

DOCKET NO. 20220155-GU FILED 9/1/2022 DOCUMENT NO. 05942-2022 FPSC - COMMISSION CLERK

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September 1, 2022

E-PORTAL FILING

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

Re: [New Filing] - Joint petition for approval of GRIP cost recovery factors for January 2023 through December 2023, by Florida Public Utilities Company, Florida Public Utilities Company-Fort Meade, and Florida Division of Chesapeake Utilities Corporation.

Dear Mr. Teitzman:

Attached for filing, please find the Joint Petition for Approval of GRIP Cost Recovery Factors by Florida Public Utilities Company, Florida Public Utilities Company-Fort Meade, and Florida Division of Chesapeake Utilities Corporation, along with the Direct Testimony and Exhibit RCW-1 of Mr. Robert Waruszewski. Also included with this filing are the following revised tariff pages:

Revised Tariff Sheets

(Clean and Legislative Versions)

Consolidated Natural Gas Tariff Sheet 7.906

Consolidated Natural Gas Tariff Sheet 7.907

Consolidated Natural Gas Tariff Sheet 7.910

Thank you for your assistance with this filing. As always, please don't hesitate to let me know if you have any questions whatsoever.

Kind regards,

Beth Keating

Gunster, Yoakley & Stewart, P.A. 215 South Monroe St., Suite 601

Tallahassee, FL 32301

(850) 521-1706

cc:/(Office of Public Counsel)

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Joint Petition for Approval of Gas | DOCKET NO. Reliability Infrastructure Program (GRIP) True-Up by Florida Public Utilities Company and the Florida Division of Chesapeake Utilities Corporation and Florida Public Utilities Company-Fort Meade

DATED: September 1, 2022

JOINT PETITION FOR APPROVAL OF GRIP COST RECOVERY FACTORS BY FLORIDA PUBLIC UTILITIES COMPANY, FLORIDA PUBLIC UTILITIES COMPANY-FORT MEADE, AND THE FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORPORATION

Florida Public Utilities Company, Florida Public Utilities Company-Fort Meade ("Fort Meade") (herein jointly "FPUC"), and the Florida Division of Chesapeake Utilities Corporation ("CFG")(also referred to herein individually as "Company" and jointly as "Companies"), by and through their undersigned counsel, hereby file this Petition, pursuant to Section 366.06, Florida Statutes, and Order No. PSC-2012-0490-TRF-GU, seeking approval from the Florida Public Service Commission ("FPSC" or "Commission") of FPUC's and CFG's GRIP cost recovery factors for the period January 2023 through December 2023. In support of this request, the Companies hereby state:

1) FPUC is a natural gas utility subject to the Commission's jurisdiction under Chapter 366. Florida Statutes. 1 Its principal business address is:

Florida Public Utilities Company 208 Wildlight Avenue Yulee, FL 32097

Florida Public Utilities Company – Fort Meade is a division of FPUC with its principal business address being the same as FPUC.

¹ FPUC's Indiantown Division does not participate in a GRIP program.

GRIP True-Up

2) CFG is also a natural gas utility subject to the Commission's jurisdiction under Chapter 366, Florida Statutes. Its principal business address is:

Florida Division of Chesapeake Utilities Corporation 208 Wildlight Avenue Yulee, FL 32097

3) The name and mailing address of the persons authorized to receive notices are:

Beth Keating, Esq. Gunster, Yoakley & Stewart, P.A. 215 South Monroe Street, Suite 601 Tallahassee, Florida 32301-1839 (850) 521-1706

Mike Cassel VP, Regulatory and Governmental Affairs Florida Public Utilities Company/Chesapeake 208 Wildlight Ave. Yulee, FL 32097 mcassel@fpuc.com

- The Commission is vested with jurisdiction in this matter in accordance with Sections 366.04, 366.041, 366.05, and 366.06, Florida Statutes, pursuant to which the Commission is authorized to establish rates and charges for public utilities, including the relief requested herein, and to consider, among other things, the adequacy of facilities, as well as the utility's ability to improve such facilities. Likewise, in accordance with Section 368.05(2), Florida Statutes, the Commission has the authority to require improvements to natural gas distribution systems as may be necessary to promote the protection of the public.
- 5) Consistent with the requirements of Order No. PSC-12-0490-TRF-GU, issued September 24, 2012, the Companies have included with this filing Schedules A-D, which support the Companies' calculations of the yearly GRIP surcharge factors for the calendar year 2023.
- 6) Consistent with the requirements of Order No. PSC-20-0165-PAA-EU, issued May 20, 2020, the Companies have included with this filing Schedule E, which supports the Companies' determination of whether a limitation provision is met and what the calculation

of the weighted average cost of capital would have been for the 2023 projection period if a proration adjustment was necessary.

- 7) The Companies are also submitting, contemporaneously with this Petition, the Direct Testimony and Exhibit RCW-1, which includes the referenced schedules, of Mr. Robert Waruszewski in support of the Companies' request for approval of the requested factors. Therein, Mr. Waruszewski explains that projects in high consequence areas continue to be a priority. As also noted by Mr. Waruszewski, the Companies continue to discover new bare steel, cast iron, and steel tubing beyond that which was originally anticipated, however, the Company does expect to complete all replacements for the program by the end of 2022.
- 8) As reflected on Schedule B-1, the final GRIP true-up amount for the period January 2021 through December 2021 was an under-recovery for FPUC of \$1,786,751, inclusive of interest, and for CFG, a total under-recovery of \$314,115, inclusive of interest. For Fort Meade experienced an over-recovery of \$10,696, inclusive of interest.
- 9) As set forth in the Testimony and Exhibit of Mr. Waruszewski, the Companies' actual/estimated amounts for the remainder of 2022 are an over-recovery of \$1,032,958, inclusive of interest, for FPUC; an under-recovery by CFG for the same period of \$528,399 inclusive of interest; and an over-recovery for the same period for Fort Meade of \$1,831, inclusive of interest.
- 10) As the Commission is aware, the Companies are currently before the Commission in Docket No. 20220067, requesting a rate consolidation and rate increase. Part of the request in that proceeding includes transferring the current GRIP projects through year end 2022 from recovery through a factor to recovery through base rates, which, if approved, will leave

GRIP True-Up

both the total true-up and any GRIP investment above the amount projected in the rate case to be collected in 2023.

The Company projects total revenue requirements for the program of \$366,128 for FPUC, (\$48,807) for CFG and \$0 for Fort Meade for the period January 2023 through December 2023. The total true-up amounts to be collected or refunded in 2023 are a net under-recovery to be collected for FPUC of \$753,793; a total net under-recovery of \$842,515 to be collected for CFG, and for Fort Meade, a total net over-recovery of \$12,527 to be refunded. After adding the projected revenue requirements for the programs and the true-up amounts then dividing this total among the Companies' rate classes, the following are the GRIP Cost Recovery factors for which the Companies seek approval in this petition:

CFG RATE CLASS	GRIP FACTORS PER THERM
FTS-A	\$ 0.12760
FTS-B	\$ 0.4065
FTS-1	\$ 0.01970
FTS-2	\$ 0.03000
FTS-2.1	\$ 0.03164
FTS-3	\$ 0.01053
FTS-3.1	\$ 0.01454
FTS-4	\$ 0.01542
FTS-5	\$ 0.01918
FTS-6	\$ 0.00865

GRIP True-Up

FTS-7	\$	0.01374		
FTS-8	\$	0.01501		
FTS-9	\$	0.03150		
FTS-10	\$	0.01383		
FTS-11	\$	0.06389		
FTS-12	\$	0.00735		
FTS-NGV	\$	0.06390		
CFG Experimental CLASS Rate Schedu FTS-A (Exp) FTS-B (Exp) FTS-1 (Exp) FTS-2 (Exp) FTS-2.1 (Exp) FTS-3.1 (Exp) FTS-3.1 (Exp)	p)))		0.87 0.44 0.31 1.56 3.15 3.26 8.54	
FPUC RATE SCHEDULE				ACTORS THERM
RESIDENTIA	ΛL		\$0.0216	
COMMERCIAL SMALL \$0.01608 (General Service 1 & 2 & GS 1 & 2 Transportation)				
COMM. LRG (Large Vol &		LUME Transportation)	\$0.0113	4
INTERRUPTIBLE SERVICE \$0.00698 (Int Service & IS Transportation)			8	

GENERAL LIGHTING SERVICE

(Gen Light Service & GLS Transportation)

Rate Schedule NGV \$0.01608

\$0.08352

Rate Schedule NGVTS \$0.01608

Fort Meade

RATE FACTORS
SCHEDULE PER THERM (refund)

RESIDENTIAL - \$0.12822

COMMERCIAL SMALL - \$0.02901

(General Service & GS Transportation)

COMM. LRG VOLUME - \$0.01861

(Large Vol & LV Transportation)

INTERRUPTIBLE SERVICE \$0.00000

(Int Service & IS Transportation)

GENERAL LIGHTING SERVICE \$0.00000

- 12) The Companies attest that these factors have been calculated correctly and consistent with Commission requirements. Thus, the Companies ask that the Commission approve the proposed factors as set forth herein.
- 13) The Companies nevertheless emphasize that the factors herein have been calculated utilizing the assumption that the request to roll the GRIP recovery into base rates is approved in Docket No. 20220067-GU. In addition, the Company acknowledges that, in the event the Commission approves the Companies' request in Docket No. 20220067-GU to

GRIP True-Up

consolidated rate structure, such consolidation would necessitate that the factors be recalculated based upon the approved rate structure.

11) Attached to this Petition as Attachment A are proposed tariff pages, in clean and legislative format, reflecting the GRIP factors set forth herein.

WHEREFORE, FPUC, FPUC-Fort Meade, and CFG respectfully request that the Commission approve the proposed GRIP cost recovery factors to be effective for all meter readings for the period January 2023 through December 2023, unless and until reset by the Commission or otherwise recalculated to apply to a new rate structure.

RESPECTFULLY SUBMITTED this 1st day of September, 2022, by:

Beth Keating

Gunster, Yoakley & Stewart, P.A. 215 South Monroe St., Suite 601

Tallahassee, FL 32301

(850) 521-1706

Attorneys for Florida Public Utilities Company and the Florida Division of Chesapeake Utilities Corporation

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing has been served upon the following by Electronic Mail this 1st day of September, 2022.

Richard Gentry Office of Public Counsel c/o The Florida Legislature 111 W. Madison Street, Room 812 Tallahassee, FL 32399-1400 Gentry.Richard@leg.state.fl.us	
Mike Cassel 208 Wildlight Avenue Yulee, FL 32097 Mcassel@fpuc.com	

5y: ____

Beth Keating

Gunster, Yoakley & Stewart, P.A. 215 South Monroe St., Suite 601 Tallahassee, FL 32301

(850) 521-1706

ATTACHMENT A

Florida Public Utilities Company, Florida Public Utilities Company – Indiantown Division,
Florida Public Utilities Company-Fort Meade, and
The Florida Division of Chesapeake Utilities Corporation

Revised Tariff Sheets

(Clean and Legislative Versions)

Consolidated Natural Gas Tariff Sheet 7.906 Consolidated Natural Gas Tariff Sheet 7.907 Consolidated Natural Gas Tariff Sheet 7.910

All Companies GAS RELIABILITY INFRASTRUCTURE PROGRAM

Applicability:

The bill for Regulated Gas Sales Service or Transportation Service, as applicable, supplied to a Customer in any Billing Period shall be adjusted as follows:

The GRIP factors for the period from the first billing cycle for January 2023 through the last billing cycle for December 2023 are as follows:

INDIANTOWN:

Rate Schedule	Rates per Therm
TS-1	Not applicable
TS-2	Not applicable
TS-3	Not applicable
TS-4	Not applicable
NGVTS	Not applicable

FT. MEADE:

FT. MEADE:	
Rate Schedule	Rates per Therm
RS	(\$0.12822)
GS-1	(\$0.02901)
GS-2	(\$0.02901)
GSTS-1	(\$0.02901)
GSTS-2	(\$0.02901)
LVS	(\$0.01861)
LVTS	(\$0.01861)
IS	\$0.00000
ITS	\$0.00000
GLS	\$0.00000
GLSTS	\$0.00000
NGV	\$0.00000
NGVTS	\$0.00000

Florida Public Utilities Company and Florida Division of Chesapeake Utilities

FPSC Tariff

Second-Third Revised Sheet No.

7.906

Original Volume No. 1

Cancels First-Second Revised Sheet No. 7.906

All Companies GAS RELIABILITY INFRASTRUCTURE PROGRAM

Applicability:

The bill for Regulated Gas Sales Service or Transportation Service, as applicable, supplied to a Customer in any Billing Period shall be adjusted as follows:

The GRIP factors for the period from the first billing cycle for January 20232 through the last billing cycle for December 20232 are as follows:

INDIANTOWN:

Rate Schedule	Rates per Therm
TS-1	Not applicable
TS-2	Not applicable
TS-3	Not applicable
TS-4	Not applicable
NGVTS	Not applicable

FT. MEADE:	
Rate Schedule	Rates per Therm
RS	(\$0. <u>12822)15245</u>
GS-1	(\$0. <u>02901)</u> 01456
GS-2	<u>(</u> \$0. <u>02901)</u> 01456
GSTS-1	(\$0. <u>02901)</u> 0 1456
GSTS-2	<u>(</u> \$0. <u>02901)</u> 0 1456
LVS	<u>(</u> \$0. <u>01861)</u> 00000
LVTS	<u>(</u> \$0. <u>01861)</u> 00000
IS	\$0.00000
ITS	\$0.00000
GLS	\$0.00000
GLSTS	\$0.00000
NGV	\$0.00000
NGVTS	\$0.00000

Issued by: Jeffry Householder, Chief Executive Officer Effective: JAN 01 2022 Florida Public Utilities Company and Chesapeake Utilities Corporation

All Companies GAS RELIABILITY INFRASTRUCTURE PROGRAM – CONTINUED

FLORIDA PUBLIC UTILITIES:

ZOMENI COMPANIO CITETIES.	
Rate Schedule	Rates per Therm
RS	\$0.02166
RS-GS	\$0.02166
GS-1	\$0.01608
GS-2	\$0.01608
GSTS-1	\$0.01608
GSTS-2	\$0.01608
CS-GS	\$0.01608
LVS	\$0.01134
LVTS	\$0.01134
IS	\$0.00698
ITS	\$0.00698
GLS	\$0.08352
GLSTS	\$0.08352
NGV	\$0.01608
NGVTS	\$0.01608

CENTRAL FLORIDA GAS:

Rate Schedule	Rates per Therm
FTS-A	\$0.12760
FTS-B	\$0.04065
FTS-1	\$0.01970
FTS-2	\$0.03000
FTS-2.1	\$0.03164
FTS-3	\$0.01053
FTS-3.1	\$0.01454
FTS-4	\$0.01542
FTS-5	\$0.01918
FTS-6	\$0.00865
FTS-7	\$0.01374
FTS-8	\$0.01501
FTS-9	\$0.03150
FTS-10	\$0.01383
FTS-11	\$0.06389
FTS-12	\$0.00735
FTS-NGV	\$0.06390

Definitions:

The Company has prioritized the potential replacement projects focusing initially on areas of high consequence and areas more susceptible to corrosion. The GRIP Program minimizes impact to Customers, but at the same time, allows the Company to accelerate its replacement

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Florida Public Utilities Company and Florida Division of Chesapeake Utilities

FPSC Tariff

Second-Third Revised Sheet No.

7.907

Original Volume No. 1

Cancels First Second Revised Sheet No. 7.907

All Companies GAS RELIABILITY INFRASTRUCTURE PROGRAM – CONTINUED

FLORIDA PUBLIC UTILITIES:

Rate Schedule	Rates per Therm
RS	\$0.0216631642
RS-GS	\$0.02166
GS-1	\$0. <u>01608</u> 22966
GS-2	\$0.0160822966
GSTS-1	\$0. <u>01608</u> 22966
GSTS-2	\$0. <u>0160822966</u>
CS-GS	\$0.01608
LVS	\$0. <u>01134</u> 16008
LVTS	\$0. <u>01134</u> 16008
IS	\$0. <u>0069809536</u>
ITS	\$0.0069809536
GLS	\$ <u>0.08352</u> 1.14051
GLSTS	\$ <u>0.08352</u> 1.1405 1
NGV	\$0. <u>0160822966</u>
NGVTS	\$0. <u>01608</u> 22966

CENTRAL FLORIDA GAS:

Rate Schedule	Rates per Therm
FTS-A	\$0. <u>12760</u> 71307
FTS-B	\$0. <u>04065</u> 2150 8
FTS-1	\$0. <u>01970</u> 11405
FTS-2	\$0. <u>03000</u> 15536
FTS-2.1	\$0. <u>03164</u> 15932
FTS-3	\$0. <u>0105305948</u>
FTS-3.1	\$0. <u>01454</u> 0 7553
FTS-4	\$0. <u>01542</u> 08381
FTS-5	\$0. <u>01918</u> 08987
FTS-6	\$0. <u>00865</u> 0 5768
FTS-7	\$0. <u>01374</u> 07716
FTS-8	\$0. <u>01501</u> 08318
FTS-9	\$0. <u>03150</u> 12900
FTS-10	\$0. <u>01383</u> 07393
FTS-11	\$0. <u>06389</u> 0 5328
FTS-12	\$0. <u>00735</u> 0 370 8
FTS-NGV	\$0. <u>06390</u> 0 5329

Definitions:

The Company has prioritized the potential replacement projects focusing initially on areas of high consequence and areas more susceptible to corrosion. The GRIP Program minimizes

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Effective: JAN-01-2022

Florida Public Utilities Company and Chesapeake Utilities Corporation

Florida Public Utilities Company and Florida Division of Chesapeake Utilities
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Second-Third Revised Sheet No.
7.907

Original Volume No. 1 Cancels First-Second Revised Sheet No. 7.907

impact to Customers, but at the same time, allows the Company to accelerate its replacement

Issued by: Jeffry Householder, Chief Executive Officer Effective: JAN-01-2022 Florida Public Utilities Company and Chesapeake Utilities Corporation

CFG GAS INFRASTRUCTURE REPLACEMENT PROGRAM (GRIP) - FIXED

Applicability:

All CFG Customers, receiving Transportation Service from the Company and are assigned to or have selected rate schedules FTS-A Fixed), FTS-B (Fixed), FTS-1 Fixed), FTS-2 (Fixed), FTS-3 (Fixed), and FTS-3.1 (Fixed).

The Transportation Charge for Transportation Service to each applicable rate classification shall be adjusted by the following recovery factors. The recovery factors for all Meters read for the period January 1, 2023 through December 31, 2023 for each rate classification are as follows:

Rate Schedule	Dollars per Bill
FTS-A (Fixed)	\$0.87
FTS-B (Fixed)	\$0.44
FTS-1 (Fixed)	\$0.31
FTS-2 (Fixed)	\$1.56
FTS-2.1 (Fixed)	\$3.15
FTS-3 (Fixed)	\$3.26
FTS-3.1 (Fixed)	\$8.54

Definitions

The Company has prioritized the potential replacement projects focusing initially on areas of high consequence and areas more susceptible to corrosion. The GRIP Program minimizes impact to Customers, but at the same time, allows the Company to accelerate its replacement Program-eligible infrastructure. Costs incurred to remove the existing eligible distribution Mains and Service Lines are not recoverable under the GRIP Program.

The Eligible Infrastructure Replacement includes the following:

- 1. Company plant investment that
 - a. Do not increase revenues by directly connecting new Customer to the plant asset,
 - b. is in service and used and useful in providing utility service, and
 - c. was not included in the Company's rate base for purposed of determining the Company's base rates in its most recent general base rate proceeding.
- 2. Mains and Service Lines, as replacements for existing cast iron, wrought iron and bare steel facilities, and regulation station and other pipeline system components, the installation of which is required as a consequence of the replacement of the aforesaid facilities.

Florida Public Utilities Company and Florida Division of Chesapeake Utilities Second-Third Revised Sheet No.

FPSC Tariff 7.910

Original Volume No. 1

Cancels First-Second Revised Sheet No. 7.910

CFG

GAS INFRASTRUCTURE REPLACEMENT PROGRAM (GRIP) - FIXED

Applicability:

All CFG Customers, receiving Transportation Service from the Company and are assigned to or have selected rate schedules FTS-A Fixed), FTS-B (Fixed), FTS-1 Fixed), FTS-2 (Fixed), FTS-2.1 (Fixed), FTS-3 (Fixed), and FTS-3.1 (Fixed).

The Transportation Charge for Transportation Service to each applicable rate classification shall be adjusted by the following recovery factors. The recovery factors for all Meters read for the period January 1, 20232 through December 31, 20232 for each rate classification are as follows:

Rate Schedule	Dollars per Bill
FTS-A (Fixed)	\$0.874.50
FTS-B (Fixed)	\$0.442.28
FTS-1 (Fixed)	\$0.31-1.69
FTS-2 (Fixed)	\$1.568.17
FTS-2.1 (Fixed)	\$3.1516.58
FTS-3 (Fixed)	\$3.2618.01
FTS-3.1 (Fixed)	\$ <u>8.54</u> 4 3.36

Definitions

The Company has prioritized the potential replacement projects focusing initially on areas of high consequence and areas more susceptible to corrosion. The GRIP Program minimizes impact to Customers, but at the same time, allows the Company to accelerate its replacement Program-eligible infrastructure. Costs incurred to remove the existing eligible distribution Mains and Service Lines are not recoverable under the GRIP Program.

The Eligible Infrastructure Replacement includes the following:

- 1. Company plant investment that
 - a. Do not increase revenues by directly connecting new Customer to the plant asset,
 - b. is in service and used and useful in providing utility service, and
 - c. was not included in the Company's rate base for purposed of determining the Company's base rates in its most recent general base rate proceeding.
- 2. Mains and Service Lines, as replacements for existing cast iron, wrought iron and bare steel facilities, and regulation station and other pipeline system components, the installation of which is required as a consequence of the replacement of the aforesaid facilities.

Issued by: Jeffry Householder, Chief Executive Officer Florida Public Utilities Company and Chesapeake Utilities Corporation

Effective: JAN-01-2022

1		BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION
2		In Re: Gas Reliability Infrastructure Program
3		DIRECT TESTIMONY OF ROBERT C. WARUSZEWSKI
4		On behalf of
5		Florida Public Utilities Company,
6		Florida Division of Chesapeake Utilities Corporation and Florida Public Utilities
7		Company-Fort Meade
8	Q.	Please state your name, occupation, and business address.
9	A.	My name is Robert C. Waruszewski. I am employed by Florida Public Utilities
10		Company (FPUC or Company) as a Regulatory Manager, South. My business address
11		is 500 Energy Lane, Suite 100, Dover, DE 19901.
12	Q.	Describe briefly your education and relevant professional background.
13	A.	I received a Bachelor of Science Degree in mathematics and economics from St.
14		Vincent College, Latrobe, Pennsylvania. After graduation, I worked as a junior
15		accounting clerk for the Bank of New York Mellon, assisting in the preparation of
16		audits as well as gathering local tax data for the bank's employees before joining
17		Columbia Gas of Pennsylvania in November 2011 in the Regulatory Department.
18		There, I prepared rate case and gas cost filings and in 2013, I was promoted to Senior
19		Regulatory Analyst. I joined Peoples Natural Gas, a distribution company operating in
20		Pennsylvania, West Virginia, and Kentucky in December 2017, as the Senior Rates
21		and Regulatory Analyst, where I was responsible for assisting in budget preparation
22		and compiling regulatory filings for the Company's Pennsylvania and West Virginia
23		affiliates. I was subsequently promoted to Finance and Rates Analyst IV. In January
24		2022, I joined Chesapeake Utilities Corporation where my responsibilities include the
25		fulfillment of many regulatory activities for FPUC, which range from instances of
26		regulatory analysis to various filings (Purchased Gas Adjustment, Swing Service and

- the Gas Reliability Infrastructure Program) before the Florida Public Service
- 2 Commission.
- 3 Q. Have you previously filed testimony in this Docket?
- 4 A. No, I have not, though I have provided testimony in the Company's PGA proceeding
- 5 previously.
- 6 Q. Are you familiar with the Gas Reliability Infrastructure Program ("GRIP") of
- 7 the Company and the associated projected and actual revenues and costs?
- 8 A. Yes.
- 9 Q. What is the purpose of your testimony in this docket?
- A. My testimony will provide both the actual true-up for January 2021 to December 2021,
- as well as the actual/estimated true-up based on seven months of actual 2022 data and
- five months of projected 2022 data. My testimony will confirm that the calculated
- weighted average cost of capital satisfies the Internal Revenue Service normalization
- rules. Also, the testimony will summarize the computations that are contained in
- composite Exhibit RCW-1 supporting the January through December 2023 projected
- GRIP surcharge factors for FPUC, Florida Division of Chesapeake Utilities
- 17 Corporation (CFG), and Fort Meade natural gas divisions. I will also discuss the
- Company's pending rate case and how the proposal to move GRIP investments into
- rate base in that proceeding will affect the GRIP surcharge being proposed in this
- 20 proceeding.
- Q. Which set of schedules has your company completed and filed?
- A. The Company has prepared and filed in composite Exhibit RCW-1, Schedules A, B,
- C, D and E that support the calculation of the yearly GRIP surcharge factors for January
- 24 2023 through December 2023 for FPUC, CFG and Fort Meade as well as the
- appropriate calculation of the weighted average cost of capital used for the 2023 GRIP
- Projection filing (as it pertains to the normalization method of accounting identified by

- the Internal Revenue Code).
- 2 Q. Were the schedules filed by the Company completed by you or under your direct
- 3 supervision?
- 4 A. Yes, they were completed by me.
- 5 Q. What is the projection period for this filing?
- 6 A. The projection period is January through December 2023.
- 7 Q. Will the outcome of the Company's pending rate case at Docket No. 20220067-
- 8 GU affect the GRIP surcharge factors?
- 9 A. Yes. Within the rate case proceeding, the Company has proposed that the GRIP 10 investments be moved into rate base and that the associated revenue requirement for 11 GRIP investments be recovered through the base rates set in that case. If this proposal 12 is approved, this would reset the GRIP surcharge. The schedules in Exhibit RCW-1 13 reflect the projected GRIP investments from the rate case being rolled into rate base as 14 of December 31, 2022. To be clear, the Company is not intending to be presumptuous 15 regarding the GRIP investments being rolled into rate base. While there potentially are multiple scenarios of how GRIP investment will be treated in the rate case, the 16 17 Company had to select a scenario to reflect 2023 GRIP surcharge factors for this 18 proceeding prior to the Commission deciding on the GRIP investment in the rate case. 19 The Company can provide calculations under other scenarios as well, as may be 20 necessary. The surcharge factors included in this filing reflect only the recovery of GRIP investment above what was projected in the rate case as well as the yearly true-2.1 22 up If the Company's proposal to roll GRIP investments into rate base is not approved 23 in the rate case, the Company would seek to recover these investments through the 24 GRIP surcharge.
- Q. What is the appropriate final GRIP true-up amount for the period

 January through December 2021?

1	Α.	As shown on Schedule B-1, page 2 of 18, the total under-recovery for FPUC is
2		\$1,786,751 inclusive of interest, and for CFG, Schedule B-1, page 8 of 18, has a total
3		under-recovery of \$314,115 inclusive of interest. For Fort Meade, Schedule B-1, page
4		14 of 28, has a total over-recovery of \$10,696 inclusive of interest.
5	Q.	What is the projected GRIP true-up amount for the period January through
6		December 2022?
7	A.	For FPUC, the projected GRIP true-up amount is an over-recovery of \$1,032,958
8		inclusive of interest, for the period January through December 2022. CFG has a
9		projected under-recovery for the same period of \$528,399 inclusive of interest. Fort
10		Meade has a projected over-recovery for the same period of \$1,831 inclusive of
11		interest.
12	Q.	What is the total projected GRIP true-up amount to be collected or refunded to
13		customers for the period January through December 2022?
14	A.	As shown on Schedule C-1, page 3 of 18, the total net under-recovery to be collected
15		for FPUC is \$753,793, and for CFG, Schedule C-1, page 9 of 18, has a total net under-
16		recovery of \$842,515 to be collected for the period January through December 2022.
17		Fort Meade, Schedule C-1 page 15 of 18, has a total net over-recovery of \$12,527 to
18		be refunded.
19	Q.	Please describe how the forecasts for the replacement of qualifying distribution
20		mains and services were developed for the projection period.
21	A.	In the initial joint petition for approval of GRIP (Order No. PSC-12-0490-TRF-GU),
22		FPUC and CFG reviewed the remaining eligible infrastructure and developed a
23		replacement plan based on our Distribution Integrity Management Program ("DIMP")
24		and estimated it would take approximately 10 years to replace our bare steel and cast
25		iron facilities at an accelerated pace. Both companies prioritized the potential
26		replacement projects focusing initially on areas of high consequence and areas more

susceptible to corrosion. FPUC provides service to large metropolitan areas and the replacement of eligible infrastructure in high-density, urban areas typically cost more than areas that are primarily rural. FPUC and CFG have continued to replace eligible infrastructure aggressively. Although the Company continues to discover new bare steel, cast iron and steel tubing mains and services for replacement that were not included in the original petition, the Company does expect to complete nearly all replacements for the program by the end of 2022. It is possible that a small amount of replacement work will not be completed until 2023 due to either permit delays or the Company discovering additional bare steel pipe to replace in 2023. However, FPUC, CFG and Fort Meade have not projected any GRIP investments in 2023 in this proceeding.

- 12 Q. How will the Company seek recovery of any capital expenditures incurred in 2023?
- As mentioned in the Company's 2022 rate case, FPUC plans to file a petition for a

 GRIP Phase II in the near future. If this filing is approved, the Company will include

 any capital investments and associated expenses related to bare steel replacement in

 2023 in the GRIP Phase II Surcharge. If the GRIP Phase II filing is not approved, the

 Company may have a final true-up of GRIP surcharge in 2024, to recover any residual

 costs related to bare steel replacement in 2023.
- Q. Please describe how the forecasts of investment balances were developed for the
 projection period.
- On Schedule C-2, the Company used the projected GRIP investment balance at the end of 2022 from Schedule C-1 as the beginning balance for 2023. Then, the projected GRIP investment balance and the associated projected accumulated depreciation, as included in the rate case, were subtracted from this balance. The remaining balance of investment reflects the GRIP investment above the level that the Company requested

1		be included in base rates in the rate case filing. For FPUC the Net Book Value of the
2		investment balance is \$2,592,728, for CFG it is (\$507,339) and for Fort Meade it is \$0.
3		The Company then calculated the 2023 revenue requirement for each division based
4		on these new investment amounts.
5	Q.	What is the associated revenue requirement of this plant balance for the period
6		January 2023 through December 2023?
7	A.	As shown on schedule D-1, the revenue requirement for FPUC is \$366,128, the
8		revenue requirement for CFG is \$(48,807) and the revenue requirement for Fort Meade
9		is \$0.
10	Q.	What are the resulting net total projected revenue requirements to be recovered
11		during the 2023 projection period?
12	A.	The total projected revenue requirements to be recovered are \$1,119,921 for FPUC, as
13		shown in Schedule D-1 page 5 of 18, \$793,708 for CFG, as shown in Schedule D-1
14		page 11 of 18, and \$(12,527) for Fort Meade, as shown in Schedule D-1 page 17 of 18.
15	Q.	Have you prepared a schedule that shows the calculation of the proposed GRIP
16		surcharge factors for each rate class to be applied during the billing period
17		January 1, 2023 through December 31, 2023?
18	Α.	Yes, please see Schedule D-1 pages 5, 11 and 17 for FPUC, CFG, and Fort Meade,
19		respectively.
20	Q.	What should be the effective date of the GRIP surcharge factors for billing
21		purposes?
22	A.	The GRIP surcharge factors should be effective for all meter reading during the period
23		of January 1, 2023 through December 31, 2023.
24	Q.	How does the Company propose to treat the projected GRIP investment that
25		would not be rolled into rate base in the future?
26	A.	As mentioned earlier in my testimony, the Company anticipates filing a GRIP Phase II

1 in the near future. If GRIP Phase II is approved, the Company proposes that the new 2 balance of GRIP investment not being rolled into rate base as shown on Schedules C-3 2 and D-1 be included in GRIP Phase II and serve as the beginning balance of the GRIP 4 Phase II investment as well as the remaining true-up from GRIP I. The Company 5 proposes that any associated investment with GRIP Phase II would be added to this 6 balance in future filings and be trued up on a yearly basis as is the current GRIP. But, 7 again, this will be part of the GRIP II Petition, and the Company is not asking that the 8 Commission take any action with regard to GRIP II in this proceeding. 9 Q. What depreciation rates were used in calculating the revenue requirement? 10 Α. The Company has used the approved depreciation rates in the calculation of the 11 revenue requirement in this filing. The proposed depreciation rates included in the rate 12 case filing were not used in the calculations included in Exhibit RCW-1 13 Q. How will the Company's proposal to consolidate GRIP factors in the rate case 14 affect the GRIP surcharge factors ultimately charged to customers? 1.5 A.

- In this filing, the Company has reflected the GRIP surcharge factors using the current rate structure. Depending upon the outcome of that case, the GRIP surcharges for 2023 may need to be modified to reflect the new rate structure. If a new rate structure is approved, the overall GRIP revenue requirement will not change. The Company will simply update the GRIP surcharge factors to reflect the proper allocation of the GRIP revenue requirement between the new rate classes.
- 21 Q. Does this conclude your testimony?
- 22 A. Yes, it does.

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Florida Public Utilities Company

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

Schedule A-1
Exhibit____
Robert C. Waruszewski (RCW-1)
Page 1 of 18

Earnings Surveillance Report - December 31, 2021	
Equity Cost Rate	10.85%
Weighted Equity Cost Rate	4.54%
Revenue Expansion Factor	1.351
Weighted Equity Cost Rate, times Revenue Expansion Factor	6.13%
Long Term Debt-CU	1.08%
Short Term Debt	0.15%
Long Term Debt-FC	0.00%
Short Term Debt-Refinanced LTD	0.00%
Customer Deposits	0.07%
Weighted Debt Cost Rate	1.30%
Overall Weighted Cost Rate	5.84%

Florida Public Utilities Company Gus Reliability Infrastructure Program (GRIP) Actual Revenue Requirements January 1, 2021 through December 31, 2021

Schedule B-1 Exhibit____ Robert C. Waruszewski (RCW-1) Page 2 of 18

Item Ouslified Investment	Beginning Balance	Actual Jun	Actual <u>Feb</u>	Actual Mnr	Actual Apr	Actual Muy	Aemal <u>Jun</u>	Actual <u>Ju</u> j	Actual ∆ug	Actual <u>Sep</u>	Actual Oct	Actual <u>Nov</u>	Actual Dec	Year End Total/Balance
Qualified Investment - Mains - Current Year 1070 Activity		\$393,201	\$927,550	\$2,641,469	\$987,673	\$1,135,798	\$1,065,600	\$1,224,145	\$865,033	\$1,214,948	\$873,371	\$1,680,282	\$1,040,060	\$14,049,131
Qualified Investment - Mains - Closed 1070 Activity to Plant		(\$258,833)	(\$365,208)	(\$834,283)	(\$50,268)	(\$63,741)	(\$1,571,531)	(\$227,251)	(\$3,171,075)	(\$149,662)	(\$74,738)	(\$447,594)	(\$6,529,818)	(\$13,744,004)
Qualified Investment - Services - Current Year 1070 Activity		(\$112,371)	\$602,390	\$1,794,909	\$433,091	\$566,755	\$529,311	\$831,634	\$650,594	\$755,349	\$272,241	\$705,522	\$59,349	\$7,088,774
Qualified Investment - Services - Closed 1070 Activity to Plant		(\$350,577)	(\$602,390)	(\$1,794,916)	(\$433,091)	\$566,755	(\$529,311)	(\$831,529)	(\$650,594)	(\$755,349)	(\$272,241)	(\$705,522)	(\$59,353)	(\$6,418,119)
Qualified Investment - Mains - Current 1010 Activity		\$258,833	\$365,208	\$834,283	\$50,268	\$63,741	\$1,571,531	\$227,251	\$3,171,075	\$149,662	\$74,738	\$447,594	\$6,529,818	\$13,744,004
Qualified Investment - Services - Current 1010 Activity		\$350,577	\$602,390	\$1,794,916	\$433,091	\$566,755	\$529,311	\$831,529	\$650,594	\$755,349	\$272,241	\$705,522	\$59,353	\$7,551,629
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	\$4,616,202	\$5.681.488	\$6,480,121	\$7,712,809	\$2,223,051	\$2,223,051
Total Qualified Investment - Service 1070	\$477.904	\$14,956	\$14,956	\$14,949	\$14,949	\$1,148,459	\$1,148,459	\$1,148,564	\$1,148,564	\$1,148,564	\$1,148,564	\$1,148,564	\$1,148,559	\$1.148,559
Total Qualified Investment - Mains 1010	\$89,609,177	\$89,868,010	\$90,233,218	\$91,067,501	\$91,117,769	\$91,181,511	\$92,753,042	\$92,980,293	\$96,151,368	\$96,301,031	\$96,375,769	\$96,823,363	\$103,353,181	\$103,353,181
Total Qualified Investment - Service 1010	\$33,294,745	\$33,645,322	\$34,247,713	\$36,042,628	\$36,475,719	\$37,042,474	\$37,571,785	\$38,403,315	\$39,053,908	\$39,809,257	\$40,081,498	\$40,787,021	\$40.846.374	\$40,846,374
Total Qualified Investment	\$125,299,750	\$125,580,579	\$127,110,520	\$131,546,898	\$132,967,662	\$135,803,725	\$137,398,636	\$139,454,415	\$140,970,042	\$142,940,339	\$144,085,951	\$146,471,756	\$147,571,165	\$147,571,165
							***				(\$14.755,656)	(\$14,997,796)	(\$15,242,013)	(\$15,242,013)
Less: Accumulated Depreciation Net Book Value	(\$12,473,203) \$112,826,547	(\$12,691,060) \$112,889,520	(\$12,910,012) \$114,200,508	(\$13,130,707) \$118,416,191	(\$13,356,154) \$119,611,508	(\$13,582,482) \$122,221,243	(\$13,809,961) \$123,588,676	(\$14.041.160) \$125.413.255	(\$14,274,282) \$126,695,760	(\$14,514,145) \$128,426,194	\$129,330,296	\$131,473,960	\$132,329,152	\$132,329,152
Net pook value	\$112,020,347	\$112,009,020	\$114,200,308	\$116,410,191	211-2011-200	#122.221.24.7	\$123,566,070	3120,413,200	3120,092,700	31,20,420,174	01233302			
Average Net Qualified Investment	•	\$112,858,033	\$113,545,014	\$116.308.349	\$119,013,849	\$120,916,376	\$122,904,959	\$124,500,965	\$126,054,508	\$127,560,977	\$128,878,245	\$130,402,128	\$131,901,556	
77.55-7-5 (•								THE PERSON NAMED IN COLUMN NAM	O			······································	
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%	2.2(%	2,20%	2.20%	
N.O. W.O. W. II.														
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%	1.5800%	1.5800%	1.5800%	1.5800%	1.5800%	1.5800%	1.5800%	1.5800%	1.5800%	1.5800%	1.5800%	
Sect - Cost of Capital		1.5070	1.5000711	1.20(074	1.214	1,500.70	(.5,000)	1.2	1.2000.70	1.501011	*10			
Equity Component - inclusive of Income Tax Gross-up		\$502,218	\$505,275	\$517,572	\$529,612	\$538,078	\$546,927	\$554.029	\$560,943	\$567,646	\$573,508	\$580,289	\$586,962	\$6,563,060
Debt Component		\$148,596	\$149,501	\$153,139	\$156,702	\$159,207	\$161,825	\$163,926	\$165,972	\$167,955	\$169,690	\$171,696	\$173,670	\$1,941,879
Return Requirement		\$ 650,815	\$654,776	\$670,711	\$686,313	\$697,284	\$708,752	\$717.956	\$726,914	\$735,602	\$743,198	\$751,986	\$760,632	\$8,504,939
Investment Expenses			#1 CM DC0	e1 67	£150.260	#150.456	61 60 660	\$162,318	\$162,716	\$168,265	\$168,527	\$168,658	\$169,441	\$1,950,309
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 \$67,911	\$68,882	\$70,406	\$71,599	\$72,984	\$73,483	\$74,776	\$818,502
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	\$100,044	\$4,272	\$99	\$0	\$0	\$490	\$0	\$2,202	\$0	\$0	\$0	\$7,064
Total Expense	-	\$405,901	\$406,996	\$413,012	\$413,590	\$414,372	\$415,523	\$419,733	\$421,166	\$430,110	\$429,555	\$430,185	\$432,261	\$5,032,405
Total Revenue Requirements		\$1,056,715	\$1,061,773	\$1,083,724	\$1,099,903	\$1,111,657	\$1,124,275	\$1,137,689	\$1,148,080	\$1,165,712	\$1,172,753	\$1,182,170	\$1,192,894	\$13,537,344
				***			*** ***	0.000	449.010	dr. 2 210	#43.31#	\$62,310	\$62,317	\$747.727
Annual Revenue Requirement for Bare Steel Replacement Investment Net Annual Revenue Requirements		\$62,310 \$994,405,33	\$62,310 \$999,463	\$62,310 \$1,021,414	\$62,310 \$1,037,593	\$62,310 \$1,049,347	\$62,310 \$1,061,965	\$62,310 \$1,075,379	\$62,310 \$1,085,770	\$62,310 \$1,103,402	\$62,310 \$1,110,443	\$1,119,860	\$1,130,577	\$12,789,617
Net Amoust Revenue Requirements		\$994,403.33	\$999,403	\$1,021,414	\$1,057,595	\$1,049,547	\$1,001.905	\$1,075,577	\$1,000,770	\$1,105,402	\$1,110,445	31,113,000	31,150,517	312.707.017
GRIP Surcharge Revenues Collected Month	-	\$ 1,258,591	\$ 1,056,793	\$ 994,377	\$ 984,649 \$	848,414 \$	742,162 \$	749,002 S	682,056 \$	724,372 \$	742,579 S	861,705 \$	1,032,205	\$10,676.905
Beginning True-Up													\$	
(Over) and Under Recovery for the Month		(\$264,186)	(\$57,330)	\$27,037	\$52,944	\$200,933	\$319,803	\$326,377	\$403,714	\$379,030	\$367,864	\$258,155	\$98,372 \$	
Monthly Interest (Expense)/Income		\$ (32)								35 \$	62 S			
Ending (Over) and Under Recovery	\$ (326,121)	\$ (590,339)	\$ (647,701)	\$ (620,689)	\$ (567,762) \$	(366,844) \$	(47,047) \$	279,335 \$	683,068 \$	1,062,133 \$	1,430,059 \$	1.688,292 \$	1,786,751 \$	1,786,751
But of Month Annual Internet Date		0.09%	0.07%	0.06%	0.04%	0.04%	0.03%	0.04%	0.05%	0.05%	0.05%	0.06%	0.07%	
Beg of Month Annual Interest Rate End 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%	0.07%	
Average Monthly Interest Rate		0.01%	0.00%	0.00%	0.00%	0.00%	0.00%	0.05%	0.00%	0.00%	0,01%	0.01%	0.01%	
Company of the same and the same		0.0170	0,0170		********									

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

Schedule C-1

Item Ouglified Investment	Beginning Balance	Actual Jap	Actual <u>Feb</u>	Actual Mar	Actual Apr	Actual May	Actual Jun	Actual <u>Jul</u>	Forecast Aug	Forecast Sep	Forecast Oct	Forecust Nov	Forecast <u>Dec</u>	Year End Total/Balance
Qualified Investment - Mains - Current Year 1070 Activity Qualified Investment - Mains - Closed 1070 Activity to Plant		\$879,049 (\$260,290)	\$966,348 (\$350,365)	\$1,401,545 (\$699,739)	\$1,027,074 (\$2,116,999)	\$700,920 (\$3,290,934)	\$664,813 (\$593,123)	\$188.026 (\$133,690)	\$770,000 (\$972,000)	\$215,000 (\$417,000)	\$115,000 (\$316,685)	\$70,000 (\$70,000)	\$10,000 (\$10,000)	\$7,007,775 (\$9,230,825)
Qualified Investment - Services - Current Year 1070 Activity Qualified Investment - Services - Closed 1070 Activity to Plant		\$192,112 (\$192,112)	\$218,573 (\$211,547)	\$857,165 (\$1,059,020)	\$991,469 (\$987,904)	\$312,171 (\$295,752)	\$785,872 (\$778,179)	\$287,926 (\$264,873)	\$625,000 (\$959,000)	\$225,000 (\$560,000)	\$225,000 (\$560,461)	\$175,000 (\$175,000)	\$125,000 (\$125,000)	\$5,020,288 (\$6,168,847)
Qualified Investment - Mains - Current 1010 Activity		\$260,290	\$350,365	\$699,739	\$2,116,999	\$3,290,934	\$593,123	\$133,690	\$972,000	\$417,000	\$316,685	\$70,000	\$10,000	\$9,230.825
Qualified Investment - Services - Current 1010 Activity		\$192,112	\$211,547	\$1,059,020	\$987,904	\$295,752	\$778,179	\$264,873	\$959,000	\$560,000	\$560,461	\$175,000	\$125,000	\$6,168,847
Total Qualified Investment - Mains 1070	\$2,223.051	\$2,841.810	\$3,457,792	\$4,159,598	\$3,069,673	\$479,659	\$551,350	\$605,685	\$403,685	\$201,685	\$0	\$0	\$0	SO
Total Qualified Investment - Service 1070	\$1,148,559	\$1,148,559	\$1,155,586	\$953,731	\$957,296	\$973,715	\$981,408	\$1,004,461	\$670,461	\$335,461	\$0	\$0	\$0	\$0
Total Qualified Investment - Mains 1010 Total Qualified Investment - Service 1010	\$103,353,181	\$103,613,471	\$103,963,836	\$104,663,575	\$106,780,574	\$110,071,508	\$110,664,630	\$110,798,321	\$111,770,321	\$112,187,321	\$112,504,006	\$112,574,006	\$112,584,006	\$112,584,006
Total Qualified Investment Total Qualified Investment	\$40,846,374 \$147,571,165	\$41,038,486	\$41,250,032 \$149,827,246	\$42,309,053 \$152,085,956	\$43,296,957 \$154,104,500	\$43,592,709 \$155,117,591	\$44,370,887 \$156,568,276	\$44,635,760 \$157,044,228	\$45,594,760 \$158,439,228	\$46,154.760 \$158,879,228	\$46,715,221 \$159,219,228	\$46,890,221 \$159,464,228	\$47,015,221 \$159,599,228	\$47,015,221 \$159,599,228
	21112711103	4110,012,125	2111,021,210	\$152,002,550	4137110700	4100.117.00	4730,300,270	A 1 2 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	William Charles Constitution of the Constituti	2400000	4137,213,240	4100,000	4122(22)	
Less: Accumulated Depreciation	(\$15,242,013)	(\$15,497,766)	(\$15,754,327)	(\$16,011,889)	(\$16,272,617)	(\$16,538,861)	(\$16,811,406)	(\$17,086,415)	(\$17,362,145)	(\$17,641,333)	(\$17,922,278)	(\$18,204,805)	(\$18,487,775)	(\$18,487,775)
Net Book Value	\$132,329,152	\$133,144,559	\$134,072,919	\$136,074,067	\$137.831.883	\$138,578,730	\$139,756,870	\$139 957.812	\$141,077,083	\$141,237.894	\$141,296,950	\$141,259.423	\$141,111,453	\$141 111 453
Average Net Qualified Investment		\$132,736,855	\$133,608,739	\$135,073,493	\$136,952,975	\$138,205,307	\$139,167,800	\$139,857,341	\$140,517,448	\$141,157,489	\$141,267,422	\$141,278,186	\$141,185,438	
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		6.13%	6.13%	6.13%	6.13%	6.13%	6.13%	6.13%	6.13%	6.13%	6 13%	6.13%	6.13%	
Debt - Cost of Capital		1.30%	1.30%	1.30%	1.30%	1.30%	1.30%	1.30%	1.30%	1.30%	1.30%	1.30%	1.30%	
Equity Component - inclusive of Income Tax Gross-up		\$678,064	\$682,518	\$690,000	\$699,601	\$705,999	\$710,916	\$714,438	\$717,810	\$721,080	\$721,641	\$721.696	\$721,222	\$8,484,985
Debt Component		\$143,798	\$144,743	\$146,330	\$148,366	\$149,722	\$150,765	\$151.512	\$152,227	\$152,921	\$153,040	\$153,051	\$152,951	\$1,799,426
Return Requirement		\$821,862	\$827,261	\$836,330	\$847,967	\$855,721	\$861.681	\$865,950	\$870,037	\$874,001	\$874,681	\$874,747	\$874.173	\$10,284,411
Investment Expenses Depreciation Expense - Mains		\$180,868	\$181,324	\$181,937	\$183,161	\$186,866	\$192,625	\$193,663	\$193.897	\$195,598	\$196,328	\$196.882	\$197.005	\$2,280,153
Depreciation Expense - Services		\$74,885	\$75,237	\$75,625	\$77,567	\$79,378	\$79,920	\$81,347	\$81,832	\$83,590	\$84,617	\$85,645	\$85,965	\$965,608
Property Taxes		\$220,549	\$220,549	\$220,549	\$220,549	\$220,549	\$220,549	\$220,549	\$220,549	\$220,549	\$220,549	\$220,549	\$220,549	\$2,646,583
General Public Notice Expense & Customer Notice Expense		\$0	\$872	\$954	\$0	\$420	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,245
Total Expense	,	\$476,302	\$477,981	\$479,064	\$481,276	\$487,212	\$493,094	\$495,558	\$496.278	\$499,737	\$501.493	\$503,075	\$503,519	\$5,894,590
Total Revenue Requirements		\$1,298,164	\$1,305,242	\$1,315,394	\$1,329,243	\$1,342,933	\$1,354,775	\$1,361,508	\$1,366,315	\$1,373,738	\$1,376,174	\$1,377,822	\$1,377,692	\$16,179,001
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		\$1,235,854	\$1,242,932	\$1,253,084	\$1,266,933	\$1,280,623	\$1,292,465	\$1,299,198	\$1,304,005	\$1,311,428	\$1,313,864	\$1,315,512	\$1,315,375	\$15,431,274
GRIP Surcharge Revenues Collected Month		\$ 1.800,121					1,22,1,2,1,2,1,2		1,097,443 \$	1,135,215 \$	1,165,586 \$	1,324,021 \$	1,607,855	\$16,556,955
Tax Factor Not GRIP Surcharge Revenue Collected		\$ 1,791,112	1.00503 \$ 1.723,401	1.00503 \$ 1,552,812	1.00503 \$ 1.475,274 \$	1,00503	1,00503	1,00503 1,124,229 \$	1.00503	1,129,534 \$	1.00503 1,159,752 \$	1.00503	1,599,808	
Not Ord F Salichange Revenue Confected		5 1,771,112	3 1,725,401	3 1,332,612	\$ 1,475,274 \$	1,277,701 3	121,162.1	1,124,229 \$	1091,950 \$	1,129,554 \$	1,139,732 3	1,517,595 3	1,399,806	
Beginning True-Up													s	1,786,751
(Over) and Under Recovery for the Month		(\$555,258)	(\$480,469)	(\$299,728)	(\$208,340)	\$2,922	\$61.343	\$174,969	\$212.054	\$181,894	\$154,112	(\$1,883)	(\$284,434) \$	(1,042,817)
Monthly Interest (Expense)/Income Ending (Over) and Under Recovery	\$ 1,786,751				\$ 129 \$ \$ 243,438 \$		277 S 308,122 \$	641 \$ 483,732 \$	1,150 \$ 696,936 \$	1.536 \$ 880.367 \$	1.867 \$	2,019 \$ 1,036,483 \$	1,744 \$ 753,793 \$	9,859 753,793
E	- 1,700,731		1 2 1 1 1 1 1 1 1 1		- <u>277,770</u> 3	240,202 3	.700,122 3	-000,000 B	0,0,0,0 3	000,001 \$	1,000,000 \$	\$ CO-1000	100,120 0	100110
Beg of Month Annual Interest Rate		0.05%	0.06%	0.25%	0.35%	0.54%	0.86%	1.55%	2.34%	2.34%	2.34%	2.34%	2.34%	
End of Month Annual Interest Rate		0.06%	0.25%	0.35%	0.54%	0.86%	1.55%	2.34%	2.34%	2.34%	2.34%	2.34%	2.34%	
Average Monthly Interest Rate		0.005%	0.013%	0.025%	0.037%	0.058%	0.100%	0.162%	0.195%	0.195%	0.195%	0.195%	0.195%	

Florida Public Utilities Company Gas Reliability Infrastructure Program (GRIP) Calculation of the Projected Revenue Requirements January 1, 2023 through December 31, 2023

<u>Item</u> Oualitied Investment	Beginning Balance	Rate Case Projected Bulance	New Balance	Forecust Jan	Forecast Feb	Forecast Mat	Forecast Apr	Forecast May	Forecust Jun	Forecust Jul	Forecast Aug	Forecast Sep	Forecust Oct	Forecast Nov	Forecast <u>Dec</u>	Year End Total Balance
				50	en.	***	60	60	50	50	50	SO	SO	50	So	S0
Qualified Investment - Mains - Current Year 1070 Activity Qualified Investment - Mains - Closed 1070 Activity to Plant				SO SO	SO SU	SO SO	\$0 \$0	\$0 \$0	SO SO	\$0 \$0	\$0 \$0	S0 S0	50 \$0	S0 S0	\$0 \$0	S0
				50 80	S0	SO	S0	S0	S0	\$0 \$0	\$0	S0	50 S0	S0	S0	S0
Qualified Investment - Services - Current Year 1070 Activity Qualified Investment - Services - Closed 1070 Activity to Plant				S0 S0	\$0 \$0	S0	S0	S0	\$0 \$0	\$0 \$0	SO SO	S0 S0	50 50	S0	\$0 \$0	\$0
Qualified Investment - Services - Closed 1070 Activity Qualified Investment - Mains - Current 1010 Activity				SO SO	S0	S0	S0	S0	\$0	\$0	\$0	SO SO	S0	S0	S0	50
Qualified Investment - Services - Current 1010 Activity				50 50	20	20	S0	SO SO	\$0	\$0 \$0	SO SO	\$0 \$0	SO	50 50	50 50	S0
Qualified investment a Services a Carrent Toto Activity				347	342	30	30	347	247	30	20	30	30	347		54,
Total Qualified Investment - Mains 1070	SO	S0	S0	\$0	\$0	S0	\$0	\$0	\$0	\$0	\$0	SO	SO	SO	\$0	\$0
Total Qualified Investment - Service 1070	\$0	SO	\$0	S0	\$0	\$0	\$0	SO	\$0	\$0	SO	\$0	SO.	S0	SO	S0
Total Qualified Investment - Mains 1010	\$112,584,006	\$108,727,079	\$3,856,927	\$3,856,927	\$3,856,927	\$3,856,927	\$3,856,927	\$3,856,927	\$3,856,927	\$3,856,927	\$3,856,927	\$3,856,927	\$3,856,927	\$3,856,927	\$3,856,927	\$3,856,927
Total Qualified Investment - Service 1010	\$47,015,221	\$44,957,059	\$2,058,163	\$2,058,163	\$2,058,163	\$2,058,163	\$2,058,163	\$2,058,163	\$2,058,163	\$2,058,163	\$2,058,163	\$2,058,163	\$2,058,163	\$2,058,163	\$2,058,163	\$2,058,163
Total Qualified Investment	\$159,599,228	\$153,684,138	\$5,915,090	\$5,915,090	\$5.915.090	\$5,915,090	\$5.915.090	\$5.915,090	\$5.915,090	\$5,915,090	\$5,915,090	\$5,915,090	\$5,915.090	\$5,915,090	\$5,915,090	\$5,915,090
Less: Accumulated Depreciation	(\$18,487,775)	(\$15,393,361)	(\$3,322,362)	(\$3,332,885)	(\$3,343,408)	(\$3,353,931)	(\$3,364,454)	(\$3,374,977)	(\$3,385,500)	(\$3,396,023)	(\$3,406,546)	(\$3,417,069)	(\$3,427,592)	(\$3,438,114)	(\$3.448,637)	(\$3,448,637)
Net Book Value	\$141,111,453	S138,290,777	\$2,592,728	\$2,582,205	\$2,571,682	\$2,561,159	\$2,550,636	\$2,540,113	\$2,529,590	\$2.519.067	\$2,508,544	\$2,498,021	\$2,487,499	\$2,476.976	\$2,466,453	\$2,466,453
								OPPRINCIPAL MANAGEMENT	***************************************							
Average Net Qualified Investment			-	S2.587,466	\$2,576,943	\$2,566,420	\$2,555,898	\$2,545,375	\$2,534,852	\$2,524,329	\$2,513,806	\$2,503,283	\$2,492,760	\$2,482,237	\$2,471,714	
Depreciation Rates																
Approved Depreciation Rate-Mains				2.10%	2.10%	2.10**	2.10%	2,10%	2,10%	2.10%	2,10°a	2.10% u	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				6.13°a	6.13%	6.13**	6.13%	6.13°%	6.13%	6.13%	6.13%	6.13%	6.13%	6.13%	6 13%	
Debt - Cost of Capital				1.30%	1.30%	1.30° a	1_30%	1.30%	1.30"=	1.30" a	1.30%	1,30%	1,30%	1.30**	1.30%	
Equity Component - inclusive of Income Tax Gross-up				\$13,222	\$13,168	\$13,114	\$13,061	\$13,007	\$12,953	\$12,899	\$12,846	\$12,792	\$12,738	\$12.684	\$12,630	\$155,114
Debt Component				\$2,803	\$2,792	\$2,780	\$2,769	\$2,757	\$2,746	\$2,735	\$2,723	\$2,712	\$2,700	\$2,689	\$2,678	\$32,885
Return Requirement			_	\$16,025	\$15,960	\$15,895	\$15,830	\$15,764	\$15,699	\$15,634	\$15,569	\$15,504	\$15.438	\$15,373	\$15,308	\$187,999
			_				······································									
Investment Expenses																
Depreciation Expense - Mains				\$6,750	\$6,750	\$6,750	\$6,750	\$6,750	\$6,750	\$6,750	\$6,750	\$6,750	\$6,750	\$6,750	\$6,750	\$80.995
Depreciation Expense - Services				\$3,773	\$3,773	\$3,773	\$3,773	\$3,773	\$3,773	\$3,773	\$3,773	\$3,773	\$3,773	S3.773	\$3,773	\$45,280
Property Taxes				\$4,321	\$4,321	\$4,321	\$4,321	\$4,321	\$4,321	\$4,321	\$4,321	\$4,321	\$4,321	\$4,321	\$4,321	\$51.855
General Public Notice Expense & Customer Notice Expense				SO	\$0	\$0	\$0	SO	SO	\$0	\$0	\$0	S0	\$0	\$0	50
Total Expense			_	\$14,844	\$14,844	\$14,844	\$14,844	\$14,844	514,844	\$14,844	\$14,844	\$14,844	\$14,844	S14.844	\$14,844	\$178,130
Total Revenue Requirements				\$30,869	\$30,804	\$30,739	\$30,674	\$30,608	\$30,543	\$30,478	\$30,413	\$30,348	\$30,283	\$30,217	530,152	\$366,128
Annual Revenue Requirement for Bare Steel Replacement Investment				SO.	\$0	\$0	\$0	\$0	\$0	\$0	SO.	so	\$0	SO.	\$0	S0
Net Annual Revenue Requirements				\$30.869	\$30,804	S30,739	\$30,674	\$30.608	\$30,543	\$30,478	\$30,413	S30,348	S30,283	\$30,217	S30.152	\$366,128
Net Atment Revenue Requirements			na.	\$50,869	550,804	530,739	550,674	5,0.608	250,545	550,478	339,413	550.548	330283	339,217	330,132	3390,128

Florida Public Utilities Company

Gas Reliability Infrastructure Program (GRIP)
Projection of Qualified Mains & Services Revenue Requirements
Surcharge Calculation - January 1, 2023 through December 31, 2023
Per Therm Rate

Schedule D-1
Exhibit
Robert C. Waruszewski (RCW-1)
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1.	1/1/23-12/31/23 Qualified Mains & Services Replacement	it Revenue Requirements		\$	366,128
	Mains	74%	\$270,935		
	Services	26%	\$95,193		
	Net		\$366,128	:	
2.	TRUE-UP from Prior Period (Over)/Under Recovery Est	timated thru 12/2022		\$	753,793
3.	2023 Qualified Mains & Services Replacement Revenue	Requirements		\$	1,119,921
	Mains	74%	\$828,742		
	Services	26%	\$291,180		
	Net		\$1,119,921		

							DOLLARS		GRIP	TYPICAL		AVERAGE
RATE	2023	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 (RS and RS-GS)	16,299,708	58.00%	22.00%	\$168,884	\$182,323	\$351,207	\$0.02155	1.00503	\$0.02166	250	\$5,41	\$0.45
COMMERCIAL SMALL (GS. GSTS, CS-GS,NGVS & NGVTS)	15,010,194	17.00%	23.00%	\$49,501	\$190,611	\$240,111	\$0.01600	1.00503	\$0.01608	2,500	\$40.19	\$3,35
COMM. LRG VOLUME (Large Vol & LV Transportation)	40,224,025	25.00%	46.00%	\$72,795	\$381,221	\$454,016	\$0.01129	1.00503	\$0.01134	25,000	\$283.60	\$23.63
INTERRUPTIBLE SERVICE (Int Service & IS Transportation)	9,545,720	0.00%	8.00%	\$0	\$66,299	\$66,299	\$0.00695	1.00503	\$0.00698	50,000	\$349.02	\$29.08
GENERAL LIGHTING SERVICE (Gen Light Service & GLS Transportation)	99,723	0.00%	1.00%	\$0	\$8,287	\$8,287	\$0.08310	1.00503	\$0.08352	500	\$41.76	\$3.48

TOTAL 81,179,370 100% 100% 291,180 828,742 1,119,921

FPU

		Pro-Rata	Specific				
	Per Book	Adjustment	Adjustment	Adjusted Balance	Cap Ratio Cost Rate	Wei	ghted Cost
Common Equity	\$129,906,307	(\$1,015,991)	(\$2,469,682)	\$126,420,634	41.80%	10.85%	4.54%
Long Term Debt - CU	\$91,176,362	(\$713,086)	\$0	\$90,463,276	29.91%	3.60%	1.08%
Short Term Debt	\$32,293,194	(\$252,563)	\$0	\$32,040,631	10.59%	1.42%	0.15%
Long Term Debt - FC	\$0	\$0	\$0	\$0	0.00%	0.00%	0.00%
Customer Deposits	\$8,766,028	\$0	\$0	\$8,766,028	2.90%	2.41%	0.07%
Deferred Income Taxes	\$44,744,797	\$0	\$0	\$44,744,797	14.79%	0.00%	0.00%
Total	\$306,886,687	(\$1,981,640)	(\$2,469,682)	\$302,435,365	100%		5.83%

		Consistency and Pro-		Pro-Rata	Specific				
	Per Book	Rata Adjustment	Books Adjusted	Adjustment	Adjustment	Adjusted Balance	Cap Ratio	Cost Rate	Weighted Cost
Common Equity	\$101,415,776	(\$892,639)	\$100,523,137	\$1,005,691	(\$2,469,682)	\$99,059,146	36.53%	10.8	35% 3.969
Long Term Debt - CU	\$75,910,586	(\$668,148)	\$75,242,437	\$752,769	\$0	\$75,995,206	28.02%	3.6	50% 1.019
Short Term Debt	\$38,252,388	(\$336,689)	\$37,915,699	\$379,330	\$0	\$38,295,029	14.12%	1.4	12% 0.209
Long Term Debt - FC	\$4,759,969	(\$41,896)	\$4,718,072	\$47,202	\$0	\$4,765,274	1.76%	0.0	0.009
Customer Deposits	\$8,578,228		\$8,578,228	\$0	\$0	\$8,578,228	3.16%	2.4	11% 0.089
Deferred Income Taxes	\$42,574,783	\$1,939,373	\$44,514,156	\$0	\$0	\$44,514,156	16.41%	0.0	0.009
Total	\$271,491,730		\$271,491,730	\$2,184,992	(\$2,469,682)	\$271,207,040	100%		5.259

Proration Adjustment and	Consistency Ad	justment To Reflect Pro	jected ADFIT Con	sistent with Proje	ection Year			
		Total Deferred Income	Deprec Related	Deprec Related		Future Days in	Prorated Deprec- Related ADFIT	Prorated Deprec- Related ADFIT
_	Month	Tax Balance	ADFIT Balance	ADFIT Activity	Days to Prorate	Period	Activity	Balance
Projected	Dec-22	28,805,839	29,505,821					29,505,821
Projected	Jan-23	28,947,753	29,651,183	145,363	31	336	133,813	29,639,634
Projected	Mar-23	29,060,390	29,766,557	115,374	28	308	97,357	29,736,991
Projected	Mar-23	29,173,027	29,881,931	115,374	31	277	87,558	29,824,549
Projected	Apr-23	29,285,664	29,997,306	115,374	30	247	78,075	29,902,624
Projected	May-23	29,398,301	30,112,680	115,374	31	216	68,276	29,970,900
Projected	Jun-23	29,510,938	30,228,054	115,374	30	185	58,793	30,029,693
Projected	Jul-23	29,623,575	30,343,428	115,374	31	155	48,994	30,078,688
Projected	Aug-23	29,736,212	30,458,802	115,374	31	124	39,196	30,117,883
Projected	Sep-23	29,848,849	30,574,176	115,374	30	94	29,713	30,147,596
Projected	Oct-23	29,961,486	30,689,550	115,374	31	63	19,914	30,167,510
Projected	Nov-23	30,074,123	30,804,924	115,374	30	33	10,431	30,177,941
Projected	Dec-23	30,186,760	30,920,298	115,374	31	2	632	30,178,573
-		29,508,686	30,225,747	1,414,477	365	•	672,752	29,959,877
2021 YE Surveil Bal.		42,574,783	28,020,504				13-Month Avg. Bal	30,225,747
Consistency Adjustment	-	(13,066,097)	2,205,243	-			Proration Adj.	(265,870)
Proration Adjustment			(265,870)					
Total Adjustment		-	1,939,373	-				

^{*} Positive variance shows that the limitation provision is met.

Schedule E-1
Exhibit_____

Robert C. Waruszewski (RCW-1)
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Florida Division of Chesapeake Utilities Corporation

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

Schedule A-1
Exhibit
Robert C. Waruszewski (RCW-1)
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Farninge	Summeill	ance Report	Dacam	har 21	2021
Lamings	Survein	ance Report	- Decem	uci bi,	2021

bar verification respect to booting of 51, 2021	
Equity Cost Rate	10.80%
Weighted Equity Cost Rate	4.53%
Revenue Expansion Factor	1.343
Weighted Equity Cost Rate, times Revenue Expansion Factor	6.083%
Long Term Debt-CU	1.06%
Short Term Debt	0.15%
Short Term Debt-Refinanced LTD	0.00%
Customer Deposits	0.03%
Tax Credits-Weighted Cost	0.00%
Weighted Debt Cost Rate	1.24%
Overall Weighted Cost Rate	5.77%

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

Schedule B-1 Exhibit_____ Robert C. Waruszewski (RCW-1) Page 8 of 18

Item Oualified 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 <u>Oct</u>	Actual Nov	Actual Dec	Year End Total
Qualified Investment - Mains - Current 1070 Activity		\$308,385	\$60,624	\$234,452	\$14,672	\$70,862	\$125,967	\$14,687	\$30,751	\$50,965	\$39,717	\$52,629	\$20,709	\$1,024,421
Qualified Investment - Mains - Closed 1070 Activity to Plant		(\$56,048)	\$2,062	(\$40,028)	(\$367,885)	(\$1,363,191)	(\$124,058)	\$130,594	(\$176,031)	(\$50,965)	(\$39,717)	(\$50,848)	(\$17,049)	(\$2,153,165)
Qualified Investment - Services - Current 1070 Activity		\$43.767	\$23,388	\$73,318	\$15,265	\$32,124	\$4,338	\$11,454	\$8,664	\$50,675	\$4,074	\$4,758	\$6,208	\$278,032
Qualified Investment - Services - Closed 1070 Activity to Plant		(\$43,767)	(\$23,384)	(\$73,318)	(\$15,100)	(\$32,112)	(\$4,328)	(\$11,439)	(\$8,652)	(\$50,675)	(\$4,074)	(\$4,758)		(\$277,801)
Qualified Investment - Mains - Current 1010 Activity Qualified Investment - Services - Current 1010 Activity		\$56,048 \$43,767	(\$2,062) \$23,384	\$40,028 \$73,318	\$367,885 \$15,100	\$1,363,191 \$32,112	\$124,058 \$4,328	(\$130.594) \$11,439	\$176,031 \$8,652	\$50,965 \$50,675	\$39,717 \$4,074	\$50,848 \$4,758	\$17,049 \$6,194	\$2,153,165 \$277,801
Quantita investment - services - cuttent 1010 Netting		343,717	525,364	3/3,3(6	315,100	P.12,112	4) 26 (2)	\$11,427	30,002	3500,000	24,074	\$14.7°C	40,175	2277.1441
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	(\$139.914)	(\$139,914)	(\$139,914)	(\$138,133)	(\$134,474)	(\$134.474)
Total Qualified Investment - Services 1070	\$3.975	\$3,975	\$3.978	\$3.978	\$4,143	\$4,156	\$4,165	\$4,180	\$4,192	\$4,192	\$4,192	\$4,192	\$4,206	\$4,206
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	\$37.861.508	\$37,912,473	\$37,952,190	\$38,003,038	\$38.020.087	\$38,020,087
Total Qualified Investment - Services 1010	\$3,505,108	\$3,548,876	\$3,572,260	\$3,645,578	\$3,660,678	\$3,692,789	\$3,697,117	\$3,708,556	\$3,717.208	\$3,767,883	\$3,771,957	\$3,776,715	\$3,782,909	\$3,782,909
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	\$41,442,994	\$41,544,634	\$41,588,425	\$41,645,812	\$41,672,729	\$41,672.729
Less: Accumulated Depreciation	(\$3.857,221)	(\$3,926,414)	(\$3,995,785)	(\$4.065,196)	(\$4.134.812)	(\$4,205,098)	(\$4,277,829)	(\$4,350,785)	(\$4,423,534)	(\$4,496,607)	(\$4,569,862)	(\$4,643,193)	(\$4,716,622)	(\$4,716,622)
Net Book Value	\$36,513,054	\$36,796,013	\$36,810,654	\$37,049,013	\$37,009,335	\$37,042,035	\$37,099,609	\$37,052,794	\$37 019,459	\$37,048,027	\$37,018,563	\$37,002,619	\$36,956,106	\$36,956,106
Average Net Qualified Investment		\$36,654,534	\$36,803,334	\$36,929,834	\$37,029,174	\$37,025,685	\$37,070,822	\$37,076,201	\$37,036,127	\$37,033,743	\$37,033,295	\$37,010,591	\$36,979,363	
Depreciation Rates														
Approved Depreciation Rate-Majns		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	\$167,368	\$167,187	\$167.176	\$167,174	\$167,072	\$166.931	\$2,002.858
Debt Component		\$42.153	\$42,324	\$42,469	\$42,584	\$42,580	\$42,631	\$42,638	\$42,592	\$42,589	\$42,588	\$42,562	\$42,526	\$510,235
Return Requirement		\$207,617	\$208,460	\$209,177	\$209,739	\$209,720	\$209,975	\$210,006	\$209,779	\$209,765	\$209,763	\$209,634	\$209,457	\$2,513,093
Investment Expenses														
Depreciation Expense - Mains		\$62,767	\$62,865	\$62,862	\$62,932	\$63,575	\$65,961	\$66,178	\$65,950	\$66.258	\$66,347	\$66,416	\$66,505	\$778,616
Depreciation Expense - Services Property Taxes		\$6,426 \$60,855	\$6,506 \$60,855	\$6,549 \$60,855	\$6,684 \$60,855	\$6,711 \$60,855	\$6,770 \$60,855	\$6,778 \$60,855	\$6,799 \$60,855	\$6,815 \$60,855	\$6,908 \$60,855	\$6,915 \$60,855	\$6,924 \$60,855	\$80,785 \$730,260
General Public Notice Expense and Customer Notice Expense		\$00.833	\$00,833	\$00.833	\$00,833	\$00,833	\$00.833	300,833 \$0	300.833 \$0	\$00,833	\$00,833	\$00,833	\$00,833	\$7,50,260
Total Expense		\$130,048	\$130,226	\$130,266	\$130,471	\$131,141	\$133,586	\$133,811	\$133,604	\$133,928	\$134,110	\$134.186	\$134,284	\$1,589,661
,	•													
Total Revenue Requirements		\$337,665	\$338,686	\$339,443	\$340,210	\$340,861	\$343,561	\$343.817	\$343,383	\$343,693	\$343,873	\$343,820	\$343,741	\$4,102,754
GRIP Surcharge Revenues Collected Month		\$ 414,651	\$ 358,897	\$ 383,585	\$ 370,898	317,628	\$ 294,642	\$ 312,537	\$ 308,362	\$ 277,943	\$ 312,179	\$ 336,944	\$ 378.773	\$4,067,038
Beginning True-Up														\$ 278,276
(Over) and Under Recovery for the Month		(\$76,985)	(\$20,211)	(\$44,142)	(\$30,688)	\$23,233	\$48,919	\$31,280	\$35,021	\$65,750	\$31,694	\$6,876	(\$35,031)	\$35,715
Monthly Interest (Expense)/Income	e 540.54	\$ 17			\$ 4 3		\$ 5		\$ 9		\$ 16		\$ 17	\$124
Ending (Over) and Under Recovery	\$ 278,276	\$ 201,308	\$ 181,107	\$ 136,971	\$ 106,287	129,524	\$ 178,448	\$ 209,735	\$ 244,766	\$ 310,527	\$ 342,237	\$ 349,130	\$ 314.115	\$ 314,115
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%	0.06%	0.07%	
End of Month Annual Interest Rate		0,07%	0.06%	0.04%	0.04%	0.03%	0.04%	0.05%	0.05%	0.05%	0.06%	0.07%	0.05%	
Average Monthly Interest Rate		0.01%	0.01%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.01%	0.01%	0.01%	

Florida Division of Chesapeake Utilities Corporation Gus Reliability Infrastructure Program (GRIP) Calculation of the Projected Revenue Requirements January 1, 2022 through December 31, 2022

Schedule C-1

ltem	Beginning Balance	Actual Jan	Actual Feb	Actual Mar	Actual <u>Apr</u>	Actual May	Actual Jun	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		\$81,734	\$52,473	\$8,185	(\$2,631)	\$18,113	(\$3,110)	\$13,843	\$5,000	\$5,000	\$252	\$0	Su	\$178,859
Qualified Investment - Mains - Closed 1070 Activity to Plant		(\$71,676)	(\$47.709)	(\$28,461)	\$2,631	(\$18,113)	\$3,110	(\$13,843)	\$45,000	\$40,000	\$44,676	\$0	50	(\$44,385)
Qualified Investment - Services - Current 1070 Activity		\$4,536	\$9,596	\$4,333	\$776	\$0	\$0	\$1,845	\$0	\$0	\$0	\$0	\$0	\$21,087
Qualified Investment - Services - Closed 1070 Activity to Plant		(\$4,536)	(\$9.596)	(\$4,333)	(\$776)	\$0	\$0	(\$1,845)	(\$1,400)	(\$1,400)	(\$1,406)	\$0	\$0	(\$25,293)
Qualified Investment - Mains - Current 1010 Activity		\$71,676	\$47.709	\$28,461	(\$2.631)	\$18,113	(\$3,110)	\$13,843	(\$45,000)	(\$40,000)	(\$44,676)	\$0	\$0	\$44,385
Qualified Investment - Services - Current 1010 Activity		\$4,536	\$9,596	\$4,333	\$776	\$0	\$0	\$1,845	\$1,400	\$1.400	\$1,406	\$0	\$0	\$25,293
Total Qualified Investment - Mains 1070	(\$134,474)	(\$124,415)	(\$119,652)	(\$139,928)	(\$139,928)	(\$139,928)	(\$139,928)	(\$139.928)	(\$89,928)	(\$44,928)	\$0	\$0	Šυ	\$0
Total Qualified Investment - Services 1070	\$4,206	\$4,206	\$4,206	\$4,206	\$4.206	\$4,206	\$4,206	\$4,206	\$2,806	\$1,406	\$0	\$0	\$0	Su
Total Qualified Investment - Mains 1010	\$38,020,087		\$38,139,472	\$38,167,933	\$38,165,302	\$38,183,415	\$38,180,305	\$38,194,148	\$38,149,148	\$38,109,148	\$38,064,472	\$38,064,472	\$38,064,472	\$38,064,472
Total Qualified Investment - Services 1010	\$3,782,909	\$3,787,446	\$3,797,041	\$3,801,375	\$3,802,151	\$3,802,151	\$3,802,151	\$3,803,996	\$3,805,396	\$3,806,796	\$3,808,202	\$3,808,202	\$3,808,202	\$3,808,202
Total Qualified Investment	\$41,672,729	\$41,758,999	\$41,821,067	\$41.833,585	\$41,831,731	\$41,849,844	\$41,846,734	\$41,862,422	\$41,867,422	\$41,872,422	\$41,872,674	\$41,872,674	\$41,872,674	\$41,872,674
			*****				.05 150 7170	(\$5,232,504)	.ec 204 2105	vec 200 050	(\$5,453,726)	(\$5,527,321)	(\$5,600,916)	(\$5,600,916)
Less: Accumulated Depreciation Net Book Value	(\$4,716.622) \$36.956.106	(\$4,790,092) \$36,968,907	(\$4,863,697) \$36,957,370	(\$4,937,402) \$36,896,183	(\$5,011,165) \$36,820,566	(\$5,084,925) \$36,764,919	(\$5,158,717) \$36,688,017	\$36,629,918	(\$5,306.318) \$36,561.104	(\$5,380,056) \$36,492,366	\$36,418,948	\$36,345,353	\$36,271,758	\$36,271,758
Net Book Value	\$56,956,106	\$30,908,907	\$30,937,370	\$30,070,103	\$30,820,300	350,704,919	330,000,017	330,029,910	330,361,104	\$30,472,300	\$30,410,240	330,343,333	330,271,730	3.00.271.720
Average Net Qualified Investment	•	\$36,962,507	\$36,963,138	\$36,926,777	\$36,858,375	\$36,792,742	\$36,726,468	\$36,658,967	\$36,595,511	\$36,526,735	\$36,455,657	\$36,382,150	\$36,308,555	
Tronge that California Management				0.0.0.										
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		6.08%	6.08%	6.08%	6.08%	6.08%	6.08%	6.08%	6.08%	6.08%	6.08%	6.08%	6.08%	
Debt - Cost of Capital		1.24%	1.24%	1.24%	1.24%	1.24%	1.24%	1.24%	1.24%	1.24%	1.24%	1,24%	1.24%	
Date Com of Capital		7.2			*12									
Equity Component - inclusive of Income Tax Gross-up		\$187,369	\$187,372	\$187,188	\$186,841	\$186,509	\$186,173	\$185,830	\$185,509	\$185,160	\$184,800	\$184,427	\$184,054	\$2,231,232
Debt Component	_	\$38,195	\$38,195	\$38,158	\$38,087	\$38,019	\$37,951	\$37,881	\$37,815	\$37,744	\$37,671	\$ 37,595	\$37.519	\$454,830
Return Requirement		\$225,564	\$225,568	\$225,346	\$224,928	\$224.528	\$224,123	\$223,711	\$223,324	\$222,904	\$222,471	\$222,022	\$221,573	\$2,686,062
Investment Expenses														
Depreciation Expense - Mains		\$66,535	\$66,661	\$66,744	\$66,794	\$66,789	\$66,821	\$66,816	\$66,840	\$66,761	\$66.691	\$66.613	\$66,613	\$800,678
Depreciation Expense - Services		\$6,935	\$6,944	\$6,961	\$6,969	\$6,971	\$6,971	\$6,971	\$6,974	\$6,977	\$6,979	\$6.982	\$6,982	\$83,616
Property Taxes		\$61,594	\$61,594	\$61,594	\$61,594	\$61,594	\$61,594	\$61,594	\$61,594	\$61,594	\$61,594	\$61,594	\$61,594	\$739,128
General Public Notice Expense and Customer Notice Expense	_	\$0	\$0	\$0	\$0	\$U	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Expense		\$135,064	\$135,199	\$135,299	\$135,357	\$135,354	\$135,386	\$135,381	\$135,408	\$135,332	\$135,264	\$135,189	\$135,189	\$1,623,422
T. In				****	****	****	## TO TO!	******	42.50.722	60.50.33.6	en ce en c	60.57 211	2227 772	\$4,309,484
Total Revenue Requirements	-	\$360,628	\$360,767	\$360,645	\$360,285	\$359,882	\$359,509	\$359.092	\$358,732	\$358,236	\$357,735	\$357,211	\$356,762	34,5(19,454
GRIP Surcharge Revenues Collected Month		\$ 361,085	\$ 358,825	\$ 348,578	\$ 340,511	\$ 310,039	\$ 307,328	\$ 279,262	\$ 274,795	\$ 272,677	\$ 294,265	\$ 309,544	\$ 352,093	\$3,809,003
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	-	\$ 359,278	\$ 357,029	\$ 346,833	\$ 338,806	\$ 308,487	\$ 305,790	\$ 277,864	\$ 273,420	\$ 271,313	\$ 292,792	\$ 307,995	\$ 350,331	
Beginning True-Up														\$ 314,115
(Over) and Under Recovery for the Month					\$ 21,478.76									\$519.544
Monthly Interest (Expense)/Income					\$ 127 : \$ 354,759 :				\$ 1,141 \$ 629,020		\$ 1,462 \$ 783.659			\$8,855 \$ 842,515
Ending (Over) and Under Recovery	514,115	3 313,481	s 517,200	s 333,133	a 534,739 .	a 400,3/4	a 400,327	p 342,307	a 629,020	o 111,434	٧٤٥.٥٥١ و	اد4,400 م	0 044,213	o (42,313
Beg of Month Annual Interest Rate		0.05%	0.06%	0.25%	0.35%	0.54%	0.86%	1.55%	2.34%	2.34%	2.34%	2.34%	2.34%	
End of Month Annual Interest Rate		0.06%	0.25%	0.35%	0.54%	0.86%	1.55%	2.34%	2.34%	2.34%	2.34%	2,34%	2.34%	
Average Monthly Interest Rate		0.01%	0.01%	0.03%	0.04%	0.06%	0.10%	0.16%	0.20%	0.20%	0.20%	0.20%	0.20%	

Florida Division of Chesapeake Utilities Corporation Gas Reliabilis Infrastructure Program (GRIP) Calculation of the Projected Revenue Requirements January 1, 2023 through December 31, 2023

Schedule C-2 Exhibit_____ Robert C. Waruszewski (RCW-1) Page 10 of 18

Hem Qualified Investment Qualified Investment - Mains - Current 1070 Activity Qualified Investment - Mains - Closed 1070 Activity to Plant Qualified Investment - Services - Current 1070 Activity to Plant Qualified Investment - Services - Closed 1070 Activity to Plant Qualified Investment - Mains - Current 1010 Activity Qualified Investment - Mains - Current 1010 Activity	Beginning <u>Palance</u>	Rate Case <u>Projections</u>	Remaining <u>Balance</u>	Forecast Jan S0 S0 S0 S0 S0 S0 S0 S0 S0	Forecast Feb \$0 \$0 \$0 \$0 \$0 \$0 \$0	Forecast Mar S0 S0 S0 S0 S0 S0 S0 S0 S0	Forecast Δpt \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0	Forecast	Forecast Jun \$0 \$0 \$0 \$0 \$0 \$0 \$0	Forecast Int \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$	Forecast	Forecast Sep \$0 \$0 \$0 \$0 \$0 \$0 \$0	Forecast	Forecast New \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0	Forecast Dec	Year End Total S0 S0 S0 S0 S0 S0 S0 S0
Total Qualified Investment - Mains 1070 Total Qualified Investment - Services 1070 Total Qualified Investment - Mains 1010 Total Qualified Investment - Services 1010 Total Qualified Investment	\$0 \$0 \$38,064,472 \$3,808,202 \$41,872,674	\$0 \$0 \$38.165.594 \$3,782.838 \$41.948.432	\$0 \$0 (\$101.122) \$25.364 (\$75.758)	\$0 \$0 (\$101.122) \$25_364 (\$75,758)	\$0 \$0 (\$101,122) \$25,364 (\$75,758)	\$0 \$0 (\$101.122) \$25.364 (\$75.758)	\$0 \$0 (\$101,122) \$25,364 (\$75,758)	\$0 \$0 (\$101.122) \$25.364 (\$75,758)	\$0 \$0 (\$101,122) \$25,364 (\$75,758)	\$0 \$0 (\$101.122) \$25,364 (\$75,758)	50 50 (\$101.122) \$25,364 (\$75,758)	\$0 \$0 (\$101.122) \$25.364 (\$75.758)	\$0 \$0 (\$101.122) \$25,364 (\$75,758)	\$0 \$0 (\$101,122) \$25,364 (\$75,758)	\$0 \$0 (\$101,122) \$25,364 (\$75,758)	\$0 \$0 (\$101,122) \$25,364 (\$73,758)
Less: Accumulated Depreciation Net Book Value	(\$5.600.916) \$36.271,758	(\$5,169,335) \$36,779,097	(\$431.581) (\$507.339)	(\$431,451) (\$507,209)	(\$431,321) (\$507,079)	(\$431,191) (\$506,949)	(\$431,061) (\$506,819)	(\$430,931) (\$506,689)	(\$430,801) (\$506,559)	(\$430,671) (\$506,429)	(\$430,541) (\$506,299)	(\$430,411) (\$506,169)	(\$430,281) (\$506,039)	(\$430,151) (\$505,909)	(\$430,021) (\$505,779)	(\$430,021) (\$505,779)
Average Net Qualified Investment				(\$507,274)	(\$507,144)	(\$507,014)	(\$506,884)	(\$506.754)	(\$506,624)	(\$506.494)	(\$506,364)	(\$506,234)	(\$\$06,104)	(\$505,974)	(\$505,844)	
Depreciation Rates																
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°°	2.10% 2.20%	2.10° a 2.20° a	2.10°° 2.20°°	2.10°+ 2.20°•	2.10% 2.20%	2.10° a 2.20° a	
Return on Average Net Qualified Investment																
Equity - Cost of Capital, inclusive of Income Tax Gross-up Debt - Cost of Capital				6.08** 1.24**	6.08% 1.24%	6,08% 1,24%	6.08"» 1.24"»	6.08*# 1.24**a	6.08% 1.24%	6.08°# 1.24"#	6.08" s 1.24" s	6.08% 1.24%	6.08% 1.24%	6.08% 1.24%	6.08° a 1.24° •	
Equity Component - inclusive of Income Tax Gross-up Debt Component Return Requirement				(\$2.571) (\$524) (\$3.096)	(\$2,571) (\$524) (\$3,095)	(\$2,570) (\$524) (\$3,094)	(\$2,569) (\$524) (\$3,093)	(\$2,569) (\$524) (\$3,092)	(\$2.568) (\$524) (\$3.092)	(\$2,568) (\$523) (\$3,091)	(\$2,567) (\$523) (\$3,090)	(\$2.566) (\$523) (\$3.089)	(\$2,566) (\$523) (\$3,088)	(\$2,565) (\$523) (\$3,088)	(\$2,564) (\$523) (\$3,087)	(\$30.814) (\$6.281) (\$37.095)
Investment Expenses			-													
Depreciation Expense - Mains Depreciation Expense - Services Property Taxes General Public Notice Expense and Customer Notice Expense Total Expense			-	(S177) S47 (S846) S0 (S976)	(\$177) \$47 (\$846) \$0 (\$976)	(\$177) \$47 (\$846) \$0 (\$976)	(\$177) \$47 (\$846) \$0 (\$976)	(\$177) \$47 (\$846) \$0 (\$976)	(\$177) \$47 (\$846) \$0 (\$976)	(\$177) \$47 (\$846) \$0 (\$976)	(\$177) \$47 (\$846) \$0 (\$976)	(\$177) \$47 (\$846) \$0 (\$976)	(\$177) \$47 (\$846) \$0 (\$976)	(\$177) \$47 (\$846) \$0 (\$976)	(\$177) \$47 (\$846) \$0 (\$976)	(\$2,124) \$564 (\$10,152) \$0 (\$11,712)
Total Revenue Requirements			-	(\$4.072)	(\$4,071)	(\$4,070)	(\$4,069)	(\$4.068)	(\$4,068)	(\$4.067)	(\$4.066)	(\$4,065)	(\$4,064)	(\$4,064)	(\$4,063)	(\$48,807)

Florida Division of Chesapeake Utilities Corporation

Gas Reliability Infrastructure Program (GRIP)
Projection of Qualified Mains & Services Revenue Requirements
Surcharge Calculation - January 1, 2023 through December 31, 2023
Per Therm/Bill Rate

Schedule D-1

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1. 1/1/23-12/31/23 Qualified Mains & Services Replacement Revenue Requirements

Mains Services Net \$ (48,807) (\$46,855)

96% (\$46,855) 4% (\$1,952) (\$48,807)

2. TRUE-UP from Prior Period (Over)/Under Recovery Estimated thru 12/2022

\$ 842,515

793,708

3 2023 Qualified Mains & Services Replacement Revenue Requirements

Mains Services Net 96% \$761,959

\$31,748 \$793,707

								DOLLARS	GRI	,		Experimental GRJP	ANNUAL	TYPICAL		AVERAGE
RATE	2023	2023	SERVICES	MAINS S	ERVICES	MAINS	GRIP		EXPANSION FACTO		EXPANSION	FACTORS	COST	ANNUAL	ANNUAL	MONTHLY
CLASS	BILLS	THERMS	COS %	COS % R	EV REQ	REV REQ	REV REQ	THERM	FACTOR PER TH	ERM BILL	FACTOR	PER BILL	PER BILL	THERMS	COST	COST
FTS-A	13,704	92,932	14.34%	0.951% \$	4,553	\$ 7,246	\$11,799	\$0.12696	1,00503 \$ 0.12	760 \$ 0.86	1.00503	\$ 0.87	\$ 10.38	110	\$14.04	\$1.17
FTS-B	27,228	291,570	9.74%	1.142% \$	3,092	\$ 8,702	\$11,794	\$0.04045	1,00503 \$ 0.04	065 \$ 0.43	1,00503	\$ 0.44	\$ 5,22	215	\$8.74	\$0.73
FTS-1	181,512	2,826,956	33.87%	5.861% \$	10,753	\$ 44,658	\$55,411	\$0.01960	1.00503 \$ 0.01	970 \$ 0.31	1.00503	\$ 0.31	\$ 3.68	275	\$5.42	\$0.45
FTS-2	10,536	546,148	12,69%	1.611% \$	4,029	\$ 12,275	\$16,304	\$0.02985	1.00503 \$ 0.03	000 \$ 1.55	1,00503	S 1.56	\$ 18,66	875	\$26.25	\$2.19
FTS-2.1	8,544	851,685	7.83%	3.193% \$	2,486	\$ 24,329	\$26,815	\$0.03148	1.00503 \$ 0.03	164 \$ 3.14	1.00503	\$ 3.15	\$ 37.85	1,575	\$49.84	\$4.15
FTS-3	4,068	1,258,467	3.93%	1,567% \$	1,248	\$ 11,940	\$13,188	\$0,01048	1,00503 \$ 0,01	053 \$ 3.24	1.00503	\$ 3.26	\$ 39.10	4_000	\$42.13	\$3.51
FTS-3.1	3,996	2,348,142	3.91%	4.294% \$	1,241	\$ 32,719	\$33,960	\$0.01446	1.00503 \$ 0.01	454 \$ 8.50	1.00503	\$ 8.54	\$ 102.49	7,300	\$106,11	\$8.84
FTS-4		3,150,447	4,37%	6.162% \$	1,387	\$ 46,952	\$48,339	\$0.01534	1.00503 \$ 0.01	542				12,500	\$192.76	\$16.06
FTS-5		1,046,614	1.24%	2.570% \$	394	19,582	\$19.976	\$0.01909	1.00503 \$ 0.01	918				37,500	\$719.34	\$59.94
FTS-6		2,481,663	1.25%	2.750% \$	397	\$ 20,954	\$21,351	\$0.00860	1.00503 \$ 0.00	865				75,000	\$648.51	\$54.04
FTS-7		4,294,439	2.20%	7.615% \$	698	58,023	\$58,721	\$0.01367	1.00503 \$ 0.01	374				150,000	\$2,061.38	\$171.78
FTS-8		5,498,096	1.62%	10.708% \$	514	81,591	\$82,105	\$0.01493	1.00503 \$ 0.01	501				300,000	\$4,502.54	\$375.21
FTS-9		3,703,323	1.48%	15.171% \$	470	115,597	\$116,067	\$0.03134	1.00503 \$ 0.03	150				550,000	\$17,324.43	\$1,443.70
FTS-10		3,630,889	0.45%	6.539% \$	143	\$ 49.824	\$49.967	\$0.01376	1.00503 \$ 0.01	383				850,000	\$11,756.23	\$979.69
FTS-11		1,527,249	0.57%	12.717% \$	181 5	96,900	\$97,081	\$0.06357	1.00503 \$ 0.06	389				1,750,000	\$111,799.91	\$9,316.66
FTS-NGV		100,131	0.04%	0.834% \$	13 5	6,353	\$6,366	\$0.06358	1.00503 \$ 0.06	390				1,750,000	\$111,818.88	\$9.318.24
FTS-12		17,027,034	0.47%	16.315% \$	149	124,314	\$124,463	\$0.00731	1.00503 \$ 0.00	735				3,000,000	\$22,039.49	\$1,836,62
TOTAL	249,588	50,675,785	100.00%	100.000% \$	31,748 \$	761,959 \$	793,707									

2021 YE Forecast Surveill	ance (13-month average) at ROE% m	ridpoint					
		Pro-Rata	Specific				
	Per Book	Adjustment	Adjustment	Adjusted Balance	Cap Ratio C	ost Rate	Weighted Cost
Common Equity	\$48,235,972	(\$251,086)	\$0	\$47,984,886	41.97%	10.80%	4.53%
Long Term Debt	\$33,855,019	(\$176,228)	\$0	\$33,678,791	29.45%	3.60%	1,06%
Short Term Debt	\$11,990,900	(\$62,417)	\$0	\$11,928,483	10.43%	1.42%	0.15%
Long Term Debt - FC	\$0	\$0	\$0	\$0	0.00%	0.00%	0.00%
Customer Deposits	\$1,510,544	\$0	\$0	\$1,510,544	1.32%	2.19%	0.03%
Deferred Income Taxes	\$19,239,644	\$0	\$0	\$19,239,644	16.83%	0.00%	0.00%
Total	\$114,832,079	(\$489,731)	\$0	\$114,342,348	100%		5.77%

		Consistency and Pro-		Pro-Rata	Specific						
	Per Book	Rata Adjustment	Books Adjusted	Adjustment	Adjustment		Adjusted Balance	Cap Ratio	Cos	t Rate	Weighted Cost
Common Equity	\$48,235,972	(\$184,585)	\$48,051,387	(\$251,086)	\$	0	\$47,800,301	4	1.80%	10.809	6 4.51%
Long Term Debt	\$33,855,019	(\$129,553)	\$33,725,466	(\$176,228)	\$	0	\$33,549,238	2	9.34%	3.609	6 1.06%
Short Term Debt	\$11,990,900	(\$45,886)	\$11,945,014	(\$62,417)	\$	0	\$11,882,597	1	0.39%	1.429	6 0.15%
Long Term Debt - FC	\$0	\$0	\$0	\$0	\$1	0	\$0		0.00%	0.009	6 0.00%
Customer Deposits	\$1,510,544		\$1,510,544	\$0	\$4	0	\$1,510,544		1.32%	2.199	6 0.03%
Deferred Income Taxes	\$19,239,644	\$360,023	\$19,599,667	\$0	\$1	0	\$19,599,667	1	7.14%	0.009	6 0.00%
Total	\$114,832,079		\$114,832,079	(\$489,731)	\$0	0	\$114,342,348		100%		5.75%

		Total Deferred Income	Deprec Related	Deprec Related		Future Days in	Prorated Deprec- Related ADFIT	Prorated Deprec- Related ADFIT
	Month	Tax Balance	ADFIT Balance	ADFIT Activity	Days to Prorate	Period	Activity	Balance
rojected	Dec-22	12,047,327	14,464,021					14,464,021
Projected	Jan-23	12,065,508	14,485,849	21,828	31	336	20,094	14,484,115
Projected	Mar-23	12,083,689	14,507,677	21,828	28	308	18,419	14,502,534
Projected	Mar-23	12,101,870	14,529,505	21,828	31	277	16,565	14,519,100
Projected	Apr-23	12,120,051	14,551,334	21,828	30	247	14,771	14,533,871
rojected	May-23	12,138,232	14,573,162	21,828	31	216	12,917	14,546,789
Projected	Jun-23	12,156,413	14,594,990	21,828	30	186	11,123	14,557,912
rojected	Jul-23	12,174,594	14,616,818	21,828	31	155	9,269	14,567,181
Projected	Aug-23	12,192,775	14,638,646	21,828	31	124	7,416	14,574,597
rojected	Sep-23	12,210,956	14,660,474	21,828	30	94	5,621	14,580,218
rojected	Oct-23	12,229,137	14,682,302	21,828	31	63	3,768	14,583,986
Projected	Nov-23	12,247,318	14,704,130	21,828	30	33	1,974	14,585,960
Projected	Dec-23	12,265,499	14,725,958	21,828	31	2	120	14,586,079
		12,156,413	14,594,990	261,937	365		122,058	14,545,105
2021 YE Surveil Bal.	_	19,239,644	14,185,082				13-Month Avg. Bal	14,594,990
Consistency Adjustment	_	(7,083,231)	409,908	*			Proration Adj.	(49,885)
Proration Adjustment		_	(49,885)					
Total Adjustment		-	360.023					

^{*} Positive variance shows that the limitation provision is met.

Schedule E-1
Exhibit_____

Robert C. Waruszewski (RCW-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____
Robert C. Waruszewski (RCW-1)
Page 13 of 18

Earnings	Surveillance	Report - I	December	31, 2021
				,

11.00%
4.04%
1.357
5.48%
0.93%
0.13%
0.00%
0.00%
0.00%
1.06%
5.10%

Florida Public Utilities-Ft. Meade

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

Schedule B-1 Exhibit______ Robert C. Waruszewski (RCW-1) Page 14 of 18

Item Qualified Investment	Beginning Balance	Actual Jan	Actual Feh	Actual Mar	Actual Apr	Actual May	Actual Jun	Actual Jul	Actual Aug	Actual Sep	Actual Oct	Actual Nov	Actual Dec	Year End Total
Quantited investment Qualified Investment - Mains - Current 1070 Activity		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	SO	\$0	\$0
Qualified Investment - Mains - Closed 1070 Activity to Plant		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	SO.	\$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												
Qualified Investment - Services - Current 1010 Activity		20	20	24)	30	30	30	20	20	20	20	20	\$0	50
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 Total Qualified Investment	\$253,934 \$253,934													
total Qualified investment	\$255,954	\$255,954	\$255,954	\$253,934	\$253,934	\$253.934	\$253,934	\$253,934	\$255,954	5253.934	\$255,954	\$255.954	\$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	
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 Cupital, 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
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	_	\$3,278	\$2,853	\$2,233	\$2,492	\$2,097	\$1,911	\$1,133	\$2,050	\$1,642	\$1,841	\$2,256	\$2,843	\$26,629
Beginning True-Up													\$	(8.427)
(Over) and Under Recovery for the Month	S - 5	(1,235.16) \$	(812) \$	(194) \$	(456) \$	(63) \$	120 \$	896 \$	(23) \$	382 \$	181 \$	(236) \$	(826) \$	(2,266)
Monthly Interest (Expense)/Income	<u>s - s</u>			- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	(1)	(\$3)
Ending (Over) and Under Recovery	\$ (8,427) \$	(9,663) \$	(10.475) \$	(10,670) \$	(11,126) \$	(11,189) \$	(11,069) \$	(10,173) \$	(10,196) \$	(9,813) \$	(9.632) \$	(9,869) \$	(10,696) \$	(10,696)
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%	0.06%	0.07%	
End of Month Annual Interest Rate		0.07%	0.06%	0.04%	0.04%	0.03%	0.04%	0.05%	0.05%	0.05%	0.06%	0.07%	0.05%	
Average Monthly Interest Rate		0.01%	0.01%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.01%	0.01%	0.01%	

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-1

<u>ltem</u>	Beginning Balance	Actual <u>Jan</u>	Actual Feh	Actual <u>Mar</u>	Actual Apr	Actual May	Actual Jun	Actual Jul	Forecast Aug	Forecast Sep	Forecast Oct	Forecast Nov	Forecast Dec	Year End <u>Total</u>
Qualified Investment Oualified 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) 192	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0 \$0	\$0	\$0	\$0	\$0
Qualified Investment - Services - Current 1070 Activity		\$0	SO	\$0	\$0	\$0	\$0	\$0	\$0	\$0	SO SO	\$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	\$0	\$0	\$0
Total Qualified Investment - Mains 1010	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0 \$0	02	\$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
									ALI PARTITION OF THE PA					
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
Access - Not On 15% of the control	***************************************	4222.201	\$227,318	\$226,852	dans 201	\$225,920		#834.000	\$224,522	2221075	\$223,590		0000 (70	
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-up		5 48%	5.48%	5.48%	5.48%	5.48%	5.48%	5.48%	5.48%	5.48%	5.48%	5.48%	5.48%	
Debt - Cost of Capital		1.06%	1.06%	1.06%	1.06%	1.06%	1.06%	1.06%	1.06%	1.06%	1.06%	1.06%	1.06%	
Equity Component - inclusive of Income Tax Gross-up		\$1,040	\$1,038	\$1.036	\$1,034	\$1,032	\$1,030	\$1,027	\$1.025	\$1,023	\$1,021	\$1,019	\$1,017	\$12,342
Debt Component		\$201	\$201	\$200	\$200	\$200	\$199	\$199	\$198	\$198	\$198	\$197	\$1,017	\$2,387
Return Requirement		\$1,241	\$1,239	\$1,236	\$1,234	\$1,231	\$1,229	\$1,226	\$1,224	\$1,221	\$1,219	\$1.216	\$1,213	\$14,729
						,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,							Internal Contractors of the	
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 General Public Notice Expense and Customer Notice Expense		\$380 \$0	\$380 \$0	\$380 \$0	\$380 \$0	\$380 \$0	\$380 \$0	\$380 \$0	\$380 \$0	\$380 \$0	\$380	\$380 \$0	\$380 \$0	\$4,560 \$0
Total Expense	-	\$846	\$846	\$846	\$846	\$846	\$846	\$846	\$846	\$846	\$0 \$846	\$846	\$846	\$10,152
s ords application	_	3040	\$640	2040	\$640	2040	3640	3640	3640	\$640	5040	3540	3640	\$10,132
Total Revenue Requirements		\$2,087	\$2,085	\$2,082	\$2,080	\$2,077	\$2,075	\$2,072	\$2,070	\$2,067	\$2,065	\$2,062	\$2,059	\$24.881
GRIP Surcharge Revenues Collected Month		\$3,351	\$5,125	\$3,198	\$3,220	\$2,477	\$2,583	\$1,326	834.49	879.48	931.55	1,090.71	1,616.30	\$26,634
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		\$3,335	\$5,100	\$3,182	\$3,204	\$2,465	\$2,570	\$1,320	\$830	\$875	\$927	\$1,085	\$1,608	
Beginning True-Up													s	(10,696)
(Over) and Under Recovery for the Month		(\$1,247)	(\$3,015)	(\$1,100)	(\$1,124)	(\$388)	(\$495)	\$752	\$1,239	\$1,192	\$1,138	\$977	\$451 \$	(1,619)
Monthly Interest (Expense)/Income	\$	(1.00) \$		(4) \$	(6) \$	(10) \$	(18) \$	(29) \$	(33) \$	(30) \$	(28) \$	(26) \$	(25)	(\$212)
Ending (Over) and Under Recovery	\$ (10,696) \$	(11,944) \$	(14,961) \$	(16,064) \$	(17.194) \$	(17.592) \$	(18.105) \$	(17.382) \$	(16,175) \$	(15,013) \$	(13,904) \$	(12,953) \$	(12,527) \$	(12,527)
											.,,			
Beg of Month Annual Interest Rate		0.05%	0.06%	0.25%	0.35%	0.54%	0.86%	1.55%	2.34%	2.34%	2.34%	2.34%	2.34%	
End of Month Annual Interest Rate		0.06%	0.25%	0.35%	0.54%	0.86%	1.55%	2.34%	2.34%	2.34%	2.34%	2.34%	2.34%	
Average Monthly Interest Rate		0.01%	0.01%	0.03%	0.04%	0.06%	0.10%	0.16%	0.20%	0.20%	0.20%	0.20%	0.20%	

Florida Public Utilities-Ft, Meade Gas Reliability Infrastructure Program (GRIP) Calculation of the Projected Revenue Requirements January 1, 2023 through December 31, 2023

<u>Item</u> Oualified In	vesimeni	Beginning Belance	Rate Case Projected Balance	New Palance	Forecast Jan	Forecast <u>Feh</u>	Forecast Mat	Farecast Apt	Forecast May	Forecast <u>Iun</u>	Forecust Jul	Forecast Aug	Forecast Sep	Forecust Oct	Forecast Nos	Forecast Dec	Year End Total
	Qualified Investment - Mains - Current 1070 Activity				SO	SO	SO	SO	SO.	50	SO	50	\$0	so	SO	50	SO
	Qualified Investment - Mains - Closed 1070 Activity to Plant				\$0	SO	\$0	SO	SO	\$0	S0	SO	50	SO	\$0	SO	\$0
	Qualified Investment - Services - Current 1070 Activity				SO	S0	50	S0	S0	\$0	Sti	\$0	SO	\$0	\$0	SO	\$0
	Qualified Investment - Services - Closed 1070 Activity to Plant				20	S0	Sn	50	\$0	SO	SO	SO	SO	\$0	\$0	\$0	\$0
	Qualified Investment - Mains - Current 1010 Activity Qualified Investment - Services - Current 1010 Activity				SO SO	\$0 \$0	SO SO	\$0 \$0	SO SO	\$0 \$0	S0 S0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	SO SO
	Quanties investment - services - Current 1010 Activity				30	241	50	30	50	20	Str	50	30	50	201	50	50
	Total Qualified Investment - Mains 1070	\$0	S0	\$0	SO.	\$0	\$0	SO	S0	S0	SO.	SO	S0	S0	\$0	SO	\$0
	Total Qualified Investment - Services 1070	\$0	SO	SO	\$0	S0	\$0	\$0	\$0	\$0	SO	\$0	SO	sn	\$0	\$0	SO
	Total Qualified Investment - Mains 1010	SO	\$0	\$0	SO	SO	\$0	\$0	\$0	\$0	SO	S0	\$0	\$0	\$0	SO	\$0
	Total Qualified Investment - Services 1010	\$253,934	\$253,934	S0	S0	So	50	\$0	S0	S0	SO.	\$0	S0	SO.	\$0	\$0	\$0
	Total Qualified Investment	\$253.934	\$253,934	\$0	SO.	S 0	\$0	\$ 0	90	.50	S0	\$0	\$0	\$0	\$0	\$0	\$()
	Less: Accumulated Depreciation	(\$31,509)	(S31,509)	S0	SO	S0	\$0	SU	SO	SO	SO	SO	SO	\$0	S0	\$0	SO
	Net Book Value	\$222,425	\$222,425	\$0	S0	S0	\$0	So	\$0	\$0	SO	S0	\$0	50	\$0	50	S0
		COTTONIO D'INTERNA															
	Average Net Qualified Investment			-	S0	\$0	SO	SD.	S0	Sti	S0	S0	S0	SO.	S0	S0	
Depreciation	Rutes																
	Approved Depreciation Rate-Mains				2.10%	2.10%	2.10%	2.10%	2.10**	2.10"	3.10°n	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° w	2.20" »	2.20" n	2.20**	
Return on A	verage Net Qualified Investment																
	Equity - Cost of Capital, inclusive of Income Tax Gross-up				5.48**	5.48° a	5.48° a	5,48%	5.48**	5.48%	5.48%	5.48° ii	5.48%	5.48%	5.48"	5.48%	
	Debt - Cost of Capital				1.06° n	1.06"*	1.06"•	1.06%	1.06°a	1.06**	1.064	1.060	1.06° 6	1.06%	1.06%	1.06**	
	Equity Component - inclusive of Income Tax Gross-up				\$0	SO	SO	50	SO	SO	S0	SO	SO	Su	SO	SO	SO.
	Deht Component			_	SO	\$0	S0	50	S0	\$0	\$0	\$0	\$0	50	SO	\$0	\$0
	Return Requirement			_	S0	SO.	\$0	SO	SO	\$0	SO	\$0	S0	\$0	50	SO	SO
Investment i	Expenses																
	Depreciation Expense - Mains				\$0	SO	\$0	\$0	SO	S0	SO	\$0	\$0	50	SO	SO	50
	Depreciation Expense - Services				SO	SO	\$0	\$0	SO	SU	SO	SO	SO.	SO	\$0	SO	50
	Property Taxes				\$0	80	So	\$0	SO	SO	50	SO	SO	SO	SO	50	\$0
	General Public Notice Expense and Customer Notice Expense				50	SO	S0	50	S0	SO	\$0	S0	S0	\$0	S0	\$0	\$0
	Total Expense			-	SO:	S()	\$0	\$0	\$0	\$0	50	S0	\$0	20	S 0	S 0	\$0
Total Reven	ue Requirements			_	50	\$0	SO	S0	\$0	SO	S0	\$0	\$0	S0	\$0	S0	50

Florida Public Utilities Company-Fort Meade

Gas Reliability Infrastructure Program (GRIP)
Projection of Qualified Mains & Services Revenue Requirements
Surcharge Calculation - January 1, 2023 through December 31, 2023
Per Therm Rate

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١.	1/1/23-12/31/23 Qualified Mains & Services Replacement R	evenuc Requirements	s	\$ -
	Mains	0%	\$0	
	Services	100%	\$0	
	Net	-	\$0	
2.	TRUE-UP from Prior Period (Over)/Under Recovery Estima	ated thru 12/2022		\$ (12,527
4.	2023 Qualified Mains & Services Replacement Revenue Rec	quirements		\$ (12,527
	Mains	0%	\$0	
	Services	100%	(\$12,527)	
	Net		(\$12,527)	

							DOLLARS		GRIP	TYPICAL		AVERAGE	
RATE	2023	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	56,952	58.00%	22.00%	-\$7,266	\$0	-\$7,266	-\$0.12758	1.00503	-\$0.12822	250	(\$32.05)	(\$2.67)	
COMMERCIAL SMALL (General Service & GS Transportation)	73,777	17.00%	23.00%	-\$2,130	\$0	-\$2,130	-\$0.02887	1.00503	-\$0.02901	2,500	(\$72.53)	(\$6.04)	
COMM. LRG VOLUME (Large Vol & LV Transportation)	169,164	25.00%	46.00%	-\$3,132	\$0	-\$3,132	-\$0.01851	1.00503	-\$0.01861	25,000	(\$465.16)	(\$38.76)	
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 299,893 100.00% 100.00% -\$12,527 \$0 -\$12,527

Fort Meade

		Pro-Rata	Specific						
F	Per Book	Adjustment	Adjustment		Adjusted Balance	Cap Ratio	Cost Rate	W	eighted Cost
Common Equity	\$455,226	\$0	(0	\$455,226	36.70	%	11.00%	4.04%
Long Term Debt	\$319,506	\$0	(0	\$319,506	25.76	%	3.60%	0.93%
Short Term Debt	\$113,164	\$0	(0	\$113,164	9.12	%	1.42%	0.13%
Long Term Debt - FC	\$0	\$0	(0	\$0	0.00	%	0.00%	0.00%
Customer Deposits	\$23,656	\$0	(0	\$23,656	1.91	%	0.10%	0.00%
Deferred Income Taxes _	\$328,693	\$0		0	\$328,693	26.50	%	0.00%	0.00%
Total	\$1,240,245	\$0	(0	\$1,240,245	100	%		5.10%

		Consistency and Pro-		Pro-Rata	Specific				
	Per Book	Rata Adjustment	Books Adjusted	Adjustment	Adjustment	Adjusted Balance	Cap Ratio Cost Rate	. W	eighted Cost
Common Equity	\$455,226	(\$6,672)	\$448,554	\$0	\$0	\$448,554	36.17%	11.00%	3.98%
Long Term Debt	\$319,506	(\$4,683)	\$314,823	\$0	\$0	\$314,823	25.38%	3.60%	0.91%
Short Term Debt	\$113,164	(\$1,659)	\$111,505	\$0	\$0	\$111,505	8.99%	1.42%	0.13%
Long Term Debt - FC	\$0	\$0	\$0	\$0	\$0	\$0	0.00%	0.00%	0.00%
Customer Deposits	\$23,656		\$23,656	\$0	\$0	\$23,656	1.91%	0.10%	0.00%
Deferred Income Taxes	\$328,693	\$13,013	\$341,707	\$0	\$0	\$341,707	27.55%	0.00%	0.00%
Total	\$1,240,245		\$1,240,245	\$0	\$0	\$1,240,245	100%		5.02%

							Prorated Deprec-	Prorated Deprec-
		Total Deferred	Deprec Related	Deprec Related		Future Days in	Related ADFIT	Related ADFIT
	Month	Income Tax Balance	ADFIT Balance	ADFIT Activity	Days to Prorate	Period	Activity	Balance
Projected	Dec-22	279,319	180,775					180,775
Projected	Jan-23	280,458	181,513	737	31	336	679	181,454
Projected	Mar-23	281,597	182,250	737	28	308	622	182,076
Projected	Mar-23	282,736	182,987	737	31	277	559	182,636
Projected	Apr-23	283,875	183,724	737	30	247	499	183,134
Projected	May-23	285,014	184,461	737	31	216	436	183,571
Projected	Jun-23	286,153	185,198	737	30	186	376	183,946
Projected	Jul-23	287,292	185,936	737	31	155	313	184,259
Projected	Aug-23	288,431	186,673	737	31	124	250	184,510
Projected	Sep-23	289,570	187,410	737	30	94	190	184,700
Projected	Oct-23	290,709	188,147	737	31	63	127	184,827
Projected	Nov-23	291,848	188,884	737	30	33	67	184,893
Projected	Dec-23	292,987	189,621	737	31	2	4	184,897
		286,153	185,198	8,846	365	-	4,122	183,514
2021 YE Surveil Bal.	_	328,693	170,500				13-Month Avg. Bal	185,198
Consistency Adjustment	_	(42,540)	14,698	*			Proration Adj.	(1,685
Proration Adjustment		_	(1,685)	_				
Total Adjustment			13,013	-				

^{*} Positive variance shows that the limitation provision is met.

Schedule E-1
Exhibit_____

Robert C, Waruszewski (RCW-1)
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