FLORIDA PUBLIC UTILITIES COMPANY
NATURAL GAS
RATE OF RETURN REPORT SUMMARY
For the 12 Months Ending March 31, 2025

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	$ 37,780,981	$ (4,952,647)	$ 32,828,333	$ 1,139,750	$ 33,968,083
AVERAGE RATE BASE	$ 558,713,812	$ (25,398,747)	$ 533,315,066	$ (17,191,225)	$ 516,123,841
AVERAGE RATE OF RETURN	6.76%		6.16%		6.58%
II. YEAR-END RATE OF RETURN (JURISDICTIONAL)					
NET OPERATING INCOME	$ 37,780,981	$ (4,713,300)	$ 33,067,680	$ 1,139,750	$ 34,207,430
YEAR-END RATE BASE	$ 602,140,774	$ (14,392,308)	$ 587,748,466	$ (16,621,350)	$ 571,127,116
YEAR-END RATE OF RETURN	6.27%		5.63%		5.99%

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

LOW	5.64%
MIDPOINT	6.04%
HIGH	6.44%

IV. EARNED RETURN ON EQUITY
(FPSC ADJUSTED BASIS)

A.	INCL ACQUISITION ADJUSTMENT	10.54%
B.	EXCL ACQUISITION ADJUSTMENT	11.72%

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	*Michelle D Napier*	5/15/2025
Director, Regulatory Affairs Distribution	Signature	Date

FLORIDA PUBLIC UTILITIES COMPANY
NATURAL GAS
AVERAGE RATE OF RETURN
For the 12 Months Ending March 31, 2025
RATE BASE

SCHEDULE 2
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	(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	$ 729,248,081	$ (175,913,452)	$ 553,334,629	$ -	$ 12,268,099	$ 565,602,728	$ (6,888,915)	$ 558,713,812
FPSC ADJUSTMENTS:								
1) ELIMINATIONS OF 1/2 OF D & O PREPAID	$ -	$ -	$ -			$ -	$ (20,009)	$ (20,009)
2) ELIMINATE GOODWILL	(3,183,612)	-	(3,183,612)			(3,183,612)		(3,183,612)
3) FLEX RATE & SPECIAL CONTRACT PLANT	(24,202,099)	10,929,443	(13,272,656)			(13,272,656)		(13,272,656)
4) ELIM. NON-UTILITY PLANT	(759,225)	267,757	(491,468)			(491,468)		(491,468)
5) ELIMINATE UNDER-RECOVERIES	-	-	-			-	-	-
6) OFFSET TO ACCOUNTS RECEIVABLE	-		-			-	(1,543,382)	(1,543,382)
7) REMOVE UNRECOVERED AEP			-			-	(158,002)	(158,002)
8) REMOVE DEFERRED RATE CASE EXPENSE			-			-	(1,772,102)	(1,772,102)
9) ALLOCATE ACCRUED INTEREST FROM PARENT						-	(2,151,677)	(2,151,677)
10)FLEXIBLE LIABILITY ADJUSTMENT						-	-	-
11)ALLOCATE CORP. HEALTH INSURANCE RES.						-	(113,422)	(113,422)
12)ELIMINATE FLEX PLANT WORKING CAPITAL						-	(9,004)	(9,004)
13)ELIMINATE DEF. ENVIRONMENTAL COSTS			-			-	3,326,729	3,326,729
14) ELIMINATE AFUDC CWIP					(6,010,142)	(6,010,142)		(6,010,142)
TOTAL FPSC ADJUSTMENTS	$ (28,144,936)	$ 11,197,200	$ (16,947,736)	$ -	$ (6,010,142)	$ (22,957,878)	$ (2,440,869)	$ (25,398,747)
FPSC ADJUSTED	$ 701,103,145	$ (164,716,252)	$ 536,386,893	$ -	$ 6,257,957	$ 542,644,850	$ (9,329,784)	$ 533,315,066
			$ -			$ -		$ -
ADJUSTED	$ 701,103,145	$ (164,716,252)	$ 536,386,893	$ -	$ 6,257,957	$ 542,644,850	$ (9,329,784)	$ 533,315,066
PROFORMA ADJUSTMENTS								
ELIM. ACQUISITION ADJUSTMENT	$ (34,192,493)	$ 17,001,268	$ (17,191,225)			$ (17,191,225)		$ (17,191,225)
ELIM. REG ASSET-TRNSCTN & TRNSITN CSTS								-
TOTAL PRO FORMA ADJUSTMENTS	$ (34,192,493)	$ 17,001,268	$ (17,191,225)	$ -	$ -	$ (17,191,225)	$ -	$ (17,191,225)
PRO FORMA ADJUSTED	$ 666,910,652	$ (147,714,984)	$ 519,195,667	$ -	$ 6,257,957	$ 525,453,624	$ (9,329,784)	$ 516,123,841

FLORIDA PUBLIC UTILITIES COMPANY
NATURAL GAS
AVERAGE RATE OF RETURN
For the 12 Months Ending March 31, 2025
INCOME STATEMENT

	(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	$ 179,339,818	$ 55,785,217	$ 45,489,351	$ 16,819,761	$ 15,157,551	$ 8,306,957				$ 141,558,837	$ 37,780,981
FPSC ADJUSTMENTS:											
1) INTEREST SYNC						360,917				360,917	(360,917)
2) ELIMINATE FUEL & SWING REVENUES AND EXP.	(51,501,419)	(51,452,412)			(228,969)	45,611				(51,635,770)	134,351
3) ELIMINATE CONSERVATION	(4,343,185)	(4,332,805)			(21,737)	2,878				(4,351,663)	8,478
4) NON-UTILITY DEPRECIATION EXPENSE				(39,681)		10,057				(29,624)	29,624
5) ELIMINATE AEP REVENUES AND EXPENSES	(27,788)			(31,382)	(139)	946				(30,575)	2,787
6) ELIMINATE REVENUE RELATED TAXES	(6,060,337)				(6,060,337)	-				(6,060,337)	-
7) 5% OF ECONOMIC DEVELOPMENT			(175)			44				(131)	131
8) REVENUE AND EXPENSE ACCRUAL ADJUSTMENTS-F	(85,395)		(412,481)			637,781				225,300	(310,696)
9) FLEX RATE & SPECIAL CONTRACTS	(7,326,620)		(466,648)	(503,590)	(193,697)	(1,561,932)				(2,725,868)	(4,600,752)
10) EXPENSE ACCRUAL ADJUSTMENT			-			-				-	-
11)INTEREST INCOME	71,144					18,031				18,031	53,112
12)REMOVE ENVIRONMENTAL AMORTIZATION				-		-				-	-
13)REMOVE NON-UTILITY PROPERTY TAX					(7,162)	1,815				(5,346)	5,346
14)REMOVE COMPANY EVENTS			(60,784)			15,406				(45,379)	45,379
15)REMOVE 1/2 D & O INSURANCE			(52,504)			13,307				(39,197)	39,197
16)REMOVE SERP			(1,757)			445				(1,312)	1,312
						-				-	-
TOTAL FPSC ADJUSTMENTS	$ (69,273,600)	$ (55,785,217)	$ (994,350)	$ (574,653)	$ (6,512,041)	$ (454,692)	$ -	$ -	$ -	$ (64,320,953)	$ (4,952,647)
FPSC ADJUSTED	$ 110,066,218	$ -	$ 44,495,001	$ 16,245,107	$ 8,645,510	$ 7,852,265	$ -	$ -	$ -	$ 77,237,884	$ 32,828,333
						$ -				$ -	$ -
ADJUSTED	$ 110,066,218	$ -	$ 44,495,001	$ 16,245,107	$ 8,645,510	$ 7,852,265	$ -	$ -	$ -	$ 77,237,884	$ 32,828,333
ELIMINATE ACQUISITION AMORTIZATION				$ (1,491,132)		$ 351,382				$ (1,139,750)	$ 1,139,750
ELIMINATE TRANSACT./TRANSIT. AMORTIZATION										$ -	$ -
						$ -				$ -	$ -
						$ -				$ -	$ -
TOTAL PRO FORMA ADJUSTMENTS	$ -	$ -	$ -	$ (1,491,132)	$ -	$ 351,382	$ -	$ -	$ -	$ (1,139,750)	$ 1,139,750
PRO FORMA ADJUSTED	$ 110,066,218	$ -	$ 44,495,001	$ 14,753,975	$ 8,645,510	$ 8,203,648	$ -	$ -	$ -	$ 76,098,134	$ 33,968,083

FLORIDA PUBLIC UTILITIES COMPANY
NATURAL GAS
YEAR END RATE OF RETURN
For the 12 Months Ending March 31, 2025
RATE BASE

SCHEDULE 3
PAGE 1 OF 2

	(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	$ 776,024,581	$ (179,351,641)	$ 596,672,941	$ -	$ 7,092,372	$ 603,765,313	$ (1,624,539)	$ 602,140,774
FPSC ADJUSTMENTS:								
1) ELIMINATIONS OF 1/2 OF D & O PREPAID	$ -	$ -	$ -			$ -	$ (21,201)	$ (21,201)
2) ELIMINATE GOODWILL	(3,183,612)	-	(3,183,612)			(3,183,612)	-	(3,183,612)
3) FLEX RATE & SPECIAL CONTRACT PLANT	(24,202,099)	11,181,238	(13,020,861)			(13,020,861)	-	(13,020,861)
4) ELIM. NON-UTILITY PLANT	(526,194)	270,034	(256,160)			(256,160)	-	(256,160)
5) ELIMINATE UNDER-RECOVERIES	-	-	-				-	-
6) OFFSET TO ACCOUNTS RECEIVABLE	-	-	-			-	(1,770,945)	(1,770,945)
7) REMOVE UNRECOVERED AEP	-	-	-			-	(515,676)	(515,676)
8) REMOVE DEFERRED RATE CASE EXPENSE			-			-	(1,405,287)	(1,405,287)
9) ALLOCATE ACCRUED INTEREST FROM PARENT			-			-	2,681,102	2,681,102
10)FLEXIBLE LIABILITY ADJUSTMENT			-			-	-	-
11)ALLOCATE CORP. HEALTH INSURANCE RES.			-			-	(146,170)	(146,170)
12)ELIMINATE FLEX PLANT WORKING CAPITAL			-			-	(9,004)	(9,004)
13)ELIMINATE DEF. ENVIRONMENTAL COSTS			-			-	3,255,507	3,255,507
14) ELIMINATE AFUDC CWIP					-	-		-
TOTAL FPSC ADJUSTMENTS	$ (27,911,905)	$ 11,451,272	$ (16,460,634)	$ -	$ -	$ (16,460,634)	$ 2,068,326	$ (14,392,308)
FPSC ADJUSTED	$ 748,112,676	$ (167,900,369)	$ 580,212,307	$ -	$ 7,092,372	$ 587,304,679	$ 443,787	$ 587,748,466
			$ -			-		-
ADJUSTED	$ 748,112,676	$ (167,900,369)	$ 580,212,307	$ -	$ 7,092,372	$ 587,304,679	$ 443,787	$ 587,748,466
PROFORMA ADJUSTMENTS								
ELIM. ACQUISITION ADJUSTMENT	$ (34,192,493)	$ 17,571,143	$ (16,621,350)			$ (16,621,350)		$ (16,621,350)
ELIM. REG ASSET-TRNSCTN & TRNSITN CSTS								-
TOTAL PRO FORMA ADJUSTMENTS	$ (34,192,493)	$ 17,571,143	$ (16,621,350)	$ -	$ -	$ (16,621,350)	$ -	$ (16,621,350)
PRO FORMA ADJUSTED	$ 713,920,183	$ (150,329,226)	$ 563,590,957	$ -	$ 7,092,372	$ 570,683,329	$ 443,787	$ 571,127,116

FLORIDA PUBLIC UTILITIES COMPANY
NATURAL GAS
YEAR END RATE OF RETURN
For the 12 Months Ending March 31, 2025
INCOME STATEMENT

	(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	$ 179,339,818	$ 55,785,217	$ 45,489,351	$ 16,819,761	$ 15,157,551	$ 8,306,957				$ 141,558,837	$ 37,780,981
FPSC ADJUSTMENTS:											
1) INTEREST SYNC						79,755				79,755	(79,755)
2) ELIMINATE FUEL & SWING REVENUES AND EXP.	(51,501,419)	(51,452,412)			(228,968)	45,611				(51,635,769)	134,350
3) ELIMINATE CONSERVATION	(4,343,185)	(4,332,805)			(21,737)	2,878				(4,351,663)	8,478
4) NON-UTILITY DEPRECIATION EXPENSE				(39,681)		10,057				(29,624)	29,624
5) ELIMINATE AEP REVENUES AND EXPENSES	(27,788)			(31,382)	(139)	946				(30,575)	2,787
6) ELIMINATE REVENUE RELATED TAXES	(6,060,337)				(6,060,337)	-				(6,060,337)	-
7) 5% OF ECONOMIC DEVELOPMENT			(175)			44				(131)	131
8) REVENUE AND EXPENSE ACCRUAL ADJUSTMENTS-PRIOF	(85,395)		(412,481)			637,781				225,300	(310,696)
9) FLEX RATE & SPECIAL CONTRACTS	(7,326,620)		(466,648)	(503,590)	(193,697)	(1,561,932)				(2,725,868)	(4,600,752)
10) EXPENSE ACCRUAL ADJUSTMENT			-			-				-	-
11)INTEREST INCOME	15,133					3,836				3,836	11,298
12)REMOVE ENVIRONMENTAL AMORTIZATION				-		-				-	-
13)REMOVE NON-UTILITY PROPERTY TAX					(7,162)	1,815				(5,346)	5,346
14)REMOVE COMPANY EVENTS			(60,784)			15,406				(45,379)	45,379
15)REMOVE 1/2 D & O INSURANCE			(52,504)			13,307				(39,197)	39,197
16)REMOVE SERP			(1,757)			445				(1,312)	1,312
TOTAL FPSC ADJUSTMENTS	$ (69,329,611)	$ (55,785,217)	$ (994,350)	$ (574,653)	$ (6,512,040)	$ (750,050)	$ -	$ -	$ -	$ (64,616,310)	$ (4,713,300)
FPSC ADJUSTED	$ 110,010,207	$ -	$ 44,495,001	$ 16,245,107	$ 8,645,511	$ 7,556,907	$ -	$ -	$ -	$ 76,942,527	$ 33,067,680
	$ -		$ -	$ -	$ -	$ -				$ -	$ -
ADJUSTED	$ 110,010,207	$ -	$ 44,495,001	$ 16,245,107	$ 8,645,511	$ 7,556,907	$ -	$ -	$ -	$ 76,942,527	$ 33,067,680
ELIMINATE ACQUISITION AMORTIZATION				$ (1,491,132)		$ 351,382				$ (1,139,750)	$ 1,139,750
ELIMINATE TRANSACT./TRANSIT. AMORTIZATION										$ -	$ -
						$ -				$ -	$ -
						$ -				$ -	$ -
TOTAL PRO FORMA ADJUSTMENTS	$ -	$ -	$ -	$ (1,491,132)	$ -	$ 351,382	$ -	$ -	$ -	$ (1,139,750)	$ 1,139,750
PRO FORMA ADJUSTED	$ 110,010,207	$ -	$ 44,495,001	$ 14,753,975	$ 8,645,511	$ 7,908,289	$ -	$ -	$ -	$ 75,802,777	$ 34,207,430

FLORIDA PUBLIC UTILITIES COMPANY
NATURAL GAS
CAPITAL STRUCTURE
For the 12 Months Ending March 31, 2025
FPSC ADJUSTED BASIS

SCHEDULE 4

		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	$ 227,718,288		$ 227,718,288	$ (10,808,440)	$ (3,183,612)	$ 213,726,236	40.08%	9.25%	3.71%	10.25%	4.11%	11.25%	4.51%
LONG TERM DEBT - CU	$ 206,181,632		$ 206,181,632	$ (9,786,223)		$ 196,395,409	36.83%	4.19%	1.54%	4.19%	1.54%	4.19%	1.54%
SHORT TERM DEBT	$ 34,140,972		$ 34,140,972	$ (1,620,470)		$ 32,520,502	6.10%	5.64%	0.34%	5.64%	0.34%	5.64%	0.34%
CUSTOMER DEPOSITS	$ 12,259,805		$ 12,259,805			$ 12,259,805	2.30%	2.18%	0.05%	2.18%	0.05%	2.18%	0.05%
DEFFERED INCOME TAXES	$ 78,413,114		$ 78,413,114			$ 78,413,114	14.70%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
TAX CREDITS - WEIGHTED COST	$ -		$ -			$ -	0.00%	5.59%	0.00%	5.99%	0.00%	6.39%	0.00%
TOTAL AVERAGE	558,713,812	$ -	$ 558,713,813	$ (22,215,133)	$ (3,183,612)	$ 533,315,066	100.00%		5.64%		6.04%		6.44%

		ADJUSTMENTS						LOW POINT		MIDPOINT		HIGH POINT	
YEAR-END	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	$ 249,425,880		$ 249,425,880	$ (5,521,135)	$ (3,183,612)	$ 240,721,133	40.96%	9.25%	3.79%	10.25%	4.20%	11.25%	4.61%
LONG TERM DEBT - CU	$ 219,989,128		$ 219,989,128	$ (4,869,542)		$ 215,119,586	36.60%	4.26%	1.56%	4.26%	1.56%	4.26%	1.56%
SHORT TERM DEBT	$ 36,955,214		$ 36,955,214	$ (818,018)		$ 36,137,196	6.15%	5.32%	0.33%	5.32%	0.33%	5.32%	0.33%
										ok			
CUSTOMER DEPOSITS	$ 11,981,116		$ 11,981,116			$ 11,981,116	2.04%	2.23%	0.05%	2.23%	0.05%	2.23%	0.05%
DEFFERED INCOME TAXES	$ 83,789,435		$ 83,789,435			$ 83,789,435	14.26%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
TAX CREDITS - WEIGHTED COST	$ -		$ -			$ -	0.00%	5.68%	0.00%	6.09%	0.00%	6.50%	0.00%
	$ 602,140,773	$ -	$ 602,140,773	$ (11,208,696)	$ (3,183,612)	$ 587,748,466	100.00%		5.73%		6.14%		6.55%