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FLORIDA PUBLIC SERVICE  
COMMISSION  
15 JUL 30 AM 9:36  
DIVISION OF  
ACCOUNTING & FINANCE

July 27, 2015

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

Re: Earnings Surveillance Report Ending June 2015

Please find enclosed the Revised Earnings Surveillance Report for the twelve months ending June 30, 2015.

Sincerely,

Debbie Stitt  
Regulatory Analyst

FLORIDA PUBLIC SERVICE COMMISSION

INVESTOR-OWNED NATURAL GAS UTILITY  
EARNINGS SURVEILLANCE REPORT

PSC/AFA 13 (6/94)

**ST. JOE NATURAL GAS COMPANY**  
**EARNINGS SURVEILLANCE REPORT SUMMARY**  
 June 30, 2015

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)					
<u>NET OPERATING INCOME</u>	\$ 29,391	\$	\$ 29,391	\$	\$
AVERAGE RATE BASE	\$ 4,824,667	\$ -1,963,373	\$ 2,861,294	\$	\$
AVERAGE RATE OF RETURN	0.61%		1.03%		%
II. YEAR END RATE BASE (JURISDICTIONAL)	\$ 5,176,049	\$ -2,087,836	\$ 3,088,213		

III. REQUIRED RATES OF RETURN AVERAGE CAPITAL STRUCTURE (FPSC ADJUSTED BASIS)	
LOW	4.63 %
MIDPOINT	5.04 %
HIGH	5.44 %

IV. EARNED RETURN ON EQUITY (FPSC ADJUSTED BASIS)	
A. INCLUDING FLEX RATE REVENUES	1.14%
B. EXCLUDING FLEX RATE REVENUES	1.14%

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)

7-27-15  
 (Date)

PSC/AFA13





**ST. JOE NATURAL GAS COMPANY  
YEAR END RATE BASE  
JUNE 30, 2015**

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	<u>8,320,772</u>	<u>5,013,713</u>	<u>3,307,059</u>		<u>95,989</u>	<u>3,403,048</u>	<u>1,773,001</u>	<u>5,176,049</u>
<u>FPSC ADJUSTMENTS:</u>								
PRO-RATA							-73,539	-73,539
NON-UTILITY	-1,371,284	-349,653	-1,021,631		-50,701	-1,072,332	-941,965	-2,014,297
TOTAL FPSC ADJUSTMENTS	<u>-1,371,284</u>	<u>-349,653</u>	<u>-1,021,631</u>		<u>-50,701</u>	<u>-1,072,332</u>	<u>-1,015,504</u>	<u>-2,087,836</u>
FPSC ADJUSTED	<u>6,949,488</u>	<u>4,664,060</u>	<u>2,285,428</u>	#VALUE!	<u>45,288</u>	<u>2,330,716</u>	<u>757,497</u>	<u>3,088,213</u>

**ST. JOE NATURAL GAS COMPANY  
CAPITAL STRUCTURE  
FPSC ADJUSTED BASIS  
JUNE 30, 2015**

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	-311,040	-10,264	236,494	8.27%	6.50	0.54	6.50	0.54	6.50	0.54
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	0.96%	0.00		0.00		0.00	
CUSTOMER DEPOSITS		98,821	-55,105	-1,818	41,898	1.46%	2.00	0.03	2.00	0.03	2.00	0.03
COMMON EQUITY		2,742,501	-1,529,277	-50,463	1,162,760	40.64%	10.00	4.06	11.00	4.47	12.00	4.88
DEFERRED INCOME TAXES		573,996			573,996	20.06%	0.00		0.00		0.00	
OTHER DEFERRED CREDITS - FC		814,765			814,765	28.48%	0.00	0.00	0.00	0.00	0.00	0.00
PROPANE DEPOSITS		9,384	-5,233	-173	3,979	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>4,824,667</b>	<b>-1,900,655</b>	<b>-62,718</b>	<b>2,861,294</b>	<b>100.00%</b>		<b>4.63</b>		<b>5.04</b>		<b>5.44</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	-319,172	-11,653	226,973	7.35%	6.50	0.48	6.50	0.48	6.50	0.48
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	0.89%	0.00		0.00		0.00	
CUSTOMER DEPOSITS		101,665	-58,173	-2,124	41,368	1.34%	2.00	0.03	2.00	0.03	2.00	0.03
COMMON EQUITY		2,850,164	-1,630,864	-59,540	1,159,759	37.55%	10.00	3.76	11.00	4.13	12.00	4.51
DEFERRED INCOME TAXES		839,076			839,076	27.17%	0.00		0.00		0.00	
OTHER DEFERRED CREDITS - FC		789,304			789,304	25.56%	0.00	0.00	0.00	0.00	0.00	0.00
PROPANE DEPOSITS		10,640	-6,088	-222	4,329	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>5,176,049</b>	<b>-2,014,297</b>	<b>-73,539</b>	<b>3,088,213</b>	<b>100.00%</b>		<b>4.26</b>		<b>4.64</b>		<b>5.01</b>

