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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.

3. 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:

		Estimated	Estimated
Project Name	City	Start	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:

		Estimated	Estimated	
Project Name	City	Start	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 Proje	ects		
		Estimated	Estimated
Project Name	City	Start Date	<b>End Date</b>
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

		Mains (N	⁄liles)		Number of Services							
			Remaining	Remaining				Remaining	Remaining			
	Replaced	Replaced	Cast Iron at	Bare Steel at	Total	Replaced	Replaced	Cast Iron at	Bare Steel at	Total		
Year	Cast Iron	<b>Bare Steel</b>	Year-End	Year-End	Remaining	Cast Iron	<b>Bare Steel</b>	Year-End	Year-End	Remaining		
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

			•	•	•	_	•	•						
		Mains (N	⁄liles)		Number of Services									
			Remaining	Remaining				Remaining	Remaining					
	Replaced	Replaced	Cast Iron at	Bare Steel at	Total	Replaced	Replaced	Cast Iron at	Bare Steel at	Total				
Year	Cast Iron	<b>Bare Steel</b>	Year-End	Year-End	Remaining	Cast Iron	Bare Steel	Year-End	Year-End	Remaining				
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

<sup>\*\*</sup> 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

Mains (Miles)

Number of Services

			Remaining	Remaining				Remaining	Remaining	
	Replaced	Replaced	Cast Iron at	Steel at	Total	Replaced	Replaced	Cast Iron at	Steel at	Total
Year	<b>Cast Iron</b>	Steel	Year-End	Year-End	Remaining	<b>Cast Iron</b>	Steel	Year-End	Year-End	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	5.34%
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	1.58%
Overall Weighted Cost Rate	5.58%

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

Schedule B-1 

<u>Item</u>	Beginning Balance	Actual <u>Jan</u>	Actual Feb	Actual <u>Mar</u>	Actual Apr	Actual <u>May</u>	Actual <u>Jun</u>	Actual <u>Jul</u>	Actual Aug	Actual Sep	Actual Oct	Actual Nov	Actual Dec	Year End Total/Balance
Qualified Investment Qualified Investment - Mains - Current Year 1070 Activity Qualified Investment - Mains - Closed 1070 Activity to Plant		\$687,808 \$0	\$840,892 (\$537,850)	\$1,115,871 (\$534,502)	\$869,653 (\$285,345)	\$837,546 (\$123,584)	\$1,023,132 (\$4,959,043)	\$1,418,556 \$0	\$1,103,030 \$0	\$1,088,624 (\$285,888)	\$822,257 (\$2,607,501)	\$604,102 (\$261,372)	\$1,114,605 (\$301,887)	\$11,526,076 (\$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	\$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)	(\$6,861,040)
Qualified Investment - Mains - Current 1010 Activity  Qualified Investment - Services - Current 1010 Activity		\$0 \$0	\$537,850 \$420,549	\$534,502 \$487,229	\$285,345 \$985,156	\$123,584 \$679,909	\$4,959,043 \$454,306	\$0 \$469,346	\$0 \$421,752	\$285,888 \$1,028,142	\$2,607,501 \$676,330	\$261,372 \$740,250	\$301,887 \$498,071	\$9,896,970 \$6,861,040
Quantied investment - Services - Current 1010 Activity		30	\$420,349	\$467,229	\$985,150	\$679,909	\$434,300	3409,340	\$421,732	\$1,028,142	\$670,330	\$740,230	\$490,071	\$0,801,040
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 \$27,341,483	\$81,069,904 \$28,326,640	\$81,193,487 \$29,006,548	\$86,152,530 \$29,460,854	\$86,152,530 \$29,930,200	\$86,152,530 \$30,351,952	\$86,438,418 \$31,380,094	\$89,045,919	\$89,307,291 \$32,796,674	\$89,609,177 \$33,294,745	\$89,609,177
Total Qualified Investment - Service 1010 Total Qualified Investment	\$26,433,705 \$106,437,378	\$26,433,705 \$107,376,339	\$26,854,254 \$108,555,888	\$110,745,489	\$28,326,640	\$113,642,160	\$29,460,854	\$116,970,944	\$30,351,952 \$118,556,714	\$120,464,663	\$32,056,424 \$121.872.339	\$123,224,034	\$33,294,745 \$125,299,750	\$33,294,745 \$125,299,750
Total Qualified investment	\$100,737,370	\$107,570,557	\$100,555,000	\$110,745,467	\$112,527,515	\$113,042,100	\$115,111,070	\$110,770,744	\$110,550,714	\$120,404,003	\$121,072,337	\$123,224,034	\$125,277,750	\$125,277,150
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		2.400	2.400	2.400	2.400	2.400	2.400	2.400/	2.400	2.400	2.400/	2.400	2.4004	
Approved Depreciation Rate-Mains Approved Depreciation Rate-Services		2.10% 2.20%	2.10% 2.20%	2.10% 2.20%	2.10% 2.20%	2.10% 2.20%	2.10% 2.20%	2.10% 2.20%	2.10% 2.20%	2.10% 2.20%	2.10% 2.20%	2.10% 2.20%	2.10% 2.20%	
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%	
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%	
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%	
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	\$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	\$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	\$7,426,252
Investment Expenses		0.00.00	0400 404	0440400	0444.000	0111.050	0.1.12.000	0150 555	0.00.00	0.450.555	0.51.075	0455.000	0455 200	0.50.150
Depreciation Expense - Mains Depreciation Expense - Services		\$139,496 \$48,462	\$139,496 \$48,462	\$140,438 \$49,233	\$141,373 \$50,126	\$141,872 \$51,932	\$142,089 \$53,179	\$150,767 \$54,012	\$150,767 \$54,872	\$150,767 \$55,645	\$151,267 \$57,530	\$155,830 \$58,770	\$156,288 \$60,127	\$1,760,450 \$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	\$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	\$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	\$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	\$11,767,761
A ID D COD COD CO		\$62,310	\$62,310	\$62,310	\$62,310	0.02.216	0.02.210	\$62,310	\$62,310	\$62,310	0.02.210	\$62,310	\$62,317	6747.707
Annual Revenue Requirement for Bare Steel Replacement Investment Net Annual Revenue Requirements		\$62,310 \$861,071,78	\$62,310 \$866,930	\$62,310 \$878,585	\$62,310 \$891,400	\$62,310 \$898,521	\$62,310 \$907,094	\$62,310 \$928,335	\$62,310 \$935,182	\$62,310 \$945.786	\$62,310 \$956,846	\$62,310 \$969,421	\$62,317 \$980,864	\$747,727 \$11,020,034
Net Allitual Revenue Requirements	-	3801,071.78	\$800,530	3070,303	\$851,400	\$696,321	3907,094	3720,333	\$555,162	3943,780	3530,840	\$505,421	3780,804	311,020,034
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	\$9,369,115
Beginning True-Up													S	(1,965,077)
(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) \$	
Monthly Interest (Expense)/Income		\$ (2,764)			\$ (2,045) \$			(131) \$	(106) \$			(33) 5		
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%	
End of Month Annual Interest Rate		1.59%	1.59%	1.51%	0.22%	0.22%	0.11%	0.10%	0.10%	0.08%	0.08%	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%	
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#### Florida Public Utilities Company

Gas Reliability Infrastructure Program (GRIP)
Calculation of the Projected Revenue Requirements
January 1, 2021 through December 31, 2021

Schedule C-1
Exhibit\_\_\_\_
Derrick M. Craig (DMC-1)
Page 3 of 18

<u>Item</u> Oualified Investment	Beginning Balance	Actual <u>Jan</u>	Actual <u>Feb</u>	Actual <u>Mar</u>	Actual <u>Apr</u>	Actual <u>May</u>	Actual <u>Jun</u>	Actual <u>Jul</u>	Forecast Aug	Forecast Sep	Forecast Oct	Forecast Nov	Forecast Dec	Year End Total/Balance
Qualified Investment - Mains - Current Year 1070 Activity Qualified Investment - Mains - Closed 1070 Activity to Plant		\$393,201 (\$258,833)	\$927,550 (\$365,208)	\$2,641,469 (\$834,283)	\$987,673 (\$50,268)	\$1,135,798 (\$63,741)	\$1,065,600 (\$1,571,531)	\$1,224,145 (\$227,251)	\$1,108,500 (\$1,108,500)	\$979,000 (\$979,000)	\$1,683,000 (\$1,683,000)	\$1,265,000 (\$1,265,000)	\$662,000 (\$662,000)	\$14,072,936 (\$9,068,615)
Qualified Investment - Services - Current Year 1070 Activity		(\$112,371)	\$602,390	\$1,794,909	\$433,091	\$566,755	\$529,311	\$831,634	\$730,000	\$680,000	\$680,000	\$530,000	\$280,000	\$7,545,719
Qualified Investment - Services - Closed 1070 Activity to Plant		(\$350,577)	(\$602,390)	(\$1,794,916)	(\$433,091)	\$47	(\$529,311)	(\$831,529)	(\$730,000)	(\$680,000)	(\$680,000)	(\$530,000)	(\$280,000)	(\$7,441,767)
Qualified Investment - Mains - Current 1010 Activity  Qualified Investment - Services - Current 1010 Activity		\$258,833 \$350,577	\$365,208 \$602,390	\$834,283 \$1,794,916	\$50,268 \$433,091	\$63,741 (\$47)	\$1,571,531 \$529,311	\$227,251 \$831,529	\$1,108,500 \$730,000	\$979,000 \$680,000	\$1,683,000 \$680,000	\$1,265,000 \$530,000	\$662,000 \$280,000	\$9,068,615 \$7,441,767
Quantied investment - Services - Current 1010 Activity		\$330,377	\$602,390	\$1,794,910	\$455,091	(347)	\$329,311	\$631,329	\$750,000	\$680,000	3080,000	\$550,000	\$280,000	\$7,441,767
Total Qualified Investment - Mains 1070	\$1,917,923	\$2,052,291	\$2,614,633	\$4,421,819	\$5,359,224	\$6,431,281	\$5,925,350	\$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 Total Qualified Investment - Mains 1010	\$477,904 \$89,609,177	\$14,956 \$89,868,010	\$14,956 \$90,233,218	\$14,949 \$91,067,501	\$14,949 \$91,117,769	\$581,752 \$91,181,511	\$581,752 \$92,753,042	\$581,856 \$92,980,293	\$581,856 \$94,088,793	\$581,856 \$95,067,793	\$581,856 \$96,750,793	\$581,856 \$98,015,793	\$581,856 \$98,677,793	\$581,856 \$98,677,793
Total Qualified Investment - Mains 1010 Total Qualified Investment - Service 1010	\$33,294,745	\$33,645,322	\$34,247,713	\$36.042.628	\$36,475,719	\$91,181,511 \$36,475,672	\$92,753,042 \$37,004,983	\$92,980,293 \$37.836.512	\$34,088,793 \$38,566,512	\$95,067,793	\$96,750,793 \$39,926,512	\$98,015,793 \$40,456,512	\$98,677,793 \$40,736,512	\$40.736.512
Total Qualified Investment	\$125,299,750	\$125,580,579	\$127,110,520	\$131,546,898		\$134,670,215	\$136,265,126	\$138,320,905		\$141,818,405	\$144,181,405	\$145,976,405	\$146,918,405	\$146,918,405
Less: Accumulated Depreciation	(\$12,473,203)	(\$12.691.060)	(\$12,910,012)	(\$13.130.707)	(\$13.356.154)	(\$13,582,482)	(\$13,808,922)	(\$14.039.082)	(\$14.271.164)	(\$14.506.525)	(\$14.744.846)	(\$14,987,358)	(\$15,233,056)	(\$15,233,056)
Net Book Value	\$112,826,547	\$112,889,520	\$114.200.508	\$118.416.191		\$121.087.733	\$122,456,205	\$124,281,823		\$127,311,880	\$129,436,559	\$130,989,047	\$131.685.349	\$131.685.349
Tel Book Value	\$112,020,017	ψ112,007,D20	\$11 i,200,500	\$110,110,171	\$117,011,D00	ψ121,007,733	\$122,130,203	912 1,201,023	\$125,000,211	\$127,511,000	W127,130,337	9130,707,017	\$131,003,319	\$151,005,515
Average Net Qualified Investment	•	\$112,858,033	\$113,545,014	\$116,308,349	\$119,013,849	\$120,349,621	\$121,771,969	\$123,369,014	\$125,085,032	\$126,600,060	\$128,374,220	\$130,212,803	\$131,337,198	
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%	
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%	
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%	
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%	
Equity Component - inclusive of Income Tax Gross-up		\$502,218	\$505,275	\$517,572	\$529,612	\$535,556	\$541,885	\$548,992	\$556,628	\$563,370	\$571,265	\$579,447	\$584,451	\$6,536,271
Debt Component		\$148,596	\$149,501	\$153,139	\$156,702	\$158,460	\$160,333	\$162,436	\$164,695	\$166,690	\$169,026	\$171,447	\$172,927	\$1,933,952
Return Requirement	•	\$650,814	\$654,776	\$670,711	\$686,314	\$694,016	\$702,218	\$711,428	\$721,323	\$730,060	\$740,291	\$750,894	\$757,378	\$8,470,223
	•													
Investment Expenses														
Depreciation Expense - Mains Depreciation Expense - Services		\$156,816 \$61,040	\$157,269 \$61,683	\$157,908 \$62,787	\$159,368 \$66,078	\$159,456 \$66,872	\$159,568 \$66,872	\$162,318 \$67,842	\$162,716 \$69,367	\$164,655 \$70,705	\$166,369 \$71,952	\$169,314 \$73,199	\$171,528 \$74,170	\$1,947,284 \$812,569
Property Taxes		\$188,044	\$188,044	\$188,044	\$188,044	\$188,044	\$188,044	\$188,044	\$188,044	\$188,044	\$188,044	\$188,044	\$188,044	\$2,256,531
General Public Notice Expense & Customer Notice Expense		\$0	\$0	\$4,272	\$0	\$0	\$0	\$490	\$833	\$833	\$833	\$833	\$833	\$8,927
Total Expense	•	\$405,901	\$406,996	\$413,012	\$413,491	\$414,372	\$414,484	\$418,694	\$420,960	\$424,238	\$427,198	\$431,390	\$434,575	\$5,025,311
Total Revenue Requirements	•	\$1,056,715	\$1,061,772	\$1,083,723	\$1,099,805	\$1,108,388	\$1,116,702	\$1,130,122	\$1,142,283	\$1,154,298	\$1,167,489	\$1,182,284	\$1,191,953	\$13,495,534
	•													
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	\$62,317	\$747,727
Net Annual Revenue Requirements	-	\$994,405	\$999,462	\$1,021,413	\$1,037,495	\$1,046,078	\$1,054,392	\$1,067,812	\$1,079,973	\$1,091,988	\$1,105,179	\$1,119,974	\$1,129,636	\$12,747,807
GRIP Surcharge Revenues Collected Month														
	•	\$ 1,264,922			\$ 989,601 \$	852,682 \$				702,699 \$	706,871 \$		-,,	\$10,691,045
Tax Factor Net GRIP Surcharge Revenue Collected		1.00503	1.00503	1.00503	1.00503	1.00503	1.00503	1.00503	1.00503	1.00503	1.00503	1.00503	1.00503	\$10,691,045
Tax Factor Net GRIP Surcharge Revenue Collected		1.00503		1.00503	1.00503		1.00503		1.00503		1.00503	1.00503	1.00503	\$10,691,045
Net GRIP Surcharge Revenue Collected  Beginning True-Up		1.00503 \$ 1,258,591	1.00503 \$ 1,056,793	1.00503 \$ 994,377	1.00503 \$ 984,649 \$	1.00503 848,414 \$	1.00503 742,162 \$	1.00503 749,002 \$	1.00503 698,083 \$	1.00503 699,182 \$	1.00503 703,333 \$	1.00503 844,316 \$	1.00503 1,058,637 \$	(326,118)
Net GRIP Surcharge Revenue Collected  Beginning True-Up (Over) and Under Recovery for the Month		1.00503 \$ 1,258,591 (\$264,186)	1.00503 \$ 1,056,793 (\$57,331)	\$ 994,377 \$ 27,036	1.00503 \$ 984,649 \$ \$52,846	1.00503 848,414 \$ \$197,664	1.00503 742,162 \$ \$312,230	1.00503 749,002 \$ \$318,811	1.00503 698,083 \$ \$381,890	1.00503 699,182 \$ \$392,806	1.00503 703,333 \$ \$401,846	1.00503 844,316 \$ \$275,658	1.00503 1,058,637 \$ \$70,999 \$	(326,118) 2,110,269
Net GRIP Surcharge Revenue Collected  Beginning True-Up (Over) and Under Recovery for the Month Monthly Interest (Expense)/Income		1.00503 \$ 1,258,591 (\$264,186) \$ (32)	1.00503 \$ 1,056,793 (\$57,331) \$ (31)	\$ 994,377 \$ 27,036 \$ (25)	\$ 984,649 \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$	1.00503 848,414 \$ \$197,664 (14) \$	1.00503 742,162 \$ \$312,230 (6) \$	1.00503 749,002 \$ \$318,811 4 \$	1.00503 698,083 \$ \$381,890 18 \$	1.00503 699,182 \$ \$392,806 34 \$	1.00503 703,333 \$ \$401,846 49 \$	1.00503 844,316 \$ \$275,658 63 \$	1.00503 1,058,637 \$ \$70,999 \$ 70 \$	(326,118) 2,110,269 112
Net GRIP Surcharge Revenue Collected  Beginning True-Up (Over) and Under Recovery for the Month	\$ (326,118)	1.00503 \$ 1,258,591 (\$264,186) \$ (32)	1.00503 \$ 1,056,793 (\$57,331)	\$ 994,377 \$ 27,036	1.00503 \$ 984,649 \$ \$52,846	1.00503 848,414 \$ \$197,664	1.00503 742,162 \$ \$312,230 (6) \$	1.00503 749,002 \$ \$318,811	1.00503 698,083 \$ \$381,890	1.00503 699,182 \$ \$392,806	1.00503 703,333 \$ \$401,846	1.00503 844,316 \$ \$275,658	1.00503 1,058,637 \$ \$70,999 \$	(326,118) 2,110,269
Net GRIP Surcharge Revenue Collected  Beginning True-Up (Over) and Under Recovery for the Month Monthly Interest (Expense)/Income		1.00503 \$ 1,258,591 (\$264,186) \$ (32)	1.00503 \$ 1,056,793 (\$57,331) \$ (31)	\$ 994,377 \$ 27,036 \$ (25)	\$ 984,649 \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$	1.00503 848,414 \$ \$197,664 (14) \$	1.00503 742,162 \$ \$312,230 (6) \$	1.00503 749,002 \$ \$318,811 4 \$	1.00503 698,083 \$ \$381,890 18 \$	1.00503 699,182 \$ \$392,806 34 \$	1.00503 703,333 \$ \$401,846 49 \$	1.00503 844,316 \$ \$275,658 63 \$	1.00503 1,058,637 \$ \$70,999 \$ 70 \$	(326,118) 2,110,269 112
Net GRIP Surcharge Revenue Collected  Beginning True-Up (Over) and Under Recovery for the Month Monthly Interest (Expense)/Income Ending (Over) and Under Recovery		1.00503 \$ 1,258,591 (\$264,186) \$ (32) \$ (590,336)	1.00503 \$ 1,056,793 (\$57,331) \$ (31) \$ (647,698)	1.00503 \$ 994,377 \$27,036 \$ (25) \$ (620,687)	1.00503 \$ 984,649 \$ \$52,846 \$ (18) \$ \$ (567,859) \$	\$1,00503 848,414 \$ \$197,664 (14) \$ (370,209) \$	1.00503 742,162 \$ \$312,230 (6) \$ (57,985) \$	1.00503 749,002 \$ \$318,811 4 \$ 260,830 \$	1.00503 698,083 \$ \$381,890 18 \$ 642,737 \$	1.00503 699,182 \$ \$392,806 34 \$ 1,035,578 \$	1.00503 703,333 \$ \$401,846 49 \$ 1,437,472 \$	1.00503 844,316 \$ \$275,658 63 \$ 1,713,193 \$	1.00503 1,058,637 \$70,999 \$ 70 \$ 1,784,263 \$	(326,118) 2,110,269 112
Net GRIP Surcharge Revenue Collected  Beginning True-Up (Over) and Under Recovery for the Month Monthly Interest (Expense)/Income Ending (Over) and Under Recovery  Beg of Month Annual Interest Rate		1.00503 \$ 1,258,591 (\$264,186) \$ (32) \$ (590,336)	1.00503 \$ 1,056,793 (\$57,331) \$ (31) \$ (647,698) 0.07%	1.00503 \$ 994,377 \$27,036 \$ (25) \$ (620,687)	1.00503 \$ 984,649 \$ \$ \$52,846 \$ (18) \$ \$ (567,859) \$	1.00503 848,414 \$ \$197,664 (14) \$ (370,209) \$	1.00503 742,162 \$ \$312,230 (6) \$ (57,985) \$	1.00503 749,002 \$ \$318,811 4 \$ 260,830 \$	1.00503 698,083 \$ \$381,890 18 \$ 642,737 \$	1.00503 699,182 \$ \$392,806 34 \$ 1.035,578 \$	1.00503 703,333 \$ \$401,846 49 \$ 1,437,472 \$	1.00503 844,316 \$ \$275,658 63 \$ 1,713,193 \$ 0.05%	1.00503 1,058,637 \$ \$70,999 \$ 70 \$ 1,784,263 \$	(326,118) 2,110,269 112

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 

<u>Item</u> Qualified Investment	Beginning Balance	Forecast <u>Jan</u>	Forecast <u>Feb</u>	Forecast <u>Mar</u>	Forecast Apr	Forecast <u>May</u>	Forecast Jun	Forecast Jul	Forecast Aug	Forecast <u>Sep</u>	Forecast Oct	Forecast Nov	Forecast Dec	Year End Total/Balance
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	\$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
<b>.</b>														
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
T. A. Dello del	(\$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)
Less: Accumulated Depreciation 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	\$134,706,492)	\$134.449.642	\$134.192.851	\$133,936,059	\$133,936,059
Net Book value	\$131,083,349	\$132,194,339	\$132,701,964	\$133,200,202	3133,713,234	3134,210,641	\$134,/19,101	\$133,220,010	\$134,903,223	3134,700,433	3134,449,042	3134,172,631	\$155,550,055	\$133,930,039
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%	
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%	
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%	
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%	
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	\$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	\$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	\$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	\$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	\$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	\$62,317	\$747,727
Net Annual Revenue Requirements		\$1,166,187	\$62,310 \$1.170.464	\$1,174,734	\$62,310 \$1.178.995	\$1.183.249	\$62,310 \$1.187.495	\$62,310 \$1,190,900	\$62,310 \$1.192,950	\$62,310 \$1.191.469	\$62,310 \$1.189,989	\$62,310 \$1.188.508	\$62,317 \$1.187.020	\$14.201.960
Net Annual Revenue Requirements		91,100,107	φ1,170,404	φ1,1/4,/34	φ1,170,993	φ1,103,249	91,107,493	φ1,190,900	φ1,192,930	91,191,409	φ1,107,707	φ1,100,500	91,187,020	φ17,201,500

#### 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 \$10,509,450 Services \$3,692,510 \$14,201,960 Net 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 \$11,829,805 Mains 74% Services 26% \$4,156,418 \$15,986,222 Net

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	81.688.895	100%	100%	4 156 418	11.829.805	15,986,222
IOIAL	81,086,893	10070	10070	4,130,410	11,829,803	13,900,222

# **FPU**

2020 YE Forecast Survelli	ance (13-month average) at ROE% midpoint						
		Pro-Rata	Specific				
	Per Book	Adjustment	Adjustment	<b>Adjusted Balance</b>	Cap Ratio C	ost 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%
Deffered 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 Survel	020 YE Forecast Survelliance with ADFIT Consistency and Proration Adjustments (13-month average)													
		Consistency and Pro-		Pro-Rata	Specific									
	Per Book	Rata Adjustment	<b>Books Adjusted</b>	Adjustment	Adjustment	Adjusted Balance	Cap Ratio Co	st 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%					
Deffered 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 Ac	ajustment 10 Keflect Pro	Jected ADFII Cons	sistent with Proje	ection Year			
							Prorated Deprec-	Prorated Deprec-
		Total Deferred Income		Deprec Related		Future Days in	Related ADFIT	Related ADFIT
	Month	Tax Balance	ADFIT Balance	ADFIT Activity	Days to Prorate	Period	Activity	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	-				

<sup>\*</sup> Positive variance shows that the limitation provision is met.

Schedule E-1
Exhibit\_\_\_\_

Derrick M. Craig (DMC-1)
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Gas Reliability Infrastructure Program (GRIP)
Calculation of Equity and Debt Returns

Schedule A-1
Exhibit\_\_\_\_
Derrick M. Craig (DMC-1)
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Earnings	Surveillance	Report -	December	31, 2020

Survemance Report - December 51, 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	5.42%
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	1.38%
Overall Weighted Cost Rate	5.44%

Gas Reliability Infrastructure Program (GRIP)
Calculation of the Projected Revenue Requirements
January 1, 2020 through December 31, 2020

Schedule B-1
Exhibit\_\_\_\_\_
Derrick M. Craig (DMC - 1)
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<u>Item</u>	Beginning Balance	Actual <u>Jan</u>	Actual <u>Feb</u>	Actual <u>Mar</u>	Actual <u>Apr</u>	Actual <u>May</u>	Actual <u>Jun</u>	Actual <u>Jul</u>	Actual Aug	Actual Sep	Actual Oct	Actual Nov	Actual Dec	Year End Total
Qualified Investment														
Qualified Investment - Mains - Current 1070 Activity		\$47,862	\$376,659	\$266,052	\$291,428	\$197,549	\$279,925	\$170,618	\$211,077	\$189,729	\$346,832	\$203,088	\$97,176	\$2,677,997
Qualified Investment - Mains - Closed 1070 Activity to Plant Qualified Investment - Services - Current 1070 Activity		\$0 \$3,331	\$0 \$26,703	(\$131,609) \$23,888	(\$951,848) \$24,006	(\$474,620) \$49,368	(\$633) \$39,848	\$0 \$84,172	(\$47,493) (\$46,376)	(\$275,215) \$43,317	(\$124,886) \$27,153	(\$39,892) \$118,645	(\$56,129) \$37,105	(\$2,102,325) \$431,160
Qualified Investment - Services - Closed 1070 Activity to Plant		\$0,551	\$20,703	(\$43,056)	(\$14,035)	(\$49,505)	(\$41,536)	(\$21,915)	(\$16,343)	(\$61,869)	(\$27,153)	(\$118,676)	(\$37,105)	(\$431,189)
Qualified Investment - Mains - Current 1010 Activity		\$0	\$0	\$131,609	\$951,848	\$474,620	\$633	\$0	\$47,493	\$275,215	\$124,886	\$39,892	\$56,129	\$2,102,325
Qualified Investment - Services - Current 1010 Activity		\$0	\$0	\$43,056	\$14,035	\$49,505	\$41,536	\$21,915	\$16,343	\$61,869	\$27,151	\$118,676	\$37,105	\$431,189
Total Qualified Investment - Mains 1070	\$418,598	\$466,461	\$843,120	\$977,563	\$317,143	\$40,072	\$319,365	\$489,983	\$653,566	\$568,080	\$790,027	\$953,223	\$994,270	\$994,270
Total Qualified Investment - Services 1070	\$4,004	\$7,335	\$34,037	\$14,869	\$24,841	\$24,704	\$23,016	\$85,274	\$22,555	\$4,003	\$4,006	\$3,975	\$3,975	\$3,975
Total Qualified Investment - Mains 1010	\$33,764,597	\$33,764,597	\$33,764,597	\$33,896,206	\$34,848,054	\$35,322,675	\$35,323,307	\$35,323,307	\$35,370,801	\$35,646,015	\$35,770,902	\$35,810,793	\$35,866,923	\$35,866,923
Total Qualified Investment - Services 1010	\$3,073,919	\$3,073,919	\$3,073,919	\$3,116,975	\$3,131,010	\$3,180,514	\$3,222,050	\$3,243,965	\$3,260,307	\$3,322,176	\$3,349,327	\$3,468,003	\$3,505,108	\$3,505,108
Total Qualified Investment	\$37,261,118	\$37,312,311	\$37,715,674	\$38,005,614	\$38,321,048	\$38,567,966	\$38,887,738	\$39,142,528	\$39,307,229	\$39,540,276	\$39,914,261	\$40,235,994	\$40,370,275	\$40,370,275
Less: Accumulated Depreciation	(\$3,054,047)	(\$3,118,771)	(\$3,183,495)	(\$3,248,219)	(\$3,313,251)	(\$3,379,975)	(\$3,447,621)	(\$3,515,344)	(\$3,583,107)	(\$3,650,983)	(\$3,719,455)	(\$3,788,194)	(\$3.857,221)	(\$3,857,221)
Net Book Value	\$34,207,071	\$34,193,540	\$34,532,178	\$34,757,394	\$35,007,797	\$35,187,990	\$35,440,117	\$35,627,184	\$35,724,122	\$35,889,292	\$36,194,806	\$36,447,799	\$36,513,054	\$36,513,054
Average Net Qualified Investment	:	\$34,200,306	\$34,362,859	\$34,644,786	\$34,882,596	\$35,097,894	\$35,314,054	\$35,533,651	\$35,675,653	\$35,806,707	\$36,042,049	\$36,321,303	\$36,480,427	
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%	
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%	
Return on Average Net Qualified Investment														
Equity - Cost of Capital, inclusive of Income Tax Gross-up		5.4780%	5.4780%	5.4780%	5.4780%	5.4780%	5.4780%	5.4780%	5.4780%	5.4780%	5.4780%	5.4780%	5.4780%	
Debt - Cost of Capital		1.5400%	1.5400%	1.5400%	1.5400%	1.5400%	1.5400%	1.5400%	1.5400%	1.5400%	1.5400%	1.5400%	1.5400%	
Equity Component - inclusive of Income Tax Gross-up		\$156,124	\$156,866	\$158,153	\$159,239	\$160,222	\$161,209	\$162,211	\$162,859	\$163,458	\$164,532	\$165,807	\$166,533	\$1,937,214
Debt Component		\$43,890	\$44,099	\$44,461	\$44,766	\$45,042	\$45,320	\$45,602	\$45,784	\$45,952	\$46,254	\$46,612	\$46,817	\$544,598
Return Requirement	!	\$200,015	\$200,965	\$202,614	\$204,005	\$205,264	\$206,528	\$207,813	\$208,643	\$209,410	\$210,786	\$212,419	\$213,350	\$2,481,812
Investment Expenses														
Depreciation Expense - Mains		\$59.088	\$59,088	\$59,088	\$59,318	\$60,984	\$61.815	\$61.816	\$61.816	\$61.899	\$62,381	\$62,599	\$62,669	\$732,561
Depreciation Expense - Services		\$5,636	\$5,636	\$5,636	\$5,714	\$5,740	\$5,831	\$5,907	\$5,947	\$5,977	\$6,091	\$6,140	\$6,358	\$70,613
Property Taxes		\$57,012	\$57,012	\$57,012	\$57,012	\$57,012	\$57,012	\$57,012	\$57,012	\$57,012	\$57,012	\$57,012	\$57,012	\$684,141
General Public Notice Expense and Customer Notice Expense		\$0	\$0	\$0	\$1,212	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,212
Total Expense	,	\$121,736	\$121,736	\$121,736	\$123,256	\$123,736	\$124,658	\$124,735	\$124,775	\$124,888	\$125,484	\$125,751	\$126,039	\$1,488,527
Total Revenue Requirements	,	\$321,751	\$322,701	\$324,350	\$327,261	\$329,000	\$331,186	\$332,547	\$333,418	\$334,297	\$336,270	\$338,170	\$339,388	\$3,970,339
GRIP Surcharge Revenues Collected Month		\$ 312,526	\$ 291,089	\$ 294,203	\$ 233,276	\$ 239,311	\$ 225,875	\$ 226,179	\$ 234,340	\$ 232,925	\$ 245,868	\$ 249,361	\$ 304,420	\$3,089,373
Beginning True-Up														\$ (599,886)
(Over) and Under Recovery for the Month		\$9,225	\$31,612	\$30,148	\$93,984	\$89,689	\$105,311	\$106,368	\$99,078	\$101,372	\$90,402	\$88,809	\$34,968	\$880,966
Monthly Interest (Expense)/Income		\$ (792)	\$ (743)	\$ (780)	\$ (431)	\$ (55)	\$ (27)	\$ (15)	\$ (7)	\$ 1	\$ 8	\$ 16	\$ 21	(\$2,804)
Ending (Over) and Under Recovery	\$ (599,886)	\$ (591,453)	\$ (560,584)	\$ (531,216)	\$ (437,663)	\$ (348,029)	\$ (242,745)	\$ (136,392)	\$ (37,321)	\$ 64,052	\$ 154,462	\$ 243,287	\$ 278,276	\$ 278,276
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%	
End of Month Annual Interest Rate		1.59%	1.51%	1.51%	0.22%	0.22%	0.11%	0.10%	0.10%	0.08%	0.08%	0.09%	0.09%	
Average Monthly Interest Rate		0.13%	0.13%	0.14%	0.09%	0.01%	0.01%	0.01%	0.01%	0.03%	0.03%	0.01%	0.01%	
- · ·														

Gas Reliability Infrastructure Program (GRIP)
Calculation of the Projected Revenue Requirements
January 1, 2021 through December 31, 2021

Schedule C-1
Exhibit\_\_\_\_\_
Derrick M. Craig (DMC-1)
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<u>Item</u>	Beginning Balance	Actual <u>Jan</u>	Actual Feb	Actual <u>Mar</u>	Actual Apr	Actual <u>May</u>	Actual <u>Jun</u>	Actual <u>Jul</u>	Forecast Aug	Forecast Sep	Forecast Oct	Forecast Nov	Forecast Dec	Year End Total
Qualified Investment														
Qualified Investment - Mains - Current 1070 Activity		\$308,385	\$60,624	\$234,452	\$14,672	\$70,862	\$125,967	\$14,687	\$16,000	\$9,000	\$1,000	\$0	\$0	\$855,651
Qualified Investment - Mains - Closed 1070 Activity to Plant		(\$56,048)	\$2,062	(\$40,028)	(\$367,885)	(\$1,363,191)	(\$124,058)	\$130,594	(\$16,000)	(\$9,000)	(\$1,000)	\$0	\$0	(\$1,844,554)
Qualified Investment - Services - Current 1070 Activity		\$43,767	\$23,388	\$73,318	\$15,265	\$32,124	\$4,338	\$11,454	\$7,000	\$7,000	\$0	\$0	\$0	\$217,653
Qualified Investment - Services - Closed 1070 Activity to Plant		(\$43,767)	(\$23,384)	(\$73,318)	(\$15,100)	(\$13)	(\$4,328)	(\$11,439)	(\$7,000)	(\$7,000)	\$0	\$0	\$0	(\$185,349)
Qualified Investment - Mains - Current 1010 Activity		\$56,048	(\$2,062)	\$40,028	\$367,885	\$1,363,191	\$124,058	(\$130,594)	\$16,000	\$9,000	\$1,000	\$0 \$0	\$0 \$0	\$1,844,554
Qualified Investment - Services - Current 1010 Activity		\$43,767	\$23,384	\$73,318	\$15,100	\$13	\$4,328	\$11,439	\$7,000	\$7,000	\$0	20	20	\$185,349
Total Qualified Investment - Mains 1070	\$994,270	\$1,246,607	\$1,309,293	\$1,503,718	\$1,150,505	(\$141,824)	(\$139,914)	\$5,366	\$5,366	\$5,366	\$5,366	\$5,366	\$5,366	\$5,366
Total Qualified Investment - Services 1070	\$3,975	\$3,975	\$3,978	\$3,978	\$4,143	\$36,255	\$36,265	\$36,279	\$36,279	\$36,279	\$36,279	\$36,279	\$36,279	\$36,279
Total Qualified Investment - Mains 1010	\$35,866,923	\$35,922,971	\$35,920,909	\$35,960,936	\$36,328,821	\$37,692,013	\$37,816,070	\$37,685,477	\$37,701,477	\$37,710,477	\$37,711,477	\$37,711,477	\$37,711,477	\$37,711,477
Total Qualified Investment - Services 1010	\$3,505,108	\$3,548,876	\$3,572,260	\$3,645,578	\$3,660,678	\$3,660,690	\$3,665,018	\$3,676,457	\$3,683,457	\$3,690,457	\$3,690,457	\$3,690,457	\$3,690,457	\$3,690,457
Total Qualified Investment	\$40,370,275	\$40,722,428	\$40,806,439	\$41,114,210	\$41,144,147	\$41,247,133	\$41,377,438	\$41,403,579	\$41,426,579	\$41,442,579	\$41,443,579	\$41,443,579	\$41,443,579	\$41,443,579
Less: Accumulated Depreciation	(\$3,857,221) \$36,513,054	(\$3,926,414) \$36,796,013	(\$3,995,785) \$36,810,654	(\$4,065,196) \$37,049,013	(\$4,134,812) \$37,009,335	(\$4,205,098)	(\$4,277,770)	(\$4,350,667)	(\$4,423,357) \$37,003,222	(\$4,496,088)	(\$4,568,847)	(\$4,641,608)	(\$4,714,369)	(\$4,714,369)
Net Book Value	\$36,513,054	\$36,796,013	\$36,810,654	\$37,049,013	\$37,009,335	\$37,042,035	\$37,099,668	\$37,052,912	\$37,003,222	\$36,946,491	\$36,874,732	\$36,801,971	\$36,729,210	\$36,729,210
Average Net Qualified Investment		\$36,654,534	\$36,803,334	\$36,929,834	\$37,029,174	\$37,025,685	\$37,070,852	\$37,076,290	\$37,028,067	\$36,974,856	\$36,910,611	\$36,838,351	\$36,765,590	
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%	
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%	
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%	
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%	
Equity Component - inclusive of Income Tax Gross-up		\$165,465	\$166,136	\$166,707	\$167,156	\$167,140	\$167,344	\$167,369	\$167,151	\$166,911	\$166,621	\$166,294	\$165,966	\$2,000,260
Debt Component		\$42,153	\$42,324	\$42,469	\$42,584	\$42,580	\$42,631	\$42,638	\$42,582	\$42,521	\$42,447	\$42,364	\$42,280	\$509,573
Return Requirement	•	\$207,617	\$208,460	\$209,177	\$209,739	\$209,720	\$209,975	\$210,006	\$209,733	\$209,432	\$209,068	\$208,659	\$208,246	\$2,509,833
	•													
Investment Expenses														
Depreciation Expense - Mains		\$62,767	\$62,865	\$62,862	\$62,932	\$63,575	\$65,961	\$66,178	\$65,950	\$65,978	\$65,993	\$65,995	\$65,995	\$777,051
Depreciation Expense - Services		\$6,426	\$6,506	\$6,549	\$6,684	\$6,711	\$6,711	\$6,719	\$6,740	\$6,753	\$6,766	\$6,766	\$6,766	\$80,097
Property Taxes		\$60,855 \$0	\$60,855 \$0	\$60,855 \$0	\$60,855 \$0	\$60,855 \$0	\$60,855 \$0	\$60,855 \$0	\$60,855 \$0	\$60,855 \$0	\$60,855 \$0	\$60,855 \$0	\$60,855 \$0	\$730,260 \$0
General Public Notice Expense and Customer Notice Expense Total Expense		\$130,048	\$130,226	\$130,266	\$130,471	\$131,141	\$133,527	\$133,752	\$133,545	\$133,586	\$133,614	\$133,616	\$133,616	\$1,587,408
Total Expense		\$150,048	\$130,220	\$130,200	\$130,471	\$151,141	\$133,327	\$133,732	\$133,343	\$155,560	\$155,014	\$155,010	\$155,010	\$1,367,408
Total Revenue Requirements	•	\$337,665	\$338,686	\$339,443	\$340,210	\$340,861	\$343,502	\$343,758	\$343,278	\$343,018	\$342,682	\$342,275	\$341,862	\$4,097,241
GRIP Surcharge Revenues Collected Month		\$ 416,737	\$ 360,702	\$ 385,514	\$ 372,764	\$ 319,226	\$ 296,124	\$ 314,109	\$ 336,842	\$ 327,036	\$ 340,562	\$ 368,765	\$ 400,947	\$4,239,328
Tax Factor		1.00503	1.00503	1.00503	1.00503	1.00503	1.00503	1.00503	1.00503	1.00503	1.00503	1.00503	1.00503	
Net GRIP Surcharge Revenue Collected	•	\$ 414,651	\$ 358,897	\$ 383,585	\$ 370,898	\$ 317,628	\$ 294,642	\$ 312,537	\$ 335,156	\$ 325,399	\$ 338,857	\$ 366,920	\$ 398,941	
Beginning True-Up		6 (76 005 11)	6 (20.210.55)	6 (44 142 00)	£ (20.697.95)	e 22.222.52	6 40 000 12	6 21 221 22	6 0 122 20	6 17 (10 (0	6 2 924 55	¢ (24.645.20)	¢ (57.070.24)	\$ 278,276
(Over) and Under Recovery for the Month				\$ (44,142.09) \$ 6					\$ 8,122.39 \$ 9	\$ 17,618.69 \$ 9		\$ (24,645.30) \$ 9	\$ (57,078.34)	(\$120,870)
Monthly Interest (Expense)/Income Ending (Over) and Under Recovery	278.276		Ψ 10	Ψ	Ψ	Ψ .	Ψ 5	Ψ 0	Ψ ,	\$ 9 \$ 235,377	9	Ψ ,	Ψ ,	\$97 \$ 157,503
Ending (Over) and Olider Recovery	210,210	φ 201,308	φ 101,107	φ 130,9/I	φ 100,267	φ 129,324	φ 1/0,389	g 209,018	φ 211,149	φ 433,311	φ 239,211	φ 414,3/4	φ 137,303	φ 137,303
Beg of Month Annual Interest Rate		0.09%	0.07%	0.06%	0.04%	0.04%	0.03%	0.04%	0.05%	0.05%	0.05%	0.05%	0.05%	
End of Month Annual Interest Rate		0.07%	0.06%	0.04%	0.04%	0.03%	0.04%	0.05%	0.05%	0.05%	0.05%	0.05%	0.05%	
Average Monthly Interest Rate		0.01%	0.01%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	

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)
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<u>Item</u>	Beginning Balance	Forecast Jan	Forecast Feb	Forecast Mar	Forecast Apr	Forecast <u>May</u>	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%	
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%	
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%	
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%	
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	\$1,966,057
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	\$500,838
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	\$2,466,896
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	\$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	\$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	\$734,580
General Public Notice Expense and Customer Notice Expense		\$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	\$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	\$4,074,608

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

Schedule D-1 Exhibit\_\_\_\_ Derrick M. Craig (DMC-1) Page 11 of 18

1. 1/1/22-12/31/22 Qualified Mains & Services Replacement Revenue Requirements

 Mains
 96%
 \$3,911,623

 Services
 4%
 \$162,984

 Net
 \$4,074,607

2. TRUE-UP from Prior Period (Over)/Under Recovery Estimated thru 12/2021

\$ 4,232,111

4,074,608

157,503

2022 Qualified Mains & Services Replacement Revenue Requirements Mains

96% \$4,062,826

Services Net 4% \$169,284 \$4,232,110

									DOLLARS		GRIP			Experimental GRIP	ANNUAL	TYPICAL		AVERAGE
RATE	2022	2022	SERVICES	MAINS	SERVICES	1	MAINS	GRIP		EXPANSION FA		\$ PER	EXPANSION	FACTORS	COST	ANNUAL	ANNUAL	MONTHLY
CLASS	BILLS	THERMS	COS %	COS %	REV REQ	R	EV REQ	REV REQ	THERM	FACTOR PEI	R THERM	BILL	FACTOR	PER BILL	PER BILL	THERMS	COST	COST
FTS-A	14,036	88,671	14.34%	0.951%	\$ 24,275	\$	38,637	\$62,912	\$0.70950	1.00503 \$	0.71307	\$ 4.48	1.00503	\$ 4.50	\$ 54.06	110	\$78.44	\$6.54
FTS-B	27,749	293,857	9.74%	1.142%	\$ 16,488	\$	46,397	\$62,885	\$0.21400	1.00503 \$	0.21508	\$ 2.27	1.00503	\$ 2.28	\$ 27.33	215	\$46.24	\$3.85
FTS-1	175,236	2,603,640	33.87%	5.861%	\$ 57,336	\$	238,122	\$295,458	\$0.11348	1.00503 \$	0.11405	\$ 1.69	1.00503	\$ 1.69	\$ 20.33	275	\$31.36	\$2.61
FTS-2	10,694	562,374	12.69%	1.611%	\$ 21,482	\$	65,452	\$86,934	\$0.15458	1.00503 \$	0.15536	\$ 8.13	1.00503	\$ 8.17	\$ 98.04	875	\$135.94	\$11.33
FTS-2.1	8,667	901,979	7.83%	3.193%	\$ 13,255	\$	129,726	\$142,981	\$0.15852	1.00503 \$	0.15932	\$ 16.50	1.00503	\$ 16.58	\$ 198.96	1,575	\$250.92	\$20.91
FTS-3	3,925	1,188,092	3.93%	1.567%	\$ 6,653	\$	63,664	\$70,317	\$0.05918	1.00503 \$	0.05948	\$ 17.92	1.00503	\$ 18.01	\$ 216.06	4,000	\$237.93	\$19.83
FTS-3.1	4,197	2,409,559	3.91%	4.294%	\$ 6,619	\$	174,458	\$181,077	\$0.07515	1.00503 \$	0.07553	\$ 43.14	1.00503	\$ 43.36	\$ 520.34	7,300	\$551.35	\$45.95
FTS-4		3,090,787	4.37%	6.162%	\$ 7,398	\$	250,351	\$257,749	\$0.08339	1.00503 \$	0.08381					12,500	\$1,047.65	\$87.30
FTS-5		1,191,156	1.24%	2.570%	\$ 2,099	\$	104,415	\$106,514	\$0.08942	1.00503 \$	0.08987					37,500	\$3,370.14	\$280.85
FTS-6		1,983,651	1.25%	2.750%	\$ 2,116	\$	111,728	\$113,844	\$0.05739	1.00503 \$	0.05768					75,000	\$4,325.99	\$360.50
FTS-7		4,078,074	2.20%	7.615%	\$ 3,724	\$	309,384	\$313,108	\$0.07678	1.00503 \$	0.07716					150,000	\$11,574.69	\$964.56
FTS-8		5,289,549	1.62%	10.708%	\$ 2,742	\$	435,047	\$437,789	\$0.08276	1.00503 \$	0.08318					300,000	\$24,954.36	\$2,079.53
FTS-9		4,821,550	1.48%	15.171%	\$ 2,505	\$	616,371	\$618,876	\$0.12836	1.00503 \$	0.12900					550,000	\$70,951.02	\$5,912.59
FTS-10		3,622,089	0.45%	6.539%	\$ 762	\$	265,668	\$266,430	\$0.07356	1.00503 \$	0.07393					850,000	\$62,837.93	\$5,236.49
FTS-11		8,742,108	0.51%	11.387%	\$ 863	\$	462,626	\$463,489	\$0.05302	1.00503 \$	0.05328					1,750,000	\$93,248.17	\$7,770.68
FTS-NGV		1,661,505	0.10%	2.164%	\$ 169	\$	87,928	\$88,097	\$0.05302	1.00503 \$	0.05329					1,750,000	\$93,255.95	\$7,771.33
FTS-12		17,985,906	0.47%	16.315%	\$ 796	\$	662,850	\$663,646	\$0.03690	1.00503 \$	0.03708					3,000,000	\$111,251.13	\$9,270.93
TOTAL	244,504	60,514,548	100.00%	100.000%	\$ 169,284	\$	4,062,826 \$	4,232,106										

# **CFG**

2020 YE Forecast Survell	iance (13-month average) at ROE% midpoi	nt					
		Pro-Rata	Specific				
	Per Book	Adjustment	Adjustment	<b>Adjusted Balance</b>	Cap Ratio Cost	Rate	<b>Weighted Cost</b>
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%
<b>Customer Deposits</b>	\$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%
L	4.00.0.0.0.0	40	(4500.044)	4400 444 450	1000/		=
Total	\$108,948,073	\$0	(\$536,914)	\$108,411,159	100%		5.44%

		Consistency and Pro-		Pro-Rata	Specific				
	Per Book	Rata Adjustment	<b>Books Adjusted</b>	Adjustment	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%	6 1.11%
Short Term Debt	\$15,466,798	(\$110,496)	\$15,356,302	\$0	(\$93,671)	\$15,262,631	14.08%	3.269	6 0.46%
Long Term Debt - FC	\$0	\$0	\$0	\$0	\$0	\$0	0.00%	0.009	6 0.00%
Customer Deposits	\$1,396,704		\$1,396,704	\$0	\$0	\$1,396,704	1.29%	2.319	6 0.03%
Deffered Income Taxes	\$18,896,602	\$633,354	\$19,529,956	\$0	\$0	\$19,529,956	18.01%	0.009	6 0.00%
Total	\$108,948,073		\$108,948,073	\$0	(\$536,914)	\$108,411,159	100%		5.63%

_	Month	Total Deferred Income Tax Balance	Deprec Related ADFIT Balance	Deprec Related ADFIT Activity		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	· <u> </u>	(7,451,431)	696,810	*			Proration Adj.	(63,455)
Proration Adjustment			(63,455)					
Total Adjustment		•	633,354	_				

<sup>\*</sup> Positive variance shows that the limitation provision is met.

Schedule E-1
Exhibit\_\_\_\_

Derrick M. Craig (DMC-1)
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# 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)
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Earnings	Surveillance	Report -	December	31, 2020
	Sur (Ciliumo	report	Decemen	51, 2020

1	
Equity Cost Rate	11.00%
Weighted Equity Cost Rate	3.66%
Revenue Expansion Factor	1.342
Weighted Equity Cost Rate , times Revenue Expansion Factor	4.91%
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	1.20%
Overall Weighted Cost Rate	4.86%

#### Florida Public Utilities-Ft. Meade

Gas Reliability Infrastructure Program (GRIP)
Calculation of the Projected Revenue Requirements
January 1, 2020 through December 31, 2020

Schedule B-1
Exhibit\_\_\_\_
Derrick M. Craig (DMC - 1)
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<u>Item</u> Qualified Investment	Beginning Balance	Actual <u>Jan</u>	Actual Feb	Actual <u>Mar</u>	Actual Apr	Actual May	Actual Jun	Actual Jul	Actual Aug	Actual Sep	Actual Oct	Actual Nov	Actual Dec	Year End Total
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	(\$14,733)	(\$15,199)	(\$15,665)	(\$16,131)	(\$16,597)	(\$17,063)	(\$17,529)	(\$17,995)	(\$18,461)	(\$18,927)	(\$19,393)	(\$19,859)	(\$20,325)	(\$20,325)
Net Book Value	\$239,201	\$238,735	\$238,269	\$237,803	\$237,337	\$236,871	\$236,405	\$235,939	\$235,473	\$235,007	\$234,541	\$234,075	\$233,609	\$233,609
	4-07,-07	,	7-2-0,2-07			,	4-0-0,-00		,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	,,	420 (611		4-00,000	+
Average Net Qualified Investment	_	\$238,968	\$238,502	\$238,036	\$237,570	\$237,104	\$236,638	\$236,172	\$235,706	\$235,240	\$234,774	\$234,308	\$233,842	
	_													
Depreciation Rates		2.100/	2.100/	2.100/	2.100/	2.100/	2.100/	2.100/	2.100/	2.100/	2.100/	2.100/	2 100/	
Approved Depreciation Rate-Mains		2.10% 2.20%	2.10% 2.20%	2.10% 2.20%	2.10% 2.20%	2.10% 2.20%	2.10% 2.20%	2.10% 2.20%	2.10% 2.20%	2.10% 2.20%	2.10% 2.20%	2.10% 2.20%	2.10% 2.20%	
Approved Depreciation Rate-Services		2.20%	2.20%	2.20%	2.2070	2.20%	2.20%	2.2070	2.20%	2.2070	2.20%	2.20%	2.2070	
Return on Average Net Qualified Investment														
Equity - Cost of Capital, inclusive of Income Tax Gross-up		5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	
Debt - Cost of Capital		1.39%	1.39%	1.39%	1.39%	1.39%	1.39%	1.39%	1.39%	1.39%	1.39%	1.39%	1.39%	
Equity Component - inclusive of Income Tax Gross-up		\$996	\$994	\$992	\$990	\$988	\$986	\$984	\$982	\$980	\$978	\$976	\$974	\$11,820
Debt Component		\$277	\$276	\$276	\$275	\$275	\$274	\$274	\$273	\$272	\$272	\$271	\$271	\$3,286
Return Requirement	_	\$1,273	\$1,270	\$1,268	\$1,265	\$1,263	\$1,260	\$1,258	\$1,255	\$1,253	\$1,250	\$1,248	\$1,245	\$15,106
	_													
Investment Expenses		***	60	60	#0	***	60	60	60	60	60	#0	60	60
Depreciation Expense - Mains Depreciation Expense - Services		\$0 \$466	\$0 \$466	\$0 \$466	\$0 \$466	\$0 \$466	\$0 \$466	\$0 \$466	\$0 \$466	\$0 \$466	\$0 \$466	\$0 \$466	\$0 \$466	\$0 \$5,592
Property Taxes		\$399	\$399	\$399	\$399	\$399	\$399	\$399	\$399	\$399	\$399	\$399	\$399	\$4,788
General Public Notice Expense and Customer Notice Expense		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Expense	_	\$865	\$865	\$865	\$865	\$865	\$865	\$865	\$865	\$865	\$865	\$865	\$865	\$10,380
	_													
Total Revenue Requirements	_	\$2,138	\$2,135	\$2,133	\$2,130	\$2,128	\$2,125	\$2,123	\$2,120	\$2,118	\$2,115	\$2,113	\$2,110	\$25,486
GRIP Surcharge Revenues Collected Month	-	\$4,089	\$4,162	\$3,764	\$2,836	\$1,728	\$1,665	\$1,766 \$	1,492	\$1,713	\$2,034	\$2,714	\$3,943	\$31,904
	_	,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,												,
Beginning True-Up													\$	(1,972)
(Over) and Under Recovery for the Month	\$ (1,818)			(1,631) \$		400 \$	461 \$	357 \$	628 \$		81 \$	(,	(1,833) \$	
Monthly Interest (Expense)/Income	\$ (154)	\$ (4.00) \$		(10) \$		(1) \$	(1) \$	(1) \$	(1) \$		(5,986) \$	(1) \$	(8,427) \$	(\$37)
Ending (Over) and Under Recovery	\$ (1,972)	\$ (3,927.219) \$	(5,960) \$	(7,601) \$	(8,314) \$	(7,915) \$	(7,455) \$	(7,100) \$	(6,4/3) \$	(6,068) \$	(5,986) \$	(6,589) \$	(8,427)	(8,427)
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%	
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%	1.59%	
Average Monthly Interest Rate		0.13%	0.13%	0.14%	0.09%	0.01%	0.01%	0.01%	0.01%	0.01%	0.01%	0.01%	0.07%	

#### Florida Public Utilities-Ft. Meade

Gas Reliability Infrastructure Program (GRIP)
Calculation of the Projected Revenue Requirements
January 1, 2021 through December 31, 2021

Schedule C-1
Exhibit\_\_\_\_\_
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•	Beginning	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Forecast	Forecast	Forecast	Forecast	Forecast	Year End
Item Qualified Investment	Balance	<u>Jan</u>	<u>Feb</u>	Mar	<u>Apr</u>	May	<u>Jun</u>	<u>Jul</u>	Aug	<u>Sep</u>	Oct	Nov	<u>Dec</u>	Total
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
<b>~</b>					**	**			**					**
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	(\$20,325)	(\$20,791)	(\$21,257)	(\$21,723)	(\$22,189)	(\$22,655)	(\$23,121)	(\$23,587)	(\$24,053)	(\$24,519)	(\$24,985)	(\$25,451)	(\$25,917)	(\$25,917)
Net Book Value	\$233,609	\$233,143	\$232,677	\$232,211	\$231,745	\$231,279	\$230,813	\$230,347	\$229,881	\$229,415	\$228,949	\$228,483	\$228,017	\$228,017
Average Net Qualified Investment	_	\$233,376	\$232,910	\$232,444	\$231.978	\$231,512	\$231.046	\$230,580	\$230,114	\$229,648	\$229,182	\$228,716	\$228,250	
Average (ver Quantieu investment	_	\$233,370	\$232,910	3232,444	9231,976	3231,312	\$231,040	\$230,380	\$230,114	\$227,048	\$229,102	\$220,710	\$220,230	
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%	
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%	
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%	
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%	
Equity Component - inclusive of Income Tax Gross-up		\$955	\$953	\$951	\$949	\$947	\$945	\$943	\$942	\$940	\$938	\$936	\$934	\$11,333
Debt Component		\$233	\$233	\$232	\$232	\$232	\$231	\$231	\$230	\$230	\$229	\$229	\$228	\$2,770
Return Requirement		\$1,188	\$1,186	\$1,184	\$1,181	\$1,179	\$1,176	\$1,174	\$1,172	\$1,169	\$1,167	\$1,165	\$1,162	\$14,103
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		\$389	\$389	\$389	\$389	\$389	\$389	\$389	\$389	\$389	\$389	\$389	\$389	\$4,668
General Public Notice Expense and Customer Notice Expense		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Expense	_	\$855	\$855	\$855	\$855	\$855	\$855	\$855	\$855	\$855	\$855	\$855	\$855	\$10,260
T. I.D. D. C.	_	62.042	62.041	62.020	62.025	62.024	62.021	#2.020	\$2.027	62.024	\$2,022	\$2,020	\$2.017	f24252
Total Revenue Requirements	_	\$2,043	\$2,041	\$2,039	\$2,036	\$2,034	\$2,031	\$2,029	\$2,027	\$2,024	\$2,022	\$2,020	\$2,017	\$24,363
GRIP Surcharge Revenues Collected Month		\$3,295	\$2,867	\$2,244	\$2,505	\$2,108	\$1,921	\$1,138 \$	945	\$939	\$966	\$1,134	\$1,791	\$21,852
Tax Factor		1.00503	1.00503	1.00503	1.00503	1.00503	1.00503	1.00503	1.00503	1.00503	1.00503	1.00503	1.00503	
Net GRIP Surcharge Revenue Collected		\$3,278	\$2,853	\$2,233	\$2,492	\$2,097	\$1,911	\$1,133	\$940	\$934	\$961	\$1,129	\$1,782	
Beginning True-Up														\$ (8,427)
(Over) and Under Recovery for the Month		(\$1,235)	(\$812)	(\$194)	(\$456)	(\$63)	\$120	\$896	\$1,086	\$1,090	\$1,061	\$891	\$236	\$ 2,620
Monthly Interest (Expense)/Income	\$	(1.00)		- \$	-	- \$	- \$	- \$					\$ -	(\$2)
Ending (Over) and Under Recovery	\$ (8,427) \$	(9,663)	\$ (10,475) \$	(10,670) \$	(11,126) \$	(11,189) \$	(11,069) \$	(10,172) \$	(9,086)	(7,996)	\$ (6,935)	(6,044)	\$ (5,808)	\$ (5,808)
Beg of Month Annual Interest Rate		0.09%	0.07%	0.06%	0.04%	0.04%	0.03%	0.04%	0.05%	0.05%	0.05%	0.05%	0.05%	
End of Month Annual Interest Rate		0.07%	0.06%	0.04%	0.04%	0.03%	0.04%	0.05%	0.05%	0.05%	0.05%	0.05%	0.05%	
Average Monthly Interest Rate		0.01%	0.01%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	

#### 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\_\_\_\_
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<u>Item</u> Qualified Investment	Beginning <u>Balance</u>	Forecast <u>Jan</u>	Forecast Feb	Forecast <u>Mar</u>	Forecast Apr	Forecast <u>May</u>	Forecast Jun	Forecast <u>Jul</u>	Forecast Aug	Forecast Sep	Forecast Oct	Forecast Nov	Forecast Dec	Year End <u>Total</u>
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	y	\$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%	
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%	
Return on Average Net Qualified Investment														
Equity - Cost of Capital, inclusive of Income Tax Gross	s-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%	
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%	
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	\$13,766
Investment Expenses		***	**	**		**	**	**	**	**	**	**	**	
Depreciation Expense - Mains		\$0	\$0 \$466	\$0 \$466	\$0 \$466	\$0 \$466	\$0	\$0	\$0	\$0 \$466	\$0 \$466	\$0 \$466	\$0	\$0
Depreciation Expense - Services Property Taxes		\$466 \$380	\$466 \$380	\$466 \$380	\$466 \$380	\$466 \$380	\$466 \$380	\$466 \$380	\$466 \$380	\$466 \$380	\$466 \$380	\$466 \$380	\$466 \$380	\$5,592 \$4,560
General Public Notice Expense and Customer Notice E.	vnence	\$0	\$380	\$380	\$0	\$0	\$0	\$0	\$380	\$380	\$380	\$0	\$0	\$4,500
Total Expense	-	\$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	\$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)
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1.	1/1/22-12/31/22 Qualified Mains & Services Replacement Revenue	Requirements		\$	23,918
	Mains	0%	\$0		
	Services	100%	\$23,918	_	
	Net	_	\$23,918		
2.	TRUE-UP from Prior Period (Over)/Under Recovery Estimated thr	u 12/2020		\$	(5,808)
3.	2022 Qualified Mains & Services Replacement Revenue Requireme	ents		\$	18,109
	Mains	0%	\$0		
	Services	100%	\$18,109		
	Net		\$18,109		

							DOLLARS		GRIP	TYPICAL		AVERAGE	
RATE	2022	SERVICES	MAINS	SERVICES	MAINS	GRIP	PER	TAX	FACTORS	ANNUAL	ANNUAL	MONTHLY	
SCHEDULE	THERMS	COS %	COS %	REV REQ	REV REQ	REV REQ	THERM	FACTOR	PER THERM	THERMS	COST	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 281,701 100.00% 100.00% \$18,109 \$0 \$18,109							
	TOTAL	281,701	100.00%	100.00%	\$18,109	\$0	\$18,109

### **Fort Meade**

ı	Per Book	Pro-Rata Adjustment	Specific Adjustment	Adjusted Balance	Cap Ratio Cost Ra	te W	eighted 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%
Deffered 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%

		Consistency and Pro-		Pro-Rata	Specific				
	Per Book	Rata Adjustment	<b>Books Adjusted</b>	Adjustment	Adjustment	Adjusted Balance	Cap Ratio Cost Rate	We	ighted Cost
Common Equity	\$394,749	(\$16,302)	\$378,447	\$0	\$0	\$378,447	31.93%	11.00%	3.519
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%
Deffered 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%

	Month	Fotal 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	_				

<sup>\*</sup> Positive variance shows that the limitation provision is met.

Schedule E-1
Exhibit\_\_\_\_

Derrick M. Craig (DMC-1)
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FLORIDA PUBLIC SERVICE COMI

EXPLANATION: Provide the calculation of the revenue expansion factor for the test year.

COMPANY: FLORIDA PUBLIC UTILITIES

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			

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 25 26	Net Operating Income Multiplier (100% / Line 11)	1.3343			

FLORIDA PUBLIC SERVICE COMI

EXPLANATION: Provide the calculation of the revenue expansion factor for the test year.

COMPANY: FLORIDA PUBLIC UTILITIES

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			