

FLORIDA PUBLIC UTILITIES COMPANY
ELECTRIC
RATE OF RETURN REPORT SUMMARY
December 31, 2012

SCHEDULE 1

	(1) ACTUAL PER BOOKS	(2) FPSC ADJUSTMENTS	(3) FPSC ADJUSTED	(4) PRO FORMA ADJUSTMENTS	(5) PRO FORMA ADJUSTED
I. AVERAGE RATE OF RETURN (JURISDICTIONAL)					
NET OPERATING INCOME	\$ 1,715,813	\$856,709	\$2,572,522	\$0	\$2,572,522
AVERAGE RATE BASE	\$43,133,117	\$869,788	\$44,002,905	\$0	\$44,002,905
AVERAGE RATE OF RETURN	3.98%		5.85%		5.85%
II. YEAR-END RATE OF RETURN (JURISDICTIONAL)					
NET OPERATING INCOME	\$1,715,813	\$684,844	\$2,600,657	\$0	\$2,600,657
YEAR-END RATE BASE	\$49,433,434	(\$139,099)	\$49,294,335	\$0	\$49,294,335
YEAR-END RATE OF RETURN	3.47%		5.28%		5.28%

IV. FINANCIAL INTEGRITY INDICATORS

III. REQUIRED RATES OF RETURN		A. TIE WITH AFUDC		2.04
AVERAGE CAPITAL STRUCTURE (FPSC ADJUSTED BASIS)		B. TIE WITHOUT AFUDC		2.04
LOW	6.92%	C. AFUDC TO NET INCOME		0.00
MIDPOINT	7.36%	D. INTERNALLY GENERATED FUNDS		69.70
HIGH	7.84%	E. LTD TO TOTAL INVESTOR FUNDS		30.24
		F. STD TO TOTAL INVESTOR FUNDS		8.24
		G. RETURN ON COMMON EQUITY		7.67

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

Whoever knowingly makes a false statement in writing with the intent to mislead a public servant in the performance of his official duty shall be guilty of a misdemeanor of the second degree punishable as provided in s. 775.082, s. 775.083, or s. 775.084.

Cheryl M. Martin
Director- Regulatory Affairs

Signature

Date

Cheryl Martin

4/1/13

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
	PLANT IN SERVICE	ACCUMULATED DEPRECIATION & AMORTIZATION	PLANT IN SERVICE	NET PROPERTY HELD FOR FUTURE USE	CONSTRUCTION WORK IN PROGRESS	NET UTILITY PLANT	WORKING CAPITAL	TOTAL RATE BASE
PER BOOKS	\$92,222,541	(\$47,620,475)	\$44,602,066	\$0	\$1,341,256	\$45,943,322	(\$2,810,205)	\$43,133,117
FPSC ADJUSTMENTS:								
ELIMINATIONS TO WORKING CAPITAL			\$0			\$0	(\$26,817)	(\$26,817)
ELIM. NON UTILITY PLANT	(\$188,298)	\$79,970	(\$108,328)			(\$108,328)		(\$108,328)
ELIMINATE ACQUISITION ADJUSTMENT		\$0	\$0			\$0		\$0
REGULATORY ASSET - LITIGATION COSTS							\$1,004,932	\$1,004,932
TOTAL FPSC ADJUSTMENTS	(\$188,298)	\$79,970	(\$108,328)	\$0	\$0	(\$108,328)	\$978,115	\$869,788
FPSC ADJUSTED	\$92,034,243	(\$47,540,505)	\$44,493,739	\$0	\$1,341,256	\$45,834,995	(\$1,832,090)	\$44,002,905
FLEX RATE REVENUES	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
ADJUSTED FOR FLEX RATE REVENUES	\$92,034,243	(\$47,540,505)	\$44,493,739	\$0	\$1,341,256	\$45,834,995	(\$1,832,090)	\$44,002,905
PROFORMA ADJUSTMENTS								
TOTAL PRO FORMA ADJUSTMENTS	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
PRO FORMA ADJUSTED	\$92,034,243	(\$47,540,505)	\$44,493,739	\$0	\$1,341,256	\$45,834,995	(\$1,832,090)	\$44,002,905

FLORIDA PUBLIC UTILITIES COMPANY
ELECTRIC
YEAR END RATE OF RETURN
For the 12 Months Ending December 31, 2012
RATE BASE

SCHEDULE 3
PAGE 1 OF 2

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
	PLANT IN SERVICE	ACCUMULATED DEPRECIATION & AMORTIZATION	PLANT IN SERVICE	NET PROPERTY HELD FOR FUTURE USE	CONSTRUCTION WORK IN PROGRESS	NET UTILITY PLANT	WORKING CAPITAL	TOTAL RATE BASE
PER BOOKS	\$95,853,498	(\$48,788,995)	\$47,064,503	\$0	\$1,460,726	\$48,525,229	\$908,206	\$49,433,434
FPSC ADJUSTMENTS:								
ELIMINATIONS TO WORKING CAPITAL			\$0			\$0	(\$740,405)	(\$740,405)
ELIM. NON UTILITY PLANT	(\$196,225)	\$82,316	(\$113,909)			(\$113,909)		(\$113,909)
ELIMINATE ACQUISITION ADJUSTMENT		\$0	\$0			\$0		\$0
REGULATORY ASSET - LITIGATION COSTS							\$1,424,272	\$1,424,272
ELIMINATE NET UNDER-RECOVERIES							(\$709,057)	(\$709,057)
TOTAL FPSC ADJUSTMENTS	(\$196,225)	\$82,316	(\$113,909)	\$0	\$0	(\$113,909)	(\$25,190)	(\$139,099)
FPSC ADJUSTED	\$95,657,273	(\$48,706,679)	\$46,950,594	\$0	\$1,460,726	\$48,411,320	\$883,015	\$49,294,335
COMP RATE ADJ REVENUES	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
ADJUSTED FOR COMP RATE ADJ REVENUE	\$95,657,273	(\$48,706,679)	\$46,950,594	\$0	\$1,460,726	\$48,411,320	\$883,015	\$49,294,335
PROFORMA ADJUSTMENTS								\$0
TOTAL PRO FORMA ADJUSTMENTS	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
PRO FORMA ADJUSTED	\$95,657,273	(\$48,706,679)	\$46,950,594	\$0	\$1,460,726	\$48,411,320	\$883,015	\$49,294,335

AVERAGE	ADJUSTMENTS		ADJUSTED BOOKS	PRO-RATA	SPECIFIC	BALANCE	RATIO (%)	LOW POINT		MIDPOINT		HIGH POINT	
	PER BOOKS	NON-UTILITY						COST RATE (%)	WEIGHTED COST (%)	COST RATE (%)	WEIGHTED COST (%)	COST RATE (%)	WEIGHTED COST (%)
COMMON EQUITY	\$19,786,615	(\$108,328)	\$19,678,287	\$603,013	\$0	\$20,281,300	46.09%	10.00%	4.61%	11.00%	5.07%	12.00%	5.53%
LONG TERM DEBT	\$5,573,699		\$5,573,699	169,863		\$5,743,562	13.05%	6.09%	0.79%	6.09%	0.79%	6.09%	0.79%
SHORT TERM DEBT	\$2,634,729		\$2,634,729	80,295		\$2,715,024	6.17%	1.37%	0.08%	1.37%	0.08%	1.37%	0.08%
LONG TERM DEBT - FC	\$4,099,798		\$4,099,798	124,945		\$4,224,743	9.60%	11.10%	1.07%	11.10%	1.07%	11.10%	1.07%
CUSTOMER DEPOSITS	\$3,528,972		\$3,528,972			\$3,528,972	8.02%	4.59%	0.37%	4.59%	0.37%	4.59%	0.37%
DEFERRED INCOME TAXES	\$7,503,404		\$7,503,404			\$7,503,404	17.05%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
TAX CREDITS - WEIGHTED COST	\$5,900		\$5,900			\$5,900	0.01%	6.55%	0.00%	7.01%	0.00%	7.47%	0.00%
TOTAL AVERAGE	\$43,133,117	(\$108,328)	\$43,024,789	\$978,115	\$0	\$44,002,905	100.00%		6.92%		7.38%		7.84%

YEAR-END	ADJUSTMENTS		ADJUSTED BOOKS	PRO-RATA	SPECIFIC	BALANCE	RATIO (%)	LOW POINT		MIDPOINT		HIGH POINT	
	PER BOOKS	NON-UTILITY						COST RATE (%)	WEIGHTED COST (%)	COST RATE (%)	WEIGHTED COST (%)	COST RATE (%)	WEIGHTED COST (%)
COMMON EQUITY	\$21,901,262	(\$113,909)	\$21,787,352	(\$14,427)	\$0	\$21,772,925	44.17%	10.00%	4.42%	11.00%	4.86%	12.00%	5.30%
LONG TERM DEBT	\$6,113,649		\$6,113,649	(\$4,027)		\$6,109,622	12.39%	6.45%	0.80%	6.45%	0.80%	6.45%	0.80%
SHORT TERM DEBT	\$5,897,574		\$5,897,574	(\$3,885)		\$5,893,689	11.96%	0.69%	0.08%	0.69%	0.08%	0.69%	0.08%
LONG TERM DEBT - FC	\$4,328,087		\$4,328,087	(\$2,851)		\$4,325,236	8.77%	11.38%	1.00%	11.38%	1.00%	11.38%	1.00%
CUSTOMER DEPOSITS	\$3,454,549		\$3,454,549			\$3,454,549	7.01%	4.66%	0.33%	4.66%	0.33%	4.66%	0.33%
DEFERRED INCOME TAXES	\$7,738,314		\$7,738,314			\$7,738,314	15.70%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
TAX CREDITS - WEIGHTED COST	\$0		\$0			\$0	0.00%	6.30%	0.00%	6.74%	0.00%	7.18%	0.00%
TOTAL YEAR-END	\$49,433,434	(\$113,909)	\$49,319,525	(\$25,190)	\$0	\$49,294,335	100.00%		6.63%		7.07%		7.51%