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www.stjoegas.com

May 12, 2020

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

Re: Actual Earnings Surveillance Report Ending December 31, 2019

Please find enclosed for filing the Actual Earnings Surveillance Report for the twelve months ending December 31, 2019.

Sincerely,

Debbie Stitt

Regulatory Analyst

FLORIDA PUBLIC SERVICE COMMISSION
INVESTOR-OWNED NATURAL GAS UTILITY EARNINGS SURVEILLANCE REPORT
PSC/AFA 13 (6/94)
1 00/11 10 (0/04)

ST. JOE NATURAL GAS COMPANY EARNINGS SURVEILLANCE REPORT SUMMARY ACTUAL DEC 31, 2019

	l am aware that Section 837.06, Florida Statutes, provides:				III. REQUIRED RATES OF RETURN AVERAGE CAPITAL STRUCTURE (FPSC ADJUSTED BASIS)	(JURISDICTIONAL)	II. YEAR END RATE BASE	AVERAGE RATE OF RETURN	AVERAGE RATE BASE	NET OPERATING INCOME	I. AVERAGE RATE OF RETURN (JURISDICTIONAL)	
Whoever knowingly make	Florida Statutes, provides:	HIGH	MIDPOINT	LOW								
Whoever knowingly makes a false statement in writing with		6.03 %	5.59 %	5.14 %		\$ 5,060,176 \$ -2,143,892 \$		-6.52%	\$ 5,041,966 \$ -2,260,762 \$	\$ -328,730 \$	PER BOOKS ADJUSTMENTS	(1) (2) ACTUAL FPSC
		רבא אא ב אבעפווטפט	B. EXCLUDING	FLEX RATE REVENUES	IV. EARNED RETURN ON EQUITY (FPSC ADJUSTED BASIS) A. INCLUDING	892 \$ 2,916,284		-11.82%	762 \$ 2,781,204 \$ \$	\$ -328,730 \$ \$	NTS ADJUSTED ADJUSTMENTS	(3) (4) FPSC PRO FORMA
		-1.88%		-1.88%				%			ADJUSTED	(5) PRO FORMA

PSC/AFA13

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

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.

ST. JOE NATURAL GAS COMPANY, INC. AVERAGE RATE OF RETURN RATE BASE ACTUAL DEC 31, 2019

FPSC ADJUSTMENTS:

PER BOOKS

SERVICE 9,834,411

ACCUMULATED DEPRECIATION & AMORTIZATION

(3)
NET
PLANT IN
SERVICE

PROPERTY HELD FOR FUTURE USE

(5)
CONSTRUCTION
WORK IN
PROGRESS

(7)

(8)

(9)

270,140

UTILITY PLANT 4,053,940

CAPITAL 988,025

TOTAL RATE BASE 5,041,965 4

6,050,611

3,783,800

3

SCHEDULE 2 PAGE 1 OF 2

PRO FORMA ADJUSTED	TOTAL PRO FORMA ADJUSTMENTS	PRO FORMA REVENUE INCREASE AND ANNUALIZATION ADJUSTMENTS:	FLEX RATE REVENUES ADJUSTED FOR FLEX RATE REVENUES	FPSC ADJUSTED	TOTAL FPSC ADJUSTMENTS		PRO RATA NON UTILITY
				7,809,490	-2,024,921		-2,024,921
				5,385,633	-664,978		-664,978
				2,423,857	-1,359,943		-1,359,943
				196,025	-74,115		-74,115
				2,619,882			-1,434,058
				161,322	-826,703		-106,966 -719,737
				2,781,204	-2,260,761		-106,966 -2,153,795

ST. JOE NATURAL GAS COMPANY AVERAGE RATE OF RETURN INCOME STATEMENT ACTUAL DEC 31, 2019

PER BOOKS

FPSC ADJUSTMENTS:

OPERATING REVENUES 1,585,340

> O & M GAS EXPENSE

289,974

O&M DEPI OTHER AMO 4 1,234,951

DEPRECIATION & TAXES OTHER INCOME TAXES
AMORTIZATION THAN INCOME CURRENT
263,477 125,668

(3)

(4)

(5)

(6)

(7)
DEFERRED
INCOME TAXES
(NET)

(8)
INVESTMENT TAX
CREDIT
(NET)

(9)
GAIN/LOSS
ON DISPOSITION

(10)
TOTAL
OPERATING
EXPENSES
1,914,070

(11)
NET
OPERATING
INCOME
-328,730

3

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PER BOOKS CURRENT MONTH AMOUNT	TOTAL PRO FORMA ADJUSTMENTS PRO FORMA ADJUSTED	PRO FORMA REVENUE INCREASE AND ANNUALIZATION ADJUSTMENTS:	FLEX RATE REVENUES ADJUSTED FOR FLEX RATE REVENUES	TOTAL FPSC ADJUSTMENTS FPSC ADJUSTED
				1,585,340
				289,974
				1,234,951
				263,477
				125,668
				0
				1,914,070
				-328,730

ST. JOE NATURAL GAS COMPANY YEAR END RATE BASE

SCHEDULE 3

ACTUAL DEC 31, 2019

PER BOOKS

SERVICE 10,158,919

DEPRECIATION & AMORTIZATION

(3) NET PLANT IN

4

(5)

3

(8)

(9)

CONSTRUCTION

6,208,257

3,950,662

PROPERTY HELD
FOR FUTURE USE

WORK IN PROGRESS

4,064,575

WORKING

5,060,176

TOTAL

995,601

NET

113,913

(2) ACCUMULATED

(1)

FPSC ADJUSTMENTS:

FPSC ADJUSTED	TOTAL FPSC ADJUSTMENTS	PRO-PATA NON-UTILITY	
8,070,826	-2,088,093	-2,088,093	
5,481,935	-726,322	-726,322	
2,588,891	-1,361,771	-1,361,771	
60,910	-53,003	-53,003	
2,649,801	003 -1,414,774	-1,414,774	
266,483	-729,118	-151,418 -577,700	
2,916,284	-2,143,892	-151,418 -1,992,474	

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TOTAL	CUSTOMER ADVANCES FOR CONSTRUCTION	PROPANE DEPOSITS	OTHER DEFERRED CREDITS - FC	DEFERRED INCOME TAXES	COMMON EQUITY	CUSTOMER DEPOSITS	OTHER DEFERRED CREDITS - GC	SHORT TERM DEBT	LONG LEXM DEBI	YEAR END		TOTAL	CUSTOMER ADVANCES FOR CONSTRUCTION	PROPANE DEPOSITS	OTHER DEFERRED CREDITS - FC	DEFERRED INCOME TAXES	COMMON EQUITY	CUSTOMER DEPOSITS	OTHER DEFERRED CREDITS - GC	SHORT TERM DEBT	LONG TERM DEBT	AVERAGE
5,060,176	0	9,890	560,155	666,328	2,949,276	57,125	27,402	0	790,000	PER BOOKS		5,041,966	0	10,521	585,616	603,802	3,022,728	57,281	27,402	0	734,616	BEB BOOKS
-1,992,474					-1,547,875	-29,981		0	-414,618	ADJUSTMENTS NON-UTILITY		-2,153,795					-1,706,678	-32,342		0	-414,775	ADJUSTMENTS
-151,418					-117,631	-2,278		0	-31,509	PRO RATA		-106,966					-84,760	-1,606		0	-20,599	
2,916,284	0	9,890	560,155	666,328	1,283,770	24,866	27,402	0	343,874	ADJUSTED		2.781.205	0	10,521	585,616	603,802	1,231,290	23,333	27,402	0	299,241	
100.00%	0.00%	0.34%	19.21%	22.85%	44.02%	0.85%	0.94%	0.00%	11.79%	RATIO		100.00%	0.00%	0.38%	21.06%	21.71%	44.27%	0.84%	0.99%	0.00%	10.76%	RATIO
	0.00	0.00	0.00	0.00	10.00	2.00	0.00	8.00	6.50	LOW POINT COST RATE (%)			0.00	0.00	0.00	0.00	10.00	2.00	0.00	8.00	6.50	LOW POINT COST RATE
5.19	0.00	0.00	0.00		4.40	0.02		0.00	0.77	WEIGHTED COST (%)	!	5 14	0.00	0.00	0.00		4.43	0.02		0.00	0.70	WEIGHTED
	0.00	0.00	0.00	0.00	11.00	2.00	0.00	8.00	6.50	MIDPOINT COST RATE (%)			0.00	0.00	0.00	0.00	11.00	2.00	0.00	8.00	6.50	¬ N
5.63	0.00	0.00	0.00		4.84	0.02		0.00	0.77	WEIGHTED COST (%)		5 50	0.00	0.00	0.00		4.87	0.02		0.00	(%)	WEIGHTED COST
	0.00	0.00	0.00	0.00	12.00	2.00	0.00	8.00	6.50	HIGH POINT COST RATE (%)			0.00	0.00	0.00	0.00	12.00	2.00	0.00	8.00	6.50	HIGH POINT COST RATE
6.07	0.00	0.00	0.00		5.28	0.02		0.00	0.77	WEIGHTED COST (%)	0.00	503	0.00	0.00	0.00		5.31	0.02		0.00	0.70	WEIGHTED COST

ST. JOE NATURAL GAS COMPANY, INC. EARNED RETURN ON COMMON EQUITY FPSC ADJUSTED BASIS December 31, 2019

A. FPSC ADJUSTED AVERAGE JURISDICTIONAL RET	TURN ON COMMON EQUITY
INCLUDING FLEX RATE REVENUES	

HOESDING FEEX WITE NEVENOES	
FPSC ADJUSTED AVERAGE EARNED RATE OF RETURN LESS: RECONCILED AVERAGE JURISDICTIONAL WEIGHTED COST RATES FOR: SHORT TERM DEBT LONG TERM DEBT CUSTOMER DEPOSITS OTHER DEFERRED CREDITS SUBTOTAL	-0.12 (Schedule 1) 0.00 % -0.70 % -0.02 % 0.00 % -0.72 %
TOTAL	-0.83 %
DIVIDED BY RECONCILED COMMON EQUITY RATIO	44.27 %
JURISDICTIONAL RETURN ON COMMON EQUITY	1.88%_
B. FPSC ADJUSTED AVERAGE JURISDICTIONAL RETURN ON COMMON EQUIT EXCLUDING FLEX RATE REVENUES SAME AS ABOVE	
NET OPERATING REVENUE EXCLUDING FLEX RATE REVENUES	\$ (Schedule 2, p
RATE BASE EXCLUDING FLEX RATE REVENUES	\$ (Schedule 2, p
FPSC ADJUSTED AVERAGE EARNED RATE OF RETURN LESS: RECONCILED AVERAGE JURISDICTIONAL WEIGHTED COST RATES FOR: LONG TERM DEBT SHORT TERM DEBT PREFERRED STOCK CUSTOMER DEPOSITS TAX CREDITS-WEIGHTED COST(MIDPOINT) SUBTOTAL	() % () % () % () % () % () %
TOTAL	%
DIVIDED BY RECONCILED COMMON EQUITY RATIO	%
JURISDICTIONAL RETURN ON COMMON EQUITY	%