FLORIDA CITY GAS
NATURAL GAS
RATE OF RETURN REPORT SUMMARY
For the 12 Months Ending December 31, 2024

SCHEDULE 1
Revised 4/22/2025

I. AVERAGE RATE OF RETURN (JURISDICTIONAL)	(1) ACTUAL PER BOOKS	(2) FPSC ADJUSTMENTS	(3) FPSC ADJUSTED	(4) PRO FORMA ADJUSTMENTS	(5) PRO FORMA ADJUSTED
NET OPERATING INCOME	$ 43,595,310	$ (5,218,416)	$ 38,376,894	$ -	$ 38,376,894
AVERAGE RATE BASE	$ 1,000,591,655	$ (497,270,931)	$ 503,320,724	$ -	$ 503,320,724
AVERAGE RATE OF RETURN	4.36%		7.62%		7.62%

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

LOW	7.25%
MIDPOINT	7.72%
HIGH	8.19%

III. EARNED RETURN ON EQUITY (FPSC ADJUSTED BASIS) 9.28%

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.

Michelle D. Napier
Director, Regulatory Affairs Distribution

Michelle D Napier
Signature

4/22/2025
Date

FLORIDA CITY GAS
NATURAL GAS
AVERAGE RATE OF RETURN
For the 12 Months Ending December 31, 2024
RATE BASE

Revised 4/22/2025

	(1) PLANT IN SERVICE	(2) ACCUMULATED DEPRECIATION & AMORTIZATION	(3) PLANT IN SERVICE	(4) NET PROPERTY HELD FOR FUTURE USE	(5) CONSTRUCTION WORK IN PROGRESS	(6) NET UTILITY PLANT	(7) WORKING CAPITAL	(8) TOTAL RATE BASE
PER BOOKS	$ 1,161,902,177	$ (215,759,006)	$ 946,143,171	$ -	$ 33,353,526	$ 979,496,697	$ 21,094,958	$ 1,000,591,655
FPSC ADJUSTMENTS:								
1) ELIMINATIONS OF 1/2 OF D & O PREPAID	$ -	$ -	$ -			$ -	$ (15,420)	$ (15,420)
2) REMOVE GOODWILL	$ (460,867,994)		$ (460,867,994)			$ (460,867,994)		$ (460,867,994)
3) REMOVE SAFE CAUSE PLANT	(26,058,580)	212,990	(25,845,589)		(3,433,738)	(29,279,327)		(29,279,327)
4) REMOVE LEASES	(37,548)	13,718	(23,830)			(23,830)		(23,830)
5) ELIMINATE UNDER-RECOVERIES	-	-	-			-	-	-
6) ACCUMULATED DEFERRED RETIREMENT BENEFITS			-			-	-	-
7) REMOVE UNRECOVERED AEP			-			-	(972,990)	(972,990)
8) REMOVE DEFERRED RATE CASE EXPENSE			-			-	(1,253,255)	(1,253,255)
9) OTHER RATE CASE ADJUSTMENTS (1)			-			-		-
10)TEMPORARY CASH INVESTMENTS			-			-		-
11) ELIMINATE AFUDC CWIP			-		(4,858,115)	(4,858,115)		(4,858,115)
12) ELIMINATE INTERCOMPANY ACCT. REC. IN WORKING CAPITAL			-				-	
TOTAL FPSC ADJUSTMENTS	$ (486,964,122)	$ 226,708	$ (486,737,413)	$ -	$ (8,291,853)	$ (495,029,266)	$ (2,241,665)	$ (497,270,931)
FPSC ADJUSTED	$ 674,938,056	$ (215,532,298)	$ 459,405,758	$ -	$ 25,061,673	$ 484,467,430	$ 18,853,293	$ 503,320,724
			$ -			$ -		$ -
ADJUSTED	$ 674,938,056	$ (215,532,298)	$ 459,405,758	$ -	$ 25,061,673	$ 484,467,430	$ 18,853,293	$ 503,320,724
PROFORMA ADJUSTMENTS								
TOTAL PRO FORMA ADJUSTMENTS	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
PRO FORMA ADJUSTED	$ 674,938,056	$ (215,532,298)	$ 459,405,758	$ -	$ 25,061,673	$ 484,467,430	$ 18,853,293	$ 503,320,724

FLORIDA CITY GAS
NATURAL GAS
AVERAGE RATE OF RETURN
For the 12 Months Ending December 31, 2024
INCOME STATEMENT

Revised 4/22/2025

	(1) OPERATING REVENUES	(2) O & M GAS EXPENSE	(3) O & M OTHER	(4) DEPREC. & AMORTIZATION	(5) TAXES OTHER THAN INCOME	(6) INCOME TAXES CURRENT	(7) D.I.T. (NET)	(8) I.T.C. (NET)	(9) GAIN/LOSS ON DISPOSITION	(10) TOTAL OPERATING EXPENSES	(11) NET OPERATING INCOME
PER BOOKS	$ 135,271,033	$ 30,253,342	$ 39,865,097	$ 964,146	$ 16,130,289	$ 4,462,849				$ 91,675,723	$ 43,595,310
FPSC ADJUSTMENTS:											
1) INTEREST/INCOME TAX SYNC						3,470,151				3,470,151	(3,470,151)
2) ELIMINATE FUEL & SWING REVENUES AND EXP.	(23,684,831)	(23,622,972)			(123,750)	15,686				(23,731,036)	46,205
3) ELIMINATE CONSERVATION	(6,553,553)	(6,630,370)			(32,799)	27,782				(6,635,387)	81,834
4) REMOVE SAFE REVENUE AND EXPENSE	(3,749,904)		9,925	(356,505)	(607,343)	(708,642)				(1,662,564)	(2,087,340)
5) ELIMINATE AEP REVENUES AND EXPENSES	(393,017)			(299,801)	(1,977)	(23,125)				(324,902)	(68,115)
6) ELIMINATE REVENUE RELATED TAXES	(7,037,067)				(7,037,067)	-				(7,037,067)	-
7) 5% OF ECONOMIC DEVELOPMENT			(334)			85				(249)	249
8) OUT OF PERIOD ADJ	-			380,242		(96,372)				283,870	(283,870)
9) INDUSTRY ASSOCIATION DUES			-			-				-	-
10) EXECUTIVE INCENTIVE COMPENSATION			(719,425)			182,338				(537,087)	537,087
11)OTHER RATE CASE ADJUSTMENTS (1)				(2)		1				(1)	1
15)REMOVE 1/2 D & O INSURANCE			(34,402)			8,719				(25,683)	25,683
						-				-	-
TOTAL FPSC ADJUSTMENTS	$ (41,418,372)	$ (30,253,342)	$ (744,236)	$ (276,065)	$ (7,802,937)	$ 2,876,624	$ -	$ -	$ -	$ (36,199,956)	$ (5,218,416)
FPSC ADJUSTED	$ 93,852,661	$ -	$ 39,120,861	$ 688,081	$ 8,327,352	$ 7,339,473	$ -	$ -	$ -	$ 55,475,767	$ 38,376,894
						$ -				$ -	$ -
ADJUSTED	$ 93,852,661	$ -	$ 39,120,861	$ 688,081	$ 8,327,352	$ 7,339,473	$ -	$ -	$ -	$ 55,475,767	$ 38,376,894
										$ -	$ -
										$ -	$ -
						$ -				$ -	$ -
						$ -				$ -	$ -
TOTAL PRO FORMA ADJUSTMENTS	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
PRO FORMA ADJUSTED	$ 93,852,661	$ -	$ 39,120,861	$ 688,081	$ 8,327,352	$ 7,339,473	$ -	$ -	$ -	$ 55,475,767	$ 38,376,894

FLORIDA CITY GAS
NATURAL GAS
CAPITAL STRUCTURE
For the 12 Months Ending December 31, 2024
FPSC ADJUSTED BASIS

SCHEDULE 3
Revised 4/22/2025

		ADJUSTMENTS						LOW POINT		MIDPOINT		HIGH POINT	
AVERAGE	PER BOOKS	NON-UTILITY	ADJUSTED BOOKS	PRO-RATA	SPECIFIC	BALANCE	RATIO (%)	COST RATE (%)	WEIGHTED COST (%)	COST RATE (%)	WEIGHTED COST (%)	COST RATE (%)	WEIGHTED COST (%)
COMMON EQUITY	$ 467,817,955		$ 467,817,955	$ (232,489,110)		$ 235,328,845	46.76%	8.50%	3.97%	9.50%	4.44%	10.50%	4.91%
LONG TERM DEBT	$ 429,123,963		$ 429,123,963	$ (213,247,710)	$ (23,830)	$ 215,852,423	42.89%	6.68%	2.87%	6.68%	2.87%	6.68%	2.87%
SHORT TERM DEBT	$ 68,970,094		$ 68,970,094	$ (34,275,717)		$ 34,694,377	6.89%	5.87%	0.40%	5.87%	0.40%	5.87%	0.40%
CUSTOMER DEPOSITS	$ 6,297,981		$ 6,297,981	$ (3,129,876)		$ 3,168,105	0.63%	2.31%	0.01%	2.31%	0.01%	2.31%	0.01%
DEFFERED INCOME TAXES	$ 10,042,049		$ 10,042,049	$ (4,990,546)		$ 5,051,503	1.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
TAX CREDITS - WEIGHTED COST	$ -		$ -			$ -	0.00%	7.24%	0.00%	7.71%	0.00%	8.18%	0.00%
REG. LIAB FAS 109 Deferred TAX	$ 18,339,613		$ 18,339,613	$ (9,114,144)		$ 9,225,469	1.83%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
TOTAL AVERAGE	1,000,591,655	$ -	$ 1,000,591,655	$ (497,247,103)	$ (23,830)	$ 503,320,724	100.00%		7.25%		7.72%		8.19%

	Depreciation Booked	Cumulative	Adjustments in ROR to True-up to Rolling 12-Month NOI data	RSAM Used Per ROR
Reserve Amount May 2023	**$ 25,000,000**			
June, 2023 FPL	$ (6,301,154)	$ (6,301,154)		
July, 2023		$ (6,301,154)		
August, 2023		$ (6,301,154)		
September, 2023 FPL	$ (385,699)	$ (6,686,853)		
October, 2023 FPL	$ (908,029)	$ (7,594,882)		
November, 2023 FPL	$ 3,180,759	$ (4,414,123)		
December, 2023	$ (5,078,218)	$ (9,492,341)	$ (380,242)	$ (9,872,583)
Total Amortization from 5/31/2023 - 12/31/2023:	$ (9,492,341)		$ (380,242)	$ (9,872,583)
Remaining Reserve Amount - 12/31/2023	**$ 15,507,659**		**$ (380,242)**	**$ 15,127,417**
January, 2024	$ -	$ (9,492,341)		
February, 2024	$ -	$ (9,492,341)		
March, 2024	$ (3,688,790)	$ (13,181,131)	$ 2,613,988	$ (10,567,143)
April, 2024	$ -	$ (13,181,131)		
May, 2024	$ -	$ (13,181,131)		
June, 2024	$ (2,043,338)	$ (15,224,469)	$ (7,495,177)	$ (22,719,646)
July, 2024	$ -	$ (15,224,469)		
August, 2024	$ -	$ (15,224,469)		
September, 2024	$ (3,182,574)	$ (18,407,043)	$ (2,086,474)	$ (20,493,517)
October, 2024		$ (18,407,043)		
November, 2024		$ (18,407,043)		
December, 2024	$ (6,592,955)	$ (24,999,998)	$ (2)	$ (25,000,000)
Reserve used in 2024	$ (15,507,657)		$ (2)	$ (15,507,659)
Total Reserve Used	**$ (24,999,998)**		$ (2)	**$ (25,000,000)**
Remaining Reserve Amount - 12/31/2024	**$ 2**			**$ -**

FLORIDA PUBLIC UTILITIES COMPANY
GAS DIVISION
BASIS FOR THE REQUESTED AFUDC RATE
FPSC ADJUSTED BASIS
DECEMBER 2024

SCHEDULE A:

CAPITAL COMPONENTS		JURISDICTIONAL 13-MONTH AVERAGE	CAPITAL RATIO	COST OF CAPITAL		AFUDC WEIGHTED COMPONENTS
COMMON EQUITY	$	235,328,845	46.76%	9.50%	*	4.44%
LONG TERM DEBT		215,852,423	42.89%	6.54%	**	2.80%
SHORT TERM DEBT		34,694,377	6.89%	5.87%	***	0.40%
CUSTOMER DEPOSITS		3,168,105	0.63%	2.31%	***	0.01%
DEFERRED INCOME TAX		5,051,503	1.00%	0.00%		0.00%
REGULATORY TAX LIABILITY		9,225,469	1.83%	0.00%		0.00%
INVESTMENT TAX CREDITS		-	0.00%	0.00%		0.00%
TOTAL	$	503,320,722	100.00%			7.65%

* Based on the midpoint approved equity return in Docket No. 20220069-GU
** Based on year end long term debt rate per the December 2024 rate of return report.
*** Based on 13-month average cost rates per the December 2024 rate of return report.

FLORIDA PUBLIC UTILITIES COMPANY **SCHEDULE B**
GAS DIVISION
BASIS FOR THE REQUESTED AFUDC RATE
FPSC ADJUSTED BASIS
DECEMBER 2024

CAPITAL COMPONENTS	PER BOOKS	COMMISSION ADJUSTMENTS	ADJUSTED AVERAGE BALANCE
COMMON EQUITY	$ 467,817,955	$ (232,489,110)	$ 235,328,845
LONG TERM DEBT	429,123,963	(213,271,540)	215,852,423
SHORT TERM DEBT	68,970,094	(34,275,717)	34,694,377
CUSTOMER DEPOSITS	6,297,981	(3,129,876)	3,168,105
DEFERRED INCOME TAX	10,042,049	(4,990,546)	5,051,503
REGULATORY TAX LIABILITY	18,339,613	(9,114,144)	9,225,469
INCOME TAX CREDITS			
TOTAL	$ 1,000,591,655	$ (497,270,933)	$ 503,320,722

FLORIDA PUBLIC UTILITIES COMPANY **SCHEDULE C**
GAS DIVISION
METHODOLOGY FOR MONTHLY COMPOUNDING OF THE AFUDC RATE
DECEMBER 2024

AFUDC COMPOUNDING

((1+R/12)**12)-1=	APPROVED RATE	
((1+R/12)**12)-1=	7.65%	
((1+R/12)**12)=	1.07650000	
((1+R/12)=	1.00616183	http://www.basic-mathematics.com/nth-root-calculator.html
(R/12)=	0.00616183	

MONTHS	AFUDC BASE	MONTHLY AFUDC	CUMULATIVE AFUDC
JAN	1.00000000	0.00616183	0.00616183
FEB	1.00616183	0.00619979	0.01236162
MAR	1.01236162	0.00623800	0.01859962
APR	1.01859962	0.00627643	0.02487605
MAY	1.02487605	0.00631511	0.03119116
JUN	1.03119116	0.00635402	0.03754518
JUL	1.03754518	0.00639317	0.04393835
AUG	1.04393835	0.00643257	0.05037092
SEP	1.05037092	0.00647220	0.05684312
OCT	1.05684312	0.00651208	0.06335521
NOV	1.06335521	0.00655221	0.06990742
DEC	1.06990742	0.00659258	0.07650000

Annual Rate (R)=	7.65%	
Monthly Rate = ((1 +R)^(1/12) -1 =	0.00616183	
Rate Currently Approved	5.85%	Docket 20230108-GU
Currently Approved Monthly Rate = ((1 +R)^(1/12) -1 =	0.004749	