

FLORIDA PUBLIC SERVICE COMMISSION

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

FLORIDA CITY GAS

SEPTEMBER 2022

PSC/AFA 13 (6/94)

FLORIDA CITY GAS
 EARNINGS SURVEILLANCE REPORT SUMMARY
 SEPTEMBER, 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	\$ 20,047,945	(1,830,280)	18,217,665	-	18,217,665
AVERAGE RATE BASE	\$ 424,143,235	(54,853,102)	369,290,134	-	369,290,134
AVERAGE RATE OF RETURN	4.73%		4.93%		4.93%

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

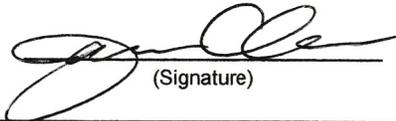
III. EARNED RETURN ON EQUITY (FPSC ADJUSTED BASIS)

LOW	5.27%	A. RETURN ON COMMON EQUITY (AVERAGE)	8.39%
MIDPOINT	5.69%		
HIGH	6.12%		

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)

11/10/2022
 (Date)

FOR KEITH FERGUSON

FLORIDA CITY GAS
AVERAGE RATE BASE
SEPTEMBER, 2022

Line No.	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	
	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⁾	\$ 570,480,954	206,051,362	364,429,592	-	37,278,635	401,708,227	22,435,009	424,143,235
2									
3	<u>FPSC ADJUSTMENTS:</u>								
4	REMOVE SAFE CLAUSE PLANT	\$ (35,815,541)	(1,326,567)	(34,488,975)	-	(659,386)	(35,148,360)	-	(35,148,360)
5	REMOVE AEP	-	-	-	-	-	(2,006,780)	(2,006,780)	
6	INTERCOMPANY AR	-	-	-	-	-	(95,099)	(95,099)	
7	CLAUSE UNDERRECOVERIES	-	-	-	-	-	(4,692,694)	(4,692,694)	
8	REMOVE LEASES	(9,677,542)	(1,838,567)	(7,838,975)	-	(7,838,975)	-	(7,838,975)	
9	ACCUM DEFERRED RETIREMENT BENEFITS	-	-	-	-	-	37,881	37,881	
10	TEMPORARY CASH INVESTMENTS	-	-	-	-	-	(5,109,074)	(5,109,074)	
11	TOTAL FPSC ADJUSTMENTS ⁽²⁾	<u>(45,493,083)</u>	<u>(3,165,134)</u>	<u>(42,327,950)</u>	<u>-</u>	<u>(659,386)</u>	<u>(42,987,335)</u>	<u>(11,865,767)</u>	<u>(54,853,102)</u>
12									
13	FPSC ADJUSTED	<u>\$ 524,987,871</u>	<u>202,886,229</u>	<u>322,101,642</u>	<u>-</u>	<u>36,619,249</u>	<u>358,720,892</u>	<u>10,569,242</u>	<u>369,290,134</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>\$ 524,987,871</u>	<u>202,886,229</u>	<u>322,101,642</u>	<u>-</u>	<u>36,619,249</u>	<u>358,720,892</u>	<u>10,569,242</u>	<u>369,290,134</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
SEPTEMBER, 2022

Line No.	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
	OPERATING REVENUES	O&M GAS EXPENSE	O&M OTHER	DEPR. & AMORT.	TAXES OTHER THAN INCOME TAXES	INCOME TAXES CURRENT	DEFERRED INCOME TAXES (NET)	INV. TAX CREDIT (NET)	GAIN/LOSS ON DISPOSITION	TOTAL OPERATING EXPENSES	NET OPERATING INCOME
1	\$ 112,980,484	29,475,882	31,851,449	17,500,420	10,018,574	3,288,424	797,790	-	-	92,932,539	20,047,945
2											
3	<u>FPSC ADJUSTMENTS:</u>										
4	\$ (31,161,119)	(31,050,105)	(177,326)	-	(10,608)	18,932	-	-	-	(31,219,107)	57,987
5	(5,875,381)	-	(15,295)	-	(5,875,922)	3,880	-	-	-	(5,887,337)	11,956
6	(6,691,760)	-	(6,633,805)	-	(79,413)	5,252	-	-	-	(6,707,967)	16,207
7	(729,479)	-	(3,647)	(640,262)	-	(20,957)	-	-	-	(664,866)	(64,613)
8	(3,827,240)	-	(19,136)	(925,972)	(633,333)	(550,933)	-	-	-	(2,129,373)	(1,697,867)
9	-	-	5,000	-	-	(1,282)	-	-	-	3,718	(3,718)
10	-	-	(3,683)	-	-	903	-	-	-	(2,780)	2,780
11	-	-	-	-	-	153,012	-	-	-	153,012	(153,012)
12	<u>\$ (48,284,979)</u>	<u>(31,050,105)</u>	<u>(6,847,893)</u>	<u>(1,566,234)</u>	<u>(6,599,276)</u>	<u>(391,192)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(46,454,700)</u>	<u>(1,830,280)</u>
13											
14	<u>\$ 64,695,505</u>	<u>(1,574,223)</u>	<u>25,003,557</u>	<u>15,934,186</u>	<u>3,419,298</u>	<u>2,897,232</u>	<u>797,790</u>	<u>-</u>	<u>-</u>	<u>46,477,840</u>	<u>18,217,665</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>\$ 64,695,505</u>	<u>(1,574,223)</u>	<u>25,003,557</u>	<u>15,934,186</u>	<u>3,419,298</u>	<u>2,897,232</u>	<u>797,790</u>	<u>-</u>	<u>-</u>	<u>46,477,840</u>	<u>18,217,665</u>

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

SCHEDULE 5

Line No.		
1	FPSC ADJUSTED AVERAGE EARNED RATE OF RETURN	4.93%
2	LESS: RECONCILED AVERAGE JURISDICTIONAL WEIGHTED COST RATES FOR:	
3	LONG TERM DEBT	-1.30%
4	SHORT TERM DEBT	-0.06%
5	PREFERRED STOCK	0.00%
6	CUSTOMER DEPOSITS	-0.03%
7	TAX CREDITS-WEIGHTED COST(MIDPOINT)	<u>0.00%</u>
8	SUBTOTAL	-1.38%
9		
10	TOTAL	<u>3.55%</u>
11		
12	DIVIDED BY RECONCILED COMMON EQUITY RATIO	<u>42.31%</u>
13		
14	JURISDICTIONAL RETURN ON COMMON EQUITY	<u>8.39%</u>