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September 29, 2021

BY E-PORTAL

Mr. Adam Teitzman, Clerk
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850

Re: Docket No. Re: Docket 20210150-GU: Joint petition for approval to implement gas reliability infrastructure program (GRIP) cost recovery factors for January 2022 through December 2022 by Florida Public Utilities Company, Florida Public Utilities Company-Fort Meade and the Florida Division of Chesapeake Utilities Corporation.

Dear Mr. Teitzman:

Attached for electronic filing, please find the Joint Responses of Florida Public Utilities Company (All Gas Divisions) and the Florida Division of Chesapeake Utilities Corporation to Staff's First Data Requests in the referenced docket.

As always, thank you for your assistance in connection with this filing. If you have any questions whatsoever, please do not hesitate to let me know.

Sincerely,

s/Beth Keating

Beth Keating
Gunster, Yoakley & Stewart, P.A.
215 South Monroe St., Suite 601
Tallahassee, FL 32301
(850) 521-1706

Cc:// Office of Public Counsel (Gentry)

Re: Docket 20210150-GU: Joint petition for approval to implement gas reliability infrastructure program (GRIP) cost recovery factors for January 2022 through December 2022 by Florida Public Utilities Company, Florida Public Utilities Company-Fort Meade and the Florida Division of Chesapeake Utilities Corporation.

Florida Public Utilities Company and Florida Division of Chesapeake Utilities Corporation's Joint Responses to Staff's First Data Requests

1. Please update pipe replacement program progress tables for FPUC, Fort Meade, and Chesapeake contained in Attachment A, copied here on page 3, in the response to Staff's First Data Request in Docket No. 20200207-GU.

Company Response:

Please see Attachment 1-Replacement Tables. The tables include all known bare steel, cast iron, and steel mains that will be replaced, including newly discovered bare steel, cast iron, and steel mains.

2. Please provide all the schedules filed in Witness Craig's testimony in Excel format with formulas unlocked.

Company Response:

Please see Attachment 2.

- Please describe the planned and completed pipe replacement projects for FPUC in 2021.

Company Response:

The planned and completed projects for FPUC in 2021 are shown below:

Project Name	City	Estimated Start	Estimated End	
FPUC				
Jeffrey Street	City of Boca Raton	Dec-21	Apr-22	
Gateway	City of Boynton Beach	Oct-21	Apr-22	
Oceanview	City of Delray Beach	Oct-21	Dec-21	
SW 10th Street	City of Delray Beach	Nov-21	Jan-22	
W. Lake Worth Ph.2	City of Lake Worth	Sep-20	Dec-21	
S. Lake Worth Ph.3	City of Lake Worth	Oct-21	Aug-22	
Lantana - East	City of Lantana	Feb-21	Dec-21	
Seminole Manor	City of Lantana	Jul-21	Nov-21	
New Smyrna Beach 2021	City of New Smyrna Beach	Jan-21	Dec-21	
Gun Club Estates	City of West Palm Beach	Oct-20	Mar-21 *	
Okeechobee - Pershing	City of West Palm Beach	Jan-21	Dec-21	
Downtown WPB	City of West Palm Beach	Jul-21	Dec-21	
N. Inlet Ph.3	Town of Palm Beach	Jul-20	Jul-21 *	
N. Inlet Ph.4	Town of Palm Beach	May-21	Feb-22	
S. Ocean PB 2020	Town of Palm Beach	May-20	Nov-21	
Ph.3 South	Town of Palm Beach	Aug-20	Feb-22	
Phipps Plaza	Town of Palm Beach	Apr-21	Oct-21	
Sunset Ave	Town of Palm Beach	Sep-21	Nov-21	
* - Completed projects				

4. Please describe the planned and completed pipe replacement projects for Chesapeake in 2021.

Company Response:

The planned and completed projects for Chesapeake in 2021 are shown below:

Project Name	City	Estimated Start	Estimated End	
CFG				
Flamingo	City of Auberndale	Mar-21	Jun-21	*
Lake Alfred	City of Lake Alfred	Oct-20	Sep-21	
Haines City	Haines City	Dec-21	Feb-21	*
Plant City	Plant City	Jan-21	Jun-21	*
Winter Haven Area 5	City of Winter Haven	Jun-20	Oct-21	
Winter Haven Area 8	City of Winter Haven	Aug-19	Oct-21	
Winter Haven Area 10	City of Winter Haven	Jun-20	May-21	*
Lake Wales Area 5	City of Lake Wales	Jun-20	Jul-21	*
* - Completed projects				

5. Please describe the planned pipe replacement projects for FPUC in 2022.

Company Response:

The planned pipe replacement projects for FPUC in 2022 are shown below:

FPUC - Planned 2022 Projects			
Project Name	City	Estimated Start Date	Estimated End Date
Jeffrey Street	City of Boca Raton	Dec-21	Apr-22
Gateway	City of Boynton Beach	Oct-21	Apr-22
S. Seacrest	City of Boynton Beach	Feb-22	Apr-22
W. Ocean Ave - 7th	City of Boynton Beach	Jan-22	Feb-22
NE 4th Ave	City of Boynton Beach	Mar-22	May-22
SE 4th Street	City of Boynton Beach	May-22	Jun-22
Delray - North	City of Delray Beach	Feb-22	Apr-22
SW 10th Street	City of Delray Beach	Nov-21	Jan-22
SE 6th Ave	City of Delray Beach	May-22	Jun-22
SW 15th Street	City of Delray Beach	Jun-22	Aug-22
S. Lake Worth Ph.3	City of Lake Worth Beach	Oct-21	Aug-22
New Smyrna Beach 2022	City of New Smyrna Beach	Jan-22	Aug-22
Riveria Beach	City of Riveria Beach	Apr-22	Jul-22
Forest Hill Village	City of West Palm Beach	Mar-22	Aug-22
Winter Springs	City of Winter Springs	Jan-22	Aug-22
N. Inlet Ph.4	Town of Palm Beach	May-21	Feb-22
Ph.3 South	Town of Palm Beach	Aug-20	Feb-22

6. Please refer to the 2021 Schedules A-1 attached to the direct testimony of Witness Craig.
 - a. Please provide the calculations used to determine the Revenue Expansion Factor of 1.335 on page 1 of 18.

Company Response:

Please see FN Schedule 1 tab in Attachment 3.

- b. Please provide the calculations used to determine the Revenue Expansion Factor of 1.334 on page 7 of 18.

Company Response:

Please see CFG Schedule 2 tab in Attachment 3.

- c. Please provide the calculations used to determine the Revenue Expansion Factor of 1.342 on page 13 of 18.

Company Response:

Please see FT Schedule 3 tab in Attachment 3.

7. Please refer to the 2021 Schedules C-1 attached to the direct testimony of Witness Craig.
 - a. Please provide the calculations used to determine the Equity Cost of Capital, inclusive of Income Tax Gross-up of 5.34% on page 3 of 18.

Company Response:

Please see Schedule A-1 of Attachment 2, Page 1 of 18.

- b. Please provide the calculations used to determine the Equity Cost of Capital, inclusive of Income Tax Gross-up of 5.42% on page 9 of 18.

Company Response:

Please see Schedule A-1 of Attachment 2, Page 7 of 18.

- c. Please provide the calculations used to determine the Equity Cost of Capital, inclusive of Income Tax Gross-up of 4.91% on page 15 of 15.

Company Response:

Please see Schedule A-1 of Attachment 2, Page 13 of 18.

Table 1
FPUC Pipe Replacement Program Progress

Year	Mains (Miles)					Number of Services				
	Replaced	Replaced	Remaining	Remaining	Total	Replaced	Replaced	Remaining	Remaining	Total
	Cast Iron	Bare Steel	Cast Iron at Year-End	Bare Steel at Year-End		Cast Iron	Bare Steel	Cast Iron at Year-End	Bare Steel at Year-End	
Jul-12			0.9	197.10	198.00			0	7980	7980
2012		6.00	0.9	191.10	192.00		91	0	7889	7889
2013	0.6	26.40	0.3	164.70	165.00		2071	0	5818	5818
2014		38.00	0.3	126.70	127.00		1275	0	4543	4543
2015		30.00	0.3	96.70	97.00		605	0	3938	3938
2016		22.50	0.3	74.20	74.50		555	0	3383	3383
2017		10.30	0.3	63.90	64.20		335	0	3048	3048
2018		6.80	0.3	57.10	57.40		98	0	2950	2950
2019	0.3	4.10	0	53.00	53.00		224	0	2726	2726
2020		19.00	0	34.00	34.00		330	0	2396	2396
2021		18.00	0	16.00	16.00		900	0	1496	1496
2022		16.00	0	0.00	0.00		1496	0	0	0

Table 2
Chesapeake Pipe Replacement Program Progress

Year	Mains (Miles)					Number of Services				
	Replaced	Replaced	Remaining	Remaining	Total	Replaced	Replaced	Remaining	Remaining	Total
	Cast Iron	Bare Steel	Cast Iron at Year-End	Bare Steel at Year-End		Cast Iron	Bare Steel	Cast Iron at Year-End	Bare Steel at Year-End	
Jul-12			0	152.00	152.00			0	762	762
2012		5.00	0	147.00	147.00		34	0	728	728
2013		3.00	0	144.00	144.00		139	0	589	589
2014		19.00	0	125.00	125.00		47	0	542	542
2015		34.00	0	91.00	91.00		284	0	258	258
2016		25.10	0	65.90	65.90		-81	0	339	339 **
2017		22.80	0	43.10	43.10		18	0	321	321
2018		19.80	0	23.30	23.30		91	0	230	230
2019		28.00	0	17.30	17.30		99	0	131	131
2020		11.10	0	6.20	6.20		34	0	97	97
2021		6.20	0	0.00	0.00		97	0	0	0

2022 0.00 0 0.00 0.00 0 0 0 0

** A total of 111 YTD bare steel services were replaced in 2016. Plus a correction to increase total services remaining by 192 (4th Qtr of 2016). The net equals -81.

**Table 3
Fort Meade Pipe Replacement Program Progress**

Year	Mains (Miles)					Number of Services				
	Replaced Cast Iron	Replaced Steel	Remaining Cast Iron at Year-End	Remaining Steel at Year-End	Total Remaining	Replaced Cast Iron	Replaced Steel	Remaining Cast Iron at Year-End	Remaining Steel at Year-End	Total Remaining
Jan-16			0	0	0			0	250	250
2016		0	0	0	0		29	0	221	221
2017		0	0	0	0		111	0	110	110
2018		0	0	0	0		20	0	90	90
2019		0	0	0	0		90	0	0	0

Florida Public Utilities Company
Gas Reliability Infrastructure Program (GRIP)
Calculation of Equity and Debt Returns

Schedule A-1
Exhibit _____
Derrick M. Craig (DMC-1)
Page 1 of 18

Earnings Surveillance Report - December 31, 2020

Equity Cost Rate	10.85%
Weighted Equity Cost Rate	4.00%
Revenue Expansion Factor	1.335
Weighted Equity Cost Rate , times Revenue Expansion Factor	<u>5.34%</u>
Long Term Debt-CU	1.04%
Short Term Debt	0.26%
Long Term Debt-FC	0.20%
Short Term Debt-Refinanced LTD	0.00%
Customer Deposits	0.08%
Weighted Debt Cost Rate	<u>1.58%</u>
Overall Weighted Cost Rate	<u><u>5.58%</u></u>

Florida Public Utilities Company
 Gas Reliability Infrastructure Program (GRIP)
 Actual Revenue Requirements
 January 1, 2020 through December 31, 2020

<u>Item</u>	<u>Beginning Balance</u>	<u>Actual Jan</u>	<u>Actual Feb</u>	<u>Actual Mar</u>	<u>Actual Apr</u>	<u>Actual May</u>	<u>Actual Jun</u>	<u>Actual Jul</u>	<u>Actual Aug</u>	<u>Actual Sep</u>	<u>Actual Oct</u>	<u>Actual Nov</u>	<u>Actual Dec</u>	<u>Year End Total/Balance</u>
Qualified Investment														
Qualified Investment - Mains - Current Year 1070 Activity	\$687,808	\$840,892	\$1,115,871	\$869,653	\$837,546	\$1,023,132	\$1,418,556	\$1,103,030	\$1,088,624	\$822,257	\$604,102	\$1,114,605	\$1,114,605	\$11,526,076
Qualified Investment - Mains - Closed 1070 Activity to Plant	\$0	(\$537,850)	(\$534,502)	(\$285,345)	(\$123,584)	(\$4,959,043)	\$0	\$0	(\$285,888)	(\$2,607,501)	(\$261,372)	(\$301,887)	(\$301,887)	(\$9,896,970)
Qualified Investment - Services - Current Year 1070 Activity	\$251,154	\$338,657	\$1,073,730	\$714,371	\$475,101	\$446,405	\$440,690	\$482,740	\$819,325	\$585,419	\$747,593	\$961,112	\$961,112	\$7,336,297
Qualified Investment - Services - Closed 1070 Activity to Plant	\$0	(\$420,549)	(\$487,229)	(\$985,156)	(\$679,909)	(\$454,306)	(\$469,346)	(\$421,752)	(\$1,028,142)	(\$676,330)	(\$740,250)	(\$498,071)	(\$498,071)	(\$6,861,040)
Qualified Investment - Mains - Current 1010 Activity	\$0	\$537,850	\$534,502	\$285,345	\$123,584	\$4,959,043	\$0	\$0	\$285,888	\$2,607,501	\$261,372	\$301,887	\$301,887	\$9,896,970
Qualified Investment - Services - Current 1010 Activity	\$0	\$420,549	\$487,229	\$985,156	\$679,909	\$454,306	\$469,346	\$421,752	\$1,028,142	\$676,330	\$740,250	\$498,071	\$498,071	\$6,861,040
Total Qualified Investment - Mains 1070	\$288,818	\$976,625	\$1,279,668	\$1,861,037	\$2,445,345	\$3,159,308	(\$776,602)	\$641,953	\$1,744,983	\$2,547,719	\$762,476	\$1,105,205	\$1,917,923	\$1,917,923
Total Qualified Investment - Service 1070	\$2,647	\$253,801	\$171,909	\$758,410	\$487,624	\$282,817	\$274,917	\$246,261	\$307,249	\$98,431	\$7,521	\$14,863	\$477,904	\$477,904
Total Qualified Investment - Mains 1010	\$79,712,208	\$79,712,208	\$80,250,057	\$80,784,559	\$81,069,904	\$81,193,487	\$86,152,530	\$86,152,530	\$86,152,530	\$86,438,418	\$89,045,919	\$89,307,291	\$89,609,177	\$89,609,177
Total Qualified Investment - Service 1010	\$26,433,705	\$26,433,705	\$26,854,254	\$27,341,483	\$28,326,640	\$29,006,548	\$29,460,854	\$29,930,200	\$30,351,952	\$31,380,094	\$32,056,424	\$33,796,674	\$33,294,745	\$33,294,745
Total Qualified Investment	\$106,437,378	\$107,376,339	\$108,555,888	\$110,745,489	\$112,329,513	\$113,642,160	\$115,111,698	\$116,970,944	\$118,556,714	\$120,464,663	\$121,872,339	\$123,224,034	\$125,299,750	\$125,299,750
Less: Accumulated Depreciation	(\$10,070,403)	(\$10,258,361)	(\$10,446,320)	(\$10,635,990)	(\$10,827,489)	(\$11,021,293)	(\$11,216,561)	(\$11,421,339)	(\$11,626,978)	(\$11,833,390)	(\$12,042,188)	(\$12,256,788)	(\$12,473,203)	(\$12,473,203)
Net Book Value	\$96,366,975	\$97,117,978	\$98,109,569	\$100,109,499	\$101,502,024	\$102,620,867	\$103,895,137	\$105,549,605	\$106,929,736	\$108,631,272	\$109,830,151	\$110,967,245	\$112,826,547	\$112,826,547
Average Net Qualified Investment	\$96,742,476	\$97,613,773	\$99,109,534	\$100,805,762	\$102,061,445	\$103,258,002	\$104,722,371	\$106,239,670	\$107,780,504	\$109,230,712	\$110,398,698	\$111,896,896		
Depreciation Rates														
Approved Depreciation Rate-Mains	2.10%	2.10%	2.10%	2.10%	2.10%	2.10%	2.10%	2.10%	2.10%	2.10%	2.10%	2.10%	2.10%	2.10%
Approved Depreciation Rate-Services	2.20%	2.20%	2.20%	2.20%	2.20%	2.20%	2.20%	2.20%	2.20%	2.20%	2.20%	2.20%	2.20%	2.20%
Return on Average Net Qualified Investment														
Equity - Cost of Capital, inclusive of Income Tax Gross-up	5.37%	5.37%	5.37%	5.37%	5.37%	5.37%	5.37%	5.37%	5.37%	5.37%	5.37%	5.37%	5.37%	5.37%
Debt - Cost of Capital	1.76%	1.7600%	1.7600%	1.7600%	1.7600%	1.7600%	1.7600%	1.7600%	1.7600%	1.7600%	1.7600%	1.7600%	1.7600%	1.7600%
Equity Component - inclusive of Income Tax Gross-up	\$432,923	\$436,822	\$443,515	\$451,106	\$456,725	\$462,080	\$468,633	\$475,423	\$482,318	\$488,807	\$494,034	\$500,739	\$507,739	\$5,593,125
Debt Component	\$141,889	\$143,167	\$145,361	\$147,848	\$149,690	\$151,445	\$153,593	\$155,818	\$158,078	\$160,205	\$161,918	\$164,115	\$166,312	\$1,833,127
Return Requirement	\$574,812	\$579,989	\$588,876	\$598,954	\$606,415	\$613,525	\$622,226	\$631,241	\$640,396	\$649,012	\$655,952	\$664,854	\$674,252	\$7,426,252
Investment Expenses														
Depreciation Expense - Mains	\$139,496	\$139,496	\$140,438	\$141,373	\$141,872	\$142,089	\$150,767	\$150,767	\$150,767	\$151,267	\$155,830	\$156,288	\$156,288	\$1,760,450
Depreciation Expense - Services	\$48,462	\$48,462	\$49,233	\$50,126	\$51,932	\$53,179	\$54,012	\$54,872	\$55,645	\$57,530	\$58,770	\$60,127	\$60,127	\$642,350
Property Taxes	\$160,612	\$160,612	\$160,612	\$160,612	\$160,612	\$160,612	\$160,612	\$160,612	\$160,612	\$160,612	\$160,612	\$160,612	\$160,612	\$1,927,339
General Public Notice Expense & Customer Notice Expense	\$0	\$681	\$1,737	\$2,646	\$0	\$0	\$3,028	\$0	\$676	\$735	\$566	\$1,300	\$1,300	\$11,370
Total Expense	\$348,570	\$349,251	\$352,019	\$354,756	\$354,416	\$355,879	\$368,419	\$366,251	\$367,700	\$370,144	\$375,779	\$378,327	\$378,327	\$4,341,509
Total Revenue Requirements	\$923,382	\$929,240	\$940,895	\$953,710	\$960,831	\$969,404	\$990,645	\$997,492	\$1,008,096	\$1,019,156	\$1,031,731	\$1,043,181	\$1,043,181	\$11,767,761
Annual Revenue Requirement for Bare Steel Replacement Investment	\$62,310	\$62,310	\$62,310	\$62,310	\$62,310	\$62,310	\$62,310	\$62,310	\$62,310	\$62,310	\$62,310	\$62,310	\$62,310	\$747,727
Net Annual Revenue Requirements	\$861,071.78	\$866,930	\$878,585	\$891,400	\$898,521	\$907,094	\$928,335	\$935,182	\$945,786	\$956,846	\$969,421	\$980,864	\$980,864	\$11,020,034
GRIP Surcharge Revenues Collected Month	\$ 1,087,884	\$ 995,592	\$ 921,502	\$ 741,256	\$ 706,771	\$ 646,503	\$ 645,968	\$ 611,555	\$ 610,392	\$ 643,708	\$ 764,402	\$ 993,582	\$ 993,582	\$9,369,115
Beginning True-Up														
(Over) and Under Recovery for the Month	(\$226,812)	(\$128,662)	(\$42,918)	\$150,145	\$191,751	\$260,591	\$282,367	\$323,627	\$335,393	\$313,138	\$205,019	(\$12,718)	(\$12,718)	\$ 1,650,921
Monthly Interest (Expense)/Income	\$ (2,764)	\$ (2,914)	\$ (3,357)	\$ (2,045)	\$ (298)	\$ (171)	\$ (131)	\$ (106)	\$ (70)	\$ (47)	\$ (33)	\$ (26)	\$ (26)	\$ (11,962)
Ending (Over) and Under Recovery	\$ (1,965,077)	\$ (2,194,653)	\$ (2,326,229)	\$ (2,372,504)	\$ (2,224,404)	\$ (2,032,951)	\$ (1,772,531)	\$ (1,490,295)	\$ (1,166,774)	\$ (831,451)	\$ (518,360)	\$ (313,374)	\$ (326,118)	\$ (326,118)
Beg of Month Annual Interest Rate	1.59%	1.59%	1.51%	1.91%	0.22%	0.11%	0.10%	0.10%	0.08%	0.08%	0.09%	0.09%	0.09%	0.09%
End of Month Annual Interest Rate	1.59%	1.51%	1.91%	0.22%	0.11%	0.10%	0.10%	0.08%	0.08%	0.09%	0.09%	0.09%	0.09%	0.09%
Average Monthly Interest Rate	0.133%	0.129%	0.143%	0.089%	0.014%	0.009%	0.008%	0.008%	0.007%	0.007%	0.008%	0.008%	0.008%	0.008%

Florida Public Utilities Company
 Gas Reliability Infrastructure Program (GRIP)
 Calculation of the Projected Revenue Requirements
 January 1, 2022 through December 31, 2022

Schedule C-2
 Exhibit _____
 Derrick M. Craig (DMC-1)
 Page 4 of 18

<u>Item</u>	<u>Beginning Balance</u>	<u>Forecast Jan</u>	<u>Forecast Feb</u>	<u>Forecast Mar</u>	<u>Forecast Apr</u>	<u>Forecast May</u>	<u>Forecast Jun</u>	<u>Forecast Jul</u>	<u>Forecast Aug</u>	<u>Forecast Sep</u>	<u>Forecast Oct</u>	<u>Forecast Nov</u>	<u>Forecast Dec</u>	<u>Year End Total/Balance</u>
Qualified Investment														
Qualified Investment - Mains - Current Year 1070 Activity		\$488,571	\$488,571	\$488,571	\$488,571	\$488,571	\$488,571	\$488,571	\$0	\$0	\$0	\$0	\$0	\$3,420,000
Qualified Investment - Mains - Closed 1070 Activity to Plant		(\$488,571)	(\$488,571)	(\$488,571)	(\$488,571)	(\$488,571)	(\$488,571)	(\$488,571)	\$0	\$0	\$0	\$0	\$0	(\$3,420,000)
Qualified Investment - Services - Current Year 1070 Activity		\$267,789	\$267,789	\$267,789	\$267,789	\$267,789	\$267,789	\$267,789	\$0	\$0	\$0	\$0	\$0	\$1,874,520
Qualified Investment - Services - Closed 1070 Activity to Plant		(\$267,789)	(\$267,789)	(\$267,789)	(\$267,789)	(\$267,789)	(\$267,789)	(\$267,789)	\$0	\$0	\$0	\$0	\$0	(\$1,874,520)
Qualified Investment - Mains - Current 1010 Activity		\$488,571	\$488,571	\$488,571	\$488,571	\$488,571	\$488,571	\$488,571	\$0	\$0	\$0	\$0	\$0	\$3,420,000
Qualified Investment - Services - Current 1010 Activity		\$267,789	\$267,789	\$267,789	\$267,789	\$267,789	\$267,789	\$267,789	\$0	\$0	\$0	\$0	\$0	\$1,874,520
Total Qualified Investment - Mains 1070	\$6,922,244	\$6,922,244	\$6,922,244	\$6,922,244	\$6,922,244	\$6,922,244	\$6,922,244	\$6,922,244	\$6,922,244	\$6,922,244	\$6,922,244	\$6,922,244	\$6,922,244	\$6,922,244
Total Qualified Investment - Service 1070	\$581,856	\$581,856	\$581,856	\$581,856	\$581,856	\$581,856	\$581,856	\$581,856	\$581,856	\$581,856	\$581,856	\$581,856	\$581,856	\$581,856
Total Qualified Investment - Mains 1010	\$98,677,793	\$99,166,364	\$99,654,936	\$100,143,507	\$100,632,079	\$101,120,650	\$101,609,221	\$102,097,793	\$102,097,793	\$102,097,793	\$102,097,793	\$102,097,793	\$102,097,793	\$102,097,793
Total Qualified Investment - Service 1010	\$40,736,512	\$41,004,301	\$41,272,089	\$41,539,878	\$41,807,667	\$42,075,455	\$42,343,244	\$42,611,032	\$42,611,032	\$42,611,032	\$42,611,032	\$42,611,032	\$42,611,032	\$42,611,032
Total Qualified Investment	\$146,918,405	\$147,674,765	\$148,431,125	\$149,187,485	\$149,943,845	\$150,700,205	\$151,456,565	\$152,212,925	\$152,212,925	\$152,212,925	\$152,212,925	\$152,212,925	\$152,212,925	\$152,212,925
Less: Accumulated Depreciation	(\$15,233,056)	(\$15,480,426)	(\$15,729,141)	(\$15,979,203)	(\$16,230,611)	(\$16,483,364)	(\$16,737,464)	(\$16,992,909)	(\$17,249,700)	(\$17,506,492)	(\$17,763,283)	(\$18,020,075)	(\$18,276,866)	(\$18,276,866)
Net Book Value	\$131,685,349	\$132,194,339	\$132,701,984	\$133,208,282	\$133,713,234	\$134,216,841	\$134,719,101	\$135,220,016	\$134,963,225	\$134,706,433	\$134,449,642	\$134,192,851	\$133,936,059	\$133,936,059
Average Net Qualified Investment	\$131,939,844	\$132,448,161	\$132,955,133	\$133,460,758	\$133,965,038	\$134,467,971	\$134,969,559	\$135,091,620	\$134,834,829	\$134,578,038	\$134,321,246	\$134,064,455		
Depreciation Rates														
Approved Depreciation Rate-Mains		2.10%	2.10%	2.10%	2.10%	2.10%	2.10%	2.10%	2.10%	2.10%	2.10%	2.10%	2.10%	2.10%
Approved Depreciation Rate-Services		2.20%	2.20%	2.20%	2.20%	2.20%	2.20%	2.20%	2.20%	2.20%	2.20%	2.20%	2.20%	2.20%
Return on Average Net Qualified Investment														
Equity - Cost of Capital, inclusive of Income Tax Gross-up		5.34%	5.34%	5.34%	5.34%	5.34%	5.34%	5.34%	5.34%	5.34%	5.34%	5.34%	5.34%	5.34%
Debt - Cost of Capital		1.58%	1.58%	1.58%	1.58%	1.58%	1.58%	1.58%	1.58%	1.58%	1.58%	1.58%	1.58%	1.58%
Equity Component - inclusive of Income Tax Gross-up	\$587,098	\$589,360	\$591,616	\$593,866	\$596,110	\$598,347	\$600,579	\$601,123	\$599,980	\$598,837	\$597,695	\$596,552	\$595,418	\$7,151,161
Debt Component	\$173,721	\$174,390	\$175,058	\$175,723	\$176,387	\$177,049	\$177,710	\$177,871	\$177,533	\$177,194	\$176,856	\$176,518	\$176,180	\$2,116,011
Return Requirement	\$760,819	\$763,750	\$766,673	\$769,589	\$772,497	\$775,397	\$778,289	\$778,993	\$777,512	\$776,032	\$774,551	\$773,070	\$771,598	\$9,267,172
Investment Expenses														
Depreciation Expense - Mains		\$172,686	\$173,541	\$174,396	\$175,251	\$176,106	\$176,961	\$177,816	\$178,671	\$178,671	\$178,671	\$178,671	\$178,671	\$2,120,114
Depreciation Expense - Services		\$74,684	\$75,175	\$75,665	\$76,156	\$76,647	\$77,138	\$77,629	\$78,120	\$78,120	\$78,120	\$78,120	\$78,120	\$923,696
Property Taxes		\$219,476	\$219,476	\$219,476	\$219,476	\$219,476	\$219,476	\$219,476	\$219,476	\$219,476	\$219,476	\$219,476	\$219,476	\$2,633,707
General Public Notice Expense & Customer Notice Expense		\$833	\$833	\$833	\$833	\$833	\$833	\$0	\$0	\$0	\$0	\$0	\$0	\$4,998
Total Expense	\$467,678	\$469,024	\$470,370	\$471,716	\$473,062	\$474,408	\$474,921	\$476,267	\$476,267	\$476,267	\$476,267	\$476,267	\$476,267	\$5,682,515
Total Revenue Requirements	\$1,228,497	\$1,232,774	\$1,237,044	\$1,241,305	\$1,245,559	\$1,249,805	\$1,253,210	\$1,255,260	\$1,253,779	\$1,252,299	\$1,250,818	\$1,249,337	\$1,247,856	\$14,949,687
Annual Revenue Requirement for Bare Steel Replacement Investment	\$62,310	\$62,310	\$62,310	\$62,310	\$62,310	\$62,310	\$62,310	\$62,310	\$62,310	\$62,310	\$62,310	\$62,310	\$62,310	\$747,727
Net Annual Revenue Requirements	\$1,166,187	\$1,170,464	\$1,174,734	\$1,178,995	\$1,183,249	\$1,187,495	\$1,191,900	\$1,192,950	\$1,191,469	\$1,189,989	\$1,188,508	\$1,187,020	\$1,185,540	\$14,201,960

Florida Public Utilities Company
Gas Reliability Infrastructure Program (GRIP)
Projection of Qualified Mains & Services Revenue Requirements
Surcharge Calculation - January 1, 2022 through December 31, 2022
Per Therm Rate

Schedule D-1
Exhibit _____
Derrick M. Craig (DMC-1)
Page 5 of 18

1. 1/1/22-12/31/22 Qualified Mains & Services Replacement Revenue Requirements			\$	14,201,960
Mains	74%	\$10,509,450		
Services	26%	\$3,692,510		
Net		<u>\$14,201,960</u>		
2. TRUE-UP from Prior Period (Over)/Under Recovery Estimated thru 12/2021			\$	1,784,263
3. 2022 Qualified Mains & Services Replacement Revenue Requirements			\$	15,986,222
Mains	74%	\$11,829,805		
Services	26%	\$4,156,418		
Net		<u>\$15,986,222</u>		

RATE SCHEDULE	2022 THERMS	SERVICES COS %	MAINS COS %	SERVICES REV REQ	MAINS REV REQ	GRIP REV REQ	DOLLARS PER THERM	TAX FACTOR	GRIP FACTORS PER THERM	TYPICAL ANNUAL THERMS	ANNUAL COST	AVERAGE MONTHLY COST
RESIDENTIAL	15,923,694	58.00%	22.00%	\$2,410,722	\$2,602,557	\$5,013,279	\$0.31483	1.00503	\$0.31642	250	\$79.10	\$6.59
COMMERCIAL SMALL (General Service & GS Transportation & NGVS & NGVTS)	14,999,052	17.00%	23.00%	\$706,591	\$2,720,855	\$3,427,446	\$0.22851	1.00503	\$0.22966	2,500	\$574.15	\$47.85
COMM. LRG VOLUME (Large Vol & LV Transportation)	40,687,436	25.00%	46.00%	\$1,039,104	\$5,441,710	\$6,480,815	\$0.15928	1.00503	\$0.16008	25,000	\$4,002.10	\$333.51
INTERRUPTIBLE SERVICE (Int Service & IS Transportation)	9,974,467	0.00%	8.00%	\$0	\$946,384	\$946,384	\$0.09488	1.00503	\$0.09536	50,000	\$4,767.90	\$397.32
GENERAL LIGHTING SERVICE (Gen Light Service & GLS Transportation)	104,246	0.00%	1.00%	\$0	\$118,298	\$118,298	\$1.13480	1.00503	\$1.14051	500	\$570.25	\$47.52
TOTAL	<u>81,688,895</u>	<u>100%</u>	<u>100%</u>	<u>4,156,418</u>	<u>11,829,805</u>	<u>15,986,222</u>						

FPU

2020 YE Forecast Surveillance (13-month average) at ROE% midpoint								
	Per Book	Pro-Rata Adjustment	Specific Adjustment	Adjusted Balance	Cap Ratio	Cost Rate	Weighted Cost	
Common Equity	\$101,415,776	\$1,005,691	(\$2,469,682)	\$99,951,785	36.85%	10.85%	4.00%	
Long Term Debt - CU	\$75,910,586	\$752,769	\$0	\$76,663,355	28.27%	3.69%	1.04%	
Short Term Debt	\$38,252,388	\$379,330	\$0	\$38,631,718	14.24%	1.83%	0.26%	
Long Term Debt - FC	\$4,759,969	\$47,202	\$0	\$4,807,171	1.77%	11.34%	0.20%	
Customer Deposits	\$8,578,228	\$0	\$0	\$8,578,228	3.16%	2.44%	0.08%	
Deferred Income Taxes	\$42,574,783	\$0	\$0	\$42,574,783	15.70%	0.00%	0.00%	
Total	\$271,491,730	\$2,184,992	(\$2,469,682)	\$271,207,040	100%		5.58%	

2020 YE Forecast Surveillance with ADFIT Consistency and Proration Adjustments (13-month average)										
	Per Book	Consistency and Pro-Rata Adjustment		Books Adjusted	Pro-Rata Adjustment	Specific Adjustment	Adjusted Balance	Cap Ratio	Cost Rate	Weighted Cost
Common Equity	\$101,415,776	(\$496,880)		\$100,918,896	\$1,005,691	(\$2,469,682)	\$99,454,905	36.67%	10.85%	3.98%
Long Term Debt - CU	\$75,910,586	(\$371,919)		\$75,538,667	\$752,769	\$0	\$76,291,436	28.13%	3.69%	1.04%
Short Term Debt	\$38,252,388	(\$187,415)		\$38,064,973	\$379,330	\$0	\$38,444,303	14.18%	1.83%	0.26%
Long Term Debt - FC	\$4,759,969	(\$23,321)		\$4,736,647	\$47,202	\$0	\$4,783,849	1.76%	11.34%	0.20%
Customer Deposits	\$8,578,228			\$8,578,228	\$0	\$0	\$8,578,228	3.16%	2.44%	0.08%
Deferred Income Taxes	\$42,574,783	\$1,079,535		\$43,654,318	\$0	\$0	\$43,654,318	16.10%	0.00%	0.00%
Total	\$271,491,730			\$271,491,730	\$2,184,992	(\$2,469,682)	\$271,207,040	100%		5.55%

Proration Adjustment and Consistency Adjustment To Reflect Projected ADFIT Consistent with Projection Year									
	Month	Total Deferred Income Tax Balance	Deprec Related ADFIT Balance	Deprec Related ADFIT Activity	Days to Prorate	Future Days in Period	Prorated Deprec-Related ADFIT Activity	Prorated Deprec-Related ADFIT Balance	
Projected	Dec-21	32,509,822	33,498,120					33,498,120	
Projected	Jan-22	32,607,584	33,598,854	100,734	31	336	92,730	33,590,851	
Projected	Feb-22	32,705,346	33,699,588	100,734	28	308	85,003	33,675,854	
Projected	Mar-22	32,803,108	33,800,322	100,734	31	277	76,447	33,752,301	
Projected	Apr-22	32,900,870	33,901,056	100,734	30	247	68,168	33,820,469	
Projected	May-22	32,998,632	34,001,790	100,734	31	216	59,612	33,880,082	
Projected	Jun-22	33,096,394	34,102,524	100,734	30	186	51,333	33,931,414	
Projected	Jul-22	33,194,156	34,203,258	100,734	31	155	42,777	33,974,192	
Projected	Aug-22	33,291,918	34,303,992	100,734	31	124	34,222	34,008,414	
Projected	Sep-22	33,389,680	34,404,726	100,734	30	94	25,942	34,034,356	
Projected	Oct-22	33,487,442	34,505,460	100,734	31	63	17,387	34,051,743	
Projected	Nov-22	33,585,204	34,606,194	100,734	30	33	9,107	34,060,851	
Projected	Dec-22	33,682,966	34,706,928	100,734	31	2	552	34,061,403	
		33,096,394	34,102,524	1,208,808	365		563,282	33,872,312	
2020 YE Surveil Bal.		42,574,783	32,792,777				13-Month Avg. Bal	34,102,524	
Consistency Adjustment		(9,478,389)	1,309,747 *				Proration Adj.	(230,213)	
Proration Adjustment			(230,213)						
Total Adjustment			1,079,535						

* Positive variance shows that the limitation provision is met.

Florida Division of Chesapeake Utilities Corporation

Gas Reliability Infrastructure Program (GRIP)

Calculation of Equity and Debt Returns

Schedule A-1

Exhibit _____

Derrick M. Craig (DMC-1)

Page 7 of 18

Earnings Surveillance Report - December 31, 2020

Equity Cost Rate	10.80%
Weighted Equity Cost Rate	4.06%
Revenue Expansion Factor	1.334
Weighted Equity Cost Rate , times Revenue Expansion Factor	<u>5.42%</u>
Long Term Debt-CU	1.09%
Short Term Debt	0.26%
Short Term Debt-Refinanced LTD	0.00%
Customer Deposits	0.03%
Tax Credits-Weighted Cost	0.00%
Weighted Debt Cost Rate	<u>1.38%</u>
Overall Weighted Cost Rate	<u><u>5.44%</u></u>

Florida Division of Chesapeake Utilities Corporation

Gas Reliability Infrastructure Program (GRIP)
 Calculation of the Projected Revenue Requirements
 January 1, 2022 through December 31, 2022

Schedule C-2
 Exhibit _____
 Derrick M. Craig (DMC-1)
 Page 10 of 18

Item	Beginning Balance	Forecast Jan	Forecast Feb	Forecast Mar	Forecast Apr	Forecast May	Forecast Jun	Forecast Jul	Forecast Aug	Forecast Sep	Forecast Oct	Forecast Nov	Forecast Dec	Year End Total
Qualified Investment														
Qualified Investment - Mains - Current 1070 Activity		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Qualified Investment - Mains - Closed 1070 Activity to Plant		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Qualified Investment - Services - Current 1070 Activity		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Qualified Investment - Services - Closed 1070 Activity to Plant		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Qualified Investment - Mains - Current 1010 Activity		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Qualified Investment - Services - Current 1010 Activity		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Qualified Investment - Mains 1070	\$5,366	\$5,366	\$5,366	\$5,366	\$5,366	\$5,366	\$5,366	\$5,366	\$5,366	\$5,366	\$5,366	\$5,366	\$5,366	\$5,366
Total Qualified Investment - Services 1070	\$36,279	\$36,279	\$36,279	\$36,279	\$36,279	\$36,279	\$36,279	\$36,279	\$36,279	\$36,279	\$36,279	\$36,279	\$36,279	\$36,279
Total Qualified Investment - Mains 1010	\$37,711,477	\$37,711,477	\$37,711,477	\$37,711,477	\$37,711,477	\$37,711,477	\$37,711,477	\$37,711,477	\$37,711,477	\$37,711,477	\$37,711,477	\$37,711,477	\$37,711,477	\$37,711,477
Total Qualified Investment - Services 1010	\$3,690,457	\$3,690,457	\$3,690,457	\$3,690,457	\$3,690,457	\$3,690,457	\$3,690,457	\$3,690,457	\$3,690,457	\$3,690,457	\$3,690,457	\$3,690,457	\$3,690,457	\$3,690,457
Total Qualified Investment	\$41,443,579	\$41,443,579	\$41,443,579	\$41,443,579	\$41,443,579	\$41,443,579	\$41,443,579	\$41,443,579	\$41,443,579	\$41,443,579	\$41,443,579	\$41,443,579	\$41,443,579	\$41,443,579
Less: Accumulated Depreciation	(\$4,714,369)	(\$4,787,130)	(\$4,859,891)	(\$4,932,652)	(\$5,005,413)	(\$5,078,174)	(\$5,150,935)	(\$5,223,696)	(\$5,296,457)	(\$5,369,218)	(\$5,441,979)	(\$5,514,740)	(\$5,587,501)	(\$5,587,501)
Net Book Value	\$36,729,210	\$36,656,449	\$36,583,688	\$36,510,927	\$36,438,166	\$36,365,405	\$36,292,644	\$36,219,883	\$36,147,122	\$36,074,361	\$36,001,600	\$35,928,839	\$35,856,078	\$35,856,078
Average Net Qualified Investment	\$36,692,829	\$36,620,068	\$36,547,307	\$36,474,546	\$36,401,785	\$36,329,024	\$36,256,263	\$36,183,502	\$36,110,741	\$36,037,980	\$35,965,219	\$35,892,458		
Depreciation Rates														
Approved Depreciation Rate-Mains		2.10%	2.10%	2.10%	2.10%	2.10%	2.10%	2.10%	2.10%	2.10%	2.10%	2.10%	2.10%	2.10%
Approved Depreciation Rate-Services		2.20%	2.20%	2.20%	2.20%	2.20%	2.20%	2.20%	2.20%	2.20%	2.20%	2.20%	2.20%	2.20%
Return on Average Net Qualified Investment														
Equity - Cost of Capital, inclusive of Income Tax Gross-up		5.42%	5.42%	5.42%	5.42%	5.42%	5.42%	5.42%	5.42%	5.42%	5.42%	5.42%	5.42%	5.42%
Debt - Cost of Capital		1.38%	1.38%	1.38%	1.38%	1.38%	1.38%	1.38%	1.38%	1.38%	1.38%	1.38%	1.38%	1.38%
Equity Component - inclusive of Income Tax Gross-up	\$165,645	\$165,316	\$164,988	\$164,659	\$164,331	\$164,002	\$163,674	\$163,345	\$163,017	\$162,688	\$162,360	\$162,032	\$161,704	\$161,376
Debt Component	\$42,197	\$42,113	\$42,029	\$41,946	\$41,862	\$41,778	\$41,695	\$41,611	\$41,527	\$41,444	\$41,360	\$41,276	\$41,192	\$41,108
Return Requirement	\$207,841	\$207,429	\$207,017	\$206,605	\$206,193	\$205,781	\$205,369	\$204,956	\$204,544	\$204,132	\$203,720	\$203,308	\$202,896	\$202,484
Investment Expenses														
Depreciation Expense - Mains	\$65,995	\$65,995	\$65,995	\$65,995	\$65,995	\$65,995	\$65,995	\$65,995	\$65,995	\$65,995	\$65,995	\$65,995	\$65,995	\$791,940
Depreciation Expense - Services	\$6,766	\$6,766	\$6,766	\$6,766	\$6,766	\$6,766	\$6,766	\$6,766	\$6,766	\$6,766	\$6,766	\$6,766	\$6,766	\$81,192
Property Taxes	\$61,215	\$61,215	\$61,215	\$61,215	\$61,215	\$61,215	\$61,215	\$61,215	\$61,215	\$61,215	\$61,215	\$61,215	\$61,215	\$734,580
General Public Notice Expense and Customer Notice Expense	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Expense	\$133,976	\$133,976	\$133,976	\$133,976	\$133,976	\$133,976	\$133,976	\$133,976	\$133,976	\$133,976	\$133,976	\$133,976	\$133,976	\$1,607,712
Total Revenue Requirements	\$341,817	\$341,405	\$340,993	\$340,581	\$340,169	\$339,757	\$339,345	\$338,932	\$338,520	\$338,108	\$337,696	\$337,284	\$336,872	\$4,074,608

CFG

2020 YE Forecast Surveillance (13-month average) at ROE% midpoint								
	Per Book	Pro-Rata Adjustment	Specific Adjustment	Adjusted Balance	Cap Ratio	Cost Rate	Weighted Cost	
Common Equity	\$41,005,996	\$0	(\$248,342)	\$40,757,654	37.60%	10.80%	4.06%	
Long Term Debt	\$32,181,973	\$0	(\$194,901)	\$31,987,072	29.51%	3.69%	1.09%	
Short Term Debt	\$15,466,798	\$0	(\$93,671)	\$15,373,127	14.18%	1.83%	0.26%	
Long Term Debt - FC	\$0	\$0	\$0	\$0	0.00%	0.00%	0.00%	
Customer Deposits	\$1,396,704	\$0	\$0	\$1,396,704	1.29%	2.24%	0.03%	
Deffered Income Taxes	\$18,896,602	\$0	\$0	\$18,896,602	17.43%	0.00%	0.00%	
Total	\$108,948,073	\$0	(\$536,914)	\$108,411,159	100%		5.44%	

2020 YE Forecast Surveillance with ADFIT Consistency and Proration Adjustments (13-month average)										
	Per Book	Consistency and Pro-Rata Adjustment		Books Adjusted	Pro-Rata Adjustment	Specific Adjustment	Adjusted Balance	Cap Ratio	Cost Rate	Weighted Cost
Common Equity	\$41,005,996	(\$292,949)		\$40,713,047	\$0	(\$248,342)	\$40,464,705	37.33%	10.80%	4.03%
Long Term Debt	\$32,181,973	(\$229,910)		\$31,952,063	\$0	(\$194,901)	\$31,757,162	29.29%	3.79%	1.11%
Short Term Debt	\$15,466,798	(\$110,496)		\$15,356,302	\$0	(\$93,671)	\$15,262,631	14.08%	3.26%	0.46%
Long Term Debt - FC	\$0	\$0		\$0	\$0	\$0	\$0	0.00%	0.00%	0.00%
Customer Deposits	\$1,396,704			\$1,396,704	\$0	\$0	\$1,396,704	1.29%	2.31%	0.03%
Deffered Income Taxes	\$18,896,602	\$633,354		\$19,529,956	\$0	\$0	\$19,529,956	18.01%	0.00%	0.00%
Total	\$108,948,073			\$108,948,073	\$0	(\$536,914)	\$108,411,159	100%		5.63%

Proration Adjustment and Consistency Adjustment To Reflect Projected ADFIT Consistent with Projection Year									
	Month	Total Deferred Income Tax Balance	Deprec Related ADFIT Balance	Deprec Related ADFIT Activity	Days to Prorate	Future Days in Period	Prorated Deprec-Related ADFIT Activity	Prorated Deprec-Related ADFIT Balance	
Projected	Dec-21	11,311,088	14,054,027					14,054,027	
Projected	Jan-22	11,333,435	14,081,793	27,766	31	336	25,560	14,079,587	
Projected	Feb-22	11,355,782	14,109,560	27,766	28	308	23,430	14,103,017	
Projected	Mar-22	11,378,129	14,137,326	27,766	31	277	21,072	14,124,089	
Projected	Apr-22	11,400,476	14,165,092	27,766	30	247	18,790	14,142,879	
Projected	May-22	11,422,823	14,192,858	27,766	31	216	16,431	14,159,310	
Projected	Jun-22	11,445,170	14,220,624	27,766	30	186	14,149	14,173,460	
Projected	Jul-22	11,467,517	14,248,390	27,766	31	155	11,791	14,185,251	
Projected	Aug-22	11,489,864	14,276,156	27,766	31	124	9,433	14,194,684	
Projected	Sep-22	11,512,211	14,303,923	27,766	30	94	7,151	14,201,835	
Projected	Oct-22	11,534,558	14,331,689	27,766	31	63	4,793	14,206,627	
Projected	Nov-22	11,556,905	14,359,455	27,766	30	33	2,510	14,209,137	
Projected	Dec-22	11,579,252	14,387,221	27,766	31	2	152	14,209,290	
		11,445,170	14,220,624	333,194	365		155,262	14,157,169	
2020 YE Surveil Bal.		18,896,602	13,523,815				13-Month Avg. Bal	14,220,624	
Consistency Adjustment		(7,451,431)	696,810	*			Proration Adj.	(63,455)	
Proration Adjustment			(63,455)						
Total Adjustment			633,354						

* Positive variance shows that the limitation provision is met.

Florida Public Utilities Company -Ft. Meade

Gas Reliability Infrastructure Program (GRIP)
Investment and Calculation of Equity and Debt Returns

Schedule A-1

Exhibit_____

Derrick M. Craig (DMC-1)

Page 13 of 18

Earnings Surveillance Report - December 31, 2020

Equity Cost Rate	11.00%
Weighted Equity Cost Rate	3.66%
Revenue Expansion Factor	1.342
Weighted Equity Cost Rate , times Revenue Expansion Factor	<u>4.91%</u>
Long Term Debt-CU	0.96%
Short Term Debt	0.23%
Short Term Debt-Refinanced LTD	0.00%
Customer Deposits	0.01%
Tax Credits-Weighted Cost	0.00%
Weighted Debt Cost Rate	<u>1.20%</u>
Overall Weighted Cost Rate	<u><u>4.86%</u></u>

Florida Public Utilities-Ft. Meade
Gas Reliability Infrastructure Program (GRIP)
Calculation of the Projected Revenue Requirements
January 1, 2022 through December 31, 2022

Schedule C-2
Exhibit _____
Derrick M. Craig (DMC-1)
Page 16 of 18

Item	Beginning Balance	Forecast Jan	Forecast Feb	Forecast Mar	Forecast Apr	Forecast May	Forecast Jun	Forecast Jul	Forecast Aug	Forecast Sep	Forecast Oct	Forecast Nov	Forecast Dec	Year End Total
Qualified Investment														
Qualified Investment - Mains - Current 1070 Activity		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Qualified Investment - Mains - Closed 1070 Activity to Plant		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Qualified Investment - Services - Current 1070 Activity		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Qualified Investment - Services - Closed 1070 Activity to Plant		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Qualified Investment - Mains - Current 1010 Activity		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Qualified Investment - Services - Current 1010 Activity		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Qualified Investment - Mains 1070	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Qualified Investment - Services 1070	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Qualified Investment - Mains 1010	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Qualified Investment - Services 1010	\$253,934	\$253,934	\$253,934	\$253,934	\$253,934	\$253,934	\$253,934	\$253,934	\$253,934	\$253,934	\$253,934	\$253,934	\$253,934	\$253,934
Total Qualified Investment	\$253,934	\$253,934	\$253,934	\$253,934	\$253,934	\$253,934	\$253,934	\$253,934	\$253,934	\$253,934	\$253,934	\$253,934	\$253,934	\$253,934
Less: Accumulated Depreciation	(\$25,917)	(\$26,383)	(\$26,849)	(\$27,315)	(\$27,781)	(\$28,247)	(\$28,713)	(\$29,179)	(\$29,645)	(\$30,111)	(\$30,577)	(\$31,043)	(\$31,509)	(\$31,509)
Net Book Value	\$228,017	\$227,551	\$227,085	\$226,619	\$226,153	\$225,687	\$225,221	\$224,755	\$224,289	\$223,823	\$223,357	\$222,891	\$222,425	\$222,425
Average Net Qualified Investment		\$227,784	\$227,318	\$226,852	\$226,386	\$225,920	\$225,454	\$224,988	\$224,522	\$224,056	\$223,590	\$223,124	\$222,658	
Depreciation Rates														
Approved Depreciation Rate-Mains		2.10%	2.10%	2.10%	2.10%	2.10%	2.10%	2.10%	2.10%	2.10%	2.10%	2.10%	2.10%	2.10%
Approved Depreciation Rate-Services		2.20%	2.20%	2.20%	2.20%	2.20%	2.20%	2.20%	2.20%	2.20%	2.20%	2.20%	2.20%	2.20%
Return on Average Net Qualified Investment														
Equity - Cost of Capital, inclusive of Income Tax Gross-up		4.91%	4.91%	4.91%	4.91%	4.91%	4.91%	4.91%	4.91%	4.91%	4.91%	4.91%	4.91%	4.91%
Debt - Cost of Capital		1.20%	1.20%	1.20%	1.20%	1.20%	1.20%	1.20%	1.20%	1.20%	1.20%	1.20%	1.20%	1.20%
Equity Component - inclusive of Income Tax Gross-up		\$932	\$930	\$929	\$927	\$925	\$923	\$921	\$919	\$917	\$915	\$913	\$911	\$11,063
Debt Component		\$228	\$227	\$227	\$226	\$226	\$225	\$225	\$225	\$224	\$224	\$223	\$223	\$2,703
Return Requirement	\$1,160	\$1,158	\$1,155	\$1,153	\$1,151	\$1,148	\$1,146	\$1,144	\$1,141	\$1,139	\$1,136	\$1,134	\$1,134	\$13,766
Investment Expenses														
Depreciation Expense - Mains		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Depreciation Expense - Services		\$466	\$466	\$466	\$466	\$466	\$466	\$466	\$466	\$466	\$466	\$466	\$466	\$5,592
Property Taxes		\$380	\$380	\$380	\$380	\$380	\$380	\$380	\$380	\$380	\$380	\$380	\$380	\$4,560
General Public Notice Expense and Customer Notice Expense		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Expense	\$846	\$846	\$846	\$846	\$846	\$846	\$846	\$846	\$846	\$846	\$846	\$846	\$846	\$10,152
Total Revenue Requirements	\$2,006	\$2,004	\$2,001	\$1,999	\$1,997	\$1,994	\$1,992	\$1,990	\$1,987	\$1,985	\$1,982	\$1,980	\$1,980	\$23,918

Florida Public Utilities Company-Fort Meade
 Gas Reliability Infrastructure Program (GRIP)
 Projection of Qualified Mains & Services Revenue Requirements
 Surcharge Calculation - January 1, 2022 through December 31, 2022
 Per Therm Rate

Schedule D-1
 Exhibit _____
 Derrick M. Craig (DMC-1)
 Page 17 of 18

1. 1/1/22-12/31/22 Qualified Mains & Services Replacement Revenue Requirements		\$	23,918
Mains	0%	\$0	
Services	100%	<u>\$23,918</u>	
Net		<u><u>\$23,918</u></u>	
2. TRUE-UP from Prior Period (Over)/Under Recovery Estimated thru 12/2020		\$	(5,808)
3. 2022 Qualified Mains & Services Replacement Revenue Requirements		\$	18,109
Mains	0%	\$0	
Services	100%	<u>\$18,109</u>	
Net		<u><u>\$18,109</u></u>	

RATE SCHEDULE	2022 THERMS	SERVICES COS %	MAINS COS %	SERVICES REV REQ	MAINS REV REQ	GRIP REV REQ	DOLLARS PER THERM	TAX FACTOR	GRIP FACTORS PER THERM	TYPICAL ANNUAL THERMS	ANNUAL COST	AVERAGE MONTHLY COST
RESIDENTIAL	69,242	58.00%	22.00%	\$10,503	\$0	\$10,503	\$0.15169	1.00503	\$0.15245	250	\$38.11	\$3.18
COMMERCIAL SMALL (General Service & GS Transportation)	212,459	17.00%	23.00%	\$3,079	\$0	\$3,079	\$0.01449	1.00503	\$0.01456	2,500	\$36.41	\$3.03
COMM. LRG VOLUME (Large Vol & LV Transportation)	0	25.00%	46.00%	\$4,527	\$0	\$4,527	\$0.00000	1.00503	\$0.00000	25,000	\$0.00	\$0.00
INTERRUPTIBLE SERVICE (Int Service & IS Transportation)	0	0.00%	8.00%	\$0	\$0	\$0	\$0.00000	1.00503	\$0.00000	50,000	\$0.00	\$0.00
GENERAL LIGHTING SERVICE	0	0.00%	1.00%	\$0	\$0	\$0	\$0.00000	1.00503	\$0.00000	500	\$0.00	\$0.00
TOTAL	<u><u>281,701</u></u>	<u><u>100.00%</u></u>	<u><u>100.00%</u></u>	<u><u>\$18,109</u></u>	<u><u>\$0</u></u>	<u><u>\$18,109</u></u>						

Fort Meade

Schedule E-1
Exhibit _____

Derrick M. Craig (DMC-1)
Page 18 of 18

2020 YE Forecast Surveillance (13-month average) at ROE% midpoint							
	Per Book	Pro-Rata Adjustment	Specific Adjustment	Adjusted Balance	Cap Ratio	Cost Rate	Weighted Cost
Common Equity	\$394,749	\$0	(8)	\$394,741	33.30%	11.00%	3.66%
Long Term Debt	\$309,803	\$0	(7)	\$309,796	26.14%	3.69%	0.96%
Short Term Debt	\$148,893	\$0	(4)	\$148,889	12.56%	1.83%	0.23%
Long Term Debt - FC	\$0	\$0	0	\$0	0.00%	0.00%	0.00%
Customer Deposits	\$23,196	\$0	0	\$23,196	1.96%	0.44%	0.01%
Deferred Income Taxes	\$308,714	\$0	0	\$308,714	26.04%	0.00%	0.00%
Total	\$1,185,355	\$0	(19)	\$1,185,336	100%		4.87%

2020 YE Forecast Surveillance with ADFIT Consistency and Proration Adjustments (13-month average)									
	Per Book	Consistency and Pro-Rata Adjustment	Books Adjusted	Pro-Rata Adjustment	Specific Adjustment	Adjusted Balance	Cap Ratio	Cost Rate	Weighted Cost
Common Equity	\$394,749	(\$16,302)	\$378,447	\$0	\$0	\$378,447	31.93%	11.00%	3.51%
Long Term Debt	\$309,803	(\$12,794)	\$297,009	\$0	\$0	\$297,009	25.06%	3.79%	0.95%
Short Term Debt	\$148,893	(\$6,149)	\$142,744	\$0	\$0	\$142,744	12.04%	3.26%	0.39%
Long Term Debt - FC	\$0	\$0	\$0	\$0	\$0	\$0	0.00%	0.00%	0.00%
Customer Deposits	\$23,196		\$23,196	\$0	\$0	\$23,196	1.96%	1.98%	0.04%
Deferred Income Taxes	\$308,714	\$35,245	\$343,958	\$0	\$0	\$343,958	29.02%	0.00%	0.00%
Total	\$1,185,355		\$1,185,355	\$0	\$0	\$1,185,355	100%		4.89%

Proration Adjustment and Consistency Adjustment To Reflect Projected ADFIT Consistent with Projection Year								
	Month	Total Deferred Income Tax Balance	Deprec Related ADFIT Balance	Deprec Related ADFIT Activity	Days to Prorate	Future Days in Period	Prorated Deprec-Related ADFIT Activity	Prorated Deprec-Related ADFIT Balance
Projected	Dec-21	244,475	156,024					156,024
Projected	Jan-22	245,798	156,868	844	31	336	777	156,801
Projected	Feb-22	247,121	157,712	844	28	308	712	157,514
Projected	Mar-22	248,444	158,557	844	31	277	641	158,154
Projected	Apr-22	249,767	159,401	844	30	247	571	158,726
Projected	May-22	251,090	160,246	844	31	216	500	159,225
Projected	Jun-22	252,413	161,090	844	30	186	430	159,656
Projected	Jul-22	253,736	161,934	844	31	155	359	160,014
Projected	Aug-22	255,059	162,779	844	31	124	287	160,301
Projected	Sep-22	256,382	163,623	844	30	94	217	160,518
Projected	Oct-22	257,705	164,467	844	31	63	146	160,664
Projected	Nov-22	259,028	165,312	844	30	33	76	160,741
Projected	Dec-22	260,351	166,156	844	31	2	5	160,745
		252,413	161,090	10,132	365		4,721	159,160
2020 YE Surveil Bal.		308,714	123,915				13-Month Avg. Bal	161,090
Consistency Adjustment		(56,301)	37,174 *				Proration Adj.	(1,930)
Proration Adjustment			(1,930)					
Total Adjustment			35,245					

* Positive variance shows that the limitation provision is met.

REVENUE EXPANSION FACTOR

Schedule 1

FLORIDA PUBLIC SERVICE COMI EXPLANATION: Provide the calculation of the revenue expansion factor for
 COMPANY: FLORIDA PUBLIC UTILITIES the test year.
 Florida Public Utilities Division

Line No.	Description	Percent	2020 SALES	UNCOLLECTIBLE Amount	UNCOLLECTIBLE RATE
1	Revenue Requirement	100.0000%			
2	Gross Receipts Tax Rate	0.0000%			
3	Regulatory Assessment Rate	0.5030%			
4	Bad Debt Rate	0.2488%	92,962,651.50	231,267.60	0.2488%
5	Net Before Income Taxes (1) - (2) - (3) - (4)	99.2482%			
6	State Income Tax Rate	4.4580%			
7	State Income Tax (5) x (6)	4.4245%			
8	Net Before Federal Income Tax (5) - (7)	94.8237%			
9	Federal Income Tax Rate	21.0000%			
10	Federal Income Tax (8) x (9)	20%			
11	Revenue Expansion Factor (8) - (10)	74.9108%			
12	Net Operating Income Multiplier (100% / Line 11)	1.3349			

REVENUE EXPANSION FACTOR

Schedule 2

FLORIDA PUBLIC SERVICE COMI EXPLANATION: Provide the calculation of the revenue expansion factor for the test year.

COMPANY: FLORIDA PUBLIC UTILITIES
 Florida Division of Chesapeake Utilities Corporation

Line No.	Description	Percent	2020 SALES	UNCOLLECTIBLE Amount	UNCOLLECTIBLE RATE
1	Revenue Requirement	100.0000%			
2	Gross Receipts Tax Rate	0.0000%			
3	Regulatory Assessment Rate	0.5030%			
4	Bad Debt Rate	0.2021%	30,500,041.81	61,632.33	0.002021
5	Net Before Income Taxes (1) - (2) - (3) - (4)	99.2949%			
6	State Income Tax Rate	4.4580%			
7	State Income Tax (5) x (6)	4.4266%			
8	Net Before Federal Income Tax (5) - (7)	94.8684%			
9	Federal Income Tax Rate	21.0000%			
10	Federal Income Tax (8) x (9)	19.9224%			
11	Revenue Expansion Factor (8) - (10)	74.9460%			
12	Net Operating Income Multiplier	1.3343			
25	(100% / Line 11)				
26					

REVENUE EXPANSION FACTOR

Schedule 3

FLORIDA PUBLIC SERVICE COMI EXPLANATION: Provide the calculation of the revenue expansion factor for
 COMPANY: FLORIDA PUBLIC UTILITIES the test year.
 Fort Meade Division

Line No.	Description	Percent	2020 SALES	UNCOLLECTIBLE Amounts	UNCOLLECTIBLE RATE
1	Revenue Requirement	100.0000%			
2	Gross Receipts Tax Rate	0.0000%			
3	Regulatory Assessment Rate	0.5030%			
4	Bad Debt Rate	0.7789%	253,961.69	1,978.00	0.7789%
5	Net Before Income Taxes (1) - (2) - (3) - (4)	98.7181%			
6	State Income Tax Rate	4.4580%			
7	State Income Tax (5) x (6)	4.4009%			
8	Net Before Federal Income Tax (5) - (7)	94.3173%			
9	Federal Income Tax Rate	21.0000%			
10	Federal Income Tax (8) x (9)	20%			
11	Revenue Expansion Factor (8) - (10)	74.5107%			
12	Net Operating Income Multiplier (100% / Line 11)	1.3421			