% EPS Growth Estimates	NWE	IND	S&P
Current Qtr (12/2024)	-18.12	26.05	13.17
Next Qtr (03/2025)	18.35	-28.49	NA
Current Year (12/2024)	3.67	3.30	12.40
Next Year (12/2025)	7.37	2.00	18.75
Past 5 Years	-0.60	3.00	8.10
Next 5 Years	6.10	7.60	NA
PE	14.21	13.60	24.90
PEG Ratio	2.31	1.79	NA

  - Yahoo Finance

Earnings Estimate

Currency in USD	Current Qtr. (Dec 2024)	Next Qtr. (Mar 2025)	Current Year (2024)	Next Year (2025)
No. of Analysts	6	3	8	8
Avg. Estimate	1.13	1.25	3.39	3.61
Low Estimate	1.12	1.19	3.25	3.26
High Estimate	1.16	1.29	3.47	3.76
Year Ago EPS	1.38	1.09	3.27	3.39

- OGE Energy Corp.
  - Zack's

Detailed Estimates

Enter Symbol

EPS Estimates

Exp Earnings Date	2/12/25	Earnings ESP	0.00%
Current Quarter	1.13	Current Year	3.39
EPS Last Quarter	0.65	Next Year	3.64
Last EPS Surprise	-7.14%	EPS (TTM)	3.65
ABR	2.11	P/E (F1)	14.21

% EPS Growth Estimates	NWE	IND	S&P
Current Qtr (12/2024)	-18.12	26.05	13.17
Next Qtr (03/2025)	18.35	-28.49	NA
Current Year (12/2024)	3.67	3.30	12.40
Next Year (12/2025)	7.37	2.00	18.75
Past 5 Years	-0.60	3.00	8.10
Next 5 Years	6.10	7.60	NA
PE	14.21	13.60	24.90
PEG Ratio	2.31	1.79	NA

  - Yahoo Finance

Earnings Estimate

Currency in USD	Current Qtr. (Dec 2024)	Next Qtr. (Mar 2025)	Current Year (2024)	Next Year (2025)
No. of Analysts	3	1	10	10
Avg. Estimate	0.48	0.15	2.16	2.28
Low Estimate	0.45	0.15	2.12	2.24
High Estimate	0.49	0.15	2.18	2.41
Year Ago EPS	0.24	0.09	2.07	2.16

FPSC EXH NO. 83
ADMITTED

- Otter Tail Corporation
  - Zack's

Detailed Estimates

Enter Symbol

EPS Estimates

Exp Earnings Date	2/10/25	Earnings ESP	0.00%
Current Quarter	1.26	Current Year	7.13
EPS Last Quarter	2.03	Next Year	4.31
Last EPS Surprise	3.05%	EPS (TTM)	7.24
ABR	3.00	P/E (F1)	16.83

% EPS Growth Estimates	OTTR	IND	S&P
Current Qtr (12/2024)	-8.03	26.05	13.17
Next Qtr (03/2025)	NA	-28.49	NA
Current Year (12/2024)	1.86	3.30	12.40
Next Year (12/2025)	-39.55	2.00	18.75
Past 5 Years	27.60	3.00	8.10
Next 5 Years	NA	7.60	NA
PE	16.83	13.60	24.90
PEG Ratio	NA	1.79	NA

  - Yahoo Finance

Earnings Estimate

Currency in USD	Current Qtr. (Dec 2024)	Next Qtr. (Mar 2025)	Current Year (2024)	Next Year (2025)
No. of Analysts	3	2	3	3
Avg. Estimate	1.28	1.53	7.15	5.63
Low Estimate	1.26	1.51	7.13	4.31
High Estimate	1.33	1.55	7.2	6.39
Year Ago EPS	1.37	1.77	7	7.15

FPSC EXH NO. 83
ADMITTED

E1301

- Pinnacle West Capital Corporation
  - Zack's

Detailed Estimates

Enter Symbol

EPS Estimates

Exp Earnings Date	2/25/25	Earnings ESP	-18.03%
Current Quarter	-0.15	Current Year	5.14
EPS Last Quarter	3.37	Next Year	4.51
Last EPS Surprise	0.60%	EPS (TTM)	5.28
ABR	2.07	P/E (F1)	18.43

% EPS Growth Estimates	PNW	IND	S&P
Current Qtr (12/2024)	NA	26.05	13.17
Next Qtr (03/2025)	-113.33	-28.49	NA
Current Year (12/2024)	16.55	3.30	12.40
Next Year (12/2025)	-12.26	2.00	18.75
Past 5 Years	-0.60	3.00	8.10
Next 5 Years	8.20	7.60	NA
PE	18.43	13.60	24.90
PEG Ratio	2.24	1.79	NA

  - Yahoo Finance

Earnings Estimate

Currency in USD	Current Qtr. (Dec 2024)	Next Qtr. (Mar 2025)	Current Year (2024)	Next Year (2025)
No. of Analysts	6	2	11	11
Avg. Estimate	-0.15	0.01	5.12	4.53
Low Estimate	-0.18	0.01	5.08	4.36
High Estimate	-0.11	0.01	5.21	4.65
Year Ago EPS	0	0.15	4.41	5.12

E1301

FPSC EXH NO. 83
ADMITTED

E1302

- PNM Resources, Inc. (Now TXNM)
  - Zack's

Detailed Estimates

Enter Symbol

EPS Estimates

Exp Earnings Date	2/4/25	Earnings ESP	0.00%
Current Quarter	0.26	Current Year	2.72
EPS Last Quarter	1.43	Next Year	2.85
Last EPS Surprise	-1.38%	EPS (TTM)	2.62
ABR	2.00	P/E (F1)	16.55

% EPS Growth Estimates	TXNM	IND	S&P
Current Qtr (12/2024)	44.44	-50.54	13.17
Next Qtr (03/2025)	NA	-20.04	NA
Current Year (12/2024)	-3.55	-3.90	12.40
Next Year (12/2025)	4.78	10.70	18.75
Past 5 Years	6.70	11.90	8.10
Next 5 Years	3.00	18.60	NA
PE	16.55	32.10	24.90
PEG Ratio	5.56	1.73	NA

  - Yahoo Finance

Earnings Estimate

Currency in USD	Current Qtr. (Dec 2024)	Next Qtr. (Mar 2025)	Current Year (2024)	Next Year (2025)
No. of Analysts	2	2	3	7
Avg. Estimate	0.29	0.39	2.73	2.79
Low Estimate	0.29	0.36	2.73	2.73
High Estimate	0.29	0.42	2.73	2.82
Year Ago EPS	0.18	0.41	2.82	2.73

- Portland General Electric Company
  - Zack's

Detailed Estimates

Enter Symbol

EPS Estimates

Exp Earnings Date	2/21/25	Earnings ESP	0.00%
Current Quarter	0.32	Current Year	3.11
EPS Last Quarter	0.90	Next Year	3.21
Last EPS Surprise	1.12%	EPS (TTM)	3.48
ABR	2.25	P/E (F1)	13.19

% EPS Growth Estimates	POR	IND	S&P
Current Qtr (12/2024)	-52.94	26.05	13.17
Next Qtr (03/2025)	-9.09	-28.49	NA
Current Year (12/2024)	30.67	3.30	12.40
Next Year (12/2025)	3.22	2.00	18.75
Past 5 Years	0.30	3.00	8.10
Next 5 Years	12.30	7.60	NA
PE	13.19	13.60	24.90
PEG Ratio	1.07	1.79	NA

  - Yahoo Finance

Earnings Estimate

Currency in USD	Current Qtr. (Dec 2024)	Next Qtr. (Mar 2025)	Current Year (2024)	Next Year (2025)
No. of Analysts	8	4	13	13
Avg. Estimate	0.35	1.16	3.13	3.23
Low Estimate	0.3	1.06	3.06	3.16
High Estimate	0.41	1.24	3.2	3.31
Year Ago EPS	0.67	1.21	2.38	3.13

FPSC EXH NO. 83
ADMITTED

E1304

- Unitil Corporation
  - Zack's

Detailed Estimates

Enter Symbol

EPS Estimates

Exp Earnings Date	2/11/25	Earnings ESP	0.00%
Current Quarter	0.95	Current Year	2.91
EPS Last Quarter	0.02	Next Year	3.08
Last EPS Surprise	100.00%	EPS (TTM)	2.95
ABR	2.33	P/E (F1)	16.99

% EPS Growth Estimates	UTL	IND	S&P
Current Qtr (12/2024)	-2.06	26.05	13.17
Next Qtr (03/2025)	5.33	-28.49	NA
Current Year (12/2024)	3.19	3.30	12.40
Next Year (12/2025)	5.84	2.00	18.75
Past 5 Years	5.10	3.00	8.10
Next 5 Years	NA	7.60	NA
PE	16.99	13.60	24.90
PEG Ratio	NA	1.79	NA

  - Yahoo Finance

Earnings Estimate

Currency in USD	Current Qtr. (Dec 2024)	Next Qtr. (Mar 2025)	Current Year (2024)	Next Year (2025)
No. of Analysts	2	1	3	3
Avg. Estimate	0.95	1.78	2.91	3.09
Low Estimate	0.95	1.78	2.91	3.08
High Estimate	0.95	1.78	2.92	3.11
Year Ago EPS	0.97	1.69	2.82	2.91

E1304

- Atmos Energy Corporation
  - Zack's

Detailed Estimates

Enter Symbol

EPS Estimates

Exp Earnings Date	2/4/25	Earnings ESP	0.90%
Current Quarter	2.23	Current Year	7.18
EPS Last Quarter	0.86	Next Year	7.72
Last EPS Surprise	2.38%	EPS (TTM)	6.87
ABR	1.88	P/E (F1)	19.00

% EPS Growth Estimates	ATO	IND	S&P
Current Qtr (12/2024)	7.21	9.08	13.17
Next Qtr (03/2025)	5.26	-5.27	NA
Current Year (09/2025)	5.12	-2.00	33.47
Next Year (09/2026)	7.52	4.60	12.28
Past 5 Years	9.40	6.00	8.10
Next 5 Years	7.00	6.10	NA
PE	19.00	13.60	20.97
PEG Ratio	2.71	2.23	NA

  - Yahoo Finance

Earnings Estimate

Currency in USD	Current Qtr. (Dec 2024)	Next Qtr. (Mar 2025)	Current Year (2025)	Next Year (2026)
No. of Analysts	6	6	13	13
Avg. Estimate	2.2	2.95	7.17	7.73
Low Estimate	2.16	2.86	7.1	7.62
High Estimate	2.25	3.07	7.29	7.85
Year Ago EPS	2.08	2.85	6.83	7.17

FPSC EXH NO. 83
ADMITTED

- Chesapeake Utilities Corporation
  - Zack's

Detailed Estimates

Enter Symbol

EPS Estimates

Exp Earnings Date	2/19/25	Earnings ESP	0.00%
Current Quarter	1.67	Current Year	5.39
EPS Last Quarter	0.80	Next Year	6.25
Last EPS Surprise	15.94%	EPS (TTM)	5.40
ABR	2.00	P/E (F1)	18.95

% EPS Growth Estimates	CPK	IND	S&P
Current Qtr (12/2024)	1.83	9.08	13.17
Next Qtr (03/2025)	13.33	-5.27	NA
Current Year (12/2024)	1.51	-2.00	12.40
Next Year (12/2025)	15.96	4.60	18.75
Past 5 Years	10.00	6.00	8.10
Next 5 Years	NA	6.10	NA
PE	18.95	13.60	24.90
PEG Ratio	NA	2.23	NA

  - Yahoo Finance

Earnings Estimate

Currency in USD	Current Qtr. (Dec 2024)	Next Qtr. (Mar 2025)	Current Year (2024)	Next Year (2025)
No. of Analysts	5	4	8	8
Avg. Estimate	1.64	2.3	5.41	6.26
Low Estimate	1.58	2	5.34	6.19
High Estimate	1.69	2.53	5.46	6.33
Year Ago EPS	1.64	2.1	5.31	5.41

- New Jersey Resources Corporation
  - Zack's

Detailed Estimates

Enter Symbol

EPS Estimates

Exp Earnings Date	2/4/25	Earnings ESP	-3.51%
Current Quarter	1.14	Current Year	3.10
EPS Last Quarter	0.89	Next Year	3.12
Last EPS Surprise	0.00%	EPS (TTM)	2.94
ABR	2.00	P/E (F1)	14.76

% EPS Growth Estimates	NJR	IND	S&P
Current Qtr (12/2024)	54.05	9.08	13.17
Next Qtr (03/2025)	-5.00	-5.27	NA
Current Year (09/2025)	5.80	-2.00	33.47
Next Year (09/2026)	0.65	4.60	12.28
Past 5 Years	5.40	6.00	8.10
Next 5 Years	NA	6.10	NA
PE	14.76	13.60	20.97
PEG Ratio	NA	2.23	NA

  - Yahoo Finance

Earnings Estimate

Currency in USD	Current Qtr. (Dec 2024)	Next Qtr. (Mar 2025)	Current Year (2025)	Next Year (2026)
No. of Analysts	5	5	8	8
Avg. Estimate	1.08	1.5	3.1	3.11
Low Estimate	0.77	1.31	2.9	3.05
High Estimate	1.18	1.69	3.2	3.18
Year Ago EPS	0.74	1.41	2.95	3.1

FPSC EXH NO. 83

ADMITTED

E1308

- Northwest Natural Holding Company
  - Zack's

Detailed Estimates

Enter Symbol

EPS Estimates

Exp Earnings Date	2/28/25	Earnings ESP	0.00%
Current Quarter	1.42	Current Year	2.33
EPS Last Quarter	-0.71	Next Year	2.91
Last EPS Surprise	10.13%	EPS (TTM)	2.12
ABR	2.33	P/E (F1)	13.30

% EPS Growth Estimates	NWN	IND	S&P
Current Qtr (12/2024)	17.36	9.08	13.17
Next Qtr (03/2025)	27.22	-5.27	NA
Current Year (12/2024)	-10.04	-2.00	12.40
Next Year (12/2025)	24.89	4.60	18.75
Past 5 Years	2.80	6.00	8.10
Next 5 Years	NA	6.10	NA
PE	13.30	13.60	24.90
PEG Ratio	NA	2.23	NA

  - Yahoo Finance

Earnings Estimate

Currency in USD	Current Qtr. (Dec 2024)	Next Qtr. (Mar 2025)	Current Year (2024)	Next Year (2025)
No. of Analysts	5	3	7	6
Avg. Estimate	1.49	2.11	2.33	2.91
Low Estimate	1.48	2.02	2.3	2.84
High Estimate	1.51	2.22	2.35	2.98
Year Ago EPS	1.21	1.69	2.59	2.33

E1308

- ONE Gas, Inc.
  - Zack's

Detailed Estimates

Enter Symbol

EPS Estimates

Exp Earnings Date	2/19/25	Earnings ESP	0.38%
Current Quarter	1.32	Current Year	3.88
EPS Last Quarter	0.34	Next Year	4.26
Last EPS Surprise	-17.07%	EPS (TTM)	3.84
ABR	2.80	P/E (F1)	15.90

% EPS Growth Estimates	OGS	IND	S&P
Current Qtr (12/2024)	3.94	9.08	13.17
Next Qtr (03/2025)	5.14	-5.27	NA
Current Year (12/2024)	-6.28	-2.00	12.40
Next Year (12/2025)	9.79	4.60	18.75
Past 5 Years	5.00	6.00	8.10
Next 5 Years	2.90	6.10	NA
PE	15.90	13.60	24.90
PEG Ratio	5.50	2.23	NA

  - Yahoo Finance

Earnings Estimate

Currency in USD	Current Qtr. (Dec 2024)	Next Qtr. (Mar 2025)	Current Year (2024)	Next Year (2025)
No. of Analysts	7	4	9	7
Avg. Estimate	1.34	1.86	3.89	4.26
Low Estimate	1.3	1.82	3.86	4.23
High Estimate	1.38	1.91	3.91	4.31
Year Ago EPS	1.27	1.75	4.14	3.89

- Southwest Gas Holdings, Inc.
  - Zack's

Detailed Estimates

Enter Symbol

EPS Estimates

Exp Earnings Date	2/26/25	Earnings ESP	-17.35%
Current Quarter	0.98	Current Year	3.12
EPS Last Quarter	0.09	Next Year	3.66
Last EPS Surprise	28.57%	EPS (TTM)	2.90
ABR	2.80	P/E (F1)	19.16

% EPS Growth Estimates	SWX	IND	S&P
Current Qtr (12/2024)	-13.27	9.08	13.17
Next Qtr (03/2025)	38.69	-5.27	NA
Current Year (12/2024)	-7.14	-2.00	12.40
Next Year (12/2025)	17.31	4.60	18.75
Past 5 Years	-2.20	6.00	8.10
Next 5 Years	6.50	6.10	NA
PE	19.16	13.60	24.90
PEG Ratio	2.94	2.23	NA

  - Yahoo Finance

Earnings Estimate

Currency in USD	Current Qtr. (Dec 2024)	Next Qtr. (Mar 2025)	Current Year (2024)	Next Year (2025)
No. of Analysts	5	3	5	5
Avg. Estimate	1.16	1.62	3.02	3.66
Low Estimate	0.81	1.12	2.92	3.28
High Estimate	1.39	1.92	3.16	3.97
Year Ago EPS	1.13	1.37	3.36	3.02

84

FPUC's Response to Staff's Twenty Sixth Data Request (No. 1)

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition for rate increase by Florida Public Utilities Company.	DOCKET NO. 20240099-EI

FPUC'S RESPONSES TO STAFF'S TWENTY SIXTH SET OF DATA REQUESTS

1. Please refer to cell 12d in DR 15.1a Support for SPP Adjustments (35335290.1).xlsx, filed as a supplement to FPUC's Responses to Staff's Fifteenth Set of Data Requests. It states that the "Per C-3 Adj for O & M SPP" for 2024 is -1,915,798. However, FPUC's MFR C-3 lists the adjustment to eliminate SPP expenses as -1,915,769. Please explain the $29 discrepancy.

Company Response:

The $29 difference in the 2024 SPP adjustment of .0015% was due to rounding of the inflation factor used to adjust 2023 expenses.

85

FPUC's Response to Staff's Twenty Seventh Data Request (Nos. 1-2)

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition for rate increase by Florida Public Utilities Company.	DOCKET NO. 20240099-EI

FPUC'S RESPONSES TO STAFF'S TWENTY SEVENTH SET OF DATA REQUESTS

1. A customer at the Marianna service hearing testified that credit card payments are limited to $750 per transaction. As a business owner, the customer found that to be an issue as multiple payments needed to be made to completely pay her bill. Please explain why credit card payments are limited to $750 and discuss if that payment limit can be removed.

Company Response:

The $750 limit for payments through FPUC's EZ-Pay one-time payment option was set through the agreement with our payment processing vendor, Kubra. This threshold was established based on average payment amounts at the time to maintain a lower processing fee of $2.25 for both residential and commercial customers. Customers needing to make larger payments can opt for the free EZ-Billing option, an automated online payment method, which has a higher maximum payment threshold of $100,000.

2. FPUC's website refers to third-party payment centers. Please provide a list for both Northeast and Northwest divisions of the third-party payment centers, including the address, and state where customers can find information about the location of the centers. If they are listed on the FPUC website, please provide the link.

Company Response:

Please refer to the attached file DR 27.2 – RCP Locations in Florida for the details including the addresses, of locations in the Northeast and Northwest divisions where customers can pay their bills through a third-party vendor.

The information regarding location of the Company's third-party payment locations may be found on the back of the customer bill which is attached as "DR 27.2 - FPU Bill Back".

Additionally, FPUC's website refers customers to our payment centers where they can pay their bills with cash. Customers can locate these centers by:

- **visiting our EZ-Pay webpage (https://fpuc.com/customer-care/ez-pay/),**
- **clicking the EZ-Pay option,**
- **entering their account number,**
- **selecting the "Pay with Cash" option.**

A search page is then displayed, allowing users to enter their zip code and filter by preferred store type (e.g., 7-Eleven, CVS Pharmacy, Family Dollar). A map and list of matching locations will appear.

The Company also has printed field cards (Please refer to the attached file DR 27.2 – Field Cards"). These cards are provided to all our field technicians. They have them available with them in the field and copies available to provide to the customers if they ask about payment options.

Retailer Name	Doing Business As	Address1	Address2	County	City	Zip Code	State
Dollar General		1810 GEORGIA ST		JACKSON	ALFORD	32420-6849	FL
Dollar General		551609 US HIGHWAY 1		NASSAU	HILLIARD	32046-8282	FL
7 Eleven		3100 S 8TH ST		NASSAU	Fernandina Beach	32034	FL
Dollar General		5283 US HWY 231		JACKSON	CAMPBELLTON	32426-6832	FL
Walmart - Available at Service Desk or Money Center		2255 HIGHWAY 71		JACKSON	MARIANNA	32448-2541	FL
Dollar General		4722 HIGHWAY 90		JACKSON	MARIANNA	32446-7838	FL
Dollar General		951 PRIM AVE		JACKSON	GRACEVILLE	32440-2505	FL
Dollar General		26014 N MAIN STREET		CALHOUN	ALTHA	32421-3328	FL
Dollar General		450019 STATE ROAD 200		NASSAU	CALLAHAN	32011-3832	FL
Dollar General		8126 HIGHWAY 90		JACKSON	SNEADS	32460-2400	FL
Dollar General		941300 OLD NASSAUVILLE RD		NASSAU	FERNANDINA BEACH	32034	FL
Dollar General		22225 NE SR 20		LIBERTY	HOSFORD	32334	FL
Dollar General		540560 US HWY 1		NASSAU	CALLAHAN	32011	FL
CVS Pharmacy		542325 US HIGHWAY 1		Nassau	CALLAHAN	32011	FL
Dollar General		17830 MAIN STREET STATE N		CALHOUN	BLOUNTSTOWN	32424-0000	FL
CVS Pharmacy		4684 HIGHWAY 90		Jackson	MARIANNA	32446	FL
CVS Pharmacy		870 SADLER RD		Nassau	FERNANDINA BEACH	32034	FL
Dollar General		850777 US HWY 17		NASSAU	YULEE	32097-3984	FL
Dollar General		4264 LAFAYETTE ST		JACKSON	MARIANNA	32446-8229	FL
Dollar General		4376 BRYAN ST		JACKSON	GREENWOOD	32443-2436	FL
Dollar General		6856 HWY 90		JACKSON	GRAND RIDGE	32442-4002	FL
Dollar General		5466 10TH ST		JACKSON	MALONE	32445-3128	FL
Dollar General		1200 VINTAGE WAY		NASSAU	FERNANDINA BEACH	32034-0299	FL
Walmart - Available at Service Desk or Money Center		1385 AMELIA PLZ		NASSAU	FERNANDINA BEACH	32034-1998	FL
Walmart - Available at Service Desk or Money Center		464016 STATE ROAD 200		NASSAU	YULEE	32097-6339	FL
Dollar General		11110 NW SR 20		LIBERTY	BRISTOL	32321	FL
7 Eleven		96001 LOFTON SQUARE CT		NASSAU	Yulee	32097	FL
Walgreens		2101 SADLER RD		NASSAU	FERNANDINA BEACH	32034	FL
Walgreens		542356 US HIGHWAY 1		NASSAU	CALLAHAN	32011	FL
Dollar General		3628 HWY 69		JACKSON	GREENWOOD	32443-2146	FL

FPSC EXH NO. 85

ADMITTED

FOR ACCURATE, TIMELY BILLING,

PLEASE ALLOW US TO GET TO OUR METER!

EXPLANATIONS OF TERMS

GENERAL	**CITY/COUNTY TAX:** Tax levied by City/County on utilities billed. Tax is remitted to the City/County. **EST:** Will appear if we are unable to read your meter and is based on usage history. **GROSS RECEIPTS TAX:** A tax levied by the State of Florida on utilities billed. Tax is remitted to the State of Florida. **THERM:** 100,000 BTUs of heat.
CFG & FPU	**BTU:** British Thermal Unit; a measure of heat. **CCF:** One hundred cubic feet. This is the way gas is measured when it goes through the meter. **CCF TO THERMS CALCULATION:** CCF's X Multiplying Factor =Therms. **FRANCHISE FEE:** A fee paid to local governments for the right to utilize public property to provide utility service. **RATE:** Approved charges by the Public Service Commission for type of service received.
FPU	**BASE ENERGY CHARGE:** Distribution costs included in rate. **CUSTOMER CHARGE:** A fixed monthly amount to cover the cost of your service, meter and billing. This charge is applied regardless of the quantity of energy used. **DEMAND CHARGE:** *FPU Electric Customers.* The charge per kilowatt (KW) of demand which reflects the cost of distribution plant investment. **KW / KILOWATT:** *FPU Electric Customers.* One thousand (1,000) watts. **KWH / KILOWATT-HOUR:** *FPU Electric Customers.* One thousand (1,000) watt-hours. **PGA:** *FPU Natural Gas Customers.* Purchase Gas Adjustment;this cost is passed directly to the customer with no profit to FPU. **PPA:** *FPU Electric Customers.* Purchase Power Adjustment;this cost is passed directly to the customer with no profit to FPU.
CFG	**FIRM TRANSPORTATION CHARGE:** The amount charged per account each month based on rates approved by the Public Service Commission. **USAGE / THERM:** The amount charged per therm each month based on rates approved by the Public Service Commission.

BUSINESS HOURS

Monday - Friday

7:00 a.m. - 7:00 p.m. EST

Call for 24-Hour Emergency Service

Telephone number located on front upper left side of bill

Call Sunshine State One Call Before You Dig.
Call: 800.432.4770 or 811.

FLEXIBLE PAYMENT OPTIONS

We have many electronic payment options available.
For more information, visit www.fpuc.com

WALK-IN PAYMENT SERVICE:

IT'S FREE. Use FPU's EZ-PAY and select Pay with Cash option to locate the nearest authorized retail payment partner.

Also pay at any Western Union. Payments post the next business day. Visit www.westernunion.com for the nearest location.

EZ-BILLING – It's free by using your banking account. You can set up auto pay or pay manually. Enroll on www.fpuc.com.

EZ-PAY – Pay by using your credit/debit card or banking account. There is a small convenience fee of $2.25 per every $750.00.

PAY BY PHONE (IVR) – Pay by using our automated system with your credit/debit card or banking account. Simply call 877.337.3145 There is a small convenience fee of $2.25 per every $750.00.

BUDGET BILLING- Residential customers who have had service for one year may enroll in this levelized billing service at no charge. Please visit our website for more information.

FLORIDA PUBLIC UTILITIES
FLORIDA PUBLIC UTILITIES CENTRAL FLORIDA GAS
FLORIDA PUBLIC UTILITIES FORT MEADE DIVISION
FLORIDA PUBLIC UTILITIES INDIANTOWN DIVISION
PENINSULA PIPELINE

If you entered information below, you MUST check the box on the front of the return stub.

Please change the following:

Mailing Address: ____________________

____

City, State, Zip: ____________________

Phone Number: ____________________

Cell Phone: ____________________

Email Address: ____________________

PAY WITH CASH

PAY YOUR FLORIDA PUBLIC UTILITIES BILL WITH CASH AT PARTICIPATING STORES

Payments are recognized immediately and are posted on the next business day.

Bring this barcode with you to make a payment.

RETAILER INSTRUCTIONS:

1. SCAN customer barcode.
2. ENTER the amount the customer wants to pay.
3. COLLECT cash amount (and fee, if applicable).

For FLORIDA PUBLIC UTILITIES Customer Service, please call 800-427-7712.

By accepting or using this barcode to make a payment, you agree to the full terms and conditions, available at vanilladirect.com/pay/terms. After successful payment using this barcode, you may retrieve your full detailed e-receipt at vanilladirect.com/pay/ereceipt.

Walmart Available at Service Desk or Money Center

powered by KUBRA EZ-PAY

7993663015200063716836 22665728

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Easy Payment Options with **NO FEES**

- **EZ-BILLING**
  Enroll in our online bill management platform to set up automatic payments from your checking or savings account. Customize email and text notifications, payment reminders and confirmations.

- **MAIL**
  Florida Public Utilities
  PO BOX 825925
  Philadelphia, PA 19182-5925

- **AUTHORIZED RETAIL LOCATION**
  Pay in person with cash, money order or debit cards only.
  (EZ-PAY barcode required)

Speedway TA Walmart Pilot FLYING J CVS

CIRCLE K WESTERN UNION DOLLAR GENERAL FAMILY DOLLAR

Easy Payment Options with **LOW FEES** ($2.25 per $750)

- **EZ-PAY**
  Submit one-time payments, using a credit or debit card. Enjoy 24/7 access to pay your bill via phone, or online, using any mobile device.

- **PHONE**
  Automated phone system: **877.337.3145**

FLORIDA PUBLIC UTILITIES

Scan this QR code for more information on ways to pay your bill:

Or visit our website at **fpuc.com**

800.427.7712

CustomerSupport@fpuc.com

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Your Safety is Our Top Priority

Review these Important Safety Tips and Guidelines

DOWNED POWER LINES

Always assume all power lines are active and dangerous, so be sure to stay away.

Do not drive on them.
Do not touch them.

Should you come across a downed power line, including lines that could be downed within a tree, or across a tree line, report it to us immediately at **800.427.7712**.

CALL BEFORE YOU DIG

Hitting underground utility lines could result in fines, injury or worse. Call the free **8-1-1** service number to have your utility lines marked before you start digging (at least two days in advance).

811®

Know what's below.
Call before you dig.

HOW TO DETECT A GAS LEAK

SMELL: A distinct 'rotten egg odor' is added to natural gas to help you identify a leak.

SEE: Blowing dirt or bubbling creeks or ponds.

HEAR: Listen for hissing sounds near gas appliances or pipeline.

fpuc.com

FLORIDA PUBLIC UTILITIES

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FPUC's Response to Staff's Twenty Eighth Data Request (Nos. 1-5)

(Including All Attachments)

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition for rate increase by Florida Public Utilities Company.	DOCKET NO. 20240099-EI

FPUC'S RESPONSES TO STAFF'S TWENTY EIGHTH SET OF DATA REQUESTS

1. Please refer to MFR Schedule E-13c, titled "Base Revenue By Rate Schedule – Calculations," and FPUC's supplemental response to Staff's Fourth Set of Data Requests, Question No. 12, Excel file titled, "DR 4.1 Weather Normalization Forecasts - with Annual (002)(35386069.1) (SUPPLEMENTAL)," tab titled "Annual Summary." Please confirm the following rate classes appearing in MFR Schedule E-13c are the following rate classes appearing in the Excel file:

    a) Residential Service = Residential
    b) General Service = Commercial Small
    c) General Service Demand = Commercial

Company Response:

Confirmed

2. Please refer to MFR schedule E-13c, titled "Base Revenue By Rate Schedule – Calculations." For each customer class listed below, and by division (Northeast, Northwest), please provide FPUC's annual actual customers and UPC for 2015 through 2023, annual actual/forecast of customers and UPC for 2024, and annual forecast of customers and UPC for 2025 for the following rate classes. Please provide this data in Excel format similar to the data provided in FPUC's supplemental response to Staff's Fourth Set of Data Requests, Question No. 12, Excel file titled, "DR 4.1 Weather Normalization Forecasts - with Annual (002)(35386069.1) (SUPPLEMENTAL)," tab

titled "Annual Summary."

a) General Service Large Demand (GSLD)
b) General Service Large Demand1 (GSLD1)
c) Lighting Service (OL and SL)

Company Response:

Please refer to the attached file "DR 28.2 General Service Large & Lights Annual".

3. Please refer to MFR schedule E-13c, titled "Base Revenue By Rate Schedule – Calculations." For each applicable customer class, and by division (Northeast, Northwest), please provide FPUC's annual actual demand (KW) for 2015 through 2023, annual actual/forecast of demand for 2024, and annual forecast of demand for 2025.

Company Response:

Please refer to the attached file "DR 28.3 KW Demand (2015-2025)".

4. Please refer to MFR Schedule F-5, page 1 of 3, titled, "Forecasting Models." The third paragraph on this page appears to address FPUC's models for peak demand for the GSD and GSLD rate classes. These models do not appear alongside the UPC models in MFR Schedule F-7, pages 1-6 of 21. Please provide equivalent information regarding the demand models similar to that provided for the UPC models.

Company Response:

Models of the type in MFR Schedule F-7, pages 1-6 of 21 were not used to forecast peak demand (kW), only to forecast UPC (kWh). Please refer to the Company's response to Staff's Fourth Set of Data Requests, Question No. 4.

5. Please refer to MFR Schedule F-5, page 1 of 3, titled, "Forecasting Models." The fourth

paragraph on this page appears to address FPUC's methodology for forecasting billing determinants for the GSLD1 rate class. FPUC states that a "direct" forecast of KWH purchases, billed KW demand, and kVar were utilized. Please explain, in more specific terms, the methodology used.

Company Response:

KWH for GSLD1 is not used in the calculation of base rates since the rates are KW and kVar based. But, KWH was used for projections of clause revenue. KWH for GSLD1 was forecast using the prior 2-year average of the existing GSLD1 customer and the Standby customer who is being proposed as GSLD1 in this case. The total estimated KWH was then split between Firm and Non-Firm usage based on the Firm projections for the prior year since those were thought to most closely represent future usage.

KW and kVar usage were based on the prior 3-year average of both the existing GSLD1 customer and the current Standby customer using actuals from June 2021 to May 2024.

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Northeast	Annual Billed (kWh)			Average Monthly Customers			Annual Use-per-Customer (kWh)		
Year	General Service Large Demand (GLSLD)	General Service Large Demand1 (GSLD1)	Lighting Service (OL and SL)	General Service Large Demand (GLSLD)	General Service Large Demand1 (GSLD1)	Lighting Service (OL and SL)	General Service Large Demand (GLSLD)	General Service Large Demand1 (GSLD1)	Lighting Service (OL and SL)
2015	28,965,620	18,880,000	2,152,053	8	2	491	3,475,874	9,440,000	4,382
2016	29,939,660	29,700,000	2,161,975	9	2	491	3,326,629	14,850,000	4,405
2017	28,863,460	27,380,000	2,165,206	9	2	489	3,207,051	13,690,000	4,428
2018	32,565,140	15,160,000	2,247,786	11	2	494	2,873,395	7,580,000	4,550
2019	37,963,620	27,402,000	2,273,940	11	2	494	3,349,731	13,701,000	4,604
2020	35,007,340	14,806,000	2,257,170	11	2	492	3,182,485	7,403,000	4,591
2021	37,487,791	20,910,002	2,252,182	11	2	486	3,357,116	10,455,001	4,637
2022	36,420,222	20,969,000	2,231,712	11	2	475	3,213,549	10,484,500	4,702
2023	35,454,660	3,684,000	2,213,959	11	2	472	3,247,755	1,842,000	4,693
2024	36,464,106	4,131,000	2,214,395	11	2	469	3,217,421	2,065,500	4,717
2025	33,080,061	5,111,000	2,244,291	10	2	470	3,422,075	2,555,500	4,775

Actual
Forecast
Mixed Actual & Forecast

Northwest	Annual Billed (kWh)			Average Monthly Customers			Annual Use-per-Customer (kWh)		
Year	General Service Large Demand (GLSLD)	General Service Large Demand1 (GSLD1)	Lighting Service (OL and SL)	General Service Large Demand (GLSLD)	General Service Large Demand1 (GSLD1)	Lighting Service (OL and SL)	General Service Large Demand (GLSLD)	General Service Large Demand1 (GSLD1)	Lighting Service (OL and SL)
2015	56,750,628	-	5,305,375	13	-	2,494	4,229,860	-	2,128
2016	54,784,434	-	5,311,416	13	-	2,503	4,214,187	-	2,122
2017	56,300,036	-	5,346,122	13	-	2,551	4,249,059	-	2,095
2018	49,831,518	-	5,155,345	14	-	2,581	3,517,519	-	1,998
2019	45,478,951	-	5,281,331	14	-	2,462	3,229,275	-	2,145
2020	42,365,485	-	5,179,176	13	-	2,446	3,197,395	-	2,117
2021	42,969,572	-	5,180,647	13	-	2,448	3,348,278	-	2,116
2022	44,794,936	-	5,221,087	13	-	2,421	3,445,764	-	2,157
2023	44,551,188	-	5,105,605	14	-	2,431	3,300,088	-	2,100
2024	44,478,016	-	5,103,739	14	-	2,432	3,177,001	-	2,099
2025	45,100,443	-	5,207,373	15	-	2,432	3,006,408	-	2,141
Total (Ties to MFR E-13c)	78,180,504	5,111,000	7,451,664	296	24 (Average x 12)	34,824			

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FPU Electric Gross Margin	Actual										Forecast
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
KW											
FPU Electric-Northeast											
Commercial - Volume	247,333	216,479	213,599	240,238	241,906	218,333	222,241	239,374	228,906	231,994	232,719
Commercial Large - Volume	75,649	68,740	65,074	73,798	81,355	75,271	78,427	76,160	77,603	82,011	72,099
Industrial- Rayonier - Volume	312,000	312,000	312,000	312,000	312,000	312,000	312,000	312,000	312,000	312,000	312,000
Industrial- West Rock - Volume	218,000	140,345	174,400	164,300	178,027	212,600	121,900	171,600	232,100	216,800	192,566
FPU Electric-Northwest											
Commercial - Volume	266,059	283,281	307,323	272,195	305,334	304,271	328,378	333,022	331,590	309,886	333,565
Commercial Large - Volume	117,372	110,050	119,131	93,168	98,531	89,104	89,334	93,374	94,323	99,286	93,055

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FPUC's Response to Staff's Twenty Ninth Data Request (Nos. 1-3)

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition for rate increase by Florida Public Utilities Company.	DOCKET NO. 20240099-EI

FPUC'S RESPONSES TO STAFF'S TWENTY NINTH SET OF DATA REQUESTS

1. At the Service Hearings in both Fernandina and Marianna, customers testified regarding their extreme difficulty trying to contact FPUC by phone to address and/or resolve billing issues.

   a) Please describe FPUC's current process for handling customer calls. As part of your response, please indicate how many employees are available to answer customer calls during normal business hours.

   b) Please provide the average call wait time customers experience when attempting to contact FPUC. If this is unknown, please explain why. Staff's Twenty Ninth Data Request January 13, 2025

   c) Please describe alternative methods available to customers for contacting FPUC, if any (e.g., website or email).

   d) Please describe the methods by which customers can submit their payments and the fees associated with each.

Company Response:

1a. The call center utilizes skill-based routing that distributes incoming calls to the most suitable agent based on specific service type and agent availability. There are approximately 30 customer service agents available to answer customer calls during normal business hours.

1b. The average call wait-time customers experience when attempting to contact FPUC is 4 minutes and 36 seconds.

1c. The various methods available to customers for contacting FPUC are:

- **Phone**
  800.427.7712

- **Mail**
  Florida Public Utilities
  P. O. Box 610
  Marianna, FL 32447

- **Email**
  CustomerSupport@fpuc.com

- **Online**
  fpuc.com

1d. The company offers several payment options available to meet our customer's needs. The payment options with no fees include:

- **EZ-BILLING**
  Customers can enroll in our online bill management platform to set up automatic payments from their checking or savings account. They can also customize email and text notifications, payment reminders and confirmations.

- **MAIL**
  Florida Public Utilities
  P.O. Box 825925
  Philadelphia, PA 19182-5925

- **AUTHORIZED RETAIL LOCATIONS**
  Pay in person with cash, money order or debit cards. Please see Staff's Data Request 27.2 for the list of locations.

The payment options with fees ($2.25 per $750)

- **EZ-PAY**
  Submit one-time payments, using a credit or debit card24/7 via phone, online, or any mobile device.

- **PHONE**

Automated phone system: 877.337.3145

2. Please explain whether FPUC was aware, prior to the Service Hearings, of the issues expressed by customers regarding difficulty contacting them. If so, what actions has FPUC taken to improve this situation?

Company Response:

The company was aware, prior to the Service Hearings, of the issues expressed by customers regarding difficulty contacting them. Since mid-2023, the company has made significant improvements to call handling practices such as , increased staffing, empowered our team members, enhanced training, streamlined processes and placed a focus on performance monitoring to maximize the caller's experience., The company uses a Plan, Do, Check, Act (PDCA) model, which allows for continuous improvement.

3. Did FPUC reach out to each customer that testified at the Service Hearings. If so, when was contact made and how were the customer concerns addressed? If not, please explain why.

Company Response:

Yes, company representatives have reached out to a all of the customers that delivered testimony either in person immediately following the hearing, or later by phone. In several cases, the company representative had to leave a message and continues to attempt contact. The company will provide a detailed report of all customer contacts and resolutions.

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FPUC’s Response to Staff’s Thirtieth Data Request (Nos. 1-5)

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition for rate increase by Florida Public Utilities Company.	DOCKET NO. 20240099-EI

FPUC'S RESPONSES TO STAFF'S THIRTIETH SET OF DATA REQUESTS

For the following questions, please refer to the direct testimony of witness Haffecke, beginning on page 22.

1. Please explain why FPUC's proposed flat rate recovery method is preferable over the existing variable rate.

COMPANY RESPONSE:

When the Company implemented the Experimental Non-Firm Energy Tariff, the GSLD1 customers began using less regular usage and more non-firm energy usage which was billed separately. This resulted in less storm revenue than was projected in the original filing for the Hurricane Michael docket. Since the Experimental Non-Firm Energy Tariff will still be in effect, at least until the one year expires, the change to a flat rate was proposed to ensure recovery of storm revenue.

2. Please explain why FPUC is proposing a flat rate for the recovery of Hurricane Michael costs for the GSLD1 customer class only.

COMPANY RESPONSE:

Please refer to the response to item 1. GSLD1 and Standby customers are the only ones that the Experimental Non-Firm Energy tariff applied to, and the Company is requesting Standby be merged into the GSLD1 tariff.

3. Please demonstrate how FPUC's proposal to charge a flat rate will not have an impact on the total recovery of the surcharge.

COMPANY RESPONSE:

The proposed flat rate was calculated to ensure that only the amount originally requested in the Hurricane Michael docket for industrial customers would be recovered.

4. Please explain whether FPUC has had conversations with GSLD1 customers about the proposed change from variable rate to flat rate.

COMPANY RESPONSE:

Yes, the customers are aware of the change. If the customers' total usage was to continue at the current level of both their firm and non-firm usage after expiration of the non-firm tariff, this change will benefit the customer.

5. Please explain any benefit to either the GSLD1 customer or FPUC associated with the proposed change to a flat rate recovery method.

COMPANY RESPONSE:

Please see the response to item 4 above for the benefit to the customer, which occurs after the expiration of the non-firm tariff. The benefit to the Company is full collection of the amount originally requested in the Hurricane Michael docket even if the customers switch their usage from firm to non-firm. This does not harm the customer as the Company is only seeking to recover what the Commission has already approved.

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FPUC’s Response to Staff’s Thirty First Data Request (Nos. 1-8)

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition for rate increase by Florida Public Utilities Company.	DOCKET NO. 20240099-EI

FPUC'S RESPONSES TO STAFF'S THIRTY FIRST SET OF DATA REQUESTS

For the following questions, please refer to the direct testimony of witness Haffecke, beginning on page 22.

1. Please refer to the direct testimony of witness Haffecke, page 13, lines 17 through 19. Please indicate if there are any potential cost savings, O&M or otherwise, associated with the replacement and rebuild of FPUC's Northeast substations, JL Terry and AIP. Please quantify these savings, if possible. If there are no savings associated with these projects, please explain why.

Company Response:

The intent of these projects is focused more on reliability as opposed to a reduction in expense. The FPU maintenance program is a time-based program which is intended to perform maintenance on equipment prior to operational issues or failure. Maintenance on the substation equipment varies, depending on the equipment, but can occur monthly, quarterly, annually, five years or 10 years and is independent of the age of the equipment. Assuming the plan works as intended, equipment is maintained during the normal time schedule and then removed from service prior to operational issues or failure so there is no added expense. There will be the occasional failure that occurs but this is an extremely small percentage of the overall maintenance cost.

2. Please refer to the direct testimony of witness Haffecke, page 16, lines 14 through 17.

Please explain why FPUC did not elect to seek recovery of the self healing equipment through the Storm Protection Plan Cost Recovery Clause.

Company Response:

The self-healing equipment was proposed in the 2022 FPU SPP initial filing. During the hearings it was determined by the Commission that this type of project was more appropriate to be included in an electric rate proceeding and was removed from the final approved SPP.

3. Please refer to the direct testimony of witness Haffecke, page 16, lines 20 through 21, and FPUC's response to Staff's Sixth Data Request, No. 25 for the following questions.

a) Please confirm that the manhole removal project consists of the replacement of eroding fibercrete vaults inside the manholes and explain how the Utility determined the vaults were eroding.

b) Please explain what FPUC uses the fibercrete manhole vaults for.

c) If additional activities outside of replacement of the fibercrete vaults are being conducted under this project, please identify these activities, how these activities were determined to be needed, and identify what costs requested are associated with them.

Company Response:

a. Yes, the project consists of replacing eroding fibercrete vaults. During work to

relocate manholes due to a road relocation project, it was identified that the sides of the manholes were collapsing in toward the center of the manhole. When attempting to remove the manholes, the entire manhole collapsed and was not able to be removed.

b. The manhole vaults are used in conjunction with underground distribution feeders. The manholes allow the cable to be pulled from one location to another using the vaults at these locations or allow for splicing of separate cables that are being connected.

c. This project was only associated with the replacement of the fibercrete manhole vaults that have failed in service.

4. Please refer to FPUC's response to Staff's Sixth Data Request, No. 2. Regarding the Excel file provided for the new 75 MVA transformer installation project, please explain how the retirement amount was determined for the 50 MVA transformer. As part of this response, please identify the MFR schedule reflecting this retirement amount.

Company Response:

The $10,000 credit shown on this schedule was the estimated salvage, not the actual retirement. The $10,000 salvage estimate was based on a quote received for a similar unit. The salvage was not properly included as a credit to accumulated depreciation but, instead decreased the projected plant addition recorded.

The Company did project a $250,000 retirement related to this project for December of 2025 based on the estimated original cost of the transformer being

retired. The amount can be found in MFR B-7 (2025) in account 353E as part of the $305,200 retirement and included in the balances in B-8 (2025) for the same plant account. It can also be found on B-9 (2025) in the same account for accumulated depreciation and included in the balances in B-10 for the same account.

5. Please refer to FPUC's response to Staff's Sixth Data Request, No. 6(a). Please identify how much of the $61,041 allocation to electric expense is internal employee costs, and how much is material costs. As part of this response, please detail what materials will be included in the material costs.

Company Response:

The amount is all internal employee costs. There were no material costs.

6. Please refer to FPUC's response to Staff's Sixth Data Request, No. 13. Please explain how FPUC selected the 10 live front projects.

Company Response:

Each year, FPU conducts an inspection of the pad-mounted equipment in order to assess the condition of the equipment and identify any issues that may have occurred since the prior inspection. The intent is to complete the replacement of live front equipment over time while using the inspection information as a basis for the selections. In order to determine the live front equipment to be replaced, the condition of the equipment along with the efficiency of replacing the equipment is considered when selecting the appropriate equipment to be

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replaced.

7. Please refer to FPUC's response to Staff's Sixth Data Request, No. 27(f). Please detail the "other tasks" that other personnel will be able to focus on with the addition of the Line Supervisor positions.

Company Response:

The "other tasks" are related to management items such as strategic planning, evaluation of operating/construction efficiencies, addressing operations issues, and supervising employees, etc.

8. Please refer to FPUC's response to Staff's Twentieth Data Request, No. 10(b) for the following questions.

   a) Please indicate if other backup transmission service is currently available at the stepdown substation. If so, please identify the backup transmission service that is currently available, and explain why the installation of the 69 kV underground cable and switches is also necessary.

   b) Please explain how FPUC currently minimizes interruptions to customers served by the stepdown substation during maintenance activities.

Company Response:

a) We do not have backup service. The Step-Down substation takes 138 KV transmission service from FPL. That voltage is stepped down to 69 KV in order to provide service to three different distribution substations. One 69 KV line

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goes radially to the AIP substation which provides service to the south end of Amelia Island. If the line is out of service, there is no other back up line to keep the power on while repairs are made. The second 69 KV line goes to the JL Terry Substation that serves the north part of Amelia Island. This line does have a partial back up loop that allows the ability to keep the power on while approximately half the line is out of service. The third 69 KV line provides service to the distribution section of the Step Down substation. This section of Step Down substation provides service to the central part of Amelia Island. Due to a recent Step Down substation switch failure, it was necessary to remove one of the main transformers from service. Since it is impossible to replace the switch in the current configuration, the substation capacity was reduced by 37.5% even though load requirements have increased with the cold weather. The Company has a plan to build a temporary, back-up 69 KV line which will allow the replacement of the switch and bring the capacity of the substation back to 100%. This temporary line will serve the same purpose as the 69 KV loop and switch project. With the completion of this project, the current issue and other similar issues within the substation can be avoided.

b) As described in 8a above, it is necessary and possible to put temporary poles and wire in place in certain areas of the Step Down substation to make some repairs without causing power interruption. However, there are other locations in the Step Down substation where it is not possible to place poles and wire to construct temporary facilities. Should maintenance or a repair be necessary at these locations, with no back up facilities in place and placement of temporary

facilities not an option, an outage would need to be scheduled during low load periods, such as at night or on weekends. Notifications regarding the planned outage would be made to customers via the FPUC website or direct mailings noting the time that maintenance or repairs are to occur. The Company notes that installing and removing temporary facilities results in increased costs; therefore a permanent backup is preferred.

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FPUC's Response to Staff's Thirty Second Data Request (Nos. 1-5)

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition for rate increase by Florida Public Utilities Company.	DOCKET NO. 20240099-EI

FPUC'S RESPONSES TO STAFF'S THIRTY SECOND SET OF DATA REQUESTS

1. Please explain in detail how the Company's pricing structure operates with respect to transmission and distribution charges that are associated with its Purchase Power Agreement (PPA) for Northwest Florida.

Company Response:

Currently FPU receives a Network Transmission Bill from FPL monthly. This bill is a single consolidated bill that contains billing from both the NE FL and NW FL divisions. Although this is a consolidated bill, the details from both NE FL and NW FL are shown separately. The NW FL detail shows the network transmission billing, meter reading and processing charge and the distribution facilities charge. These charges are included in the total wholesale power purchase and network transmission billing bill that are included in the annual purchased power filing.

The structure of the Network Transmission billing is based on two separate contracts, one for NW FL and one for NE FL that are then combined into a single bill for accounting purposes.

The Network Integration Transmission Service Agreement and Network Operating Agreement between FPL and FPU for the NW FL was executed August 5, 2022 and will continue until December 31, 2029. This agreement sets the following as the billing parameters for this agreement with cost defined by the FPL Open Access Transmission

Tariff (OATT). The kw-month amount used below is determined using the FPU KW demand value coincident with the FPL system peak.

Schedule 1 – Transmission Charge ($/kw- month)

Schedule 2 – Reactive Supply and Voltage Control from Generation or Other Sources Service ($/kw- month)

Schedule 4 – Energy Imbalance ($/kw- month)

Schedule 10 – Losses ($/kw- month)

FERC Assessment Fees ($/kwh)

Network Meter Reading and Processing Fee ($/meter)

Distribution Facilities Charge ($/month)

2. By what specific method and point in time will the relevant distribution charges associated with the PPA for Northwest Florida cease being assessed to FPUC?

Company Response:

FPU and FPL are currently working through the details to enable modifications to the substations to allow the sale of the substations to FPU. There will be four substations which currently have distribution facility charges to FPU on a monthly basis. As these modifications are completed and the sale occurs for each substation, the distribution facilities charges will be dropped from the monthly transmission billing. Although each substation sale may occur at different times, the goal is for all four substations to become part of FPU by the end of 2025.

3. Were any projected savings associated with the Northwest Florida substations included in the 2025 fuel factor? If so, what was that projected savings amount?

Company Response:

The savings associated with the NW FL substation was included in the 2025 Fuel Factor. The projected savings amount was $1,380,657.

4. Will the Company's current PPA require re-negotiation in order to achieve the savings alluded to in FPUC's response to interrogatory No. 12[1]?

Company Response:

Although we do plan to consolidate all the Network Transmission Billing into one agreement, there is nothing required to achieve the savings.

5. Has the projected fuel clause-related savings amount of $1.4 million been updated since the filing of interrogatory response No. 12? If so, what is the new projected savings amount?

Company Response:

No, the projected savings have not been updated.

[1] It is not clear what Interrogatory 12 is referenced here. As such, respondent has assumed that the referenced interrogatory is Interrogatory No. 12, in Staff's Fifth Set of Interrogatories to the Company in Docket No. 202400001-EI.

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FPUC's Response to Staff's Thirty Third Data Request (No. 1)

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition for rate increase by Florida Public Utilities Company.	DOCKET NO. 20240099-EI

FPUC'S RESPONSES TO STAFF'S THIRTY THIRD SET OF DATA REQUESTS

1. Please refer to witness Russell's direct testimony. On page 11, line 15, witness Russell explained that Florida Public Utilities Company's (FPUC) calculation of the interest rate of 4.51 percent only includes 21 percent of the six debt issuances totaling $550 million used to finance the purchase of Florida City Gas (FCG).

a) Please explain how the Company determined 21 percent relates to funding overall FPUC operations and is appropriate for calculating the embedded cost of debt for FPUC.

b) How much of the $550 million debt was used to purchase FCG?

Company Response:

a) FPUC utilizes the capital structure of Chesapeake Utilities Corporation (the parent) when calculating the capital structure of its regulated businesses or subsidiaries. This methodology is used because CUC is the entity that issues the debt and equity capital necessary to support the funding needs to its regulated businesses including FPUC. FPUC does not issue third party equity nor is it a party to any third-party debt agreement. Using the equity/debt ratios for the entire company is consistent with a prior City Gas order PSC-1996-1404-FOF-GU, page 17: "We find that the appropriate capital structure for City Gas should be based on NUI's capital structure for investor sources. Amounts for customer deposits, deferred taxes, and investment tax credits should be

specifically identified at the City Gas level…NUI Corporation is the source of investor capital for City Gas. The Company does not raise capital on its own. Therefore, the Company filed a divisional capital structure using the ratios of investor sources of capital adjusted to reflect NUI's capital structure." The final order in Docket No. 20220067-GU was consistent with this methodology.

Before the FCG acquisition, our equity to total capital structure was 53%. As discussed in Witness Russell's testimony, the board approved range is 50% to 60% equity to total capitalization. From time to time, the Company may fluctuate above or below this target range, given the economic markets and the Company's capital investment plans. Strategically, the board authorized the company to temporarily operate below the target range immediately following the FCG acquisition, with the expectation to get back within target range within twelve to twenty-four months.

The amount of the $550 million of debt issued that related to the Florida City Gas (FCG) acquisition was determined by multiplying the acquisition cost times Chesapeake's estimated long-term debt ratio at 12/31/23 (long-term debt divided by the total capitalization). The difference between the long-term debt to purchase City Gas and the $550 million resulted in 21 percent of the debt related to Chesapeake's estimated long-term debt financing plan.

All our filings have maintained Chesapeake's equity/debt ratios consistently with the methodology that has been utilized, and approved, since the FPU merger.

b) **The portion of the $550 million debt issued that was used to purchase FCG was $432M since the Company used debt, newly issued equity and existing equity to purchase FCG.**

92

FPUC's Response to Staff's Thirty Fourth Data Request (Nos. 1-3)

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition for rate increase by Florida Public Utilities Company.	DOCKET NO. 20240099-EI

FPUC'S RESPONSE TO STAFF'S 34TH SET OF DATA REQUESTS

1. Please refer to the Stipulation and Settlement Agreement (Settlement), filed in Docket No. 20240099-EI, Section III. "Revenue Requirement," for the following request.[1] Will a carrying charge apply to any amounts potentially deferred as indicated in subsection c.? If so, what will be the carrying charge?

COMPANY RESPONSE:

There will not be a carrying charge applied to the deferred amount.

2. Please refer to the Settlement, Section III. "Revenue Requirement," subsection d. for the following requests.

   a. Does this section imply that the Company will apply a weighted average cost of capital of 6.36 percent to an actual investment balance related to the relevant substation and transmission assets, but, will not seek to implement an annual revenue requirement amount in excess of $727,778?

COMPANY RESPONSE:

Yes, the Company will apply a weighted average cost of capital of 6.36% to an actual investment balance related to the relevant substation and transmission assets up to an annual revenue requirement of $727,778.

   b. If the response to subpart a. is affirmative, staff understands the revenue requirement figure of $727,778 was calculated using a cost of equity of 10.15 percent. Please explain how the Company will achieve the same (or less than) revenue requirement while assessing a higher cost of capital than originally estimated.

COMPANY RESPONSE:

The $727,778 was based on projected costs. If the costs are higher, the amount recoverable through the step increase will be capped at the $727,778, and the Company will not earn its

[1] [1]Document No. 03457-2025.

allowed return on that additional cost until the next rate case. If the amount is lower, the amount submitted for recovery through the step increase will be less than the $727,778 based on the actual costs. The potential for a temporary under-recovery was not material enough to cause an issue in settlement negotiations.

3. Please refer to the Settlement, Section VIII. "Rate Case Expense" for the following request. Is staff correct that this this section amends the previous 4-year (originally requested 3-year) rate case expense amortization period?

COMPANY RESPONSE:

The Company originally requested a 4-year amortization period. At the March 4, 2025, Agenda conference, OPC requested that a 5-year amortization period be applied. The Company stated it would not object to the period be extended to 5 years. The Settlement reflects the 5-year amortization period included in Commission Order No. PSC-2025-0114-PAA-EI, at page 55, and the Company will use that period to amortize the actual balance of rate case costs at completion of the case.

93

FPUC’s Response to Staff’s Thirty Fifth Data Request (No. 1)

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition for rate increase by Florida Public Utilities Company.	DOCKET NO. 20240099-EI

FPUC'S RESPONSES TO STAFF'S 35TH SET OF DATA REQUESTS

1. Please refer to the Stipulation and Settlement Agreement (Settlement), filed in Docket No. 20240099-EI, Section II. "Return on Equity and Equity Ratio," for the following requests.[1]

   a. Staff understands this section of the Settlement to amend the Return on Equity (ROE) approved by (protested) Order No. PSC-2025-0114-PAA-EI of 10.15 percent to 10.20 percent, while maintaining the same equity ratio of 50.04 percent.[2] Is staff's understanding correct?

COMPANY RESPONSE: Yes, the ROE midpoint will be 10.2% and the equity ratio fixed at 50.04% during the settlement period.

   b. If the response to a. is affirmative, what is the annual dollar value associated with this change?

COMPANY RESPONSE: The dollar amount associated with changing the ROE from 10.15% to 10.20% is $29,011 - all else being equal. However, the overall dollar values to the participants are not calculable due to the give and take of negotiations. The $29,011 was calculated as follows: ($144,170,636*.02% (Difference 6.36% and 6.34%) =$28,834-$7,308 income tax=$21,526*1.3477=$29,011).

   c. Please explain why Florida Public Utilities Company (FPUC or Company) believes an ROE of 10.20 percent is in the public interest and should be approved as part of a larger or "global" settlement of all issues in this docket.

COMPANY RESPONSE:

The settlement was agreed to by the parties to avoid further litigation costs being borne by the customers and to provide a reasonable revenue requirement for the Company while lowering the rates for the customers. The increase to 10.20% is still within staff's range of reasonableness discussed in paragraph 20 and Table 19 on pages 44-45 of Commission Order No. PSC-2025-0114-PAA-EI and does not cause a material increase for the customers.

   d. Does FPUC agree with the statement in paragraph 20, which correspond to values in Table 19 on page 45 of Order No. PSC-2025-0114-PAA-EI: "[w]e have calculated a ROE of 10.15 percent which is within the range of ROEs that we have recently approved for other Florida electric and natural gas companies (9.50% - 11.00%) as summarized in Table 19. The Florida electric companies' authorized ROEs range from 10.30 percent to 10.80 percent[?]"

COMPANY RESPONSE: While it is not entirely clear as to which of the two statements referenced on page 45 of the PAA Order staff is referring, FPUC agrees that the 10.15 percent approved in the PAA Order, which has since been protested, was and is within the range of 9.50% to 11% of approved ROEs for all Florida regulated electric and natural gas utilities, and that other Florida electric companies have authorized ROEs that range from 10.30% to 10.80%. Even with the slight increase to the ROE midpoint agreed to in the Settlement, FPUC's authorized mid-point ROE will remain the lowest of all the Florida electric IOUs.

e. If the response to d. is affirmative, does FPUC agree that this information is still comparable to an ROE of 10.20 percent?

COMPANY RESPONSE:

The 10.20% is still lower than the average ROE shown on Table 19 of Commission Order PSC-2025-0114-PAA-EI but is within the range of 9.50% to 11.00% in the paragraph quoted in item d above.

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[1]Document No. 03457-2025.

[2]Order No. PSC-2025-0114-PAA-EI, issued April 7, 2025, in Docket No. 20240099-EI, *In re: Petition for rate increase by Florida Public Utilities Company.*

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FPUC's Response to Staff's Thirty Sixth Data Request (Nos. 1-3)

(Including All Attachments)

FPSC EXH NO. 94
ADMITTED

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition for rate increase by Florida Public Utilities Company.	DOCKET NO. 20240099-EI

FPUC's Responses to Staff's 36th Set of Data Requests

1. Please provide MFR Schedules A2 and A3 reflecting the differences in Order No. PSC- 2025-0114-PAA rates and proposed Stipulation and Settlement (2025 Agreement) rates.

COMPANY RESPONSE:

Please see attached file DR 36.1.

2. Please provide an updated MFR Schedule E10 in Excel format with formulas unlocked, reflecting the agreed base rate revenue of $7.4M for the 2025 test year.

COMPANY RESPONSE:

Per email from Sevini Guffey on 5/19/2025 the question was corrected to ask for E8 instead of E10. Please see the attached file DR 36.2.

3. With reference to Paragraph X. Enhanced Local Presence, of the 2025 Agreement, items a through f lists multiple activities the Company will undertake to improve customer service. Please explain how the associated costs will be accounted for with the Enhanced Local Presence and also discuss who will bear the costs.

COMPANY RESPONSE:

Please see the comments below for each item a through f.

Enhanced Local Presence

a) The Parties hereto acknowledge that Company provides thirty-three (33) walk-in payment locations in and around Marianna (NW Division). Of those locations, seven (7) do not require an additional fee. On Amelia Island, the Company provides twenty-six (26) walk-in payment locations, of which nine (9) do not charge an additional fee. To improve the process of paying bills at these walk-in locations, a bar code has been added to the back of all billing statements.

The Company currently offers these walk-in payment locations as part of the current vendor contract to do so. The barcode was added in early 2024 to enhance the customer's experience.

b) The Company commits to add enhanced bill messaging, social media messaging, and website visibility sharing the identities and locations of these payment centers. The Company will also promote an enhanced customer support email option for Florida electric customers at customersupport@FPUC.com, which is already available to customers.

The Company does not anticipate additional costs for the enhanced bill messaging, social media messaging and website visibility of payment centers, as this is a normal course of business and messaging will be adjusted to accommodate this commitment. The noted email is currently in use, and managed appropriately, should the volume of emails received by this email increase significantly, the Company will prudently assess the appropriate resourcing plan to ensure timely responses.

c) The Company will host periodic virtual townhall meetings for its customers, at mutually agreeable times, which will provide customers with an opportunity to speak directly with members of FPUC's team, which will include, as may be necessary, members of the Customer Care team, Operations, and Billing and Accounts team members. Customers will be able to interact with these team members via a live video feed. These sessions may, as necessary, also include break-out sessions to protect customers' identifying and account information.

The Company does not expect an increase in costs for these virtual townhall meetings, as the Company already has the software required to host these meetings, and the planning and execution of such events are normal course of business type functions.

d) The Company will also host periodic in-person townhall meetings in each service territory. It is the intent of the Parties hereto that the Company conduct one to two such meetings per

E1357

year, as scheduling allows, in each service territory at mutually agreeable times. Noticing for such meetings will be provided in bill inserts, as well as publication in local newspapers within 7 days of such an event.

The expected cost for the periodic in-person townhall meetings would include travel expenses, as required, refreshments for the events, and marketing materials such as newspaper ads or other promotional collateral to raise awareness and encourage attendance at the events.

e) The Parties also agree that conducting such in-person, townhall meeting will be considered a pilot initiative, and the Company will provide follow-up reports to the Consumer Parties and the Commission regarding the effectiveness of these events, including, but not limited to, participation by customers.

The Company does not expect incremental costs for the follow-up reports, as this is normal course of business for the Company to ascertain if events are beneficial and prudent.

f) In addition, the Company will, at a minimum, conduct semi-annual reviews of the effectiveness of actions listed above, including conducting periodic surveys to gather customer feedback to help guide the Company's continuing improvement efforts.

The expected costs for surveys would be minimal, if any, as the Company has the toolset required to produce and manage customer surveys. The potential cost incurred could be through the survey distribution channel (i.e. mass emails, etc.).

In sum, to the extent that any of these activities cause additional cost, such cost will not affect the rates set in this case because the revenue requirement has already been agreed upon, and these costs were not specifically included.

Schedule E-8 Company-Proposed Allocation of The Rate Increase By Rate Class Page___of___

Florida Public Service Commission

COMPANY: FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 20240099-EI

Explanation: Provide a schedule which shows the company-proposed increase in revenue by rate schedule and the present and company-proposed class rates of return under the proposed cost of service study. Provide justification for every class not left at the system rate of return. If the increase from service charges by rate class does not equal that shown on Schedule E-13b or if the increase from sales of electricity does not equal that shown on Schedule E-13a, provide an explanation.

Type of Data Shown:
X___ Projected Test Year
___ Prior Year Ended 12
___ Historical Test Year
Witness: Taylor

Rate Class	Present		Increase from Service Charges	Increase from Sale of Electricity	Increase from Other Revenue	Total Increase	Company Proposed	
	ROR	Index					ROR	Index
Total Company	2.85%	1.00	164,495	7,400,000	-	7,564,495	6.34%	1.00
Residential Service	1.22%	0.43	139,953	3,456,185	-	3,596,138	4.24%	0.67
General Service	3.92%	1.37	20,523	1,301,036	-	1,321,558	10.26%	1.62
General Demand	3.48%	1.22	3,610	1,770,443	-	1,774,053	7.43%	1.17
General Demand Large	2.23%	0.78	133	565,023	-	565,157	5.36%	0.85
Gen. Large Dem. 1	10.57%	3.70	11	82,591	-	82,601	11.23%	1.77
Lighting Services	13.60%	4.77	265	224,723	-	224,988	15.21%	2.40

Supporting Schedules: E-5, E-13a, E-13b Recap Schedules:

E1359

FPSC EXH NO. 94

ADMITTED

E1360

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: For each rate, calculate typical monthly bills for present rates and proposed rates.

COMPANY: FLORIDA PUBLIC UTILITIES
Consolidated Electric Division

Type of Data Shown:
X__ Projected Test Year Ended 12/31/2025
___ Prior Year Ended 12/31/2024
___ Historical Test Year Ended 12/31/2023
Witness: Taylor

Residential (RS)

		Current	Proposed	
	CUSTOMER FACILITIES CHARGE	$24.40	$24.40	
	DEMAND CHARGE	$0.00	$0.00	$/KW
(≤1000kwh)	ENERGY CHARGE	$0.03042	$0.02696	$/KWH
(>1000kwh)	ENERGY CHARGE	$0.04983	$0.04415	$/KWH
	FUEL CHARGE*	$0.08130	$0.08130	$/KWH
	CONSERVATION CHARGE	$0.00121	$0.00121	$/KWH
	HURRICANE MICHAEL CHARGE	$0.01280	$0.01280	$/KWH
	STORM PROTECTION CHARGE	$0.00997	$0.00997	$/KWH

Florida Fuel Charge $0.07505 ≤1000 kwh; $0.08755 >1000 kwh

(1) TYPICAL KW	(2) TYPICAL KWH	(3) BASE RATE	(4) FUEL CHARGE	(5) ECCR CHARGE	(6) HURRICANE MICHAEL SURCHARGE	(7) STORM PROTECTION SURCHARGE	(8) TOTAL	(9) BASE RATE	(10) FUEL CHARGE	(11) ECCR CHARGE	(12) HURRICANE MICHAEL SURCHARGE	(13) STORM PROTECTION SURCHARGE	(14) TOTAL	(15) INCREASE DOLLARS (14)-(8)	(16) INCREASE PERCENT (15)/(8)	(17) COSTS IN CENTS/KWH PRESENT (8)/(2)	(18) COSTS IN CENTS/KWH PROPOSED (14)/(2)
	BILL UNDER PRESENT RATES							BILL UNDER PROPOSED RATES									
	kwh																
	0	$24.40	$0.00	$0.00	$0.00	$0.00	$24.40	$24.40	$0.00	$0.00	$0.00	$0.00	$24.40	$0.00	0.00%	N/A	N/A
	100	$27.44	$7.51	$0.12	$1.28	$1.00	$37.35	$27.10	$7.51	$0.12	$1.28	$1.00	$37.00	-$0.35	-0.93%	37.35	37.00
	250	$32.01	$18.76	$0.30	$3.20	$2.49	$56.76	$31.14	$18.76	$0.30	$3.20	$2.49	$55.90	-$0.86	-1.52%	22.71	22.36
	500	$39.61	$37.53	$0.61	$6.40	$4.99	$89.13	$37.88	$37.53	$0.61	$6.40	$4.99	$87.40	-$1.73	-1.94%	17.83	17.48
	750	$47.22	$56.29	$0.91	$9.60	$7.48	$121.49	$44.62	$56.29	$0.91	$9.60	$7.48	$118.89	-$2.60	-2.14%	16.20	15.85
	1,000	$54.82	$75.05	$1.21	$12.80	$9.97	$153.85	$51.36	$75.05	$1.21	$12.80	$9.97	$150.39	-$3.46	-2.25%	15.39	15.04
	1,250	$67.28	$96.94	$1.51	$16.00	$12.46	$194.19	$62.40	$96.94	$1.51	$16.00	$12.46	$189.31	-$4.88	-2.51%	15.54	15.14
	1,500	$79.74	$118.83	$1.82	$19.20	$14.96	$234.53	$73.44	$118.83	$1.82	$19.20	$14.96	$228.23	-$6.30	-2.69%	15.64	15.22
	2,000	$104.65	$162.60	$2.42	$25.60	$19.94	$315.21	$95.51	$162.60	$2.42	$25.60	$19.94	$306.07	-$9.14	-2.90%	15.76	15.30
	3,000	$154.48	$250.15	$3.63	$38.40	$29.91	$476.57	$139.66	$250.15	$3.63	$38.40	$29.91	$461.75	-$14.82	-3.11%	15.89	15.39
	5,000	$254.14	$425.25	$6.05	$64.00	$49.85	$799.29	$227.96	$425.25	$6.05	$64.00	$49.85	$773.11	-$26.18	-3.28%	15.99	15.46

* Current fuel charge calculated as the kWh weighted average of over and under 1,000 KWH. The Company does not have a capacity or environmental charge.

General Service (GS)

	Current	Proposed	
CUSTOMER FACILITIES CHARGE	$40.00	$40.00	
DEMAND CHARGE	$0.00	$0.00	$/KW
ENERGY CHARGE	$0.04668	$0.04152	$/KWH
FUEL CHARGE*	$0.07890	$0.07890	$/KWH
CONSERVATION CHARGE	$0.00121	$0.00121	$/KWH
HURRICANE MICHAEL CHARGE	$0.01280	$0.01280	$/KWH
STORM PROTECTION CHARGE	$0.01100	$0.01100	$/KWH

(1) TYPICAL KW	(2) TYPICAL KWH	(3) BASE RATE	(4) FUEL CHARGE	(5) ECCR CHARGE	(6) HURRICANE MICHAEL SURCHARGE	(7) STORM PROTECTION SURCHARGE	(8) TOTAL	(9) BASE RATE	(10) FUEL CHARGE	(11) ECCR CHARGE	(12) HURRICANE MICHAEL SURCHARGE	(13) STORM PROTECTION SURCHARGE	(14) TOTAL	(15) INCREASE DOLLARS (14)-(8)	(16) INCREASE PERCENT (15)/(8)	(17) COSTS IN CENTS/KWH PRESENT (8)/(2)	(18) COSTS IN CENTS/KWH PROPOSED (14)/(2)
	kwh																
	0	$40.00	$0.00	$0.00	$0.00	$0.00	$40.00	$40.00	$0.00	$0.00	$0.00	$0.00	$40.00	0.00	0.00%	N/A	N/A
	250	$51.67	$19.73	$0.30	$3.20	$2.75	$77.65	$50.38	$19.73	$0.30	$3.20	$2.75	$76.36	-1.29	-1.66%	31.06	30.54
	500	$63.34	$39.45	$0.61	$6.40	$5.50	$115.30	$60.76	$39.45	$0.61	$6.40	$5.50	$112.72	-2.58	-2.24%	23.06	22.54
	750	$75.01	$59.18	$0.91	$9.60	$8.25	$152.94	$71.14	$59.18	$0.91	$9.60	$8.25	$149.07	-3.87	-2.53%	20.39	19.88
	1,000	$86.68	$78.90	$1.21	$12.80	$11.00	$190.59	$81.52	$78.90	$1.21	$12.80	$11.00	$185.43	-5.16	-2.71%	19.06	18.54
	1,250	$98.35	$98.63	$1.51	$16.00	$13.75	$228.24	$91.90	$98.63	$1.51	$16.00	$13.75	$221.79	-6.45	-2.83%	18.26	17.74
	1,500	$110.02	$118.35	$1.82	$19.20	$16.50	$265.89	$102.28	$118.35	$1.82	$19.20	$16.50	$258.15	-7.74	-2.91%	17.73	17.21
	2,000	$133.36	$157.80	$2.42	$25.60	$22.00	$341.18	$123.04	$157.80	$2.42	$25.60	$22.00	$330.86	-10.32	-3.02%	17.06	16.54
	3,000	$180.04	$236.70	$3.63	$38.40	$33.00	$491.77	$164.56	$236.70	$3.63	$38.40	$33.00	$476.29	-15.48	-3.15%	16.39	15.88
	5,000	$273.40	$394.50	$6.05	$64.00	$55.00	$792.95	$247.60	$394.50	$6.05	$64.00	$55.00	$767.15	-25.80	-3.25%	15.86	15.34

Supporting Schedules: A-3, E-16c

Recap Schedules:

E1360

Schedule A-2 FULL REVENUE REQUIREMENTS BILL COMPARISON - TYPICAL MONTHLY BILLS

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA PUBLIC UTILITIES
Consolidated Electric Division

EXPLANATION: For each rate, calculate typical monthly bills for present rates and proposed rates.

Type of Data Shown:
X__ Projected Test Year Ended 12/31/2025
___ Prior Year Ended 12/31/2024
___ Historical Test Year Ended 12/31/2023
Witness: Taylor

General Service Demand (GSD)

	Current	Proposed	
CUSTOMER FACILITIES CHARGE	$126.44	$117.99	
DEMAND CHARGE	$6.89	$6.43	$/KW
ENERGY CHARGE	$0.00840	$0.00784	$/KWH
FUEL CHARGE*	$0.07392	$0.07392	$/KWH
CONSERVATION CHARGE	$0.00121	$0.00121	$/KWH
HURRICANE MICHAEL CHARGE	$0.01280	$0.01280	$/KWH
STORM PROTECTION CHARGE	$0.00594	$0.00594	$/KWH

(1) TYPICAL KW	(2) KWH	BILL UNDER PRESENT RATES (3) BASE RATE	(4) FUEL CHARGE	(5) ECCR CHARGE	(6) HURRICANE MICHAEL SURCHARGE	(7) STORM PROTECTION SURCHARGE	(8) TOTAL	BILL UNDER PROPOSED RATES (9) BASE RATE	(10) FUEL CHARGE	(11) ECCR CHARGE	(12) HURRICANE MICHAEL SURCHARGE	(13) STORM PROTECTION SURCHARGE	(14) TOTAL	INCREASE (15) DOLLARS (14)-(8)	(16) PERCENT (15)/(8)	COSTS IN CENTS/KWH (17) PRESENT (8)/(2)	(18) PROPOSED (14)/(2)
kw	kwh																
25	5,475	$344.68	$404.71	$6.62	$70.08	$32.52	$858.62	$321.66	$404.71	$6.62	$70.08	$32.52	$835.60	-$23.02	-2.68%	15.68	15.26
25	10,950	$390.67	$809.42	$13.25	$140.16	$65.04	$1,418.55	$364.59	$809.42	$13.25	$140.16	$65.04	$1,392.46	-$26.08	-1.84%	12.95	12.72
25	16,425	$436.66	$1,214.14	$19.87	$210.24	$97.56	$1,978.47	$407.51	$1,214.14	$19.87	$210.24	$97.56	$1,949.33	-$29.15	-1.47%	12.05	11.87
50	10,950	$562.92	$809.42	$13.25	$140.16	$65.04	$1,590.80	$525.34	$809.42	$13.25	$140.16	$65.04	$1,553.21	-$37.58	-2.36%	14.53	14.18
50	21,900	$654.90	$1,618.85	$26.50	$280.32	$130.09	$2,710.65	$611.19	$1,618.85	$26.50	$280.32	$130.09	$2,666.94	-$43.71	-1.61%	12.38	12.18
50	32,850	$746.88	$2,428.27	$39.75	$420.48	$195.13	$3,830.51	$697.03	$2,428.27	$39.75	$420.48	$195.13	$3,780.66	-$49.85	-1.30%	11.66	11.51
75	16,425	$781.16	$1,214.14	$19.87	$210.24	$97.56	$2,322.97	$729.01	$1,214.14	$19.87	$210.24	$97.56	$2,270.83	-$52.15	-2.24%	14.14	13.83
75	32,850	$919.13	$2,428.27	$39.75	$420.48	$195.13	$4,002.76	$857.78	$2,428.27	$39.75	$420.48	$195.13	$3,941.41	-$61.35	-1.53%	12.18	12.00
75	49,275	$1,057.10	$3,642.41	$59.62	$630.72	$292.69	$5,682.54	$986.56	$3,642.41	$59.62	$630.72	$292.69	$5,612.00	-$70.54	-1.24%	11.53	11.39
100	21,900	$999.40	$1,618.85	$26.50	$280.32	$130.09	$3,055.15	$932.69	$1,618.85	$26.50	$280.32	$130.09	$2,988.44	-$66.71	-2.18%	13.95	13.65
100	43,800	$1,183.36	$3,237.70	$53.00	$560.64	$260.17	$5,294.87	$1,104.38	$3,237.70	$53.00	$560.64	$260.17	$5,215.89	-$78.98	-1.49%	12.09	11.91
100	65,700	$1,367.32	$4,856.54	$79.50	$840.96	$390.26	$7,534.58	$1,276.08	$4,856.54	$79.50	$840.96	$390.26	$7,443.34	-$91.24	-1.21%	11.47	11.33
250	54,700	$2,308.42	$4,043.42	$66.19	$700.16	$324.92	$7,443.11	$2,154.34	$4,043.42	$66.19	$700.16	$324.92	$7,289.03	-$154.08	-2.07%	13.61	13.33
250	109,500	$2,768.74	$8,094.24	$132.50	$1,401.60	$650.43	$13,047.51	$2,583.97	$8,094.24	$132.50	$1,401.60	$650.43	$12,862.74	-$184.77	-1.42%	11.92	11.75
250	164,500	$3,230.74	$12,159.84	$199.05	$2,105.60	$977.13	$18,672.36	$3,015.17	$12,159.84	$199.05	$2,105.60	$977.13	$18,456.79	-$215.57	-1.15%	11.35	11.22

General Service Large Demand (GSLD)

	Current	Proposed	
CUSTOMER FACILITIES CHARGE	$241.70	$225.55	
DEMAND CHARGE	$9.86	$9.20	$/KW
ENERGY CHARGE	$0.00390	$0.00364	$/KWH
FUEL CHARGE*	$0.07176	$0.07176	$/KWH
CONSERVATION CHARGE	$0.00121	$0.00121	$/KWH
HURRICANE MICHAEL CHARGE	$0.01280	$0.01280	$/KWH
STORM PROTECTION CHARGE	$0.00508	$0.00508	$/KWH

(1) TYPICAL KW	(2) KWH	(3) BASE RATE	(4) FUEL CHARGE	(5) ECCR CHARGE	(6) HURRICANE MICHAEL SURCHARGE	(7) STORM PROTECTION SURCHARGE	(8) TOTAL	(9) BASE RATE	(10) FUEL CHARGE	(11) ECCR CHARGE	(12) HURRICANE MICHAEL SURCHARGE	(13) STORM PROTECTION SURCHARGE	(14) TOTAL	(15) DOLLARS (14)-(8)	(16) PERCENT (15)/(8)	(17) PRESENT (8)/(2)	(18) PROPOSED (14)/(2)
500	219,000	$6,025.80	$15,715.44	$264.99	$2,803.20	$1,112.52	$25,921.95	$5,622.71	$15,715.44	$264.99	$2,803.20	$1,112.52	$25,518.86	-$403.09	-1.56%	11.84	11.65
500	328,500	$6,452.85	$23,573.16	$397.49	$4,204.80	$1,668.78	$36,297.08	$6,021.29	$23,573.16	$397.49	$4,204.80	$1,668.78	$35,865.52	-$431.56	-1.19%	11.05	10.92
750	164,250	$8,277.28	$11,786.58	$198.74	$2,102.40	$834.39	$23,199.39	$7,723.42	$11,786.58	$198.74	$2,102.40	$834.39	$22,645.53	-$553.86	-2.39%	14.12	13.79
750	328,500	$8,917.85	$23,573.16	$397.49	$4,204.80	$1,668.78	$38,762.08	$8,321.29	$23,573.16	$397.49	$4,204.80	$1,668.78	$38,165.52	-$596.56	-1.54%	11.80	11.62
750	492,750	$9,558.43	$35,359.74	$596.23	$6,307.20	$2,503.17	$54,324.76	$8,919.16	$35,359.74	$596.23	$6,307.20	$2,503.17	$53,685.50	-$639.26	-1.18%	11.02	10.90
1,500	328,500	$16,312.85	$23,573.16	$397.49	$4,204.80	$1,668.78	$46,157.08	$15,221.29	$23,573.16	$397.49	$4,204.80	$1,668.78	$45,065.52	-$1,091.56	-2.36%	14.05	13.72
1,500	657,000	$17,594.00	$47,146.32	$794.97	$8,409.60	$3,337.56	$77,282.45	$16,417.03	$47,146.32	$794.97	$8,409.60	$3,337.56	$76,105.48	-$1,176.97	-1.52%	11.76	11.58
1,500	985,500	$18,875.15	$70,719.48	$1,192.46	$12,614.40	$5,006.34	$108,407.83	$17,612.77	$70,719.48	$1,192.46	$12,614.40	$5,006.34	$107,145.45	-$1,262.38	-1.16%	11.00	10.87
3,000	657,000	$32,384.00	$47,146.32	$794.97	$8,409.60	$3,337.56	$92,072.45	$30,217.03	$47,146.32	$794.97	$8,409.60	$3,337.56	$89,905.48	-$2,166.97	-2.35%	14.01	13.68
3,000	1,314,000	$34,946.30	$94,292.64	$1,589.94	$16,819.20	$6,675.12	$154,323.20	$32,608.51	$94,292.64	$1,589.94	$16,819.20	$6,675.12	$151,985.41	-$2,337.79	-1.51%	11.74	11.57
3,000	1,971,000	$37,508.60	$141,438.96	$2,384.91	$25,228.80	$10,012.68	$216,573.95	$34,999.99	$141,438.96	$2,384.91	$25,228.80	$10,012.68	$214,065.34	-$2,508.61	-1.16%	10.99	10.86
5,000	1,095,000	$53,812.20	$78,577.20	$1,324.95	$14,016.00	$5,562.60	$153,292.95	$50,211.35	$78,577.20	$1,324.95	$14,016.00	$5,562.60	$149,692.10	-$3,600.85	-2.35%	14.00	13.67
5,000	2,190,000	$58,082.70	$157,154.40	$2,649.90	$28,032.00	$11,125.20	$257,044.20	$54,197.15	$157,154.40	$2,649.90	$28,032.00	$11,125.20	$253,158.65	-$3,885.55	-1.51%	11.74	11.56
5,000	3,285,000	$62,353.20	$235,731.60	$3,974.85	$42,048.00	$16,687.80	$360,795.45	$58,182.95	$235,731.60	$3,974.85	$42,048.00	$16,687.80	$356,625.20	-$4,170.25	-1.16%	10.98	10.86

Supporting Schedules: A-3(2), E-16c Recap Schedules: Recap Schedules:

FPSC EXH NO. 94

ADMITTED

E1362

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: For each rate, calculate typical monthly bills for present rates and proposed rates.

COMPANY: FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
#REF!

Type of Data Shown:
X__ Projected Test Year Ended 12/31/2025
___ Prior Year Ended 12/31/2024
___ Historical Test Year Ended 12/31/2023
Witness: Taylor

(1) TYPICAL KW	(2) TYPICAL KWH	BILL UNDER PRESENT RATES (3) BASE RATE	(4) FUEL CHARGE	(5) ECCR CHARGE	(6) HURRICANE MICHAEL SURCHARGE	(7) STORM PROTECTION SURCHARGE	(8) TOTAL	BILL UNDER PROPOSED RATES (9) BASE RATE	(10) FUEL CHARGE	(11) ECCR CHARGE	(12) HURRICANE MICHAEL SURCHARGE	(13) STORM PROTECTION SURCHARGE	(14) TOTAL	INCREASE (15) DOLLARS (14)-(8)	(16) PERCENT (15)/(8)	COSTS IN CENTS/KWH (17) PRESENT (8)/(2)	(18) PROPOSED (14)/(2)

General Service Large Demand (GSLD1)

	Current	Proposed		
CUSTOMER FACILITIES CHARGE	$1,183.57	$1,104.48		
DEMAND CHARGE	$2.74	$2.56	$/KW	
REACTIVE DEMAND CHARGE	$0.53	$0.50	$/Kvar	
ENERGY CHARGE	$0.00000	$0.00000	$/KWH	
GSLD1 FUEL CHARGE	$0.03708	$0.03708	$/KWH	(Estimate)
FUEL GENERATION DEMAND	$4.90	$4.90	$/KW CP	(Estimate)
FUEL TRANSMISSION DEMAND	$3.79	$3.79	$/KW CP	(Estimate)
CONSERVATION CHARGE	$0.00121	$0.00121	$/KWH	
HURRICANE MICHAEL CHARGE	$0.01280	$0.01280	$/KWH	
STORM PROTECTION CHARGE	$0.01402	$0.01402	$/KWH	

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)
16,733	4,674,000	$47,231	$229,762	$5,656	$59,827	$65,529	$408,005	$44,128	$229,762	$5,656	$59,827	$65,529	$404,903	-$3,102	-0.76%	8.73	8.66

Note: Fuel Charge and Fuel Generation and Fuel Transmission Demand charge used to calculate cost of purchased power and reported above as "Fuel Charge"
For the GSLD-1 tariff, the fuel charge is applied to the average KWH and the Fuel Generation and Fuel Transmission demand charge is applied to an estimated average coincident peak of 6,496 KW
Average Monthly KVAR estimated at 373.25

Standby (SB)

	Current	Proposed		
CUSTOMER FACILITIES CHARGE	$0.00	N/A		Being eliminated in the new rate design
DEMAND CHARGE	$0.00	N/A	$/KW	
REACTIVE DEMAND CHARGE	$0.00	N/A	$/Kvar	
ENERGY CHARGE	$0.00000	N/A	$/KWH	
GSLD1 FUEL CHARGE	$0.00000	N/A	$/KWH	
FUEL GENERATION DEMAND	$0.00	N/A	$/KW CP	
FUEL TRANSMISSION DEMAND	$0.00	N/A	$/KW CP	
CONSERVATION CHARGE	$0.00000	N/A	$/KWH	
HURRICANE MICHAEL CHARGE	$0.00000	N/A	$/KWH	
STORM PROTECTION CHARGE	$0.00000	N/A	$/KWH	

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)
26,000	437,000	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Note: Fuel Charge and Fuel Generation and Fuel Transmission Demand charge used to calculate cost of purchased power and reported above as "Fuel Charge"
For the Standby tariff, the fuel charge is applied to the average KWH and the Fuel Generation and Fuel Transmission demand charge is applied to an estimated average coincident peak of 6,496 KW

Supprting Schedules: A-3, E-16c

Recap Schedules:

E1362

FPSC EXH NO. 94

ADMITTED

E1363

Schedule A- Lighting Service Customers

FULL REVENUE REQUIREMENTS BILL COMPARISON - TYPICAL MONTHLY BILLS

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: For each rate, calculate typical monthly bills for present rates and proposed rates.

COMPANY: FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
#REF!

Type of Data Shown:
X__ Projected Test Year Ended 12/31/2025
___ Prior Year Ended 12/31/2024
___ Historical Test Year Ended 12/31/2023
Witness: Taylor

		Present Rates - Lighting Service									Proposed Rates - Lighting Service									Increase		Cents/KWH	
Type of Facility	Est. Monthly KWH	Facility Charge	Energy Charge	Maint. Charge	Total Monthly Charge Base	FUEL CHARGE	ECCR CHARGE	HURRICANE MICHAEL SURCHARGE	STORM PROTECTION SURCHARGE	TOTAL	Facility Charge	Energy Charge	Maint. Charge	Total Monthly Charge Base	FUEL CHARGE	ECCR CHARGE	HURRICANE MICHAEL SURCHARGE	STORM PROTECTION SURCHARGE	TOTAL	Dollars	Percent	Current	Proposed
High Pressure Sodium Lights (Closed to New Customers):																							
150w HPS Acorn	61	$23.91	$3.87	$3.02	$30.80	$3.58	$0.07	$0.78	$3.77	$39.00	$22.31	$3.61	$2.82	$28.74	$3.58	$0.07	$0.78	$3.77	$36.94	-$2.06	-5.3%	63.94	60.56
150w HPS ALN 440	61	$34.08	$3.87	$4.03	$41.98	$3.58	$0.07	$0.78	$3.77	$50.18	$31.80	$3.61	$3.76	$39.17	$3.58	$0.07	$0.78	$3.77	$47.37	-$2.81	-5.6%	82.27	77.66
100w HPS Amer Rev	41	$11.73	$2.61	$3.99	$18.33	$2.41	$0.05	$0.52	$2.53	$23.84	$10.95	$2.44	$3.73	$17.12	$2.41	$0.05	$0.52	$2.53	$22.63	-$1.21	-5.1%	58.16	55.21
150w HPS Am Rev	61	$10.99	$3.87	$4.04	$18.90	$3.58	$0.07	$0.78	$3.77	$27.10	$10.25	$3.61	$3.77	$17.63	$3.58	$0.07	$0.78	$3.77	$25.83	-$1.27	-4.7%	44.43	42.35
100w HPS Cobra Head	41	$8.80	$2.61	$2.56	$13.97	$2.41	$0.05	$0.52	$2.53	$19.48	$8.21	$2.44	$2.39	$13.04	$2.41	$0.05	$0.52	$2.53	$18.55	-$0.93	-4.8%	47.52	45.25
200w HPS Cobra Head	81	$11.87	$5.17	$3.07	$20.11	$4.76	$0.10	$1.04	$5.00	$31.00	$11.08	$4.83	$2.87	$18.78	$4.76	$0.10	$1.04	$5.00	$29.67	-$1.33	-4.3%	38.28	36.64
250w HPS Cobra Head	101	$14.12	$6.44	$4.04	$24.60	$5.93	$0.12	$1.29	$6.24	$38.18	$13.18	$6.01	$3.77	$22.96	$5.93	$0.12	$1.29	$6.24	$36.54	-$1.64	-4.3%	37.81	36.18
400w HPS Cobra Head	162	$13.19	$10.37	$3.36	$26.92	$9.51	$0.20	$2.07	$10.01	$48.71	$12.30	$9.68	$3.14	$25.12	$9.51	$0.20	$2.07	$10.01	$46.91	-$1.80	-3.7%	30.07	28.96
250w HPS Flood	101	$13.81	$6.44	$2.94	$23.19	$5.93	$0.12	$1.29	$6.24	$36.77	$12.88	$6.01	$2.74	$21.63	$5.93	$0.12	$1.29	$6.24	$35.21	-$1.56	-4.2%	36.41	34.87
400w HPS Flood	162	$21.67	$10.37	$2.76	$34.80	$9.51	$0.20	$2.07	$10.01	$56.59	$20.22	$9.68	$2.57	$32.47	$9.51	$0.20	$2.07	$10.01	$54.26	-$2.33	-4.1%	34.93	33.49
1000w HPS Flood	405	$27.15	$25.86	$3.64	$56.65	$23.78	$0.49	$5.18	$25.02	$111.12	$25.33	$24.13	$3.40	$52.86	$23.78	$0.49	$5.18	$25.02	$107.33	-$3.79	-3.4%	27.44	26.50
100w HPS SP2 Spectra	41	$30.12	$2.61	$3.76	$36.49	$2.41	$0.05	$0.52	$2.53	$42.00	$28.11	$2.44	$3.51	$34.06	$2.41	$0.05	$0.52	$2.53	$39.57	-$2.43	-5.8%	102.45	96.52
Metal Halide Lights (Closed to New Customers):																							
175w MH ALN 440	71	$32.61	$4.58	$3.17	$40.36	$4.17	$0.09	$0.91	$4.39	$49.91	$30.43	$4.27	$2.96	$37.66	$4.17	$0.09	$0.91	$4.39	$47.21	-$2.70	-5.4%	70.30	66.49
400w MH Flood	162	$14.72	$10.37	$2.68	$27.77	$9.51	$0.20	$2.07	$10.01	$49.56	$13.73	$9.68	$2.50	$25.91	$9.51	$0.20	$2.07	$10.01	$47.70	-$1.86	-3.8%	30.59	29.44
1000w MH Flood	405	$25.02	$25.86	$3.55	$54.43	$23.78	$0.49	$5.18	$25.02	$108.90	$23.35	$24.13	$3.31	$50.79	$23.78	$0.49	$5.18	$25.02	$105.26	-$3.64	-3.3%	26.89	25.99
175w MH Shoebox	71	$27.54	$4.58	$3.56	$35.68	$4.17	$0.09	$0.91	$4.39	$45.23	$25.70	$4.27	$3.32	$33.29	$4.17	$0.09	$0.91	$4.39	$42.84	-$2.39	-5.3%	63.70	60.34
250w MH Shoebox	101	$29.31	$6.44	$3.98	$39.73	$5.93	$0.12	$1.29	$6.24	$53.31	$27.35	$6.01	$3.72	$37.08	$5.93	$0.12	$1.29	$6.24	$50.66	-$2.65	-5.0%	52.79	50.16
100w MH SP2 Spectra -OL2	41	$29.89	$2.61	$3.64	$36.14	$2.41	$0.05	$0.52	$2.53	$41.65	$27.90	$2.44	$3.40	$33.74	$2.41	$0.05	$0.52	$2.53	$39.25	-$2.40	-5.8%	101.60	95.74
1000w MH Vert Shoebox - OL2	405	$30.90	$25.86	$4.03	$60.79	$23.78	$0.49	$5.18	$25.02	$115.26	$28.84	$24.13	$3.76	$56.73	$23.78	$0.49	$5.18	$25.02	$111.20	-$4.06	-3.5%	28.46	27.46
Light Emitting Diode Lights																							
50W Outdoor Light (100W Equivalent)	17	$7.99	$1.08	$2.53	$11.60	$1.00	$0.02	$0.22	$1.05	$13.89	$7.46	$1.01	$2.36	$10.83	$1.00	$0.02	$0.22	$1.05	$13.12	-$0.77	-5.5%	81.69	77.16
50W Cobra Head (100W Equivalent)	17	$10.09	$1.08	$3.14	$14.31	$1.00	$0.02	$0.22	$1.05	$16.60	$9.42	$1.01	$2.93	$13.36	$1.00	$0.02	$0.22	$1.05	$15.65	-$0.95	-5.7%	97.63	92.04
82W Cobra Head (200W Equivalent)	28	$9.45	$1.78	$2.95	$14.18	$1.64	$0.03	$0.36	$1.73	$17.95	$8.82	$1.67	$2.75	$13.24	$1.64	$0.03	$0.36	$1.73	$17.01	-$0.94	-5.2%	64.09	60.74
130W Cobra Head (250W Equivalent)	45	$9.41	$2.87	$2.94	$15.22	$2.64	$0.05	$0.58	$2.78	$21.27	$8.78	$2.67	$2.74	$14.19	$2.64	$0.05	$0.58	$2.78	$20.24	-$1.03	-4.8%	47.27	44.98
210W Cobra Head (400W Equivalent)	72	$16.45	$4.59	$4.80	$25.84	$4.23	$0.09	$0.92	$4.45	$35.52	$15.35	$4.28	$4.48	$24.11	$4.23	$0.09	$0.92	$4.45	$33.79	-$1.73	-4.9%	49.34	46.94
26W American Revolution Decorative (100W Equivalent)	9	$9.45	$0.57	$3.30	$13.32	$0.53	$0.01	$0.12	$0.56	$14.53	$8.82	$0.53	$3.08	$12.43	$0.53	$0.01	$0.12	$0.56	$13.64	-$0.89	-6.1%	161.45	151.56
44W American Revolution Decorative (150W Equivalent)	15	$9.36	$0.96	$3.27	$13.59	$0.88	$0.02	$0.19	$0.93	$15.61	$8.74	$0.90	$3.05	$12.69	$0.88	$0.02	$0.19	$0.93	$14.71	-$0.90	-5.8%	104.05	98.05
90W Acorn Decorative (150W Equivalent)	31	$13.53	$1.98	$4.50	$20.01	$1.82	$0.04	$0.40	$1.91	$24.18	$12.62	$1.85	$4.20	$18.67	$1.82	$0.04	$0.40	$1.91	$22.84	-$1.34	-5.5%	78.00	73.68
60W Post Top Decorative (150W Equivalent)	21	$23.97	$1.34	$7.59	$32.90	$1.23	$0.03	$0.27	$1.30	$35.72	$22.37	$1.25	$7.08	$30.70	$1.23	$0.03	$0.27	$1.30	$33.52	-$2.20	-6.2%	170.12	159.64
80W Flood (250W Equivalent)	27	$13.11	$1.72	$4.13	$18.96	$1.59	$0.03	$0.35	$1.67	$22.59	$12.24	$1.61	$3.85	$17.70	$1.59	$0.03	$0.35	$1.67	$21.33	-$1.26	-5.6%	83.67	79.01
170W Flood (400W Equivalent)	58	$13.11	$3.70	$4.13	$20.94	$3.41	$0.07	$0.74	$3.58	$28.74	$12.24	$3.46	$3.85	$19.55	$3.41	$0.07	$0.74	$3.58	$27.35	-$1.39	-4.8%	49.55	47.16
150W Flood (350W Equivalent)	52	$13.11	$3.31	$4.13	$20.55	$3.05	$0.06	$0.67	$3.21	$27.54	$12.24	$3.09	$3.85	$19.18	$3.05	$0.06	$0.67	$3.21	$26.17	-$1.37	-5.0%	52.97	50.33
290W Flood (1,000W Equivalent)	100	$13.11	$6.37	$4.13	$23.61	$5.87	$0.12	$1.28	$6.18	$37.06	$12.24	$5.95	$3.85	$22.04	$5.87	$0.12	$1.28	$6.18	$35.49	-$1.57	-4.2%	37.06	35.49
82W Shoe Box (175W Equivalent)	23	$11.56	$3.31	$3.92	$18.79	$1.35	$0.03	$0.29	$1.42	$21.88	$10.79	$3.09	$3.66	$17.54	$1.35	$0.03	$0.29	$1.42	$20.63	-$1.25	-5.7%	95.15	89.71
131W Shoe Box (250W Equivalent)	45	$13.02	$2.87	$4.36	$20.25	$2.64	$0.05	$0.58	$2.78	$26.30	$12.15	$2.67	$4.07	$18.89	$2.64	$0.05	$0.58	$2.78	$24.94	-$1.36	-5.2%	58.45	55.43
Mercury Vapor Lights (Closed to New Customers):																							
175w MV Cobra Head	72	$1.69	$4.49	$1.51	$7.69	$4.23	$0.09	$0.92	$4.45	$17.37	$1.57	$4.19	$1.40	$7.16	$4.23	$0.09	$0.92	$4.45	$16.84	-$0.53	-3.1%	24.13	23.39
400w MV Cobra Head	154	$1.86	$9.65	$1.60	$13.11	$9.04	$0.19	$1.97	$9.51	$33.82	$1.73	$9.01	$1.50	$12.24	$9.04	$0.19	$1.97	$9.51	$32.95	-$0.87	-2.6%	21.96	21.40
10' Alum Deco Base		$22.53			$22.53					$22.53	$21.03			$21.03					$21.03	-$1.50	-6.7%	N/A	N/A
13' Decorative Concrete		$17.17			$17.17					$17.17	$16.02			$16.02					$16.02	-$1.15	-6.7%	N/A	N/A
18' Fiberglass Round		$12.12			$12.12					$12.12	$11.31			$11.31					$11.31	-$0.81	-6.7%	N/A	N/A
20' Decorative Concrete		$19.92			$19.92					$19.92	$18.59			$18.59					$18.59	-$1.33	-6.7%	N/A	N/A
30' Wood Pole Std		$6.51			$6.51					$6.51	$6.07			$6.07					$6.07	-$0.44	-6.8%	N/A	N/A
35' Concrete Square		$19.22			$19.22					$19.22	$17.94			$17.94					$17.94	-$1.28	-6.7%	N/A	N/A
40' Wood Pole Std		$13.02			$13.02					$13.02	$12.15			$12.15					$12.15	-$0.87	-6.7%	N/A	N/A
30' Wood pole		$5.85			$5.85					$5.85	$5.46			$5.46					$5.46	-$0.39	-6.7%	N/A	N/A

Supporting Schedules: A-3, E-16d

Recap Schedules:

E1363

FPSC EXH NO. 94

ADMITTED

E1364

FLORIDA PUBLIC SERVICE COMMISSION EXPLANATION: Provide a summary of all proposed changes in rates and rate classes, detailing current and proposed classes of service, demand, energy, and other service charges.

COMPANY: FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
#REF!

Type of Data Shown:
X Projected Test Year Ended 12/31/2025
___ Prior Year Ended 12/31/2024
___ Historical Test Year Ended 12/31/2023
Witness: Taylor

(1) Current Rate Schedule	(2) Type of Charge		(3) Current Rate	(4) Proposed Rate Schedule		(5) Proposed Rate	(6) Percent Increase
Service Charges							
ESET	1 Initial Establishment of Service		$125.00	ESET		$125.00	0.00%
ECONN	2 Re-establish Service or Make Changes to Existing Account		$45.00	ECONN		$45.00	0.00%
EUPGD	3 Temporary Disconnect Then Reconnect Service Due To Customer Request		$81.00	EUPGD		$81.00	0.00%
ESONP	4 Reconnect After Disconnect for Rule Violation(normal hours)		$70.00	ESONP		$70.00	0.00%
SONPA	5 Reconnect After Disconnect for Rule Violation(after hours)		$325.00	SONPA		$325.00	0.00%
ETEMP	6 Temporary Service - this charge is used in conjunction with the temporary service fee when running a temporary service		$135.00	ETEMP		$135.00	0.00%
MSBC	7 Collection Charge		$50.00	MSBC		$50.00	0.00%
ENSF	8 Returned Check Charge		Per Statute	ENSF		Per Statute	
LATEF	9 Late Fees		Per Statute	LATEF		Per Statute	
Residential Service							
RS	CUSTOMER FACILITIES CHARGE		$24.40	RS		$24.40	0.00%
RS	DEMAND CHARGE ($/kW)		$0.00000	RS		-	
RS	ENERGY CHARGE ($/kWh)		$0.03042	RS	≤1000 kwh	$0.02696	-11.37%
RS	ENERGY CHARGE ($/kWh)		$0.04983	RS	>1000 kwh	$0.04415	-11.40%
RS	FUEL CHARGE ($/kWh)	≤1000 kwh	$0.07505	RS	≤1000 kwh	$0.07505	0.00%
RS	FUEL CHARGE ($/kWh)	>1000 kwh	$0.08755	RS	>1000 kwh	$0.08755	0.00%
RS	CONSERVATION CHARGE ($/kWh)		$0.00121	RS		$0.00121	0.00%
RS	HURRICANE MICHAEL($/kWh)		$0.01280	RS		$0.01280	0.00%
RS	SPP ($/kWh)		$0.00997	RS		$0.00997	0.00%
General Service							
GS	CUSTOMER FACILITIES CHARGE		$40.00	GS		$40.00	0.00%
GS	DEMAND CHARGE ($/kW)		$0.0	GS		$0.0	
GS	ENERGY CHARGE ($/kWh)		$0.04668	GS		$0.04152	-11.05%
GS	FUEL CHARGE ($/kWh)		$0.07890	GS		$0.07890	0.00%
GS	CONSERVATION CHARGE ($/kWh)		$0.00121	GS		$0.00121	0.00%
GS	HURRICANE MICHAEL($/kWh)		$0.01280	GS		$0.01280	0.00%
GS	SPP ($/kWh)		$0.01100	GS		$0.01100	0.00%

Supporting Schedules: E-16c Recap Schedules: A-1

E1364

Schedule A-3 SUMMARY OF TARIFFS

FLORIDA PUBLIC SERVICE COMMISSION EXPLANATION: Provide a summary of all proposed changes in rates and rate classes, detailing current and proposed classes of service, demand, energy, and other service charges.

COMPANY: FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.:

Type of Data Shown:
X__ Projected Test Year Ended 12/31/2025
___ Prior Year Ended 12/31/2024
___ Historical Test Year Ended 12/31/2023
Witness: Taylor

(1) Current Rate Schedule	(2) Type of Charge	(3) Current Rate	(4) Proposed Rate Schedule	(5) Proposed Rate	(6) Percent Increase
General Service Demand					
GSD	CUSTOMER FACILITIES CHARGE	$126.44	GSD	$117.99	-6.68%
GSD	DEMAND CHARGE ($/kW)	$6.89	GSD	$6.43	-6.68%
GSD	ENERGY CHARGE ($/kWh)	$0.00840	GSD	$0.00784	-6.67%
GSD	FUEL CHARGE ($/kWh)	$0.07392	GSD	$0.07392	0.00%
GSD	CONSERVATION CHARGE ($/kWh)	$0.00121	GSD	$0.00121	0.00%
GSD	HURRICANE MICHAEL($/kWh)	$0.01280	GSD	$0.01280	0.00%
GSD	SPP ($/kWh)	$0.00594	GSD	$0.00594	0.00%
General Service Large Demand					
GSLD	CUSTOMER FACILITIES CHARGE	$241.70	GSLD	$225.55	-6.68%
GSLD	DEMAND CHARGE ($/kW)	$9.86	GSLD	$9.20	-6.69%
GSLD	ENERGY CHARGE ($/kWh)	$0.00390	GSLD	$0.00364	-6.67%
GSLD	FUEL CHARGE ($/kWh)	$0.07176	GSLD	$0.07176	0.00%
GSLD	CONSERVATION CHARGE ($/kWh)	$0.00121	GSLD	$0.00121	0.00%
GSLD	HURRICANE MICHAEL($/kWh)	$0.01280	GSLD	$0.01280	0.00%
GSLD	SPP ($/kWh)	$0.00508	GSLD	$0.00508	0.00%
General Service Large Demand 1					
GSLD1	CUSTOMER FACILITIES CHARGE	$1,183.57	GSLD1	$1,104.48	-6.68%
GSLD1	DEMAND CHARGE ($/kW)	$2.74	GSLD1	$2.56	-6.57%
GSLD1	REACTIVE DEMAND CHARGE ($/KVAR EXCESS DEMAI	$0.53	GSLD1	$0.50	-5.66%
GSLD1	ENERGY CHARGE ($/kWh)	$0.00000	GSLD1	$0.00000	N/A
GSLD2	FUEL GENERATION DEMAND ($/k)	$4.90 (Estimate)	GSLD1	$4.90000	0.00%
GSLD1	FUEL TRANSMISION DEMAND ($/KW)	$3.79 (Estimate)	GSLD1	$3.79000	0.00%
GSLD1	FUEL CHARGE ($/kWh)	$0.03708 (Estimate)	GSLD1	$0.03708	0.00%
GSLD1	CONSERVATION CHARGE ($/kWh)	$0.00121	GSLD1	$0.00121	0.00%
GSLD1	HURRICANE MICHAEL($/kWh)	$0.01280	GSLD1	$0.01280	0.00%
GSLD1	SPP ($/kWh)	$0.01402	GSLD1	$0.01402	0.00%
Standby (SB)					
GSLD1	CUSTOMER FACILITIES CHARGE	NA	GSLD1	NA	N/A
GSLD1	DEMAND CHARGE ($/kW)	NA	GSLD1	NA	N/A
GSLD1	REACTIVE DEMAND CHARGE ($/KVAR EXCESS DEMAI	NA	GSLD1	NA	N/A
GSLD1	ENERGY CHARGE ($/kWh)	NA	GSLD1	NA	N/A
GSLD1	FUEL GENERATION DEMAND ($/k)	NA	GSLD1	NA	N/A
GSLD1	FUEL TRANSMISION DEMAND ($/KW)	NA	GSLD1	NA	N/A
GSLD1	FUEL CHARGE ($/kWh)	NA	GSLD1	NA	N/A
GSLD1	CONSERVATION CHARGE ($/kWh)	NA	GSLD1	NA	N/A
GSLD2	HURRICANE MICHAEL($/kWh)	NA	GSLD2	NA	N/A
GSLD3	SPP ($/kWh)	NA	GSLD3	NA	N/A
Lighting Service					
	BASE RATES VARY BASED ON FIXTURE-SEE PAGE 3				
LS	FUEL CHARGE ($/kWh)	$0.05872	LS	$0.05872	0.00%
LS	CONSERVATION CHARGE ($/kWh)	$0.00121	LS	$0.00121	0.00%
LS	HURRICANE MICHAEL($/kWh)	$0.01280	LS	$0.01280	0.00%
LS	SPP ($/kWh)	$0.06177	LS	$0.06177	0.00%

Supporting Schedules: E-16c Recap Schedules: A-1

E1365

FPSC EXH NO. 94

ADMITTED

E1366

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
#REF!

EXPLANATION: Provide a summary of all proposed changes in rates and rate classes, detailing current and proposed classes of service, demand, energy, and other service charges.

Type of Data Shown:
X__ Projected Test Year Ended 12/31/2025
___ Prior Year Ended 12/31/2024
___ Historical Test Year Ended 12/31/2023
Witness: Taylor

			Present Rates - Lighting Service				Proposed Rates - Lighting Service				
Type of Facility	Est. Monthly KWH	Annual KWH	Facility Charge	Energy Charge	Maint. Charge	Total Monthly Charge	Facility Charge	Energy Charge	Maint. Charge	Total Monthly Charge	Percent Increase
High Pressure Sodium Lights (Closed to New Customers):											
150w HPS Acorn	61	150	$23.91	$3.87	$3.02	$30.80	$22.31	$3.61	$2.82	$28.74	-6.69%
150w HPS ALN 440	61	150	$34.08	$3.87	$4.03	$41.98	$31.80	$3.61	$3.76	$39.17	-6.69%
100w HPS Amer Rev	41	100	$11.73	$2.61	$3.99	$18.33	$10.95	$2.44	$3.73	$17.12	-6.60%
150w HPS Am Rev	61	150	$10.99	$3.87	$4.04	$18.90	$10.25	$3.61	$3.77	$17.63	-6.72%
100w HPS Cobra Head	41	100	$8.80	$2.61	$2.56	$13.97	$8.21	$2.44	$2.39	$13.04	-6.66%
200w HPS Cobra Head	81	200	$11.87	$5.17	$3.07	$20.11	$11.08	$4.83	$2.87	$18.78	-6.61%
250w HPS Cobra Head	101	250	$14.12	$6.44	$4.04	$24.60	$13.18	$6.01	$3.77	$22.96	-6.67%
400w HPS Cobra Head	162	400	$13.19	$10.37	$3.36	$26.92	$12.30	$9.68	$3.14	$25.12	-6.69%
250w HPS Flood	101	250	$13.81	$6.44	$2.94	$23.19	$12.88	$6.01	$2.74	$21.63	-6.73%
400w HPS Flood	162	400	$21.67	$10.37	$2.76	$34.80	$20.22	$9.68	$2.57	$32.47	-6.70%
1000w HPS Flood	405	1000	$27.15	$25.86	$3.64	$56.65	$25.33	$24.13	$3.40	$52.86	-6.69%
100w HPS SP2 Spectra	41	100	$30.12	$2.61	$3.76	$36.49	$28.11	$2.44	$3.51	$34.06	-6.66%
Metal Halide Lights (Closed to New Customers):											
175w MH ALN 440	71	175	$32.61	$4.58	$3.17	$40.36	$30.43	$4.27	$2.96	$37.66	-6.69%
400w MH Flood	162	400	$14.72	$10.37	$2.68	$27.77	$13.73	$9.68	$2.50	$25.91	-6.70%
1000w MH Flood	405	1000	$25.02	$25.86	$3.55	$54.43	$23.35	$24.13	$3.31	$50.79	-6.69%
175w MH Shoebox	71	175	$27.54	$4.58	$3.56	$35.68	$25.70	$4.27	$3.32	$33.29	-6.70%
250w MH Shoebox	101	250	$29.31	$6.44	$3.98	$39.73	$27.35	$6.01	$3.72	$37.08	-6.67%
100w MH SP2 Spectra -OL2	41	100	$29.89	$2.61	$3.64	$36.14	$27.90	$2.44	$3.40	$33.74	-6.64%
1000w MH Vert Shoebox - OL2	405	1,000	$30.90	$25.86	$4.03	$60.79	$28.84	$24.13	$3.76	$56.73	-6.68%
Light Emitting Diode Lights											
50W Outdoor Light (100W Equivalent	17	50	$7.99	$1.08	$2.53	$11.60	$7.46	$1.01	$2.36	$10.83	-6.64%
50W Cobra Head (100W Equivalent)	17	50	$10.09	$1.08	$3.14	$14.31	$9.42	$1.01	$2.93	$13.36	-6.64%
82W Cobra Head (200W Equivalent)	28	82	$9.45	$1.78	$2.95	$14.18	$8.82	$1.67	$2.75	$13.24	-6.63%
130W Cobra Head (250W Equivalent)	45	130	$9.41	$2.87	$2.94	$15.22	$8.78	$2.67	$2.74	$14.19	-6.77%
210W Cobra Head (400W Equivalent)	72	210	$16.45	$4.59	$4.80	$25.84	$15.35	$4.28	$4.48	$24.11	-6.70%
26W American Revolution Decorative (100W Equivalent)	9	26	$9.45	$0.57	$3.30	$13.32	$8.82	$0.53	$3.08	$12.43	-6.68%
44W American Revolution Decorative (150W Equivalent)	15	44	$9.36	$0.96	$3.27	$13.59	$8.74	$0.90	$3.05	$12.69	-6.62%
90W Acorn Decorative (150W Equivalent)	31	90	$13.53	$1.98	$4.50	$20.01	$12.62	$1.85	$4.20	$18.67	-6.70%
60W Post Top Decorative (150W Equivalent)	21	60	$23.97	$1.34	$7.59	$32.90	$22.37	$1.25	$7.08	$30.70	-6.69%
80W Flood (250W Equivalent)	27	80	$13.11	$1.72	$4.13	$18.96	$12.24	$1.61	$3.85	$17.70	-6.65%
170W Flood (400W Equivalent)	58	170	$13.11	$3.70	$4.13	$20.94	$12.24	$3.46	$3.85	$19.55	-6.64%
150W Flood (350W Equivalent)	52	150	$13.11	$3.31	$4.13	$20.55	$12.24	$3.09	$3.85	$19.18	-6.67%
290W Flood (1,000W Equivalent)	100	290	$13.11	$6.37	$4.13	$23.61	$12.24	$5.95	$3.85	$22.04	-6.65%
82W Shoe Box (175W Equivalent)	23	276	$11.56	$3.31	$3.92	$18.79	$10.79	$3.09	$3.66	$17.54	-6.65%
131W Shoe Box (250W Equivalent)	45	131	$13.02	$2.87	$4.36	$20.25	$12.15	$2.67	$4.07	$18.89	-6.72%
Mercury Vapor Lights (Closed to New Customers):											
175w MV Cobra Head -OL	72	175	$1.69	$4.49	$1.51	$7.69	$1.57	$4.19	$1.40	$7.16	-6.89%
400w MV Cobra Head-OL	154	400	$1.86	$9.65	$1.60	$13.11	$1.73	$9.01	$1.50	$12.24	-6.64%
10' Alum Deco Base			$22.53			$22.53	$21.03			$21.03	-6.66%
13' Decorative Concrete			$17.17			$17.17	$16.02			$16.02	-6.70%
18' Fiberglass Round			$12.12			$12.12	$11.31			$11.31	-6.68%
20' Decorative Concrete			$19.92			$19.92	$18.59			$18.59	-6.68%
30' Wood Pole Std			$6.51			$6.51	$6.07			$6.07	-6.76%
35' Concrete Square			$19.22			$19.22	$17.94			$17.94	-6.66%
40' Wood Pole Std			$13.02			$13.02	$12.15			$12.15	-6.68%
30' Wood pole			$5.85			$5.85	$5.46			$5.46	-6.67%

Supporting Schedules: E-16d

Recap Schedules: A-1

E1366

95

FPUC's Response to Staff's Thirty Seventh Data Request (Nos. 1-5)

FPSC EXH NO. 95

ADMITTED

E1368

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition for rate increase by Florida Public Utilities Company.	DOCKET NO. 20240099-EI

FPUC's Responses to Staff's 37th Set of Data Requests

1. Referring to Paragraph III, section b., of the Stipulation and Settlement, please clarify if the reference to March 30, 2026 is a scrivener's error and if the correct date should be March 20, 2026.

COMPANY RESPONSE:

Yes, the correct date should be March 20, 2026.

2. Referring to the footnote on page 3 of the petition, please state whether the reference to March 30, 2026 is a scrivener's error (similar to the question above) and the $7.4 million would be for the period March 20, 2025 through March 19, 2026.

COMPANY RESPONSE:

Yes, the correct dates should be March 20, 2025 through March 19, 2026.

3. Referring to Paragraph III, section d., of the Stipulation and Settlement, please state when the substation and transmission projects are expected to be placed in service and provide the residential 1,000 kWh bill impact (on base rates and the purchased power cost recovery clause) when these assets are placed into service.

COMPANY RESPONSE:

At this time, the Company is still in the process of completing the substations and does not have an exact date of when they will be completed or how much the final revenue

E1368

requirement would be. Current contractor projections show full completion in December 2026. However, as stated in settlement paragraph III.d., the Company will file a notice of intent to implement this increase with the proposed tariff sheets when the work is complete and with all revenue requirement calculations. If the Company were to recover the maximum allowed amount, this would increase a residential 1,000 kWh bill by $1.11.

4. Please provide the residential 1,000 KWH bill impacts on the base rates portion of the bill that will go into effect on March 20, 2026.

COMPANY RESPONSE:

The Company is not able to determine the rates that will go into effect on March 20, 2026 until the over-recovery between the current rates and the settlement rates are approved and the 3-year average of that difference is computed. Paragraph XV.a. states that the "tariffs reflective of the rates that will be effective March 20, 2026 and for the subsequent years of the Minimum Term will be provided within 90 days of the data a Commission Order approving this 2025 Agreement becomes final. This is necessary to enable the Company to determine the over-recovery and thus the adjusted recovery for March 20, 2026 forward and to have our consultants determine the rates based on that adjusted number.

5. Please confirm the following table is correct; or provide a corrected table:

Period	Base Rates Revenue Req. Increase	Miscellaneous Charges Increase	Deferral of collection of $1 M first year rev req increase (over 3 years)	Difference between revenues received from PAA rates and Settlement rates (over 3 years)
3/20/25-7/1/25	$9.6M	+ $164,495		

Period	Base Rates Revenue Req. Increase	Miscellaneous Charges Increase	Deferral of collection of $1 M first year rev req increase (over 3 years)	Difference between revenues received from PAA rates and Settlement rates (over 3 years)
7/1/25-3/19/26	$7.4M	+ $164,495		
3/20/26-3/19/27	$8.4M	+ $164,495	+ $1 M / 3 = $0.33 M	- amount to be determined
3/20/27-3/19/28	$8.4M	+ $164,495	+ $1 M / 3 = $0.33 M	- amount to be determined
3/20/28-~~3/19/29~~ Until Next Rate Proceeding	$8.4M	+ $164,495	+ $1 M / 3 = $0.33 M	- amount to be determined

COMPANY RESPONSE:

This table is correct except for any addition for the substation step-up when the substation work is completed and the correction highlighted above. For clarity, the last column will reflect the difference in revenues received from the PAA rates and the Settlement rates for the period that the PAA rates were in effect; i.e. March 20, 2025 until the date the Settlement is approved.

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FPUC's Follow-up and Additional Responses to Staff's Data Requests.

Gunster

Writer's Direct Dial Number: (850) 521-1706
Writer's E-Mail Address: bkeating@gunster.com

January 30, 2025

BY E-FILING

Mr. Adam Teitzman, Clerk
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850

Re: **Docket No. 20240099-EI - Petition for rate increase by Florida Public Utilities Company**

Dear Mr. Teitzman:

Attached for filing on behalf of Florida Public Utilities Company, please find the Company's responses to Staff's additional follow up questions.

Sincerely,

Beth Keating
Gunster, Yoakley & Stewart, P.A.
215 South Monroe St., Suite 601
Tallahassee, FL 32301
(850) 521-1706

Cc: (Service List)

E1372

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition for rate increase by Florida Public Utilities Company.	DOCKET NO. 20240099-EI

FPUC'S RESPONSES TO STAFF'S FOLLOW UP DATA REQUESTS

1. **For the following projects can FPUC please provide the third-party/vendor being used for each and how they were selected? Also, was a bidding process utilized to select the vendor(s)?**

   a. **Security Camera Project**
   b. **Two-way communication system**
   c. **New Customer Information System (NCIS)**

Company Response:

A. Advantech is the vendor for the security cameras and video management. Advantech won a bid back in 2017 for the role of security integrator for Chesapeake. The Company has continued to use them for other similar projects; therefore, there was no separate formal bidding process.

B. Radio One is the anticipated vendor for the radio communication system. The Company received two bids thus far for the radio end user equipment, but prefers Radio One due to its reputation and equipment.

C. In order to select its new Customer Information System (CIS), which has been installed and activated, Florida Public Utilities sought expertise from industry leaders to support strategic direction, analyze approach to CIS enhancement / replacement, and provide industry and peer utility insights. One vendor, TMG, supported from system assessment and procurement process, while the second vendor, Ernst & Young (EY) focused on analysis of approach and alternatives. FPUC also consulted with KPMG to perform quality assurance checks and entered into a second engagement to evaluate security and controls testing identifying any deficiencies. Storm Runner was used for performance testing.

The TMG engagement established our strategic vision, direction, and standards aligning to business objectives for operating in the most cost-effective manner for a world-class solution. TMG has followed the TMGVAST© (Value Added Services & Tools) methodology which consist of a detailed upfront planning phase followed by a procurement process that they have executed over 150 times.
This methodology began with a current state analysis of the FPUC utility's operations of core CIS systems and its extended or edge systems (CSS, GIS, etc.). The next steps of the

process included a strategic analysis to identify the future-ready target state for business operations and necessary supporting technologies to provide improvement recommendations, alternatives, an implementation/upgrade plan for core and supporting systems and technologies to help achieve economic, financial, and operational goals.

Development of the utility's digital roadmap consolidated all findings from the previous analysis activities to assemble roadmap recommendations budget, resource requirements, and ongoing costs to be included in a comprehensive RFP package.

Workshops were completed to formally document project alignment to the utility's expectations. The RFP engagement included management of vendor responses, pricing (software bill of material and tools), informational attachments for integrations, technology, platforms, and utility documents covering items such as security, utility terms, corporate diversity programs, insurance, etc.

Throughout this process, FPUC identified more than 3,200 CIS system requirements and leveraged TMG to review and provide recommendations for systems best suited to support FPUC's requirements and expectations.

During the RFP and selection phase, TMG managed follow up, conducted additional workshops (if required), assisted with creation of an evaluation matrix, performed initial review of alignment to base requirements, and verified references scheduling interviews as appropriate.

Concurrently, FPUC refined project scope and developed an implementation blueprint ahead of contract negotiations where TMG again provided their industry expertise to facilitate cost management and maximize customer benefits.

In addition to partnering with TMG, we collaborated EY to conduct an analysis of system replacement alternatives. The alternatives analyzed were: 1) maintain current systems as they are, 2) upgrade/invest in existing systems, 3) outsource ongoing maintenance and support, 4) replace our current systems, and 5) migrate customers to one of the two CIS systems being replaced. This effort confirmed FPUC's approach to replace our current systems with a new modern CIS.

During the alternative assessment, EY evaluated each potential option to provide a rating against the following set of risk factors: execution, vendor health, ongoing operations and support, reliability and security, and business enablement. EY was uniquely positioned to share additional expertise regarding peer utility challenges and decisions.

These two engagements ultimately led us to the selection of our new CIS system, SAP, after an exhaustive evaluation of alignment to system requirements and business objectives as well as strategic direction and approach.

Over the course of the installation process, the Company also utilized IFS Mitigation, Starnik, Redwood BPA for batch jobs, Storm Runner for performance testing, One Source for Tax Software, Azure, Vertex, and Kubra, among others.

2. **With respect to Two-Way Communication System, please provide the updated total capital cost of the two-way communication system (the current proposed capital cost is $1.3 million). Was this based off of the lower of the two bids received for the equipment?**

Company Response:

FPUC's revised, best estimate for the cost is $326,430 based upon updated information and bids.

The $326,430 is a combination of the Radio One bid, which contemplates Motorola equipment, the amount anticipated for additional antenna and poles, installation, and FAA regulatory compliance.

The Company got 2 bids for radio service. Although one has not been definitively chosen yet, the Company is leaning towards Radio One because it is more reputable and uses Motorola equipment.

3. **Please provide the anticipated in-service date for the two-way communication system (the current in-service date is Q1 of 2025).**

Company Response:

The Company has since determined it needs approval from the FAA, so the estimated in-service date is now June 2025.

4. **Please provide the adjustments to remove any over-estimated amounts (e.g., plant, depreciation).**

Company Response:
The change is a reduction to rate base of $940,711 and a reduction to depreciation expense of $187,357 as shown on the attached worksheet.

5. **Please explain the methodology behind the depreciation rate used in the provided spreadsheet (rows 5 and 12)?**

Company Response:

In the filing, the radios were charged to account 397 Communication Equipment which has a 5 year amortization rate. The formula takes the prior month plant balance divided by 5 years divided by 12 months to get the monthly depreciation.

6. **For NCIS, the two main vendors were TMG and EY. Were any alternative vendors considered for these leading roles? What led FPUC to ultimately go with**

TMG/EY (e.g., was it the cost or specialization they provided?)?

Company Response:

TMG and EY were considered and ultimately selected because both had relevant experience with Utility billing system projects and related software implementation. They were also priced reasonably.
The Company also considered Deloitte, which also has expertise in this area, but their cost and implementation time frame were much longer than FPUC's budget and expected timelines.

7. **How is the "self-healing" project in the rate case distinguished from the "Distribution and Connectivity Automation" program in the updated SPP filed by FPUC in Docket No. 20250017-EI?**

Company Response:

The self-healing project in the rate case is essentially the Future Transmission and Distribution Enhancements program eliminated by the Commission from FPUC's 2022 SPP because it was primarily a "reliability" program, as opposed to "storm protection." It is the implementation of the "underlying data gathering system" noted in Order No. PSC-2022-0387-FOF-EI, issued in Docket No. 20220049-EI, at page 17, which the Commission found was a reliability project, rather than hardening.

In contrast, the Distribution Connectivity and Automation program included in FPUC's updated SPP is a hardening project that, while related to and dependent upon completion of the "self-healing" project in the rate case, is more aligned with storm protection and restoration in that it entails the implementation of the distribution automation systems that the Commission indicated would more likely be considered "storm protection" in that they will help "identify and facilitate restoration efforts" following a storm. Id.

FPSC EXH NO. 96

ADMITTED

E1377

Per Adjusted Filing	Dec-24	Jan-25	Feb-25	Mar-25	Apr-25	May-25	Jun-25	Jul-25	Aug-25	Sep-25	Oct-25	Nov-25	Dec-25	13-Month Average	Yearly
CWIP	300,000	300,000	550,000	-										88,462	
Plant	500,000	500,000	500,000	1,300,000	1,300,000	1,300,000	1,300,000	1,300,000	1,300,000	1,300,000	1,300,000	1,300,000	1,300,000	1,115,385	
Accumulated Depreciation		(8,333)	(16,667)	(25,000)	(46,667)	(68,333)	(90,000)	(111,667)	(133,333)	(155,000)	(176,667)	(198,333)	(220,000)	(96,154)	
Depreciation Expense		8,333	8,333	8,333	21,667	21,667	21,667	21,667	21,667	21,667	21,667	21,667	21,667		220,000
	800,000	800,000	1,041,667	1,283,333	1,275,000	1,253,333	1,231,667	1,210,000	1,188,333	1,166,667	1,145,000	1,123,333	1,101,667	1,107,692	220,000
Current Estimate															
CWIP														-	
Plant							326,430	326,430	326,430	326,430	326,430	326,430	326,430	175,770	
Accumulated Depreciation								(5,441)	(10,881)	(16,322)	(21,762)	(27,203)	(32,643)	(8,789)	
Depreciation Expense								5,441	5,441	5,441	5,441	5,441	5,441		32,643
	-	-	-	-	-	-	326,430	326,430	320,990	315,549	310,109	304,668	299,228	166,982	32,643
Difference:															
CWIP	(300,000)	(300,000)	(550,000)	-	-	-	-	-	-	-	-	-	-	(88,462)	
Plant	(500,000)	(500,000)	(500,000)	(1,300,000)	(1,300,000)	(1,300,000)	(973,570)	(973,570)	(973,570)	(973,570)	(973,570)	(973,570)	(973,570)	(939,615)	
Accumulated Depreciation	-	8,333	16,667	25,000	46,667	68,333	90,000	106,226	122,452	138,679	154,905	171,131	187,357	87,365	
Depreciation Expense	-	(8,333)	(8,333)	(8,333)	(21,667)	(21,667)	(21,667)	(16,226)	(16,226)	(16,226)	(16,226)	(16,226)	(16,226)		(187,357)
	(800,000)	(800,000)	(1,041,667)	(1,283,333)	(1,275,000)	(1,253,333)	(905,237)	(883,570)	(867,344)	(851,118)	(834,892)	(818,665)	(802,439)	(940,711)	(187,357)

E1377

Gunster

Writer's Direct Dial Number: (850) 521-1706
Writer's E-Mail Address: bkeating@gunster.com

January 31, 2025

BY E-FILING

Mr. Adam Teitzman, Clerk
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850

Re: **Docket No. 20240099-EI - Petition for rate increase by Florida Public Utilities Company**

Dear Mr. Teitzman:

Attached for filing on behalf of Florida Public Utilities Company, please find the Company's responses to Staff's follow up questions.

Sincerely,

Beth Keating
Gunster, Yoakley & Stewart, P.A.
215 South Monroe St., Suite 601
Tallahassee, FL 32301
(850) 521-1706

Cc: (Service List)

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition for rate increase by Florida Public Utilities Company.	DOCKET NO. 20240099-EI

FPUC'S RESPONSES TO STAFF'S ADDITIONAL DATA REQUESTS

In response to Staff's Follow Up Data Requests, DR #7, the Company explained the distinction between the "self-healing" project in the rate case and the "Distribution and Connectivity Automation" program in the updated SPP filed by FPUC in Docket No. 20250017-EI. Please respond to the following follow up:

1. To confirm, is the self-healing project included in the rate case essentially the SCADA system upgrades, and the SPP program entails installation of the actual equipment to self-heal?

Company Response: Yes, generally speaking, that is correct.

2. The response to Staff's 6th Data Request, No. 13, indicates that a total of 12 "units" are being installed for the self-healing project. Can you identify these "units" and where they are being installed on the system?

Company Response:

1. The devices being installed are the S&C IntelliRupter Pulse Closer Fault Interrupter that will allow the data collected by the device to determine what has occurred downstream and react accordingly. This will do both improving the reliability and help improve storm restoration by more thoroughly collecting data and reacting to keep power on where possible thereby allowing crews to work on damaged lines rather than patrol areas the could have power maintained.

2. The Company has identified the following locations that are appropriate for the installation of these twelve (12) devices. *(following page)*

Northeast Florida		
ADDRESSES FOR INTELLIRUPTERS	**POLE #**	**FEEDER**
5550 S FLETCHER AVE	**New pole near transmission pole #0082-B**	**102**
111 CORMORANT CT	**Pole #4983**	**311**
1442 SIMMONS RD	**New pole near transmission pole #0025-B**	**311**
19 OAK GROVE PL	**Pole #0794**	**211**
1997 SADLER RD	**Pole #4782**	**310**
815 CALHOUN ST	**Pole #3061**	**212**
2021 JASMINE ST	**Pole #0309**	**209**

Northwest Florida
1. Pole 18220 – Hospital – Kelson Ave (Replacing Switch)
2. Pole 9872-1478 – College – Kelson Ave (Replacing Switch)
3. Pole 20744 – College – Old US (Replacing Recloser)
4. Pole 12829 – Malone – Fort Rd (Replacing Switch)
5. Pole 24961 – College – Kelson Ave (Replacing Switch)
6. Pole 07570 – 90W – Noland St (Replacing Recloser)
7. Pole 08581 – Prison – Caverns Rd (Replacing Switch)
8. Pole 09719 – Dogwood – Hwy 71 (Addition)
9. Pole 13540 – South St – Caledonia St (Replacing Recloser)

E1380

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing has been furnished by Electronic Mail to the following parties of record this 31st day of January, 2025:

Suzanne Brownless Florida Public Service Commission 2540 Shumard Oak Boulevard Tallahassee, FL 32399-0850 sbrownle@psc.state.fl.us discovery-gcl@psc.state.fl.us	Walt Trierweiler/P. Christensen / Charles Rehwinkel/Mary Wessling/Octavio Ponce/Austin Watrous Office of Public Counsel c/o The Florida Legislature 111 W. Madison Street, Room 812 Tallahassee, FL 32399-1400 Trierweiler.Walt@leg.state.fl.us Wessling.Mary@leg.state.fl.us Rehwinkel.Charles@leg.state.fl.us Christensen.patty@leg.state.fl.us Ponce.octavio@leg.state.fl.us Watrous.austin@leg.state.fl.us
Michelle Napier Florida Public Utilities Company 1635 Meathe Drive West Palm Beach FL 33411 mnapier@fpuc.com	

By: Beth Keating

Beth Keating
Gunster, Yoakley & Stewart, P.A.
215 South Monroe St., Suite 601
Tallahassee, FL 32301
(850) 521-1706

E1381

Gunster

Writer's Direct Dial Number: (850) 521-1706
Writer's E-Mail Address: bkeating@gunster.com

February 3, 2025

BY E-FILING

Mr. Adam Teitzman, Clerk
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850

Re: **Docket No. 20240099-EI - Petition for rate increase by Florida Public Utilities Company**

Dear Mr. Teitzman:

Attached for filing on behalf of Florida Public Utilities Company, please find the Company's supplemental response to Additional Data Request, No. 1.

Sincerely,

Beth Keating
Gunster, Yoakley & Stewart, P.A.
215 South Monroe St., Suite 601
Tallahassee, FL 32301
(850) 521-1706

Cc: (Service List)

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition for rate increase by Florida Public Utilities Company.	DOCKET NO. 20240099-EI

FPUC'S SUPPLEMENTAL RESPONSE TO STAFF'S ADDITIONAL DATA REQUESTS, No. 1

In response to Staff's Follow Up Data Requests, DR #7, the Company explained the distinction between the "self-healing" project in the rate case and the "Distribution and Connectivity Automation" program in the updated SPP filed by FPUC in Docket No. 20250017-EI. Please respond to the following follow up:

1. To confirm, is the self-healing project included in the rate case essentially the SCADA system upgrades, and the SPP program entails installation of the actual equipment to self-heal?

Company Response: Yes, generally speaking, but to be clear, FPUC does not currently have a SCADA system installed, and SCADA is not included in either the rate case or the SPP. What is included in the rate case are the devices that will be placed out on the distribution system. These devices have the ability communicate with each other, as well as an eventual SCADA system, to sense where the faulted section of line is located.

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing has been furnished by Electronic Mail to the following parties of record this 3rd day of February, 2025:

Suzanne Brownless Florida Public Service Commission 2540 Shumard Oak Boulevard Tallahassee, FL 32399-0850 sbrownle@psc.state.fl.us discovery-gcl@psc.state.fl.us	Walt Trierweiler/P. Christensen / Charles Rehwinkel/Mary Wessling/Octavio Ponce/Austin Watrous Office of Public Counsel c/o The Florida Legislature 111 W. Madison Street, Room 812 Tallahassee, FL 32399-1400 Trierweiler.Walt@leg.state.fl.us Wessling.Mary@leg.state.fl.us Rehwinkel.Charles@leg.state.fl.us Christensen.patty@leg.state.fl.us Ponce.octavio@leg.state.fl.us Watrous.austin@leg.state.fl.us
Michelle Napier Florida Public Utilities Company 1635 Meathe Drive West Palm Beach FL 33411 mnapier@fpuc.com	

By: Beth Keating
Beth Keating
Gunster, Yoakley & Stewart, P.A.
215 South Monroe St., Suite 601
Tallahassee, FL 32301
(850) 521-1706

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2025 Joint Stipulation and Settlement Agreement, including implementing rates and tariffs..

ATTACHMENT A

JOINT STIPULATION AND SETTLEMENT

OF

FLORIDA PUBLIC UTILITIES COMPANY
OFFICE OF PUBLIC COUNSEL
CITY OF MARIANNA, FLORIDA
JACKSON COUNTY, FLORIDA
JACKSON COUNTY SCHOOL BOARD

E1386

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition for rate increase by Florida Public Utilities Company.	DOCKET NO.: 20240099-EI

STIPULATION AND SETTLEMENT

WHEREAS, Florida Public Utilities Company ("FPUC" or "Company"), the City of Marianna, Florida ("City"), Jackson County, Florida ("County"), the Jackson County School Board ("JCSB"), and the Office of Public Counsel ("OPC") have signed this Stipulation and Settlement (the "2025 Agreement"); and

WHEREAS, unless the context clearly intends otherwise, the term "Party" or "Parties" shall mean a signatory or signatories to this 2025 Agreement; and

WHEREAS, the City, the County, the JCSB, and the OPC are collectively referred to herein as the "Consumer Parties;" and

WHEREAS, on August 22, 2024, FPUC filed a Petition with the Florida Public Service Commission ("Commission") seeking approval to increase rates and charges to produce an additional $12,593,450 in revenues, based upon a projected test year ended December 31, 2025, and requested utilization of the Commission's Proposed Agency Action ("PAA") process; and

WHEREAS, OPC filed a notice of its intervention on September 4, 2024; and

WHEREAS, the Commission issued PAA Order No. PSC-2025-0114-PAA-EI, on April 7, 2025 ("PAA Order"), wherein the Commission approved a reduced increase in base revenues of $9,675,171, as well as an increase in miscellaneous fees and charges of $164,495; and

WHEREAS, on March 20, 2025, FPUC increased its base rates to produce increased annual base revenues of $9,675,171 and increased miscellaneous fees and charges to produce annual base revenues of $164,495; and

WHEREAS, the Consumer Parties have filed timely filed petitions protesting the PAA order on April 21, 2025 and on April 24, 2025; and

WHEREAS, the Parties have endeavored in good faith to resolve the areas of disagreement in order to provide regulatory certainty with regard to FPUC's rates and to avoid the uncertainty associated with further litigation; and

WHEREAS, the American legal system, as well as the Commission, favor settlement of disputes for many reasons, including that they promote the public interest; and

E1387

WHEREAS, the Parties to this 2025 Agreement, individually and collectively, agree that this 2025 Agreement, taken as a whole, is in the public interest;

NOW, THEREFORE, in consideration of the foregoing recitals of fact, which are hereby incorporated into this 2025 Agreement, and the mutual covenants set forth herein, which the Parties agree constitute good and valuable consideration, the Parties hereby stipulate and agree as follows:

I. Term

a. This 2025 Agreement will take effect upon the date that the Commission votes to approve it. The base rates, charges and related tariff sheet terms and conditions established as a result of this 2025 Agreement will be deemed effective as of March 20, 2025, ("Implementation Date") and shall continue through September 20, 2028, and beyond, unless and until changed by Commission Order. The period from the Implementation Date through the billing cycle that includes September 20, 2028, may be referred to herein as the "Minimum Term".

b. The base rates, charges, and related tariff sheet terms and conditions set in accordance with this 2025 Agreement shall not be changed during the Minimum Term, except as otherwise permitted or provided for in this 2025 Agreement, and shall continue in effect until next reset by the Commission.

c. The Parties reserve all rights, unless such rights are expressly waived or released, expressly limited, or expressly eliminated by the terms of this 2025 Agreement.

II. Return on Equity and Equity Ratio

a. For purposes of this 2025 Agreement, the phrase "authorized ROE" shall mean the midpoint authorized return on common equity ("ROE") and the phrase "authorized ROE range" shall mean the range that starts at 100 basis points below the midpoint and extends to 100 basis points above the midpoint as determined in this 2025 Agreement. Consistent with this understanding, FPUC's authorized ROE shall be within an authorized ROE range of 9.20% to 11.20%, with a mid-point of 10.20%. FPUC's equity ratio shall be 50.04% based on investor sources and shall be used for all regulatory purposes including, but not limited to, cost recovery clauses, recovery mechanism(s), earnings surveillance reporting, authorizing a potential exit from this 2025 Agreement pursuant to Paragraph VI, the calculation of the Company's Allowance for Funds Used During Construction ("AFUDC") rate and associated amounts of AFUDC in accordance with Rule 25-

E1388

6.0141, Florida Administrative Code, and the implementation and operation of this 2025 Agreement ("Regulatory Purposes"). Customer deposits, investment tax credits, and accumulated deferred income taxes shall be the balances recorded on FPUC's books.

b. The authorized ROE, authorized ROE range, and equity ratio shall continue in effect until the return on equity is next reset by order of the Commission; however, FPUC may petition the Commission to allow it to reflect a different equity ratio for Regulatory Purposes at any time after the conclusion of the Minimum Term.

<u>III. Revenue Requirement</u>

a. Upon approval of this 2025 Agreement, the authorized annual increase in FPUC's base revenues initially approved by the PAA Order in the amount of $9,675,171, shall be reduced to $8.4 million, excluding the increase in miscellaneous fees and charges of $164,495, which shall remain in effect, as well as the substation step increase addressed separately herein. The reduction to the authorized base revenue increase will be deemed effective as of March 20, 2025.

b. The Company will defer collection of $1.0 million of the first year's agreed base rate revenue increase, such that the first-year level of base rates, effective March 20, 2025, will yield an increase in annual base revenues of $7.4 million. The deferred $1.0 million in authorized annual revenues will be collected over the subsequent three-year period through a one-time increase in base rates of $1.333 million on March 30, 2026, subject to the netting provision in subparagraph (c) herein.

c. Any difference between the amount collected from the rates that originally went into effect on March 20, 2025, with the Commission's vote of that same date, and the final revenue requirement of $8.4 million established by this 2025 Agreement, excluding the $1.0 million deferred reduction, for the period that the higher PAA Order rate levels were in effect ("One-time True-up Period"), will be netted against the $1.0 million deferral ("Net Deferral") discussed in Paragraph III b. above, in a manner that spreads the Net Deferral amount evenly over the three-year period beginning March 20, 2026.

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d. The Company will file any step increase calculations resulting from FPUC's acquisition and replacement of the substation and transmission assets addressed in its filing initiating this proceeding. Using a weighted average cost of capital of 6.36%, based upon a 10.20% return on equity midpoint and an equity ratio of 50.04%, the additional allowed revenue requirement associated with these substations and transmission assets, grossed up for taxes, regulatory assessment fees, and bad debt, shall not exceed $727,778. FPUC shall be authorized to increase its base rates by the incremental revenue requirement, in the manner provided herein, associated with the substation and transmission projects once these assets are placed in service and shall accordingly file an appropriate notice of intent to implement this step increase, including proposed tariff sheets, once the assets are in service. The Parties support the PSC Staff being authorized to approve the step increase tariff sheets administratively, upon their confirmation that the rates therein will produce the correct revenues.

IV. <u>Other Cost Recovery</u>

a. Nothing in this 2025 Agreement shall preclude the Company from requesting the Commission to approve the recovery of costs that are: (a) of a type which traditionally and historically would be, have been, or are presently recovered through cost recovery clauses or surcharges, or (b) incremental costs not currently recovered in base rates which the Legislature expressly determines are clause recoverable subsequent to the approval of this 2025 Agreement. Except as provided in this 2025 Agreement, it is the intent of the Parties in conjunction with the provisions of this Paragraph IV, that FPUC shall not seek to recover, nor shall FPUC be allowed to recover, through any cost recovery clause or charge, or through the functional equivalent of such cost recovery clauses and charges, costs of any type or category that have historically and traditionally been recovered in base rates, unless such costs are: (i) the direct and unavoidable result of new governmental impositions or requirements; (ii) new or atypical costs that have not been litigated before the Commission because they were unforeseeable and could not have been contemplated by the Parties resulting from significantly changed industry-wide circumstances directly affecting FPUC's operations; or (iii) costs that would otherwise be recoverable through base rates that the Florida Legislature has expressly authorized as clause recoverable by public utilities. As part of the base rate freeze agreed to herein, FPUC will not seek Commission approval to defer for later recovery in rates, any costs incurred or reasonably expected to be incurred from the Implementation Date

E1390

through and including September 20, 2028, which are of the type that historically or traditionally have been or would be recovered in base rates, unless such deferral and subsequent recovery is expressly authorized herein or otherwise agreed to in a writing signed by each of the Parties. The Parties are not precluded from participating in any proceedings pursuant to this Paragraph IV, nor is any Party precluded from raising any issues pertinent to any such proceeding or the enforcement of this 2025 Agreement.

b. Notwithstanding the anti-deferral language in Paragraph IV a. above, the Company shall retain the ability to capitalize the specific types of costs that are the subject of, and consistent with, the Uniform System of Accounts as specified in Order No. PSC-2022-0429-PAA-PU, and shall also retain its ability to seek recovery of the net unrecovered cost of new LED lights, as specified and contemplated in Order No. PSC-2025-0091-PAA-EI.

V. Storm Damage Recovery

a. Nothing in this 2025 Agreement shall preclude FPUC from petitioning the Commission to seek recovery of costs associated with any tropical systems named by the National Hurricane Center or its successor without the application of any form of earnings test or measure and irrespective of previous or current base rate earnings.

b. Consistent with the rate design and cost allocation methods approved in the PAA Order, the Parties agree that recovery of storm costs from customers will begin, on an interim basis (subject to refund following a hearing or a full opportunity for a formal proceeding), sixty days following the filing by FPUC of a cost recovery petition and tariff with the Commission and will be based on a 12-month recovery period if the storm costs do not exceed $4.00 per 1,000 kWh on monthly residential customer bills. In the event FPUC's reasonable and prudent storm costs exceed that level, any additional costs in excess of $4.00 per 1,000 kWh shall be recovered in a subsequent year or years as determined by the Commission, after hearing or after the opportunity for a formal proceeding has been afforded to all substantially affected persons or parties. All storm related costs shall be calculated and disposed of pursuant to Commission Rule 25-6.0143, F.A.C., and shall be limited to (i) costs resulting from a tropical system named by the National Hurricane Center or its successor, (ii) the estimate of incremental costs above the level of storm reserve prior to the storm

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and (iii) the replenishment of FPUC's storm reserve to the level as of March 20, 2025 with the use of this storm cost recovery mechanism. The Parties to this 2025 Agreement are not precluded from participating in any such proceedings and opposing the amount of FPUC's claimed costs or whether the proposed recovery is consistent with this Paragraph V, but not the mechanism agreed to herein.

c. The Parties expressly agree that any proceeding to recover costs associated with any storm shall not be a vehicle for a "rate case" type inquiry concerning the expenses, investment, or financial results of operations of FPUC and shall not apply any form of earnings test or measure or consider previous or current base rate earnings.

d. The provisions of this Paragraph V shall remain in effect during the Minimum Term except as otherwise permitted or provided for in this 2025 Agreement and shall continue in effect until the Company's base rates are next reset by the Commission. For clarity, this means that if this 2025 Agreement is terminated pursuant to Paragraph VI hereof, FPUC's rights regarding storm cost recovery under this 2025 Agreement are terminated at the same time, except that any Commission-approved surcharge then in effect shall remain in effect until the costs subject to that surcharge are fully recovered. A storm surcharge in effect without approval of the Commission shall be terminated at the time this 2025 Agreement is terminated pursuant to Paragraph VI herein.

VI. Earnings

a. Notwithstanding Paragraph II-Return on Equity and Equity Ratio, the Parties agree that, in the event that the Company's earned return on common equity falls below 9.20% during the Minimum Term on an FPUC compliant monthly earnings surveillance report stated on a thirteen-month average actual Commission adjusted basis, the Company may file a Petition for Rate Increase with the Commission either as a general proceeding under Sections 366.06 and 366.07, Florida Statutes, or as a limited proceeding under Section 366.076, Florida Statutes. Nothing herein shall be construed as an agreement by any of the Consumer Parties that a limited proceeding would be appropriate, and FPUC acknowledges and agrees that the Consumer Parties reserve and retain their individual and collective rights to challenge the propriety of any limited proceeding or to assert that any request for base rate changes should be properly addressed through a general rate case, as well as challenge any substantive proposals to change the Company's rates in any such future proceeding.

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Throughout this 2025 Agreement, "actual Commission adjusted basis" and "actual adjusted earned return" shall mean results reflecting all adjustments to FPUC's books required by the Commission by rule or order. FPUC acknowledges that the Consumer Parties shall be entitled to participate and oppose any request initiated by FPUC to increase its rates.

b. Likewise, notwithstanding Paragraph II-Return on Equity and Equity Ratio, the Parties agree that if the Company's earned return on common equity exceeds 11.20% on an FPUC compliant monthly earnings surveillance report stated on a thirteen-month average actual Commission-adjusted basis, as further described and defined in subparagraph (a) herein, any Consumer Party may file a petition with the Commission seeking a review of the Company's rates. In any case initiated by any of the Consumer Parties, all Parties will have full rights conferred by law.

c. This Paragraph VI shall not: (i) be construed to bar FPUC from requesting any recovery of costs otherwise contemplated by this 2025 Agreement, (ii) apply to any request to change FPUC's base rates that would become effective after the expiration of the Minimum Term of this 2025 Agreement, or (iii) limit any Party's rights in proceedings concerning changes to base rates that would become effective subsequent to the Minimum Term of this 2025 Agreement to argue that FPUC's authorized ROE range should be different than as set forth in this 2025 Agreement.

VII. General Liability Reserve

a. The Parties agree that FPUC shall be authorized to increase its General Liability Reserve ("self-insurance") reserve annual accrual by $189,432.

b. The Company shall continue to report the annual balance of the general liability reserve in its annual report to the Commission, and the credit balance shall be used to offset working capital in rate base for all applicable regulatory purposes.

VIII. Rate Case Expense

Rate case expense in an amount not to exceed $1,536,000 shall be amortized over a 5-year period.

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IX. Storm Accrual

The Company shall maintain its annual accrual of $121,620 to its Storm Reserve until the existing target of $1.5 million is achieved.

X. Enhanced Local Presence

a. The Parties hereto acknowledge that Company provides thirty-three (33) walk-in payment locations in and around Marianna (NW Division). Of those locations, seven (7) do not require an additional fee. On Amelia Island, the Company provides twenty-six (26) walk-in payment locations, of which nine (9) do not charge an additional fee. To improve the process of paying bills at these walk-in locations, a bar code has been added to the back of all billing statements.

b. The Company commits to add enhanced bill messaging, social media messaging, and website visibility sharing the identities and locations of these payment centers. The Company will also promote an enhanced customer support email option for Florida electric customers at customersupport@FPUC.com, which is already available to customers.

c. The Company will host periodic virtual townhall meetings for its customers, at mutually agreeable times, which will provide customers with an opportunity to speak directly with members of FPUC's team, which will include, as may be necessary, members of the Customer Care team, Operations, and Billing and Accounts team members. Customers will be able to interact with these team members via a live video feed. These sessions may, as necessary, also include break-out sessions to protect customers' identifying and account information.

d. The Company will also host periodic in-person townhall meetings in each service territory. It is the intent of the Parties hereto that the Company conduct one to two such meetings per year, as scheduling allows, in each service territory at mutually agreeable times. Noticing for such meetings will be provided in bill inserts, as well as publication in local newspapers within 7 days of such an event.

e. The Parties also agree that conducting such in-person, townhall meeting will be considered a pilot initiative, and the Company will provide follow-up reports to the Consumer Parties

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and the Commission regarding the effectiveness of these events, including, but not limited to, participation by customers.

f. In addition, the Company will, at a minimum, conduct semi-annual reviews of the effectiveness of actions listed above, including conducting periodic surveys to gather customer feedback to help guide the Company's continuing improvement efforts.

XI. Effective Date

Consistent with the Minimum Term set forth in Paragraph I-Term, the Parties agree that the rates to be implemented as a result of this 2025 Agreement shall be deemed to have gone into effect on March 20, 2025.

XII. Commission Approval

a. The provisions of this 2025 Agreement are contingent upon Commission approval of this 2025 Agreement in its entirety without modification. It is the desire of the Parties that this 2025 Agreement be noticed for consideration and a Commission decision as soon as possible, but in any event, no later than June 6, 2025. The Parties agree that:

i. Consideration by the Commission of this 2025 Agreement at an appropriately noticed hearing , at which all interested persons are allowed to speak to address the 2025 Agreement, satisfies the applicable requirements of Chapter 120, Florida Statutes, for Commission action on the approval of the 2025 Agreement; and

ii. The Commission's decision approving this 2025 Agreement may be issued as a final order.

b. The Parties agree that there is good cause to expedite approval of this 2025 Agreement, in that approval of the 2025 Agreement will avoid additional litigation costs for all Parties. To the extent necessary, the Parties agree to waive:

i. Their right to require a hearing on the merits;

ii. Their respective rights to seek reconsideration of any Final Order that approves this 2025 Agreement in its entirety without change; and

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iii. Their respective right to judicial review of any such final agency action approving this 2025 Agreement afforded by Section 120.68, Florida Statutes.

c. The Parties further agree they will support this 2025 Agreement and affirmatively assert that this 2025 Agreement is in the public interest and should be approved. The Parties likewise agree and acknowledge that:

i. The revenue increase and resulting rates and charges developed from and in accordance with this 2025 Agreement are fair, just and reasonable; and

ii. Approval of this 2025 Agreement promotes planning and regulatory certainty for both FPUC and its customers.

Approval of this 2025 Agreement in its entirety resolves all matters in Docket No. 20240099-EI addressed herein and the Docket will be closed effective on the date the Commission's order approving this 2025 Agreement becomes final and no longer subject to appeal.

d. No Party will assert in any proceeding before the Commission or before any court that this 2025 Agreement or any of the terms in this 2025 Agreement shall have any precedential value. The Parties' agreement to the terms in this 2025 Agreement shall be without prejudice to any Party's ability to advocate a position that differs from the terms of this Agreement in future proceedings not involving this 2025 Agreement. The Parties further expressly agree that no individual provision, by itself, necessarily represents a position of any Party in any future proceeding, and the Parties further agree that no Party shall assert or represent in any future proceeding in any forum that another Party endorses any specific provision of this 2025 Agreement by virtue of that Party's signature on, or participation in, this 2025 Agreement. It is the intent of the Parties to this 2025 Agreement that the Commission's approval of all the terms and provisions of this 2025 Agreement is an express recognition that no individual term or provision, by itself, necessarily represents a position, in isolation, of any Party or that a Party to this 2025 Agreement endorses a specific provision, in isolation, of this 2025 Agreement by virtue of that Party's signature on, or participation in, this 2025 Agreement.

XIII. Disputes

To the extent a dispute arises between or among the Parties about the provisions, interpretation, or application of this 2025 Agreement, the Parties agree to meet and confer in an effort to resolve the dispute. To the extent that the Parties cannot resolve any dispute within 30 days following such conferral, the matter may be submitted to the Commission for resolution.

XIV. Resolution of Issues

Approval of this 2025 Agreement resolves all issues in this proceeding, with the exception of issues regarding Cost of Service and Rate Design. The Consumer Parties take no position on the Cost of Service and Rate Design issues.

XV. New Rates

a. The New Rates for Year 1, calculated in accordance with Paragraph III of this 2025 Agreement and which are attached and incorporated herein as Exhibit A, shall be designed to accurately reflect the terms as presented in the 2025 Agreement, at the time of implementation. In addition, the New Rates presented in Exhibit A shall be designed in accordance with the methodology of the Cost of Service and Rate Design approved by the PAA Order, as shall each subsequent rate increase reflected herein. Tariffs reflective of the rates that will be effective March 20, 2026 and for the subsequent years of the Minimum Term will be provided within 90 days of the date a Commission Order approving this 2025 Agreement becomes final. Such rates will be reflective of the subsequent years' revenue requirements, as provided for in this 2025 Agreement, as reflected in Paragraph III, as well as the one-time netting of any overcollection, during the One-time True-up Period, in accordance with Paragraph III b. and c..

b. The Consumer Parties take no position with regard to the design of the rates and new service charges reflected therein, consistent with Paragraph XIV-Resolution of Issues, above.

c. Attached hereto and incorporated herein as Exhibit B are the appropriate tariff sheets reflecting these rate changes, which, upon Commission approval, shall become effective as of March 20, 2025.

XVI. Execution

This 2025 Agreement is dated as of May 5, 2025. It may be executed in one (1) or more counterparts, all of which will be considered one and the same 2025 Agreement and each of which will be deemed an original.

[SIGNATURE PAGES FOLLOW]

IN WITNESS WHEREOF, the Parties evidence their acceptance and agreement with the provisions of this 2025 Agreement by their signature(s).

Dated this 5 day of May, 2025.

Florida Public Utilities Company

By: ______________________

Michael D. Cassel, Vice President/Governmental and Regulatory Affairs/Chesapeake Utilities Corporation

Signature Page to Stipulation and Settlement Agreement in Docket No. 20240099-EI

IN WITNESS WHEREOF, the Parties evidence their acceptance and agreement with the provisions of this 2025 Agreement by their signature(s).

Dated this __ day of May 2025

Office of Public Counsel

Walt Trierweiler

Walt Trierweiler, Public Counsel
Patricia A. Christensen
Office of Public Counsel
c/o The Florida Legislature
111 West Madison Street, Room 812
Tallahassee, Florida 32399-1400

IN WITNESS WHEREOF, the Parties evidence their acceptance and agreement with the provisions of this 2025 Agreement by their signature(s).

Dated this 1st day of May, 2025

City of Marianna, Florida

Rico Williams, Mayor
City of Marianna

IN WITNESS WHEREOF, the Parties evidence their acceptance and agreement with the provisions of this 2025 Agreement by their signature(s).

Dated this 5th day of May 2025

Jackson County, Florida

Hon. Jamey Westbrook, Chairman
Jackson County Board of County Commissioners

Attested by:

Clayton O. Rooks, Clerk

Signature Page to Stipulation and Settlement Agreement in Docket No. 20240099-EI

IN WITNESS WHEREOF, the Parties evidence their acceptance and agreement with the provisions of this 2025 Agreement by their signature(s).

Dated this 6th day of May 2025

Jackson County School Board

Chris Johnson, Chairperson
Jackson County School Board

Signature Page to Stipulation and Settlement Agreement in Docket No. 20240099-EI

EXHIBIT A

	PAA Rates	Final Settlement Rates
	Customer Charge(s)	
Residential (RS)	$24.40	$24.40
General Service (GS)	$40.00	$40.00
General Service Demand (GSD)	$126.44	$117.99
General Service Large Demand (GSLD)	$241.70	$225.55
General Service Large Demand (GSLD1)	$1,183.57	$1,104.48
Standby (SB)	N/A	N/A
	Energy Charge $/kwh	
Residential (RS) ≤1,000	$.03042	$.02696
>1,000	$.04983	$.04415
General Service (GS)	$.04668	$.04152
General Service Demand (GSD)	$.00840	$.00784
General Service Large Demand (GSLD)	$.00390	$.00364
General Service Large Demand (GSLD1)	$.00000	$.00000
Standby (SB) <500 kw	N/A	N/A
Standby (SB) ≥500 kw	N/A	N/A
	Demand Charge $/kw	
Residential (RS)	$ 0.00	$ 0.00
General Service (GS)	$ 0.00	$ 0.00
General Service Demand (GSD)	$ 6.89	$ 6.43
General Service Large Demand (GSLD)	$ 9.86	$ 9.20
General Service Large Demand (GSLD1)	$ 2.74	$ 2.56
General Service Large Demand (GSLD1)	$ 0.53 kVAR	$ 0.50 kVAR
Standby (SB)	N/A	N/A

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E1404

Docket No. 20240099-EI

Outdoor/Street Lighting various various

	-------- PAA RATES --------				----FINAL SETTLEMENT RATES --			
	Facility Charge	Energy Charge	Maint Charge	Total Charge	Facility Charge	Energy Charge	Maint Charge	Total Charge
150w HPS Acorn	$23.91	$3.87	$3.02	$30.80	$22.31	$3.61	$2.82	$28.74
150w HPS ALN 440	$34.08	$3.87	$4.03	$41.98	$31.80	$3.61	$3.76	$39.17
100w HPS Amer Rev	$11.73	$2.61	$3.99	$18.33	$10.95	$2.44	$3.73	$17.12
150w HPS Am Rev	$10.99	$3.87	$4.04	$18.90	$10.25	$3.61	$3.77	$17.63
100w HPS Cobra Head	$8.80	$2.61	$2.56	$13.97	$8.21	$2.44	$2.39	$13.04
200w HPS Cobra Head	$11.87	$5.17	$3.07	$20.11	$11.08	$4.83	$2.87	$18.78
250w HPS Cobra Head	$14.12	$6.44	$4.04	$24.60	$13.18	$6.01	$3.77	$22.96
400w HPS Cobra Head	$13.19	$10.37	$3.36	$26.92	$12.30	$9.68	$3.14	$25.12
250w HPS Flood	$13.81	$6.44	$2.94	$23.19	$12.88	$6.01	$2.74	$21.63
400w HPS Flood	$21.67	$10.37	$2.76	$34.80	$20.22	$9.68	$2.57	$32.47
1000w HPS Flood	$27.15	$25.86	$3.64	$56.65	$25.33	$24.13	$3.40	$52.86
100w HPS SP2 Spectra	$30.12	$2.61	$3.76	$36.49	$28.11	$2.44	$3.51	$34.06
175w MH ALN 440	$32.61	$4.58	$3.17	$40.36	$30.43	$4.27	$2.96	$37.66
400w MH Flood	$14.72	$10.37	$2.68	$27.77	$13.73	$9.68	$2.50	$25.91
1000w MH Flood	$25.02	$25.86	$3.55	$54.43	$23.35	$24.13	$3.31	$50.79
175w MH Shoebox	$27.54	$4.58	$3.56	$35.68	$25.70	$4.27	$3.32	$33.29
250w MH Shoebox	$29.31	$6.44	$3.98	$39.73	$27.35	$6.01	$3.72	$37.08
100w MH SP2 Spectra	$29.89	$2.61	$3.64	$36.14	$27.90	$2.44	$3.40	$33.74
1000w MH Vert Shoebox	$30.90	$25.86	$4.03	$60.79	$28.84	$24.13	$3.76	$56.73
175w MV Cobra Head -OL	$1.69	$4.49	$1.51	$7.69	$1.57	$4.19	$1.40	$7.16
400w MV Cobra Head-OL	$1.86	$9.65	$1.60	$13.11	$1.73	$9.01	$1.50	$12.24
50W Outdoor Light (100W Equivalent)	$7.99	$1.08	$2.53	$11.60	$7.46	$1.01	$2.36	$10.83
50W Cobra Head (100W Equivalent)	$10.09	$1.08	$3.14	$14.31	$9.42	$1.01	$2.93	$13.36
82W Cobra Head (200W Equivalent)	$9.45	$1.78	$2.95	$14.18	$8.82	$1.67	$2.75	$13.24
130W Cobra Head (250W Equivalent)	$9.41	$2.87	$2.94	$15.22	$8.78	$2.67	$2.74	$14.19

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	-------- PAA RATES --------					----FINAL SETTLEMENT RATES --			
	Facility Charge	Energy Charge	Maint Charge	Total Charge		Facility Charge	Energy Charge	Maint Charge	Total Charge
210W Cobra Head (400W Equivalent)	$16.45	$4.59	$4.80	$25.84		$15.35	$4.28	$4.48	$24.11
26W American Revolution Decorative (100W Equivalent)	$9.45	$0.57	$3.30	$13.32		$8.82	$0.53	$3.08	$12.43
44W American Revolution Decorative (150W Equivalent)	$9.36	$0.96	$3.27	$13.59		$8.74	$0.90	$3.05	$12.69
90W Acorn Decorative (150W Equivalent)	$13.53	$1.98	$4.50	$20.01		$12.62	$1.85	$4.20	$18.67
60W Post Top Decorative (150W Equivalent)	$23.97	$1.34	$7.59	$32.90		$22.37	$1.25	$7.08	$30.70
80W Flood (250W Equivalent)	$13.11	$1.72	$4.13	$18.96		$12.24	$1.61	$3.85	$17.70
170W Flood (400W Equivalent)	$13.11	$3.70	$4.13	$20.94		$12.24	$3.46	$3.85	$19.55
150W Flood (350W Equivalent)	$13.11	$3.31	$4.13	$20.55		$12.24	$3.09	$3.85	$19.18
290W Flood (1,000W Equivalent)	$13.11	$6.37	$4.13	$23.61		$12.24	$5.95	$3.85	$22.04
82W Shoe Box (175W Equivalent)	$11.56	$3.31	$3.92	$18.79		$10.79	$3.09	$3.66	$17.54
131W Shoe Box (250W Equivalent)	$13.02	$2.87	$4.36	$20.25		$12.15	$2.67	$4.07	$18.89
150W Shoe Box	N/A	N/A	N/A	N/A		N/A	N/A	N/A	N/A
10' Alum Deco Base	$22.53	$0.00	$0.00	$22.53		$21.03	$0.00	$0.00	$21.03
13' Decorative Concrete	$17.17	$0.00	$0.00	$17.17		$16.02	$0.00	$0.00	$16.02
18' Fiberglass Round	$12.12	$0.00	$0.00	$12.12		$11.31	$0.00	$0.00	$11.31
20' Decorative Concrete	$19.92	$0.00	$0.00	$19.92		$18.59	$0.00	$0.00	$18.59
30' Wood Pole Std	$6.51	$0.00	$0.00	$6.51		$6.07	$0.00	$0.00	$6.07
35' Concrete Square	$19.22	$0.00	$0.00	$19.22		$17.94	$0.00	$0.00	$17,94
40' Wood Pole Std	$13.02	$0.00	$0.00	$13.02		$12.15	$0.00	$0.00	$12.15
30' Wood pole	$5.85	$0.00	$0.00	$5.85		$5.46	$0.00	$0.00	$5.46

E1405

Docket No. 20240099-EI

EXHIBIT B

Revised Tariff Sheets

For Florida Public Utilities Company

(clean/legislative)

RATE SCHEDULE RS
RESIDENTIAL SERVICE

Availability

Available within the territory served by the Company in Jackson, Calhoun and Liberty Counties and on Amelia Island in Nassau County.

Applicability

Applicable for service to a single family dwelling unit occupied by one family or household and for energy used in commonly-owned facilities in condominium and cooperative apartment buildings.

Character of Service

Single-phase service at nominal secondary voltage of 115/230 volts; three-phase service if available.

Limitations of Service

The maximum size of any individual single-phase motor hereunder shall not exceed five (5) horsepower.

The Company shall not be required to construct any additional facilities for the purpose of supplying three-phase service unless the revenue to be derived therefrom shall be sufficient to yield the Company a fair return on the value of such additional facilities.

Monthly Rate

Customer Facilities Charge:

$24.40 per Customer per month

Base Energy Charge:

2.696¢/KWH for usage up to 1000 KWH's/month

4.415¢/KWH for usage above 1000 KWH's/month

Purchased Power Charges

Purchased power charges are adjusted by the Florida Public Service Commission, normally each year in January. For current purchased power costs included in the tariff, see Sheet Nos. 7.021 & 7.022.

Minimum Bill

The minimum monthly bill shall consist of the above Customer Facilities Charge.

E1407

RATE SCHEDULE RS
RESIDENTIAL SERVICE

Availability
Available within the territory served by the Company in Jackson, Calhoun and Liberty Counties and on Amelia Island in Nassau County.

Applicability
Applicable for service to a single family dwelling unit occupied by one family or household and for energy used in commonly-owned facilities in condominium and cooperative apartment buildings.

Character of Service
Single-phase service at nominal secondary voltage of 115/230 volts; three-phase service if available.

Limitations of Service
The maximum size of any individual single-phase motor hereunder shall not exceed five (5) horsepower.

The Company shall not be required to construct any additional facilities for the purpose of supplying three-phase service unless the revenue to be derived therefrom shall be sufficient to yield the Company a fair return on the value of such additional facilities.

Monthly Rate
Customer Facilities Charge:

$24.40 per Customer per month

Base Energy Charge:

2.696~~3.042~~¢/KWH for usage up to 1000 KWH's/month

4.415~~4.983~~¢/KWH for usage above 1000 KWH's/month

Purchased Power Charges

Purchased power charges are adjusted by the Florida Public Service Commission, normally each year in January. For current purchased power costs included in the tariff, see Sheet Nos. 7.021 & 7.022.

Minimum Bill

The minimum monthly bill shall consist of the above Customer Facilities Charge.

E1408

RATE SCHEDULE GS
GENERAL SERVICE – NON DEMAND

Availability

Available within the territory served by the Company in Jackson, Calhoun and Liberty Counties And on Amelia Island in Nassau County.

Applicability

Applicable to commercial and industrial lighting, heating, cooking and small power loads aggregating 25 KW or less.

Character of Service

Single or three-phase service at available standard voltage.

Limitations of Service

Service shall be at a single metering point.

Monthly Rate

Customer Facilities Charge:

$40.00 per Customer per month

Base Energy Charge:

All KWH 4.152¢/KWH

Purchased Power Charges

Purchased power charges are adjusted by the Florida Public Service Commission, normally each year in January. For current purchased power costs included in the tariff, see Sheet Nos. 7.021 & 7.022.

Minimum Bill

The minimum monthly bill shall consist of the above Customer Facilities Charge.

Terms of Payment

Bills are rendered net and are due and payable within twenty (20) days from date of bill.

E1409

Florida Public Utilities Company   First Revised Sheet No. 7.004
Cancels Original Sheet No. 7.004
F.P.S.C. Electric Tariff
Original Volume No. II

RATE SCHEDULE GS
GENERAL SERVICE – NON DEMAND

Availability
Available within the territory served by the Company in Jackson, Calhoun and Liberty Counties And on Amelia Island in Nassau County.

Applicability
Applicable to commercial and industrial lighting, heating, cooking and small power loads aggregating 25 KW or less.

Character of Service
Single or three-phase service at available standard voltage.

Limitations of Service
Service shall be at a single metering point.

Monthly Rate
Customer Facilities Charge:

$40.00 per Customer per month

Base Energy Charge:

All KWH 4.152~~4.668~~¢/KWH

Purchased Power Charges

Purchased power charges are adjusted by the Florida Public Service Commission, normally each year in January. For current purchased power costs included in the tariff, see Sheet Nos. 7.021 & 7.022.

Minimum Bill

The minimum monthly bill shall consist of the above Customer Facilities Charge.

Terms of Payment

Bills are rendered net and are due and payable within twenty (20) days from date of bill.

E1410

RATE SCHEDULE GSD
GENERAL SERVICE – DEMAND

Availability

Available within the territory served by the Company in Jackson, Calhoun and Liberty Counties and on Amelia Island in Nassau County.

Applicability

Applicable to commercial, industrial and municipal service with a measured demand of 25 KW but less than 500 KW for three or more months out of the twelve consecutive months ending with the current billing period. Also available, at the option of the Customer, to any Customer with demands of less than 25 KW who agrees to pay for service under this rate schedule for a minimum initial term of twelve months.

Character of Service

Single or three-phase service at available standard voltage.

Limitations of Service

Service shall be at a single metering point at one voltage.

Monthly Rate

Customer Facilities Charge:

$117.99per Customer per month

Demand Charge:

Each KW of Billing Demand $6.43/KW

Base Energy Charge

All KWH 0. 784¢/KWH

Purchased Power Charges

Purchased power charges are adjusted by the Florida Public Service Commission, normally each year in January.

Minimum Bill

The minimum monthly bill shall consist of the above Customer Facilities Charge plus the Demand Charge for the currently effective billing demand.

Terms of Payment

Bills are rendered net and are due and payable within twenty (20) days from date of bill.

Purchased Power Costs

See Sheet Nos. 7.021 & 7.022.

E1411

RATE SCHEDULE GSD
GENERAL SERVICE – DEMAND

Availability
Available within the territory served by the Company in Jackson, Calhoun and Liberty Counties and on Amelia Island in Nassau County.

Applicability
Applicable to commercial, industrial and municipal service with a measured demand of 25 KW but less than 500 KW for three or more months out of the twelve consecutive months ending with the current billing period. Also available, at the option of the Customer, to any Customer with demands of less than 25 KW who agrees to pay for service under this rate schedule for a minimum initial term of twelve months.

Character of Service
Single or three-phase service at available standard voltage.

Limitations of Service
Service shall be at a single metering point at one voltage.

Monthly Rate
Customer Facilities Charge:
$~~126.44~~ 117.99per Customer per month

Demand Charge:
Each KW of Billing Demand $~~6.89~~6.43/KW

Base Energy Charge
All KWH 0. ~~840~~784¢/KWH

Purchased Power Charges
Purchased power charges are adjusted by the Florida Public Service Commission, normally each year in January.

Minimum Bill
The minimum monthly bill shall consist of the above Customer Facilities Charge plus the Demand Charge for the currently effective billing demand.

Terms of Payment
Bills are rendered net and are due and payable within twenty (20) days from date of bill.

Purchased Power Costs
See Sheet Nos. 7.021 & 7.022.

E1412

RATE SCHEDULE GSLD
GENERAL SERVICE-LARGE DEMAND

Availability

Available within the territory served by the Company in Jackson, Calhoun and Liberty Counties and on Amelia Island in Nassau County.

Applicability

Applicable to commercial, industrial and municipal service with a measured demand of 500 KW but less than 5000 KW for three or more months out of the twelve consecutive months ending with the current billing period. Also available, at the option of the Customer, to any Customer with demands of less than 500 KW who agrees to pay for service under this rate schedule for a minimum initial term of twelve months.

Character of Service

Three-phase service at available standard voltage.

Limitations of Service

Service shall be at a single metering point at one voltage.

Monthly Rate

Customer Facilities Charge:

$225.55per Customer per month

Demand Charge:

Each KW of Billing Demand	$9.20/KW

Base Energy Charge

All KWH	0. 364¢/KWH

Purchased Power Charges

Purchased power charges are adjusted by the Florida Public Service Commission, normally each year in January.

Minimum Bill

The minimum monthly bill shall consist of the above Customer Facilities Charge plus the Demand Charge for the currently effective billing demand.

Terms of Payment

Bills are rendered net and are due and payable within twenty (20) days from date of bill.

Purchased Power Costs

See Sheet No. 7.021 & 7.022.

E1413

FPSC EXH NO. 97

ADMITTED

E1414

RATE SCHEDULE GSLD
GENERAL SERVICE-LARGE DEMAND

Availability

Available within the territory served by the Company in Jackson, Calhoun and Liberty Counties and on Amelia Island in Nassau County.

Applicability

Applicable to commercial, industrial and municipal service with a measured demand of 500 KW but less than 5000 KW for three or more months out of the twelve consecutive months ending with the current billing period. Also available, at the option of the Customer, to any Customer with demands of less than 500 KW who agrees to pay for service under this rate schedule for a minimum initial term of twelve months.

Character of Service

Three-phase service at available standard voltage.

Limitations of Service

Service shall be at a single metering point at one voltage.

Monthly Rate

Customer Facilities Charge:

$~~241.70~~ 225.55per Customer per month

Demand Charge:

Each KW of Billing Demand $9.~~86~~20/KW

Base Energy Charge

All KWH 0.~~390~~364¢/KWH

Purchased Power Charges

Purchased power charges are adjusted by the Florida Public Service Commission, normally each year in January.

Minimum Bill

The minimum monthly bill shall consist of the above Customer Facilities Charge plus the Demand Charge for the currently effective billing demand.

Terms of Payment

Bills are rendered net and are due and payable within twenty (20) days from date of bill.

Purchased Power Costs

See Sheet No. 7.021 & 7.022.

E1414

RATE SCHEDULE GSLD 1
GENERAL SERVICE - LARGE DEMAND 1

Availability

Available within the territory served by the Company in Jackson, Calhoun, and Liberty Counties and on Amelia Island in Nassau County.

Applicability

Applicable to commercial and industrial services of Customers contracting for at least 5,000 kilowatts of electric service.

Character of Service

Three-phase, 60 hertz, electric service delivered and metered at a single point at the available transmission voltage, nominally 69,000 volts or higher.

Monthly Base Rates

Customer Facilities Charge:	$1,104.48
Base Transmission Demand Charge:	$2.56/KW of Maximum/NCP Billing Demand
Excess Reactive Demand Charge:	$0.50 kVar of Excess Reactive Demand

Purchased Power Charges

Purchased power charges are adjusted by the FPSC annually. Current purchased power rates are listed on Sheet Nos. 7.021 and 7.022. The Purchased Power Charges recover Energy and Demand Charges billed to FPUC by FPUC's Wholesale Energy Provider and Wholesale Cogeneration Provider including applicable line losses and taxes. See Sheet Nos. 7.010 and 7.011 for the methodology used to determine purchased power rate and calculation to develop annual true-up calculations.

Minimum Bill

The minimum monthly bill is the sum of the Transmission Demand Charge and the Customer Charge plus any Purchased Power Charges attributed to Transmission Demand Fuel Charge.

Terms of Payment

Bills are rendered net and due and payable within twenty (20) days from date of bill.

Conservation Costs

Not applicable.

Franchise Fee Adjustment

Customers taking service within franchise areas shall pay a franchise fee adjustment in the form of a percentage to be added to their bills prior to the application of any appropriate taxes. This percentage shall reflect the Customer's pro rata share of the amount the Company is required to pay under the franchise agreement with the specific governmental body in which the Customer is located.

E1415

RATE SCHEDULE GSLD 1
GENERAL SERVICE - LARGE DEMAND 1

Availability
Available within the territory served by the Company in Jackson, Calhoun, and Liberty Counties and on Amelia Island in Nassau County.

Applicability
Applicable to commercial and industrial services of Customers contracting for at least 5,000 kilowatts of electric service.

Character of Service
Three-phase, 60 hertz, electric service delivered and metered at a single point at the available transmission voltage, nominally 69,000 volts or higher.

Monthly Base Rates

Customer Facilities Charge:	$~~1,183.57~~1,104.48
Base Transmission Demand Charge:	$~~2.74~~2.56/KW of Maximum/NCP Billing Demand
Excess Reactive Demand Charge:	$0.~~53~~50 kVar of Excess Reactive Demand

Purchased Power Charges
Purchased power charges are adjusted by the FPSC annually. Current purchased power rates are listed on Sheet Nos. 7.021 and 7.022. The Purchased Power Charges recover Energy and Demand Charges billed to FPUC by FPUC's Wholesale Energy Provider and Wholesale Cogeneration Provider including applicable line losses and taxes. See Sheet Nos. 7.010 and 7.011 for the methodology used to determine purchased power rate and calculation to develop annual true-up calculations.

Minimum Bill
The minimum monthly bill is the sum of the Transmission Demand Charge and the Customer Charge plus any Purchased Power Charges attributed to Transmission Demand Fuel Charge.

Terms of Payment
Bills are rendered net and due and payable within twenty (20) days from date of bill.

Conservation Costs
Not applicable.

Franchise Fee Adjustment
Customers taking service within franchise areas shall pay a franchise fee adjustment in the form of a percentage to be added to their bills prior to the application of any appropriate taxes. This percentage shall reflect the Customer's pro rata share of the amount the Company is required to pay under the franchise agreement with the specific governmental body in which the Customer is located.

E1416

RATE SCHEDULE LS
LIGHTING SERVICE

Availability

Available within the territory served by the Company in Calhoun, Jackson and Liberty Counties and on Amelia Island in Nassau County.

Applicability

Applicable to any Customer for non-metered outdoor lighting service.

Character of Service

Lighting service from dusk to dawn as described herein.

Limitations of Service

Service is limited to lighting by high-pressure sodium vapor, metal halide, or light emitting diode lamps mounted on Company-owned poles as described herein. Company-owned facilities will be installed only on Company-owned poles.

Monthly Rate

When lighting fixtures are mounted on existing poles and served directly from existing overhead secondary distribution lines:

Type Facility	Lamp Lumens	Size Watts	KWH/Mo. Estimate	Facilities Charge	Maintenance* Charge	Energy Charge	Total Charge
High Pressure Sodium Lights ***(CLOSED TO NEW CUSTOMERS)***							
Acorn	16,000	150	61	$22.31	$2.82	$3.61	$28.74
ALN 440	16,000	150	61	$31.80	$3.76	$3.61	$39.17
Amer. Rev.	9,500	100	41	$10.95	$3.73	$2.44	$17.12
Amer. Rev.	16,000	150	61	$10.25	$3.77	$3.61	$17.63
Cobra Head	9,500	100	41	$8.21	$2.39	$2.44	$13.04
Cobra Head	22,000	200	81	$11.08	$2.87	$4.83	$18.78
Cobra Head	28,500	250	101	$13.18	$3.77	$6.01	$22.96
Cobra Head	50,000	400	162	$12.30	$3.14	$9.68	$25.12
Flood	28,500	250	101	$12.88	$2.74	$6.01	$21.63
Flood	50,000	400	162	$20.22	$2.57	$9.68	$32.47
Flood	130,000	1,000	405	$25.33	$3.40	$24.13	$52.86
SP2 Spectra	9,500	100	41	$28.11	$3.51	$2.44	$34.06
Metal Halide Lights ***(CLOSED TO NEW CUSTOMERS)***							
ALN 440	16,000	175	71	$30.43	$2.96	$4.27	$37.66
Flood	50,000	400	162	$13.73	$2.50	$9.68	$25.91
Flood	130,000	1,000	405	$23.35	$3.31	$24.13	$50.79
Shoebox	16,000	175	71	$25.70	$3.32	$4.27	$33.29
Shoebox	28,500	250	101	$27.35	$3.72	$6.01	$37.08
SP2 Spectra	9,500	100	41	$27.90	$3.40	$2.44	$33.74
Vertical Shoebox	130,000	1,000	405	$28.84	$3.76	$24.13	$56.73

E1417

FPSC EXH NO. 97

ADMITTED

E1418

Florida Public Utilities Company First Revised Sheet No. 7.013
Cancels Original Sheet No. 7.013
F.P.S.C. Electric Tariff
Original Volume No. II

RATE SCHEDULE LS
LIGHTING SERVICE

Availability

Available within the territory served by the Company in Calhoun, Jackson and Liberty Counties and on Amelia Island in Nassau County.

Applicability

Applicable to any Customer for non-metered outdoor lighting service.

Character of Service

Lighting service from dusk to dawn as described herein.

Limitations of Service

Service is limited to lighting by high-pressure sodium vapor, metal halide, or light emitting diode lamps mounted on Company-owned poles as described herein. Company-owned facilities will be installed only on Company-owned poles.

Monthly Rate

When lighting fixtures are mounted on existing poles and served directly from existing overhead secondary distribution lines:

Type Facility	Lamp Lumens	Size Watts	KWH/Mo. Estimate	Facilities Charge	Maintenance* Charge	Energy Charge	Total Charge
High Pressure Sodium Lights ***(CLOSED TO NEW CUSTOMERS)***							
Acorn	16,000	150	61	$~~23.91~~22.31	$~~3.02~~2.82	$~~3.87~~3.61	$~~30.80~~28.74
ALN 440	16,000	150	61	$~~34.08~~31.80	$~~4.03~~3.76	$~~3.87~~3.61	$~~41.98~~39.17
Amer. Rev.	9,500	100	41	$~~11.73~~10.95	$~~3.99~~3.73	$~~2.61~~2.44	$~~18.33~~17.12
Amer. Rev.	16,000	150	61	$~~10.99~~10.25	$~~4.04~~3.77	$~~3.87~~3.61	$~~18.90~~17.63
Cobra Head	9,500	100	41	$~~8.80~~8.21	$~~2.56~~2.39	$~~2.61~~2.44	$~~13.97~~13.04
Cobra Head	22,000	200	81	$~~11.87~~11.08	$~~3.07~~2.87	$~~5.17~~4.83	$~~20.11~~18.78
Cobra Head	28,500	250	101	$~~14.12~~13.18	$~~4.04~~3.77	$~~6.44~~6.01	$~~24.60~~22.96
Cobra Head	50,000	400	162	$~~13.19~~ 12.30	$~~3.36~~3.14	$~~10.37~~9.68	$~~26.92~~25.12
Flood	28,500	250	101	$~~13.81~~12.88	$~~2.94~~2.74	$~~6.44~~6.01	$~~23.19~~21.63
Flood	50,000	400	162	$~~21.67~~20.22	$~~2.76~~2.57	$~~10.37~~9.68	$~~34.80~~32.47
Flood	130,000	1,000	405	$~~27.15~~25.33	$~~3.64~~3.40	$~~25.86~~24.13	$~~56.65~~52.86
SP2 Spectra	9,500	100	41	$~~30.12~~28.11	$~~3.76~~3.51	$~~2.61~~2.44	$~~36.49~~34.06
Metal Halide Lights ***(CLOSED TO NEW CUSTOMERS)***							
ALN 440	16,000	175	71	$~~32.61~~30.43	$~~3.17~~2.96	$~~4.58~~4.27	$~~40.36~~37.66
Flood	50,000	400	162	$~~14.72~~13.73	$~~2.68~~2.50	$~~10.37~~9.68	$~~27.77~~25.91
Flood	130,000	1,000	405	$~~25.02~~23.35	$~~3.55~~3.31	$~~25.86~~24.13	$~~54.43~~50.79
Shoebox	16,000	175	71	$~~27.54~~25.70	$~~3.56~~3.32	$~~4.58~~4.27	$~~35.68~~33.29
Shoebox	28,500	250	101	$~~29.31~~27.35	$~~3.98~~3.72	$~~6.44~~6.01	$~~39.73~~37.08
SP2 Spectra	9,500	100	41	$~~29.89~~27.90	$~~3.64~~3.40	$~~2.61~~2.44	$~~36.14~~33.74
Vertical Shoebox	130,000	1,000	405	$~~30.90~~28.84	$~~4.03~~3.76	$~~25.86~~24.13	$~~60.79~~56.73

Issued by: Jeffrey Sylvester, Chief Operating Officer
Florida Public Utilities
Effective: March 20, 2025

E1418

RATE SCHEDULE LS
LIGHTING SERVICE

Light Emitting Diode Lights

Type				Charges			
Facility Type	**Lamp Lumens**	**Size Watts**	**Est. KWH/Mo.**	**Facilities**	**Maintenance**	**Energy**	**Total**
50W Outdoor Light (100W Equivalent)	5,682	50	17	$7.46	$2.36	$1.01	$10.83
50W Cobra Head (100W Equivalent)	5,944	50	17	$9.42	$2.93	$1.01	$13.36
82W Cobra Head (200W Equivalent)	9,600	82	28	$8.82	$2.75	$1.67	$13.24
130W Cobra Head (250W Equivalent)	14,571	130	45	$8.78	$2.74	$2.67	$14.19
210W Cobra Head (400W Equivalent)	28,653	210	72	$15.35	$4.48	$4.28	$24.11
26W American Revolution Decorative (100W Equivalent)	2,650	26	9	$8.82	$3.08	$0.53	$12.43
44W American Revolution Decorative (150W Equivalent)	4,460	44	15	$8.74	$3.05	$0.90	$12.69
90W Acorn Decorative (150W Equivalent)	10,157	90	31	$12.62	$4.20	$1.85	$18.67
60W Post Top Decorative (150W Equivalent)	7,026	60	21	$22.37	$7.08	$1.25	$30.70
80W Flood (250W Equivalent)	12,500	80	27	$12.24	$3.85	$1.61	$17.70
170W Flood (400W Equivalent)	24,000	170	58	$12.24	$3.85	$3.46	$19.55
150W Flood (350W Equivalent)	20,686	150	52	$12.24	$3.85	$3.09	$19.18
290 W Flood (1,000W Equivalent)	38,500	290	100	$12.24	$3.85	$5.95	$22.04
82W Shoe Box (175W Equivalent)	20,500	23	276	$10.79	$3.66	$3.09	$17.54
131W Shoe Box (250W Equivalent)	17,144	131	45	$12.15	$4.07	$2.67	$18.89

Charges for other Company-owned facilities:

1)	30’ Wood Pole	$5.46
2)	40’ Wood Pole Std	$12.15
3)	18’ Fiberglass Round	$11.31
4)	13’ Decorative Concrete	$16.02
5)	20’ Decorative Concrete	$18.59
6)	35’ Concrete Square	$17.94
7)	10’ Deco Base Aluminum	$21.03
8)	30’ Wood Pole Std	$6.07

For the poles shown above that are served from an underground system, the Company will provide up to one hundred (100) feet of conductor to service each fixture. The Customer will provide and install the necessary conduit system to Company specifications.

Purchased Power Charges

Purchased power charges are adjusted annually by the Florida Public Service Commission. For current purchased power costs included in the tariff, see Sheet No. 7.021 & 7.022.

E1419

RATE SCHEDULE LS
LIGHTING SERVICE

Light Emitting Diode Lights

Type Facility Type	Lamp Lumens	Size Watts	Est. KWH/Mo.	Charges Facilities	Maintenance	Energy	Total
50W Outdoor Light (100W Equivalent)	5,682	50	17	$~~7.99~~7.46	$~~2.53~~2.36	$~~1.08~~1.01	$~~11.60~~10.83
50W Cobra Head (100W Equivalent)	5,944	50	17	$~~10.09~~9.42	$~~3.14~~2.93	$~~1.08~~1.01	$~~14.31~~13.36
82W Cobra Head (200W Equivalent)	9,600	82	28	$~~9.45~~8.82	$~~2.95~~2.75	$~~1.78~~1.67	$~~14.18~~13.24
130W Cobra Head (250W Equivalent)	14,571	130	45	$~~9.41~~8.78	$~~2.94~~2.74	$~~2.87~~2.67	$~~15.22~~14.19
210W Cobra Head (400W Equivalent)	28,653	210	72	$~~16.45~~15.35	$~~4.80~~4.48	$~~4.59~~4.28	$~~25.84~~24.11
26W American Revolution Decorative (100W Equivalent)	2,650	26	9	$~~9.45~~8.82	$~~3.30~~3.08	$~~0.57~~0.53	$~~13.32~~12.43
44W American Revolution Decorative (150W Equivalent)	4,460	44	15	$~~9.36~~8.74	$~~3.27~~3.05	$~~0.96~~0.90	$~~13.59~~12.69
90W Acorn Decorative (150W Equivalent)	10,157	90	31	$~~13.53~~12.62	$~~4.50~~4.20	$~~1.98~~1.85	$~~20.01~~18.67
60W Post Top Decorative (150W Equivalent)	7,026	60	21	$~~23.97~~22.37	$~~7.59~~7.08	$~~1.34~~1.25	$~~32.90~~30.70
80W Flood (250W Equivalent)	12,500	80	27	$~~13.11~~12.24	$~~4.13~~3.85	$~~1.72~~1.61	$~~18.96~~17.70
170W Flood (400W Equivalent)	24,000	170	58	$~~13.11~~12.24	$~~4.13~~3.85	$~~3.70~~3.46	$~~20.94~~19.5~~9~~5
150W Flood (350W Equivalent)	20,686	150	52	$~~13.11~~12.24	$~~4.13~~3.85	$~~3.31~~3.09	$~~20.55~~19.18
290 W Flood (1,000W Equivalent)	38,500	290	100	$~~13.11~~12.24	$~~4.13~~3.85	$~~6.37~~5.95	$~~23.61~~22.04
82W Shoe Box (175W Equivalent)	20,500	23	276	$~~11.56~~10.79	$~~3.92~~3.66	$~~3.31~~3.09	$~~18.79~~17.54
131W Shoe Box (250W Equivalent)	17,144	131	45	$~~13.02~~12.15	$~~4.36~~4.07	$~~2.87~~2.67	$~~20.25~~18.89

Charges for other Company-owned facilities:

1)	30' Wood Pole	$~~5.85~~5.46
2)	40' Wood Pole Std	$~~13.02~~12.15
3)	18' Fiberglass Round	$~~12.12~~11.31
4)	13' Decorative Concrete	$~~17.17~~16.02
5)	20' Decorative Concrete	$~~19.92~~18.59
6)	35' Concrete Square	$~~19.22~~17.94
7)	10' Deco Base Aluminum	$~~22.53~~21.03
8)	30' Wood Pole Std	$~~6.51~~6.07

For the poles shown above that are served from an underground system, the Company will provide up to one hundred (100) feet of conductor to service each fixture. The Customer will provide and install the necessary conduit system to Company specifications.

Purchased Power Charges

Purchased power charges are adjusted annually by the Florida Public Service Commission. For current purchased power costs included in the tariff, see Sheet No. 7.021 & 7.022.

E1420

RATE SCHEDULE OSL
MERCURY VAPOR LIGHTING SERVICE
(Closed To New Installations)

Availability
Available within the territory served by the Company in Calhoun, Jackson and Liberty Counties and on Amelia Island in Nassau County.

Applicability
Applicable to any Customer for mercury vapor lighting service.

Character of Service
Lighting service from dusk to dawn as described herein.

Limitations of Service
Service is limited to lighting by mercury vapor lamps of 7,000 or 20,000 initial level of lumens mounted on wood poles, as described herein.

Monthly Rate
When lighting fixtures are mounted on existing poles and served directly from existing overhead secondary distribution lines:

Lamp Size Lumens	KWH/Mo. Estimate	Facilities Charge	Maintenance* Charge	Energy Charge	Total Charge
7,000	72	$1.57	$1.40	$4.19	$7.16
20,000	154	$1.73	$1.50	$9.01	$12.24

For concrete or fiberglass poles and/or underground conductors, etcetera, the Customer shall pay a lump sum amount equal to the estimated differential cost between the special system and the equivalent overhead-wood pole system.

Purchased Power Charges
Purchased power charges are adjusted by the Florida Public Service Commission, normally each year in January. For current purchased power costs included in the tariff, see Sheet Nos. 7.021 & 7.022.

Minimum Bill
The above rates times the number of lamps connected.

Terms of Payment
Bills are rendered net and are due and payable within twenty (20) days from date of bill.

E1421

RATE SCHEDULE OSL
MERCURY VAPOR LIGHTING SERVICE
(Closed To New Installations)

Availability
Available within the territory served by the Company in Calhoun, Jackson and Liberty Counties and on Amelia Island in Nassau County.

Applicability
Applicable to any Customer for mercury vapor lighting service.

Character of Service
Lighting service from dusk to dawn as described herein.

Limitations of Service
Service is limited to lighting by mercury vapor lamps of 7,000 or 20,000 initial level of lumens mounted on wood poles, as described herein.

Monthly Rate
When lighting fixtures are mounted on existing poles and served directly from existing overhead secondary distribution lines:

Lamp Size Lumens	KWH/Mo. Estimate	Facilities Charge	Maintenance* Charge	Energy Charge	Total Charge
7,000	72	$~~1.69~~1.57	$~~1.51~~1.40	$~~4.49~~4.19	$~~7.69~~7.16
20,000	154	$~~1.86~~1.73	$~~1.60~~1.50	$~~9.65~~9.01	$~~13.11~~12.24

For concrete or fiberglass poles and/or underground conductors, etcetera, the Customer shall pay a lump sum amount equal to the estimated differential cost between the special system and the equivalent overhead-wood pole system.

Purchased Power Charges
Purchased power charges are adjusted by the Florida Public Service Commission, normally each year in January. For current purchased power costs included in the tariff, see Sheet Nos. 7.021 & 7.022.

Minimum Bill
The above rates times the number of lamps connected.

Terms of Payment
Bills are rendered net and are due and payable within twenty (20) days from date of bill.

E1422