

**FLORIDA PUBLIC SERVICE COMMISSION**

**INVESTOR-OWNED NATURAL GAS UTILITY  
EARNINGS SURVEILLANCE REPORT**

**FLORIDA CITY GAS**

**MARCH 2022**

PSC/AFA 13 (6/94)

FLORIDA CITY GAS  
 EARNINGS SURVEILLANCE REPORT SUMMARY  
 MARCH, 2022

	(1) ACTUAL PER BOOKS	(2) FPSC ADJUSTMENTS	(3) FPSC ADJUSTED	(4) PRO FORMA ADJUSTMENTS	(5) PRO FORMA ADJUSTED
<u>I. AVERAGE RATE OF RETURN (JURISDICTIONAL)</u>					
NET OPERATING INCOME	\$ 19,432,718	(3,301,687)	16,131,031	-	16,131,031
AVERAGE RATE BASE	\$ 407,767,289	(51,283,269)	356,484,020	-	356,484,020
AVERAGE RATE OF RETURN	4.77%		4.53%		4.53%

III. REQUIRED RATES OF RETURN AVERAGE CAPITAL  
 STRUCTURE (FPSC ADJUSTED BASIS)

LOW	4.95%
MIDPOINT	5.37%
HIGH	5.78%

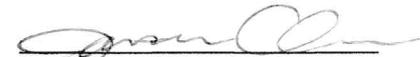
IV. EARNED RETURN ON EQUITY (FPSC ADJUSTED BASIS)

A. RETURN ON COMMON EQUITY (AVERAGE)	8.16%
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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.

Keith Ferguson, Vice President Accounting and Controller  
 (Name and Title of Chief Financial Officer)

  
 (Signature)  
 FOR KEITH FERGUSON

5/13/2022  
 (Date)

FLORIDA CITY GAS  
AVERAGE RATE BASE  
MARCH, 2022

Line No.	(1)	(2)	(3)	(4)	(5)	(7)	(8)	(9)	
	PLANT IN SERVICE	ACCUM. DEPR. & AMORT.	NET PLANT IN SERVICE	PROPERTY HELD FOR FUTURE USE	CWIP	NET UTILITY PLANT	WORKING CAPITAL	TOTAL RATE BASE	
1	PER BOOKS (1)	\$ 553,497,264	200,156,855	353,340,409	-	27,719,673	381,060,082	26,707,207	407,767,289
2									
3	<u>FPSC ADJUSTMENTS:</u>								
4	REMOVE SAFE CLAUSE PLANT	\$ (29,658,005)	(577,136)	(29,080,868)	-	(1,820,017)	(30,900,885)	-	(30,900,885)
5	REMOVE AEP	-	-	-	-	-	(5,342,768)	-	(5,342,768)
6	INTERCOMPANY AR	-	-	-	-	-	(76,746)	-	(76,746)
7	CLAUSE UNDERRECOVERIES	-	-	-	-	-	(3,490,861)	-	(3,490,861)
8	REMOVE LEASES	(7,222,672)	(1,035,137)	(6,187,535)	-	-	(6,187,535)	-	(6,187,535)
9	ACCUM DEFERRED RETIREMENT BENEFITS	-	-	-	-	-	37,485	-	37,485
10	TEMPORARY CASH INVESTMENTS	-	-	-	-	-	(5,321,959)	-	(5,321,959)
11	TOTAL FPSC ADJUSTMENTS (2)	<u>(36,880,677)</u>	<u>(1,612,274)</u>	<u>(35,268,403)</u>	<u>-</u>	<u>(1,820,017)</u>	<u>(37,088,420)</u>	<u>(14,194,849)</u>	<u>(51,283,269)</u>
12									
13	FPSC ADJUSTED	<u>\$ 516,616,587</u>	<u>198,544,581</u>	<u>318,072,006</u>	<u>-</u>	<u>25,899,656</u>	<u>343,971,663</u>	<u>12,512,357</u>	<u>356,484,020</u>
14									
15	TOTAL PRO FORMA ADJUSTMENTS	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
16									
17	PRO FORMA ADJUSTED	<u>\$ 516,616,587</u>	<u>198,544,581</u>	<u>318,072,006</u>	<u>-</u>	<u>25,899,656</u>	<u>343,971,663</u>	<u>12,512,357</u>	<u>356,484,020</u>

(1) Recoverable AGL Acquisition Adjustment and related Accumulated Amortization are included in "Per Books" amounts.

(2) In order to be consistent with the "Per Book" capital structure reflected on Schedule 4, certain capital structure balances are no longer presented as part of "Per Book" Rate Base on this schedule. Therefore, no further capital structure adjustment is needed.

FLORIDA CITY GAS  
NET OPERATING INCOME  
MARCH, 2022

Line No.	(1) OPERATING REVENUES	(2) O&M GAS EXPENSE	(3) O&M OTHER	(4) DEPR. & AMORT.	(5) TAXES OTHER THAN INCOME TAXES	(6) INCOME TAXES CURRENT	(7) DEFERRED INCOME TAXES (NET)	(8) INV. TAX CREDIT (NET)	(9) GAIN/LOSS ON DISPOSITION	(10) TOTAL OPERATING EXPENSES	(11) NET OPERATING INCOME
1	\$ 114,977,075	26,507,642.56	31,858,806.09	23,625,542.85	9,420,681.38	3,854,742.00	305,384.00	-	(28,441.74)	95,544,357.14	19,432,717.54
2											
3	<u>FPSC ADJUSTMENTS:</u>										
4	\$ (27,422,544)	(27,256,411)	(159,216)	-	(9,050)	519	-	-	-	(27,424,158)	1,614
5	(5,798,550)	-	(15,081)	-	(5,654,471)	(31,651)	-	-	-	(5,701,203)	(97,348)
6	(8,494,885)	-	(6,652,790)	-	(70,954)	(431,987)	-	-	-	(7,155,731)	(1,339,153)
7	(7,636,903)	-	(38,185)	(7,278,439)	-	(78,136)	-	-	-	(7,394,760)	(242,143)
8	(3,393,814)	-	(16,969)	(773,990)	(591,001)	(490,708)	-	-	-	(1,872,668)	(1,521,145)
9	-	-	(25,000)	-	-	6,130	-	-	-	(18,870)	18,870
10	-	-	(3,426)	-	-	836	-	-	-	(2,590)	2,590
11	-	-	-	-	-	124,971	-	-	-	124,971	(124,971)
12	<u>\$ (52,746,696)</u>	<u>(27,256,411)</u>	<u>(6,910,666)</u>	<u>(8,052,429)</u>	<u>(6,325,476)</u>	<u>(900,027)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(49,445,009)</u>	<u>(3,301,687)</u>
13											
14	<u>\$ 62,230,379</u>	<u>(748,768)</u>	<u>24,948,140</u>	<u>15,573,114</u>	<u>3,095,205</u>	<u>2,954,715</u>	<u>305,384</u>	<u>-</u>	<u>(28,442)</u>	<u>46,099,348</u>	<u>16,131,031</u>
15											
16	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
17											
18	<u>\$ 62,230,379</u>	<u>(748,768)</u>	<u>24,948,140</u>	<u>15,573,114</u>	<u>3,095,205</u>	<u>2,954,715</u>	<u>305,384</u>	<u>-</u>	<u>(28,442)</u>	<u>46,099,348</u>	<u>16,131,031</u>



FLORIDA CITY GAS  
EARNED RETURN ON COMMON EQUITY  
FPSC ADJUSTED BASIS  
MARCH, 2022

SCHEDULE 5

Line No.		
1	FPSC ADJUSTED AVERAGE EARNED RATE OF RETURN	4.53%
2	LESS: RECONCILED AVERAGE JURISDICTIONAL WEIGHTED COST RATES FOR:	
3	LONG TERM DEBT	-1.05%
4	SHORT TERM DEBT	-0.07%
5	PREFERRED STOCK	0.00%
6	CUSTOMER DEPOSITS	-0.03%
7	TAX CREDITS-WEIGHTED COST(MIDPOINT)	<u>0.00%</u>
8	SUBTOTAL	-1.14%
9		
10	TOTAL	<u>3.38%</u>
11		
11	DIVIDED BY RECONCILED COMMON EQUITY RATIO	<u>41.48%</u>
12		
13	JURISDICTIONAL RETURN ON COMMON EQUITY	<u>8.16%</u>