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October 8, 2024

E-Portal

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

Re:Docket No. 20240137-GU: Petition for approval of GUARD cost recovery factors, by Florida Public Utilities Company.

Dear Mr. Teitzman:

Attached for filing in the above-referenced docket, please find Florida Public Utilities Company's Responses to Staff's First Data Requests.

Thank you for your assistance with this filing.

Kind regards,



Beth Keating
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215 South Monroe St., Suite 601
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(850) 521-1706

Enclosure

FLORIDA PUBLIC UTILITIES COMPANY'S RESPONSES TO STAFF'S FIRST DATA
REQUESTS

- 1-1.** Please provide all the schedules (A, B, C, D, and E) of Exhibit SKL-1, exhibit titled Calculation of Equity and Debt Returns, and Exhibit SKL-2 filed in witness Laster's direct testimony in Excel format with formulas unlocked.

Company Response:

Please see Attachment 1. Please note that there is no schedule B of Exhibit SKL-1. The reference in the direct testimony of witness Laster to schedule B is an error.

- 1-2.** In paragraph 6 of the petition, please refer to the last segment of the sentence which refers to the "proposed GUARD cost recovery factors for 2024". Please state if this reference is correct or it is a scrivener's error.

Company Response:

Yes, the reference should be changed to 2025.

- 1-3.** Please provide Schedules A and B of composite Exhibit SKL-1 of witness Laster's testimony.

Company Response:

Please see Attachment 1; Schedule A is page 1. As noted above, there is no Schedule B.

- 1-4.** Paragraph 8 of the petition states that "The total projected GUARD true-up, which includes the final true-up for GRIP, to be refunded to customers in 2025 is a net under-recovery of \$685,595, inclusive of interest." Please explain if this is a correct statement regarding the customer refund.

Company Response:

This statement is incorrectly reflected in the petition. The petition should have stated 'collected from' instead of 'refunded to' customers.

Docket No. 20240137-GU

- 1-5. Referring to page 5 of 5 of witness Laster's testimony, please state where the customer owned fuel line extension expenses are shown in the schedule(s).

Company Response:

Please see Attachment 1; On Schedules C-1, C-2 pages 2 and 3 of 6, line 49.

- 1-6. Page 4 of 5 of witness Laster's testimony states that "FPUC is expecting invest \$16,167,834 in mains and \$8,832,371 for services in 2025". Of these costs, what amount will be expended for customer-owned fuel line extensions in 2025?

Company Response:

The costs for mains and services does not include any costs related to fuel line extensions. The customer owned fuel line extensions are expenses and not a part of capital.

- 1-7. With reference to the page titled Calculation of Equity and Debt Returns, attached to the direct testimony of witness Laster, please provide the calculations used to determine the Revenue Expansion Factor of 1.349.

Company Response:

Please see Attachment 2 for the Revenue Expansion factor calculation.

- 1-8. Referring to Exhibit SKL-2, titled GUARD Projects 2023-2025 Actual/forecast, of the listed projects, please identify the projects that extend the customer-owned fuel lines.

Company Response:

The following GUARD Projects have customer-owned fuel lines; Indiantown Ph. 1 North, Indiantown Ph. 2, Indiantown Ph. 3 South, Sanford Area 1, Winter Springs Ph. 1 and Lake Park North.

- 1-9. Please explain how and when FPUC plans to notify its customers of the new 2025 GUARD surcharge. Please also provide a copy of the customer notice to staff.

Company Response:

Annually, the Company includes a message on the customer's bill that includes the web address to the Company's website where the customer can see all the rate changes effective for the upcoming year. At this point in time, the Company does not have a draft of the notice since rates are not approved.

- 1-10. Order No. PSC-2023-0235-PAA-GU, which established the GUARD program, ordered that FPUC shall be required to file its annual GUARD cost recovery petitions to revise the surcharge on or before September 1 of each year and implement the revised surcharge effective January 1 through December 31 of the following year. Please discuss any potential impacts that would arise if the Commission were to require FPUC to file the GUARD cost recovery petition by August rather than by September.

Company Response:

The impact to the Company is one of time constraint if the GUARD program is filed by August rather than September. The Company has one employee that prepares all of the natural gas annual filings. Since a majority of the annual filings are due at the same time, requiring GUARD by August will place undue time constraints and stress on this employee. Therefore, the Company would respectfully ask the Commission to consider the filing of GUARD either two weeks before or two weeks after the annual filings are due.

Florida Public Utilities Company
Gas Utility Access and Replacement Directive
Calculation of Equity and Debt Returns

Earnings Surveillance Report - December 31, 2023

Equity Cost Rate	10.25%
Weighted Equity Cost Rate	4.33%
Revenue Expansion Factor	1.349
Weighted Equity Cost Rate , times Revenue Expansion Factor	<u>5.84%</u>
Long Term Debt-CU	1.23%
Short Term Debt	0.33%
Customer Deposits	0.05%
Weighted Debt Cost Rate	<u>1.62%</u>
Overall Weighted Cost Rate	<u><u>5.94%</u></u>

Florida Public Utilities Company
Gas Utility Access and Replacement Directive
Calculation of the Projected Revenue Requirements
January 1, 2023 through December 31, 2023

Schedule C-1
Exhibit _____
Stacey K. Laster (SKL-1)
Page 2 of 6

Item	Beginning Balance	Actual Jan	Actual Feb	Actual Mar	Actual Apr	Actual May	Actual Jun	Actual Jul	Rollover from GRIP Balance	Adjusted Balance	Actual Aug	Actual Sep	Actual Oct	Actual Nov	Actual Dec	Year End Total/Balance
Qualified Investment																
Qualified Investment - Mains - Current Year 1070 Activity		\$0	\$0	\$0	\$79,377	(\$29,480)	\$1,071,315	\$992,269			\$1,305,711	\$1,987,982	\$2,021,286	\$916,371	\$853,027	\$9,197,858
Qualified Investment - Mains - Closed 1070 Activity to Plant		\$0	\$0	\$0	\$0	\$0	\$0	\$0			(\$2,742,244)	(\$2,424,580)	(\$1,021,117)	(\$1,126,547)	(\$1,452,447)	(\$8,766,935)
Qualified Investment - Services - Current Year 1070 Activity		\$0	\$0	\$0	\$0	\$0	\$186,220	\$317,527			\$191,547	\$432,360	\$859,996	\$726,012	\$317,456	\$3,031,118
Qualified Investment - Services - Closed 1070 Activity to Plant		\$0	\$0	\$0	\$0	\$0	\$0	\$0			(\$432,518)	(\$694,836)	(\$797,672)	(\$762,896)	(\$305,003)	(\$2,992,925)
Qualified Investment - M&R - Current Year 1070 Activity		\$0	\$0	\$0	\$0	\$0	\$0	\$0			\$0	\$209,936	\$217,133	\$102,239	\$0	\$529,307
Qualified Investment - M&R - 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			\$2,742,244	\$2,424,580	\$1,021,117	\$1,126,547	\$1,452,447	\$8,766,935
Qualified Investment - Services - Current 1010 Activity		\$0	\$0	\$0	\$0	\$0	\$0	\$0			\$432,518	\$694,836	\$797,672	\$762,896	\$305,003	\$2,992,925
Qualified Investment - M&R - 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	\$79,377	\$49,897	\$1,121,213	\$2,113,481	\$105,358	\$2,218,839	\$782,307	\$345,708	\$1,345,877	\$1,135,701	\$536,281	\$536,281
Total Qualified Investment - Service 1070	\$0	\$0	\$0	\$0	\$0	\$0	\$186,220	\$503,747	\$996,457	\$1,500,204	\$1,259,234	\$996,758	\$1,059,083	\$1,022,198	\$1,034,651	\$1,034,651
Total Qualified Investment - M&R 1070	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$209,936	\$427,068	\$529,307	\$529,307	
Total Qualified Investment - Mains 1010	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$4,845,371	\$4,845,371	\$7,587,615	\$10,012,195	\$11,033,312	\$12,159,859	\$13,612,306	\$13,612,306
Total Qualified Investment - Service 1010	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,027,840	\$2,027,840	\$2,460,357	\$3,155,193	\$3,952,865	\$4,715,761	\$5,020,765	\$5,020,765
Total Qualified Investment - M&R 1010	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Qualified Investment	\$0	\$0	\$0	\$0	\$79,377	\$49,897	\$1,307,433	\$2,617,228	\$7,975,027	\$10,592,255	\$12,089,513	\$14,509,855	\$17,601,073	\$19,460,588	\$20,733,310	\$20,733,310
Less: Accumulated Depreciation	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$3,627,107)	(\$3,627,107)	(\$3,627,792)	(\$3,653,035)	(\$3,672,958)	(\$3,695,904)	(\$3,721,942)	(\$3,721,942)
Net Book Value	\$0	\$0	\$0	\$0	\$79,377	\$49,897	\$1,307,433	\$2,617,228	\$4,347,919	\$6,965,148	\$8,461,721	\$10,856,820	\$13,928,114	\$15,764,684	\$17,011,368	\$17,011,368
Average Net Qualified Investment	\$0	\$0	\$0	\$39,688	\$64,637	\$678,665	\$1,262,330				\$7,708,434	\$9,654,270	\$12,392,467	\$14,846,399	\$16,388,026	
Depreciation Rates																
Approved Depreciation Rate-Mains		1.60%	1.60%	1.60%	1.60%	1.60%	1.60%	1.60%			1.60%	1.60%	1.60%	1.60%	1.60%	
Approved Depreciation Rate-Services		2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%			2.50%	2.50%	2.50%	2.50%	2.50%	
Approved Depreciation Rate - M&R City Gate		2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%			2.00%	2.00%	2.00%	2.00%	2.00%	
Return on Average Net Qualified Investment																
Equity - Cost of Capital, inclusive of Income Tax Gross-up		6.18%	6.18%	6.18%	6.18%	6.18%	6.18%	6.18%			6.18%	6.18%	6.18%	6.18%	6.18%	
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	\$0	\$0	\$0	\$204	\$333	\$3,493	\$10,099				\$39,670	\$49,684	\$63,776	\$76,405	\$84,338	\$328,002
Debt Component	\$0	\$0	\$0	\$46	\$74	\$782	\$2,261				\$8,882	\$11,124	\$14,279	\$17,106	\$18,883	\$73,437
Return Requirement	\$0	\$0	\$0	\$250	\$407	\$4,275	\$12,360				\$48,552	\$60,808	\$78,055	\$93,511	\$103,221	\$401,439
Investment Expenses																
Depreciation Expense - Mains	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0			\$6,460	\$10,117	\$13,350	\$14,711	\$16,213	\$60,851
Depreciation Expense - Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0			\$4,225	\$5,126	\$6,573	\$8,235	\$9,825	\$33,984
Depreciation Expense - M&R City Gate	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0			\$0	\$0	\$0	\$0	\$0	\$0
Fuel Line Expense	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0			\$0	\$3,644	\$2,212	\$1,998	\$0	\$7,853
Property Taxes	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0			\$6,995	\$6,995	\$6,995	\$6,995	\$6,995	\$34,976
General Public Notice Expense & Customer Notice Expense	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0			\$10,037	\$9,252	\$0	\$4,850	\$1,753	\$25,901
Total Expense	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0			\$27,717	\$35,134	\$29,130	\$56,798	\$34,786	\$163,565
Total Revenue Requirements	\$0	\$0	\$0	\$250	\$407	\$4,275	\$12,360				\$76,269	\$95,942	\$107,185	\$130,309	\$138,007	\$565,004
Revenue																
GRIP Surcharge Revenues Collected Month	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0			\$136,037	\$143,327	\$144,526	\$177,654	\$198,234	\$815,585
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	1.00503	
Net GUARD Surcharge Revenue Collected	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0			\$135,356	\$142,610	\$143,802	\$176,765	\$197,242	\$815,585
Beginning True-Up (Over) and Under Recovery for the Month	\$	-	\$	-	\$	-	\$	250	\$	407	\$	4,275	\$	12,360	\$	(\$315,465)
Monthly Interest (Expense)/Income	\$	-	\$	-	\$	-	\$	\$1.00	\$	\$1.00	\$	\$9.00	\$	\$27.00	\$	(\$307)
Ending (Over) and Under Recovery	\$	-	\$	-	\$	-	\$	\$251	\$	\$659	\$	\$4,943	\$	\$17,330	\$	(\$332,795)
Beg of Month Annual Interest Rate	0.0425	4.30%	4.60%	4.83%	4.83%	5.08%	5.12%				5.23%	5.28%	5.31%	5.31%	5.34%	
End of Month Annual Interest Rate	0.0436	4.60%	4.83%	4.83%	5.08%	5.12%	5.23%				5.28%	5.31%	5.31%	5.34%	5.30%	
Average Monthly Interest Rate	0.00359	0.373%	0.393%	0.403%	0.413%	0.425%	0.431%				0.438%	0.441%	0.443%	0.444%	0.443%	

Florida Public Utilities Company
Gas Utility Access and Replacement Directive
Calculation of the Projected Revenue Requirements
January 1, 2025 through December 31, 2025

Schedule C-2
Exhibit _____
Stacey K. Laster (SKL-1)
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Item	Beginning Balance	Projection Jan	Projection Feb	Projection Mar	Projection Apr	Projection May	Projection Jun	Projection Jul	Projection Aug	Projection Sep	Projection Oct	Projection Nov	Projection Dec	Year End Total/Balance
Qualified Investment														
Qualified Investment - Current Year 1070 Activity	\$ 20,186,843	\$ 1,450,000	\$ 1,050,000	\$ 1,000,000	\$ 1,222,090	\$ 1,352,838	\$ 1,510,000	\$ 1,542,543	\$ 1,630,787	\$ 1,284,345	\$ 1,561,067	\$ 1,300,000	\$ 1,264,164	\$ 16,167,834
Qualified Investment - Mains - Closed 1070 Activity to Plant	\$ (15,324,969)	\$ (1,189,000)	\$ (861,000)	\$ (820,000)	\$ (1,002,114)	\$ (1,109,327)	\$ (1,238,200)	\$ (1,264,885)	\$ (1,337,246)	\$ (1,053,163)	\$ (1,280,075)	\$ (1,066,000)	\$ (1,036,614)	\$ (13,257,624)
Qualified Investment - Services - Current Year 1070 Activity	\$ 9,805,661	\$ 350,000	\$ 820,000	\$ 860,205	\$ 810,000	\$ 715,867	\$ 630,000	\$ 727,230	\$ 597,679	\$ 909,958	\$ 629,404	\$ 918,046	\$ 863,982	\$ 8,832,371
Qualified Investment - Services - Closed 1070 Activity to Plant	\$ (9,241,600)	\$ (350,000)	\$ (820,000)	\$ (860,205)	\$ (810,000)	\$ (715,867)	\$ (630,000)	\$ (727,230)	\$ (597,679)	\$ (909,958)	\$ (629,404)	\$ (918,046)	\$ (863,982)	\$ (8,832,371)
Qualified Investment - M&R - Current Year 1070 Activity	\$ 13,099	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Qualified Investment - M&R - Closed 1070 Activity to Plant	\$ (542,407)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Qualified Investment - Mains - Current 1010 Activity	\$ 15,324,969	\$ 1,189,000	\$ 861,000	\$ 820,000	\$ 1,002,114	\$ 1,109,327	\$ 1,238,200	\$ 1,264,885	\$ 1,337,246	\$ 1,053,163	\$ 1,280,075	\$ 1,066,000	\$ 1,036,614	\$ 13,257,624
Qualified Investment - Services - Current 1010 Activity	\$ 9,241,600	\$ 350,000	\$ 820,000	\$ 860,205	\$ 810,000	\$ 715,867	\$ 630,000	\$ 727,230	\$ 597,679	\$ 909,958	\$ 629,404	\$ 918,046	\$ 863,982	\$ 8,832,371
Qualified Investment - M&R - Current 1010 Activity	\$ 542,407	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Qualified Investment - Mains 1070	\$ 5,398,155	\$ 5,659,155	\$ 5,848,155	\$ 6,028,155	\$ 6,248,131	\$ 6,491,642	\$ 6,763,442	\$ 7,041,100	\$ 7,334,642	\$ 7,565,824	\$ 7,846,816	\$ 8,080,816	\$ 8,308,365	\$ 8,308,365
Total Qualified Investment - Service 1070	\$ 1,598,712	\$ 1,598,712	\$ 1,598,712	\$ 1,598,712	\$ 1,598,712	\$ 1,598,712	\$ 1,598,712	\$ 1,598,712	\$ 1,598,712	\$ 1,598,712	\$ 1,598,712	\$ 1,598,712	\$ 1,598,712	\$ 1,598,712
Total Qualified Investment - M&R 1070	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Total Qualified Investment - Mains 1010	\$ 28,937,275	\$ 30,126,275	\$ 30,987,275	\$ 31,807,275	\$ 32,809,389	\$ 33,918,716	\$ 35,156,916	\$ 36,421,801	\$ 37,759,047	\$ 38,812,210	\$ 40,092,285	\$ 41,158,285	\$ 42,194,899	\$ 42,194,899
Total Qualified Investment - Service 1010	\$ 14,262,365	\$ 14,612,365	\$ 15,432,365	\$ 16,292,570	\$ 17,102,570	\$ 17,818,437	\$ 18,448,437	\$ 19,175,667	\$ 19,773,346	\$ 20,683,304	\$ 21,312,708	\$ 22,230,754	\$ 23,094,736	\$ 23,094,736
Total Qualified Investment - M&R 1010	\$ 542,407	\$ 542,407	\$ 542,407	\$ 542,407	\$ 542,407	\$ 542,407	\$ 542,407	\$ 542,407	\$ 542,407	\$ 542,407	\$ 542,407	\$ 542,407	\$ 542,407	\$ 542,407
Total Qualified Investment	\$ 50,738,913	\$ 52,538,913	\$ 54,408,913	\$ 56,269,118	\$ 58,301,208	\$ 60,369,913	\$ 62,509,913	\$ 64,779,686	\$ 67,008,153	\$ 69,202,456	\$ 71,392,927	\$ 73,610,973	\$ 75,739,119	\$ 75,739,119
Less: Accumulated Depreciation	\$ (4,309,882)	\$ (4,379,308)	\$ (4,451,048)	\$ (4,525,645)	\$ (4,603,128)	\$ (4,683,634)	\$ (4,767,111)	\$ (4,853,551)	\$ (4,943,192)	\$ (5,035,861)	\$ (5,131,831)	\$ (5,230,818)	\$ (5,333,140)	\$ (5,333,140)
Net Book Value	\$ 46,429,031	\$ 48,159,605	\$ 49,957,865	\$ 51,743,473	\$ 53,698,080	\$ 55,686,279	\$ 57,742,802	\$ 59,926,135	\$ 62,064,960	\$ 64,166,594	\$ 66,261,095	\$ 68,380,154	\$ 70,405,978	\$ 70,405,978
Average Net Qualified Investment	\$ 47,294,318	\$ 49,058,735	\$ 50,850,669	\$ 52,720,776	\$ 54,692,179	\$ 56,714,540	\$ 58,834,468	\$ 60,995,547	\$ 63,115,777	\$ 65,213,845	\$ 67,320,625	\$ 69,393,066	\$ 69,393,066	
Depreciation Rates														
Approved Depreciation Rate-Mains		1.60%	1.60%	1.60%	1.60%	1.60%	1.60%	1.60%	1.60%	1.60%	1.60%	1.60%	1.60%	1.60%
Approved Depreciation Rate-Services		2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
Approved Depreciation Rate - M&R City Gate		2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
Return on Average Net Qualified Investment														
Equity - Cost of Capital, inclusive of Income Tax Gross-up		5.84%	5.84%	5.84%	5.84%	5.84%	5.84%	5.84%	5.84%	5.84%	5.84%	5.84%	5.84%	5.84%
Debt - Cost of Capital		1.62%	1.62%	1.62%	1.62%	1.62%	1.62%	1.62%	1.62%	1.62%	1.62%	1.62%	1.62%	1.62%
Equity Component - inclusive of Income Tax Gross-up	\$230,157	\$238,744	\$247,464	\$256,565	\$266,159	\$276,000	\$286,317	\$296,834	\$307,152	\$317,362	\$327,615	\$337,700	\$338,069	\$3,388,069
Debt Component	\$63,675	\$66,051	\$68,464	\$70,981	\$73,636	\$76,338	\$79,123	\$82,122	\$84,977	\$87,802	\$90,638	\$93,428	\$93,745	\$937,345
Return Requirement	\$293,832	\$304,795	\$315,928	\$327,546	\$339,795	\$352,358	\$365,530	\$378,956	\$392,129	\$405,164	\$418,253	\$431,128	\$432,814	\$4,325,414
Investment Expenses														
Depreciation Expense - Mains	\$38,583	\$40,168	\$41,316	\$42,410	\$43,746	\$45,225	\$46,876	\$48,562	\$50,345	\$51,750	\$53,456	\$54,878	\$55,715	\$557,315
Depreciation Expense - Services	\$29,713	\$30,442	\$32,151	\$33,943	\$35,630	\$37,122	\$38,434	\$39,949	\$41,194	\$43,090	\$44,401	\$46,314	\$452,383	\$452,383
Depreciation Expense - M&R City Gate	\$1,130	\$1,130	\$1,130	\$1,130	\$1,130	\$1,130	\$1,130	\$1,130	\$1,130	\$1,130	\$1,130	\$1,130	\$1,130	\$13,560
Fuel Line Expense	\$700	\$700	\$700	\$700	\$700	\$700	\$700	\$700	\$700	\$700	\$700	\$700	\$700	\$8,400
Property Taxes	\$77,382	\$77,382	\$77,382	\$77,382	\$77,382	\$77,382	\$77,382	\$77,382	\$77,382	\$77,382	\$77,382	\$77,382	\$77,382	\$928,584
General Public Notice Expense & Customer Notice Expense	\$3,500	\$3,500	\$3,500	\$3,500	\$3,500	\$3,500	\$3,500	\$3,500	\$3,500	\$3,500	\$3,500	\$3,500	\$3,500	\$42,000
Total Expense	\$151,008	\$153,322	\$156,179	\$159,065	\$162,088	\$165,059	\$168,022	\$171,223	\$174,251	\$177,552	\$180,569	\$183,904	\$183,904	\$2,002,242
Total Revenue Requirements	\$444,840	\$458,117	\$472,107	\$486,611	\$501,883	\$517,417	\$533,552	\$550,179	\$566,380	\$582,716	\$598,822	\$615,032	\$632,376	\$6,327,656

Florida Public Utilities Company
Gas Utility Access and Replacement Directive
Projection of Qualified Mains & Services Revenue Requirements
Surcharge Calculation - January 1, 2025 through December 31, 2025
Per Therm Rate

Schedule D-1
Exhibit
Stacey K. Laster (SKL-1)
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1. 1/1/25-12/31/25 Qualified Mains & Services Replacement Revenue Requirements		\$6,327,656
Mains	88%	\$5,568,337
Services	12%	\$759,319
M&R	0%	\$0
Net		<u>\$6,327,656</u>
2. TRUE-UP from Prior Period (Over)/Under Recovery Estimated thru 12/2024		\$ 685,595
3. 2025 Qualified Mains & Services Replacement Revenue Requirements		\$7,013,251
Mains	88%	\$6,171,661
Services	12%	\$841,590
M&R	0%	\$0
Net		<u>\$7,013,251</u>

RATE SCHEDULE	2025 THERMS	SERVICES COS %	MAINS COS %	M&R COS %	SERVICES REV REQ	MAINS REV REQ	M&R REV REQ	GUARD REV REQ	DOLLARS PER THERM	TAX FACTOR	GUARD FACTORS PER THERM	TYPICAL ANNUAL THERMS	ANNUAL COST	AVERAGE MONTHLY COST
RES-1	1,708,713	27.37%	1.20%	1.20%	\$230,344	\$74,250	\$0	\$304,594	\$0.17826	1.00503	\$0.17916	54	\$9.64	\$0.80
RES-2	5,406,886	36.49%	4.71%	4.71%	\$307,064	\$290,945	\$0	\$598,009	\$0.11060	1.00503	\$0.11116	159	\$17.67	\$1.47
RES-3	16,140,244	19.15%	10.05%	10.05%	\$161,127	\$620,023	\$0	\$781,150	\$0.04840	1.00503	\$0.04864	665	\$32.34	\$2.70
RES-SG	110,227	1.09%	0.09%	0.09%	\$9,153	\$5,774	\$0	\$14,927	\$0.13542	1.00503	\$0.13610	109	\$14.84	\$1.24
GS-1	955,226	3.10%	0.60%	0.60%	\$26,111	\$37,016	\$0	\$63,126	\$0.06609	1.00503	\$0.06642	322	\$21.40	\$1.78
GS-2	7,373,402	4.14%	6.03%	6.03%	\$34,875	\$371,865	\$0	\$406,740	\$0.05516	1.00503	\$0.05544	2,902	\$160.91	\$13.41
GS-3	12,113,187	3.40%	9.57%	9.57%	\$28,644	\$590,877	\$0	\$619,521	\$0.05114	1.00503	\$0.05140	7,312	\$375.86	\$31.32
GS-4	24,936,585	3.66%	19.88%	19.88%	\$30,785	\$1,227,025	\$0	\$1,257,810	0.05044	1.00503	\$0.05069	17,805	\$902.61	\$75.22
GS-5	14,286,233	0.55%	9.71%	9.71%	\$4,605	\$599,119	\$0	\$603,724	\$0.04226	1.00503	\$0.04247	110,084	\$4,675.47	\$389.62
GS-6	13,942,304	0.21%	9.23%	9.23%	\$1,788	\$569,644	\$0	\$571,432	\$0.04099	1.00503	\$0.04119	350,534	\$14,439.07	\$1,203.26
GS-7	11,649,000	0.08%	7.06%	7.06%	\$677	\$435,992	\$0	\$436,669	\$0.03749	1.00503	\$0.03767	771,728	\$29,074.16	\$2,422.85
GS-8 (A-D)	25,806,864	0.05%	17.26%	17.26%	\$410	\$1,065,265	\$0	\$1,065,674	\$0.04129	1.00503	\$0.04150	2,842,207	\$117,957.10	\$9,829.76
COM-INT	10,418,773	0.17%	3.58%	3.58%	\$1,444	\$220,820	\$0	\$222,264	\$0.02133	1.00503	\$0.02144	558,968	\$11,984.48	\$998.71
COM-NGV	1,449,022	0.01%	0.89%	0.89%	\$81	\$54,850	\$0	\$54,931	\$0.03791	1.00503	\$0.03810	340,759	\$12,982.88	\$1,081.91
COM-OL	55,797	0.02%	0.08%	0.08%	\$155	\$4,719	\$0	\$4,874	\$0.08735	1.00503	\$0.08779	3,439	\$301.88	\$25.16
COM-SG	48,362	0.51%	0.06%	0.06%	\$4,328	\$3,476	\$0	\$7,805	\$0.16138	1.00503	\$0.16219	207	\$33.56	\$2.80
TOTAL	146,400,825	100%	100%	100%	841,590	6,171,661	0	7,013,251						

FPU

Schedule E-1

Exhibit _____

Stacey K. Laster (SKL-1)

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2023 Surveillance (13-month average) at ROE% midpoint							
	Per Book	Pro-Rata Adjustment	Specific Adjustment	Adjusted Balance	Cap Ratio	Cost Rate	Weighted Cost
Common Equity	\$207,586,170	(\$8,905,815)	(\$3,183,612)	\$195,496,743	42.22%	10.25%	4.33%
Long Term Debt - CU	\$163,683,170	(\$7,022,299)	\$0	\$156,660,871	33.83%	3.64%	1.23%
Short Term Debt	\$29,980,150	(\$1,286,202)	\$0	\$28,693,948	6.20%	5.35%	0.33%
Long Term Debt - FC	\$0	\$0	\$0	\$0	0.00%	0.00%	0.00%
Customer Deposits	\$11,909,639	\$0	\$0	\$11,909,639	2.57%	2.01%	0.05%
Deferred Income Taxes	\$70,276,708	\$0	\$0	\$70,276,708	15.18%	0.00%	0.00%
Total	\$483,435,837	(\$17,214,316)	(\$3,183,612)	\$463,037,909	100%		5.94%

2023 Surveillance with ADFIT Consistency and Proration Adjustments (13-month average)									
	Per Book	Consistency and Pro-Rata Adjustment	Books Adjusted	Pro-Rata Adjustment	Specific Adjustment	Adjusted Balance	Cap Ratio	Cost Rate	Weighted Cost
Common Equity	\$207,586,170	(\$9,736,223)	\$197,849,947	\$8,905,815	(\$3,183,612)	\$203,572,150	40.97%	10.25%	4.20%
Long Term Debt - CU	\$163,683,170	(\$7,677,081)	\$156,006,089	\$7,022,299	\$0	\$163,028,388	32.81%	3.64%	1.20%
Short Term Debt	\$29,980,150	(\$1,406,131)	\$28,574,019	\$1,286,202	\$0	\$29,860,221	6.01%	5.35%	0.32%
Long Term Debt - FC	\$0	\$0	\$0	\$0	\$0	\$0	0.00%	0.00%	0.00%
Customer Deposits	\$11,909,639	(\$558,587)	\$11,351,052	\$0	\$0	\$11,351,052	2.28%	2.01%	0.05%
Deferred Income Taxes	\$70,276,708	\$18,819,435	\$89,096,143	\$0	\$0	\$89,096,143	17.93%	0.00%	0.00%
Total	\$483,435,837		\$482,877,250	\$17,214,316	(\$3,183,612)	\$496,907,954	100%		5.76%

Proration Adjustment and Consistency Adjustment To Reflect Projected ADFIT Consistent with Projection Year								
	Month	Total Deferred Income Tax Balance	Deprec Related ADFIT Balance	Deprec Related ADFIT Activity	Days to Prorate	Future Days in Period	Prorated Deprec-Related ADFIT Activity	Prorated Deprec-Related ADFIT Balance
Projected	Dec-24	86,421,145	84,332,233					84,332,233
Projected	Jan-25	87,066,229	84,954,262	622,029	31	334	569,199	84,901,432
Projected	Feb-25	87,711,312	85,576,292	622,030	28	306	521,483	85,422,915
Projected	Mar-25	88,356,396	86,198,322	622,030	31	275	468,653	85,891,567
Projected	Apr-25	89,001,480	86,820,352	622,030	30	245	417,527	86,309,094
Projected	May-25	89,646,564	87,442,381	622,030	31	214	364,697	86,673,791
Projected	Jun-25	90,291,648	88,064,411	622,030	30	184	313,571	86,987,362
Projected	Jul-25	90,936,732	88,686,441	622,030	31	153	260,741	87,248,104
Projected	Aug-25	91,581,815	89,308,471	622,030	31	122	207,911	87,456,015
Projected	Sep-25	92,226,899	89,930,501	622,030	30	92	156,786	87,612,801
Projected	Oct-25	92,871,983	90,552,531	622,030	31	61	103,956	87,716,756
Projected	Nov-25	93,517,067	91,174,560	622,030	30	31	52,830	87,769,586
Projected	Dec-25	94,162,151	91,796,590	622,030	31	0	0	87,769,586
		90,291,648	88,064,411	7,464,357	365		3,437,353	86,622,403
2023 YE Surveil Bal.		70,276,708	67,802,968				13-Month Avg. Bal	88,064,411
Consistency Adjustment		20,014,940	20,261,443	*			Proration Adj.	(1,442,008)
Proration Adjustment			(1,442,008)					
Total Adjustment			18,819,435					

* Positive variance shows that the limitation provision is met.

Project Name	Location City/Town	Location County	Program Category	Program Sub-Category	Construction	Construction	Project Status	Actual/Forecasted Investment Cost	Actual/Forecasted Footages	Actual/Forecasted Miles	Actual/Forecasted Services
					Estimate Start Qtr	Estimate Completed Qtr					
Industrial Drive - Station			Problematic	Station	2023 - Q4	2023 - Q4	Completed	\$ 542,406.52			
Lake Park - North	Lake Park	Palm Beach	Accessibility	Rear-to-Front	2023 - Q2	2024 - Q1	Completed	\$ 5,085,540.33	43,996	8.33	298
Indiantown - North Ph.1	Indiantown	Martin	Problematic	Obsolete/Aldyl-A	2023 - Q3	2024 - Q1	Completed	\$ 3,336,411.51	27,905	5.29	340
Lake Park - South	Lake Park	Palm Beach	Accessibility	Rear-to-Front	2023 - Q3	2024 - Q1	Completed	\$ 1,728,971.80	19,144	3.63	70
Turnpike and Belvedere	West Palm Beach	Palm Beach	Problematic	Span	2023 - Q3	2024 - Q1	Completed	\$ 736,291.39	2,532	0.48	-
Turnpike and Jog	West Palm Beach	Palm Beach	Problematic	Span	2023 - Q3	2024 - Q1	Completed	\$ 675,570.55	1,167	0.22	-
Mercer Ave	West Palm Beach	Palm Beach	Problematic	Span	2023 - Q4	2024 - Q1	Completed	\$ 316,899.82	670	0.13	-
Winter Springs Ph.1	Winter Springs	Seminole	Accessibility	Rear-to-Front	2023 - Q2	2024 - Q2	Completed	\$ 1,647,219.68	19,952	3.78	216
Indiantown - South - Ph.3	Indiantown	Martin	Problematic	Obsolete/Aldyl-A	2023 - Q4	2024 - Q2	Completed	\$ 3,128,738.12	28,166	5.33	241
Indiantown - North Ph.2	Indiantown	Martin	Problematic	Obsolete/Aldyl-A	2024 - Q1	2024 - Q2	Completed	\$ 1,508,049.31	15,950	3.02	98
Forest Hill Villages	West Palm Beach	Palm Beach	Accessibility	Rear-to-Front	2023 - Q4	2024 - Q3	In-Progress	\$ 5,707,811.43	36,054	6.83	439
Sanford Ph.1	Sanford	Seminole	Accessibility	Rear-to-Front	2024 - Q1	2024 - Q3	In-Progress	\$ 746,233.57	9,080	1.72	105
Seacrest West	Boynton Beach	Palm Beach	Accessibility	Rear-to-Front	2024 - Q2	2024 - Q3	In-Progress	\$ 2,266,012.00	25,263	4.78	143
Grammercy Park	Riviera Beach	Palm Beach	Accessibility	Rear-to-Front	2024 - Q1	2024 - Q4	In-Progress	\$ 2,660,600.00	26,130	4.95	205
Park Manor	Riviera Beach	Palm Beach	Accessibility	Rear-to-Front	2024 - Q2	2024 - Q4	In-Progress	\$ 4,212,216.00	43,096	8.16	268
Winter Springs Ph.2	Winter Springs	Seminole	Accessibility	Rear-to-Front	2024 - Q2	2024 - Q4	In-Progress	\$ 3,177,020.00	22,479	4.26	358
Le Chalet	Boynton Beach	Palm Beach	Problematic	Obsolete/Aldyl-A	2024 - Q3	2024 - Q4	Future Project	\$ 1,272,535.00	11,805	2.24	111
Seacrest East	Boynton Beach	Palm Beach	Accessibility	Rear-to-Front	2024 - Q3	2024 - Q4	Future Project	\$ 1,346,140.00	19,534	3.70	58
Sanford Airport	Sanford	Seminole	Problematic	Shallow	2024 - Q3	2024 - Q4	Future Project	\$ 1,021,350.00	20,500	3.88	7
American Superior	Winter Haven	Polk	Problematic	Span	2024 - Q3	2024 - Q4	Future Project	\$ 230,500.00	4,700	0.89	-
Caribbean Distillers	Lake Alfred	Polk	Problematic	Under Building	2024 - Q4	2024 - Q4	Future Project	\$ 68,750.00	300	0.06	-
Edgecliff Estates	Lantana	Palm Beach	Accessibility	Rear-to-Front	2024 - Q4	2025 - Q3	Future Project	\$ 1,993,839.00	7,927	1.50	177
Lantana Lee Estates	Lantana	Palm Beach	Accessibility	Rear Easement	Qtr 1 - 2025	Qtr 2 - 2025	Future Project	\$ 1,935,698	11,327	2.15	257
Monroe Heights	Riviera Beach	Palm Beach	Accessibility	Rear Easement	Qtr 1 - 2025	Qtr 2 - 2025	Future Project	\$ 1,636,112	15,944	3.02	83
Sanford San Lanta	Sanford	Seminole	Accessibility	Rear Easement	Qtr 1 - 2025	Qtr 2 - 2025	Future Project	\$ 799,190	13,243	2.51	40
900 S. Ocean Blvd. - BR	Boca Raton	Palm Beach	Problematic	Obsolete/Aldyl-A	Qtr 2 - 2025	Qtr 3 - 2025	Future Project	\$ 140,000	995	0.19	6
Cherry Lane Townhomes	West Palm Beach	Palm Beach	Problematic	Obsolete/Aldyl-A	Qtr 2 - 2025	Qtr 4 - 2025	Future Project	\$ 726,688	3,690	0.70	92
Southside	West Palm Beach	Palm Beach	Accessibility	Rear Easement	Qtr 2 - 2025	Qtr 4 - 2025	Future Project	\$ 3,188,004	25,189	4.77	279
Whispering Palms	Lake Worth Beach	Palm Beach	Accessibility	Rear Easement	Qtr 2 - 2025	Qtr 3 - 2025	Future Project	\$ 1,961,663	18,695	3.54	68
302 Lake Shore Dr - Lake Park	Lake Park	Palm Beach	Problematic	Span	Qtr 2 - 2025	Qtr 3 - 2025	Future Project	\$ 218,110	400	0.08	-
Jungle Rd - Temple St	New Smyrna Beach	Volusia	Problematic	Span	Qtr 2 - 2025	Qtr 3 - 2025	Future Project	\$ 300,000	218	0.04	-
Woodlands	Palm Springs	Palm Beach	Problematic	Obsolete/Aldyl-A	Qtr 3 - 2025	Qtr 4 - 2025	Future Project	\$ 1,298,661	6,535	1.24	195
Edgewater - Meadow Lake	Edgewater	Volusia	Problematic	Obsolete/Steel Tubing	Qtr 3 - 2025	Qtr 4 - 2025	Future Project	\$ 406,873	5,000	-	40
Federal Gardens	Riviera Beach	Palm Beach	Accessibility	Rear Easement	Qtr 3 - 2025	Qtr 4 - 2025	Future Project	\$ 1,129,113	7,787	1.47	119
Heights	Riviera Beach	Palm Beach	Accessibility	Rear Easement	Qtr 3 - 2025	Qtr 4 - 2025	Future Project	\$ 2,307,135	19,755	3.74	144
Pickwick Park	Greenacres	Palm Beach	Accessibility	Rear Easement	Qtr 3 - 2025	Qtr 4 - 2025	Future Project	\$ 967,142	10,285	1.95	30
Highlands-Elgin Dr	Winter Springs	Seminole	Accessibility	Rear Easement	Qtr 3 - 2025	Qtr 4 - 2025	Future Project	\$ 1,502,238	15,460	2.93	217
Edgecliff - 2025	Lantana	Palm Beach	Accessibility	Rear Easement	Qtr 4 - 2024	Qtr 3 - 2025	Future Project	\$ 4,413,467	23,781	4.50	530
NE 32nd Street	Boca Raton	Palm Beach	Accessibility	Rear Easement	Qtr 4 - 2025	Qtr 4 - 2025	Future Project	\$ 1,670,112	16,815	3.18	103
N. Shore Dr at C-17 WPB	West Palm Beach	Palm Beach	Problematic	Span	Qtr 4 - 2025	Qtr 4 - 2025	Future Project	\$ 400,000	967	0.18	-
								\$ 68,409,311.53	582,436	109.36	5,337

REVENUE EXPANSION FACTOR

Line No.	Description	Percent	SALES	UNCOLLECTIBLE	RATE
1	Revenue Requirement	100.0000%			
2	Gross Receipts Tax Rate	0.0000%			
3	Regulatory Assessment Rate	0.5030%			
4	Bad Debt Rate	0.2331%	172,684,376.62	402,482.71	0.2331%
	Net Before Income Taxes				
5	(1) - (2) - (3) - (4)	99.2639%			
6	State Income Tax Rate	5.5000%			
7	State Income Tax (5) x (6)	5.4595%			
8	Net Before Federal Income Tax (5) - (7)	93.8044%			
9	Federal Income Tax Rate	21.0000%			
10	Federal Income Tax (8) x (9)	19.6989%			
11	Revenue Expansion Factor (8) - (10)	74.1055%			
12	Net Operating Income Multiplier (100% / Line 11)	1.3494			