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[www.stjoegas.com](http://www.stjoegas.com)

June 15, 2015

Mr. Andrew L Maurey, Director  
Division of Accounting & Finance  
Florida Public Service Commission  
2540 Shumard Oak Boulevard  
Tallahassee, Florida 32399-0850

RECEIVED  
FLORIDA PUBLIC SERVICE  
COMMISSION  
15 JUN 18 AM 9:35  
DIVISION OF  
ACCOUNTING & FINANCE

Re: Revised Earnings Surveillance Report Ending December 2014

Please find enclosed the Revised Earnings Surveillance Report for the twelve months ending December 31, 2014.

Sincerely,

Debbie Stitt  
Regulatory Analyst

FLORIDA PUBLIC SERVICE COMMISSION

INVESTOR-OWNED NATURAL GAS UTILITY  
EARNINGS SURVEILLANCE REPORT

RECEIVED  
FLORIDA PUBLIC SERVICE  
COMMISSION

15 JUN 18 AM 9:35

DIVISION OF  
ACCOUNTING & FINANCE

PSC/AFA 13 (6/94)

**ST. JOE NATURAL GAS COMPANY**  
**EARNINGS SURVEILLANCE REPORT SUMMARY**  
 Revised Actual 12/31/14

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	\$ 92,357	\$	\$ 92,357	\$	\$
AVERAGE RATE BASE	\$ 4,496,648	\$ -1,880,180	\$ 2,616,468	\$	\$
AVERAGE RATE OF RETURN	2.05%		3.53%		%
II. YEAR END RATE BASE (JURISDICTIONAL)	\$ 4,973,851	\$ -1,840,222	\$ 3,133,629		

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

LOW	5.04 %
MIDPOINT	5.48 %
HIGH	5.92 %

IV. EARNED RETURN ON EQUITY  
 (FPSC ADJUSTED BASIS)

A. INCLUDING	
FLEX RATE REVENUES	6.58%
B. EXCLUDING	
FLEX RATE REVENUES	6.58%

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.

Andy Shoaf, Vice-President  
 (Name and Title of Chief  
 Financial Officer)

  
 (Signature)

6-15-15  
 (Date)

PSC/AFA13





**ST. JOE NATURAL GAS COMPANY  
YEAR END RATE BASE  
REVISED ACTUAL 12/31/14**

SCHEDULE 3

	(1)	(2)	(3)	(4)	(5)	(7)	(8)	(9)
	PLANT IN SERVICE	ACCUMULATED DEPRECIATION & AMORTIZATION	NET PLANT IN SERVICE	PROPERTY HELD FOR FUTURE USE	CONSTRUCTION WORK IN PROGRESS	NET UTILITY PLANT	WORKING CAPITAL	TOTAL RATE BASE
PER BOOKS	8,196,971	4,855,042	3,341,929		107,626	3,449,555	1,524,296	4,973,851
<u>FPSC ADJUSTMENTS:</u>								
PRO-RATA NON-UTILITY	-1,323,289	-307,962	-1,015,327		-40,021	-1,055,348	-89,246 -695,627	-89,246 -1,750,975
TOTAL FPSC ADJUSTMENTS	<u>-1,323,289</u>	<u>-307,962</u>	<u>-1,015,327</u>		<u>-40,021</u>	<u>-1,055,348</u>	<u>-784,873</u>	<u>-1,840,221</u>
FPSC ADJUSTED	<u>6,873,682</u>	<u>4,547,080</u>	<u>2,326,602</u>	<u>#VALUE!</u>	<u>67,605</u>	<u>2,394,207</u>	<u>739,423</u>	<u>3,133,630</u>

**ST. JOE NATURAL GAS COMPANY  
CAPITAL STRUCTURE  
FPSC ADJUSTED BASIS  
REVISED ACTUAL 12/31/14**

SCHEDULE 4

	AVERAGE	PER BOOKS	ADJUSTMENTS		ADJUSTED	RATIO (%)	LOW POINT		MIDPOINT		HIGH POINT	
			NON-UTILITY	PRO RATA			COST RATE (%)	WEIGHTED COST (%)	COST RATE (%)	WEIGHTED COST (%)	COST RATE (%)	WEIGHTED COST (%)
LONG TERM DEBT		557,798	-307,684	-8,198	241,916	9.25%	6.50	0.60	6.50	0.60	6.50	0.60
SHORT TERM DEBT		0	0	0	0	0.00%	8.00	0.00	8.00	0.00	8.00	0.00
OTHER DEFERRED CREDITS - GC		27,402			27,402	1.05%	0.00		0.00		0.00	
CUSTOMER DEPOSITS		96,194	-53,061	-1,414	41,719	1.59%	2.00	0.03	2.00	0.03	2.00	0.03
COMMON EQUITY		2,658,357	-1,466,360	-39,071	1,152,926	44.06%	10.00	4.41	11.00	4.85	12.00	5.29
DEFERRED INCOME TAXES		308,930			308,930	11.81%	0.00		0.00		0.00	
OTHER DEFERRED CREDITS - FC		840,213			840,213	32.11%	0.00	0.00	0.00	0.00	0.00	0.00
PROPANE DEPOSITS		7,756	-4,278	-114	3,364	0.13%	0.00	0.00	0.00	0.00	0.00	0.00
CUSTOMER ADVANCES FOR CONSTRUCTION		0			0	0.00%	0.00	0.00	0.00	0.00	0.00	0.00
<b>TOTAL</b>		<b>4,496,648</b>	<b>-1,831,382</b>	<b>-48,797</b>	<b>2,616,469</b>	<b>100.00%</b>		<b>5.04</b>		<b>5.48</b>		<b>5.92</b>

	YEAR END	PER BOOKS	ADJUSTMENTS		ADJUSTED	RATIO (%)	LOW POINT		MIDPOINT		HIGH POINT	
			NON-UTILITY	PRO RATA			COST RATE (%)	WEIGHTED COST (%)	COST RATE (%)	WEIGHTED COST (%)	COST RATE (%)	WEIGHTED COST (%)
LONG TERM DEBT		557,798	-296,631	-15,119	246,048	7.85%	6.50	0.51	6.50	0.51	6.50	0.51
SHORT TERM DEBT		0	0	0	0	0.00%	8.00	0.00	8.00	0.00	8.00	0.00
OTHER DEFERRED CREDITS - GC		27,402			27,402	0.87%	0.00		0.00		0.00	
CUSTOMER DEPOSITS		97,909	-52,067	-2,654	43,188	1.38%	2.00	0.03	2.00	0.03	2.00	0.03
COMMON EQUITY		2,627,011	-1,397,017	-71,205	1,158,789	36.98%	10.00	3.70	11.00	4.07	12.00	4.44
DEFERRED INCOME TAXES		839,256			839,256	26.78%	0.00		0.00		0.00	
OTHER DEFERRED CREDITS - FC		814,585			814,585	25.99%	0.00	0.00	0.00	0.00	0.00	0.00
PROPANE DEPOSITS		9,891	-5,260	-268	4,363	0.14%	0.00	0.00	0.00	0.00	0.00	0.00
CUSTOMER ADVANCES FOR CONSTRUCTION		0			0	0.00%	0.00	0.00	0.00	0.00	0.00	0.00
<b>TOTAL</b>		<b>4,973,851</b>	<b>-1,750,975</b>	<b>-89,246</b>	<b>3,133,630</b>	<b>100.00%</b>		<b>4.24</b>		<b>4.61</b>		<b>4.98</b>

