

State of Florida




Public Service Commission

CAPITAL CIRCLE OFFICE CENTER • 2540 SHUMARD OAK BOULEVARD
TALLAHASSEE, FLORIDA 32399-0850

-M-E-M-O-R-A-N-D-U-M-

DATE: December 20, 2024

TO: Adam J. Teitzman, Commission Clerk, Office of Commission Clerk

FROM: Lynn Deamer, Bureau Chief, Office of Auditing & Performance Analysis 

RE: Docket No.: 20240099-EI
Company Name: Florida Public Utilities Company
Company Code: EI803
Audit Purpose: A1f: Rate Case
Audit Control No.: 2024-240-1-1

Attached is the final audit report for the Utility stated above, I am sending the Utility a copy of this memo and the audit report. If the Utility desires to file a response to the audit report, it should send a response to the Office of the Commission Clerk. There are no confidential work papers associated with this audit.

Attachment: Audit Report

Cc: Office of Auditing & Performance Analysis

State of Florida



Public Service Commission

Office of Auditing and Performance Analysis
Bureau of Auditing

Auditor's Report

Florida Public Utilities Company – Consolidated Electric Division
Rate Case (PAA)

Historical Test Year Ended December 31, 2023

Docket No.: 20240099-EI

Audit Control No.: 2024-240-1-1

December 20, 2024

A handwritten signature in blue ink, appearing to read "K Guan", written above a horizontal line.

Kathryn Guan
Audit Manager

A handwritten signature in blue ink, appearing to read "Tony", written above a horizontal line.

Tony Nguyen
Audit Staff

A handwritten signature in blue ink, appearing to read "Sai Rashmitha", written above a horizontal line.

Sai Rashmitha Kolli
Audit Staff

A handwritten signature in blue ink, appearing to read "Wesley", written above a horizontal line.

Wesley Thurmond
Audit Staff

A handwritten signature in blue ink, appearing to read "Curt", written above a horizontal line.

Curt Mouring
Audit Staff

A handwritten signature in blue ink, appearing to read "Lynn M Deamer", written above a horizontal line.

Lynn M. Deamer
Reviewer

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Purpose

To: Florida Public Service Commission

We have performed the procedures described later in this report to meet the objectives set forth by the Division of Accounting & Finance in its audit service request dated August 27, 2024. We have applied these procedures to the attached schedules prepared by Florida Public Utilities Company in support of its filing for rate relief in Docket No. 20240099-EI.

The report is intended only for internal Commission use.

Objectives and Procedures

General

Definitions

FPUC/Utility refers to Florida Public Utilities Company.

CUC/Parent Company refers to Chesapeake Utilities Corporation.

Consolidated Electric Division refers to Northwest and Northeast Electric Division

FERC refers to the Federal Energy Regulatory Commission.

USoA refers to the FERC Uniform System of Accounts as adopted by Commission Rule 25-6.014 – Records and Reports in General, Florida Administrative Code. (F.A.C.)

Background

Florida Public Utilities Company filed a petition for a permanent rate increase on August 22, 2024. FPUC operates in Florida as an electric utility, and a natural gas utility, subject to regulation by the Commission under Chapter 366, Florida Statutes. This audit reviews the petition filed by the Consolidated Electric Division.

FPUC's electric utility operations are comprised of two discrete divisions. One division serves Marianna, Florida (Northwest Division), and the other division serves Fernandina Beach, Florida (Northeast Division). FPUC's Consolidated Electric Division does not own any generation, therefore, it relies entirely upon power purchases to serve its 33,100 customers.

The Utility's last petition for rate relief was granted in Docket No. 20140025-EI, Petition for Rate Increase, issued September 19, 2014, using a test year ending September 30, 2015. In 2017, FPUC filed Docket No. 20170510-EI for a limited proceeding to recover returns on the investment in reliability and modernization projects in rate base. In 2018, the Utility was proceeding to address the impacts of the Federal Tax Cuts and Jobs Act for the electric divisions in Docket No. 20180048-EI. In addition, the Utility's depreciation in this case reflects the depreciation rates granted in Docket No. 20230079-EI, issued December 21, 2023.

Rate Base

Utility Plant in Service

Objectives: The objectives were to determine whether, 1) PIS exists and was owned by the utility, additions were authentic and recorded at original cost, proper retirements were made when a replacement asset was put in service, and 2) PIS was classified in compliance with the NARUC Uniform System of Accounts, and to recalculate the 13-month average balance for PIS for the test year ended December 31, 2023.

Procedures: We reconciled the beginning balances and the ending balances of the MFRs to the Utility's general ledger. We sampled plant additions and retirements from October 31, 2013 to December 31, 2023 and noted for correct amounts, proper timing, and proper classification. We

confirmed no land has been purchased since the Utility's last rate case and reconciled ending balances of land in the MFR's to the Utility's general ledger.

Construction Work in Progress

Objectives: The objectives were to determine the nature and accuracy of utility projects recorded as Construction Work in Progress, and whether Construction Work in Progress was properly stated and authorized.

Procedures: We acquired correct beginning balances and reconciled ending balances of the MFRs to the Utility's general ledger. We sampled additions to CWIP and noted for correct amounts, proper timing, and proper classification.

Accumulated Depreciation

Objectives: The objectives were to 1) reconcile the 13-month average accumulated depreciation from the MFRs to the general ledger, 2) reconcile the test year ended December 31, 2023 balance of accumulated depreciation from the MFRs to the general ledger, and 3) ensure 2023 accumulated depreciation was correct.

Procedures: We obtained MFR schedules B-1, B-3, and B-10 and the Utility's general ledger and reconciled the two for both the 13-month average and the ending balance for the test year ended December 31, 2023.

Working Capital

Objectives: The objectives were 1) to verify that the working capital calculation and adjustments were consistent with Commission orders, 2) to determine whether there were interest-bearing in working capital accounts, 3) to determine the transactions in working capital were properly recorded, 4) to determine whether there were non-utility items in the working capital accounts 5) to determine whether the Accumulated Provision Accounts were in compliance with the Rule 25-6.0143, F.A.C.

Procedures: We recalculated the working capital, and reconciled balances to MFR Schedule B-3, and determined that the transactions in working capital have been appropriately calculated and reflected. We sampled 73 transactions in working capital and all 79 transactions in Accumulated Provision Accounts as sample testing, and traced the amounts to the supporting documentation. We verified the transactions in Accumulated Provision Accounts were in compliance with the Rule 25-6.0143, F.A.C. In addition, we confirmed there was no interest-bearing account and non-utility items in working capital. However, there was an adjustment of (\$413,690) that has been removed twice from both Storm Protection Plan and Fuel Under-Recovery. See Finding 1.

Capital Structure

Equity

Objectives: The objectives were to determine whether equity balances were representative of actual equity, and whether the equity was properly recorded in compliance with USoA for the test year ended December 31, 2023.

Procedures: We obtained the balance sheet from the Utility, reconciled the 13-month average of equity and adjustment, and traced to MFR Schedule D-1a and D-1b. We confirmed the cost rate of equity was in compliance the Commission Order No. PSC-2014-0517-S-EI. No exceptions were noted.

Long-Term Debt

Objectives: The objectives were to determine whether Long-Term Debt (LTD) balances were representative of the actual obligations of the Utility, and whether they were properly recorded in compliance with USoA for the test year ended December 31, 2023.

Procedures: We obtained the Long-Term Debt Notes from the Utility, and we traced the coupon rate, dates, face value and years to MFR Schedule D-4a. We also recalculated the Long-Term Debt expense and cost rate, and traced back to MFR Schedule D-4a. We confirmed that the non-utility assets were removed from the capital structure in the Rate Base and Capital Structure. Audit staff determined that the Net Long-Term Debt was properly recorded. However, the Utility filed the incorrect issuing expense on Schedule D-4. See Finding 2.

Short-Term Debt

Objectives: The objectives were to determine whether Short-Term Debt (STD) balances were representative of the actual obligations of the Utility, and whether they were properly recorded in compliance with USoA for the test year ended December 31, 2023.

Procedures: We recalculated and reconciled the 13-month average of Short-Term Debt, cost rate, and interest expense, and traced the amounts to MFR Schedule D-3. Audit staff determined that the Utility's Short-Term Debt was properly recorded and reflected on MFR Schedule D-3. No exceptions were noted.

Customer Deposits

Objectives: : The objectives were to determine whether customer deposit balances represented actual obligations of the utility, customer deposits were properly recorded and reflected on MFR.

Procedures: We recalculated the customer deposits, interest payments, and cost rate of customer deposit, and traced the amounts to MFR Schedule D-6. We confirmed the Customer Deposits were in compliance with the Rule 25-6.097, F.A.C. We scheduled the general ledger summary, recalculated the customer deposits by general ledger activities, and reconciled to MFR Schedule D-6. Audit staff determined that the general ledger of Customer Deposits for the Utility were booked inappropriately. In addition, there is no effect on projected test year 2025. See Finding 3.

Accumulated Deferred Income Taxes

Objectives: The objectives were to verify that the Utility included the appropriate amount of credit ADITs associated with its requested rate case expense in its projected net credit ADIT balance in their capital structure and to determine whether the ADIT balances were properly stated.

Procedures: Reconciled MFR Schedule B-22 to the General Ledger are recalculated 13-month average. We also verified that the Company included the appropriate Credit ADIT associated

with its requested rate case expense in its projected net credit ADIT balance in their capital structure.

Net Operating Income

Operating Revenue

Objectives: The objectives were to determine whether 2023 revenues were properly calculated and recorded in compliance with the USoA and are based on approved tariff rates.

Procedures: We requested 2023 revenues balances and unbilled revenues by month and reconciled revenues to the general ledger. We verified that unbilled revenues were calculated correctly. We recalculated a sample of customer bills to ensure that the utility was using the rates authorized in its approved tariff. No exceptions were noted.

Operation and Maintenance Expense

Objectives: The objective was to verify the historical base year O&M transactions were adequately supported by documentation, recorded in compliance with the USoA, and in the correct amounts.

Procedures: We obtained and reviewed MFR Schedules C-7 for O&M accounts for the year ended December 31, 2023. We obtained and reviewed the general ledger detail of O&M expenses for the year ended December 31, 2023. We reconciled the general ledger detail of O&M expenses to MFR Schedules C-7. We sampled and tested the general ledger detail of O&M expenses. We noted if the expenses were adequately supported by documentation, recorded in compliance with the Uniform System of Accounts and in the correct amounts. We obtained and reviewed Rule 25-6.1351 F.A.C. Cost Allocation and Affiliate Transactions. We sampled and tested the general ledger detail of allocated O&M expenses. No exceptions were noted.

Depreciation and Amortization

Objectives: The objectives were to determine, 1) depreciation expense was calculated using the correct depreciation base, 2) depreciation expense was calculated using the correct, commission approved depreciation rates, 3) amortization expense was calculated in accordance with past commission decisions.

Procedures: We reconciled total depreciation expense for 2023 from the MFRs to the general ledger. We used the rates determined in the last deprecation study of the Utility that shown the current approved rates. We recalculated depreciation expense for January in 2023. We reviewed the last orders of the Utility relating to amortization expense and confirmed it was calculated correctly.

Taxes Other than Income

Objectives: The objective was to determine whether taxes other than income taxes (TOTI) were appropriate for the historical test year ended December 31, 2023.

Procedures: We obtained and reviewed MFR Schedules C-20 and C-21 for TOTI for the year ended December 31, 2023. We reconciled and tied the general ledger detail of TOTI to MFR Schedule C-20. We sampled and testing TOTI. We obtained and reviewed the RAF filing for the year ended December 31, 2023. We reconciled and tied the general ledger detail of RAF items to the RAF filing. We recalculated the RAF according to the revenues in MFR C-21 and compared them to the RAF filing. The variance of \$23.15 in the RAF calculation is due to Storm Protection Plan over-recovery added to MFR C-21 operating revenues and is immaterial.

Federal and State Income Taxes

Objectives: To reconcile State and Federal Income Taxes in filing to the State and Federal Tax returns and have the Company provide an explanation of any variances. Verify deferred income tax expense for the historic test year, and accumulated deferred tax balances. Verify that any sales tax collection discounts are recorded above-the-line, in the Company's filing.

Procedures: Scheduled the Federal and State Income Tax for the historical test year ended December 31, 2023, from source documentation. Reviewed copies of the Company's Federal and State Income Tax returns for the historical test year and any other relevant years since the Company's last rate proceeding. Verified the historical test year income tax expense in MFR Schedule C-22 by reconciling it to the current tax returns. Verified the historical test year net deferred income tax balance by reconciling it to the current Federal and State tax returns and the Accumulated Deferred Tax presented in MFR Schedule D-1.

Audit Findings

Finding 1: Rate Base Adjustment

Audit Analysis: There was a (\$413,690) adjustment for Storm Protection Plan in working capital to remove under-recovery which was interest earning. In addition, the amount of (\$413,690) was also included in the Fuel Under-Recovery adjustment. Audit staff determined that the amount of (\$413,690) has been removed twice for adjustment. However, the adjustment has no effect on the projected test year 2025.

The Finding is for informational purposes only.

Finding 2: Long-Term Debt

Audit Analysis: Audit staff determined that the Utility filed the incorrect issuing expense in Net Long-Term Debt on MFR Schedule D-4a. The issuing expense on principal amount should be \$4,292,235. See Table 2-1.

Table 2-1

Line No.	Description	Issuing Expense per MFR	Issuing Expense per Audit	Adjustments
1	SN7	\$ 39,518	\$ 39,518	\$ -
2	SN8	\$ 34,794	\$ 34,794	\$ -
3	SN9	\$ 12,789	\$ 12,789	\$ -
4	SN10	\$ 68,794	\$ 68,794	\$ -
5	SN11	\$ 192,790	\$ 194,332	\$ 1,543
6	SN12	\$ 150,539	\$ 135,671	\$ (14,868)
7	SN13	\$ 99,400	\$ 99,400	\$ -
8	SN14	\$ 95,036	\$ 95,036	\$ 0
9	SN15	\$ 167,966	\$ 167,966	\$ -
10	SN16	\$ 165,643	\$ 165,643	\$ -
11	SN17	\$ 92,476	\$ 92,476	\$ -
12	SN18	\$ 72,953	\$ 72,953	\$ -
13	SN19	\$ 161,664	\$ 161,664	\$ -
14	SN20	\$ 98,738	\$ 98,738	\$ -
15	SN21	\$ 117,035	\$ 117,035	\$ -
16	SN22	\$ 588,623	\$ 588,624	\$ 1
17	SN23	\$ 536,123	\$ 536,124	\$ 1
18	SN24	\$ 572,373	\$ 572,374	\$ 1
19	SN25	\$ 566,123	\$ 566,124	\$ 1
20	SN26	\$ 453,873	\$ 453,874	\$ 1
21	SN27	\$ 218,311	\$ 218,305	\$ (6)
22	Total	\$ 4,505,560	\$ 4,492,235	\$ (13,325)

Effect on the General Ledger: The Utility should determine the effect on general ledger.

Effect on the Filing: Issuing expense should be decreased by \$13,325.

Finding 3: Customer Deposits

Audit Analysis: Audit staff determined that the Utility’s Customer Deposits were properly recorded and reflected on MFR Schedule D-6. However, the general ledger of Customer Deposits for the Utility were booked incorrectly. See Table 3-1.

Table 3-1

Period	Customer Deposit per GL	Customer Deposit per Audit	Variances
Dec-22	\$ 4,000,971	\$ 3,945,826	\$ (55,145)
Jan-23	\$ 3,994,898	\$ 3,938,930	\$ (55,968)
Feb-23	\$ 3,993,626	\$ 3,933,361	\$ (60,265)
Mar-23	\$ 3,978,846	\$ 3,913,798	\$ (65,048)
Apr-23	\$ 3,998,555	\$ 3,926,494	\$ (72,061)
May-23	\$ 4,003,268	\$ 3,927,457	\$ (75,811)
Jun-23	\$ 4,000,189	\$ 3,917,482	\$ (82,707)
Jul-23	\$ 3,996,287	\$ 3,904,056	\$ (92,230)
Aug-23	\$ 4,023,692	\$ 3,931,707	\$ (91,986)
Sep-23	\$ 4,021,514	\$ 3,927,079	\$ (94,435)
Oct-23	\$ 3,992,120	\$ 3,899,347	\$ (92,774)
Nov-23	\$ 4,007,265	\$ 3,960,147	\$ (47,118)
Dec-23	\$ 4,014,341	\$ 3,965,408	\$ (48,933)
13-Month Average	\$ 4,001,967	\$ 3,930,084	\$ 71,883
		13-Month Total Variances	\$ (934,479)

Effect on the General Ledger: The Utility should determine the effect on general ledger.

Effect on the Filing: Analyst should determine the effect on the projected test year.

Finding 4: Projected ADITs

Audit Analysis: Audit staff was unable to verify that the appropriate credit ADITs associated with the requested rate case expense was properly included in the projected Capital Structure for 2025. Based on correspondence with the Company, it was determined that the Company did not include this adjustment in their projected Capital Structure.

Effect on the General Ledger: The Utility should determine the effect on general ledger.

Effect on the Filing: Analyst should determine the effect on the projected test year.

Exhibits

Exhibit 1: Rate Base

Schedule B-1 (2023)

ADJUSTED RATE BASE

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FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION:

Provide a schedule of the 13-month average adjusted rate base for the test year, the prior year and the most recent historical year. Provide the details of all adjustments on Schedule B-2.

Type of Data Shown:

___ Projected Test Year Ended 12/31/25

___ Prior Year Ended 12/31/24

X Historical Test Year Ended 12/31/23

Witness: Haffeecke, Galtman, Napier

COMPANY: Florida Public Utilities Company
Consolidated Electric Division
DOCKET NO.: 20240089-EI

Line No.	(1) Plant In Service	(2) Accumulated Provision for Depreciation and Amortization	(3) Net Plant In Service (1 - 2)	(4) CWIP - No AFUDC	(5) Plant Held For Future Use	(6) Nuclear Fuel - No AFUDC (Net)	(7) Net Utility Plant	(8) Working Capital Allowance	(9) Other Rate Base Items	(10) Total Rate Base
1	System Per Books (B-3)	173,416,169	(78,872,144)	94,544,025	5,798,246	0	0	100,342,271	59,572,044	159,914,314
2	Jurisdictional Factors	100%	100%	100%	100%	100%	100%	100%	100%	100%
3	Jurisdictional Per Books	173,416,169	(78,872,144)	94,544,025	5,798,246	-	-	100,342,271	59,572,044	159,914,314
4	Adjustments:									
5	Non-Utility Plant	(7,684)	725	(6,959)			(6,959)			(6,959)
6	Remove SPP Clause Investment	(1,907,470)	9,677	(1,897,793)	(960,269)		(2,858,062)	(413,690)		(3,271,752)
7	Remove CWIP with AFUDC				(647,660)		(647,660)			(647,660)
8	Eliminate Fuel Underrecovery						-	(21,088,963)		(21,088,963)
9	Remove Storm that is Interest earning						-	(18,229,785)		(18,229,785)
10	Remove 1/2 of Def. Rate Case Exp.						-	(2,240)		(2,240)
11							-			-
12							-			-
13							-			-
14							-			-
15							-			-
16							-			-
17							-			-
18							-			-
19							-			-
20							-			-
21							-			-
22							-			-
23							-			-
24							-			-
25							-			-
26							-			-
27	Total Adjustments	(1,915,154)	10,402	(1,904,752)	(1,607,929)	-	-	(3,512,681)	(39,734,678)	(43,247,358)
28										
29	Adjusted Jurisdictional	171,501,015	(78,861,742)	92,639,273	4,190,317	-	-	96,829,590	19,837,366	116,666,956

Supporting Schedules: B-2 (2023), B-3(2023), B-7 (2023), B-9 (2023)

Recap Schedules: B-2 (2023)

Exhibit 2: Capital Structure

Schedule D-1a

COST OF CAPITAL - 13-MONTH AVERAGE

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FLORIDA PUBLIC SERVICE COMMISSION
 COMPANY: Florida Public Utilities Company
 Consolidated Electric Division
 DOCKET NO.: 20240099-EI

EXPLANATION: Provide the company's 13-month average cost of capital for the test year, the prior year, and historical base year.

Type of Data Shown:
 _____ Projected Test Year Ended 12/31/2025
 _____ Prior Year Ended 12/31/2024
 _____ X Historic Year Ended 12/31/2023
 Witness: Noah Russell

HISTORICAL YEAR, 2023

Line No.	Class of Capital	(A) Company Total Per Books	(B) Specific Adjustments	(C) Pro Rata Adjustments	(D) System Adjusted	(E) Jurisdictional Factor	(F) Pro-Rata Allocation	(G) Jurisdictional Capital Structure	(H) Ratio	(I) Cost Rate	(J) Weighted Cost Rate	(K) Interest Expense
Regulatory Capital Structure, 2023												
1	Long Term Debt	725,924,822			725,924,822	100%	4.80%	34,811,456	0.2984	3.67%	1.10%	1,277,580
2	Short Term Debt	132,960,125			132,960,125	100%	4.80%	6,376,054	0.0547	5.35%	0.29%	341,119
3	Preferred Stock	0			0	100%	4.80%	0	0.0000	0.00%	0.00%	
4	Common Equity	918,729,847	1,902,100		920,631,947	100%	4.80%	44,148,563	0.3784	10.25%	3.88%	
5	Customer Deposits	3,930,084			3,930,084	100%		3,930,084	0.0337	2.22%	0.07%	87,153
6	Deferred Income Taxes	22,517,273			22,517,273	100%		22,517,273	0.1930	0.00%	0.00%	
7	Regulatory Tax Liability	4,883,526			4,883,526	100%		4,883,526	0.0419	0.00%	0.00%	
8	ITC-Zero Cost				0	100%		0	0.0000	0.00%	0.00%	
9	ITC- Weighted Cost				0	100%		0	0.0000	7.20%	0.00%	
10												
11	TOTAL	1,808,945,676	1,902,100		1,810,847,776			116,666,955	1.0000		5.34%	1,705,853
12												
13												
14		Company Total		Cost	Weighted							
15	Class of Capital	Per Books	Ratio	Rate	Cost Rate							
16												
17	Conventional Capital Structure, 2023											
18	Long Term Debt	725,924,822	40.793%	3.67%	1.50%							
19	Short Term Debt	132,960,125	7.472%	5.35%	0.40%							
20	Preferred Stock	0	0.000%	0.00%	0.00%							
21	Common Equity	920,631,947	51.735%	10.25%	5.30%							
22	TOTAL	1,779,516,894	100.000%		7.20%							
						Pro-Rata Factors:						
						Rate Base 116,666,956						
						Direct Components 31,330,882						
						85,336,074						
						Pro-Rata Factors 4.80%						

Supporting Schedules: B-1 (2023), B-3 (2023), D-3, D-4a, D-5, D-6

Recap Schedules:

Exhibit 3: Net Operating Income

Schedule C-1 (2023)

ADJUSTED JURISDICTIONAL NET OPERATING INCOME

Page 1 of 3

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide the calculation of jurisdictional net operating income for the test year, the prior year and the most recent historical year.

Type of Data Shown:

COMPANY: FLORIDA PUBLIC UTILITIES

Consolidated Electric Division

DOCKET NO.: 20240099-EI

___ Projected Test Year Ended 12/31/25

___ Prior Year Ended 12/31/24

x Historical Test Year Ended 12/31/23

Witness: Napier

Line No.		(1) Total Company Per Books	(2) Non- Electric Utility	(3) Total Electric (1)-(2)	(4) Jurisdictional Factor	(5) Jurisdictional Amount (3)x(4)	(6) Jurisdictional Adjustments (Schedule C-2)	(7) Adjusted Jurisdictional Amount (5)+(6)
1	Operating Revenues:							
2	Sales of Electricity	112,452,895		112,452,895	100%	112,452,895	(87,875,505)	24,577,190
3	Other Operating Revenues	(5,800,034)		(5,800,034)	100%	(5,800,034)	7,285,314	1,885,280
4	Total Operating Revenues	<u>106,852,861</u>		<u>106,852,861</u>	100%	<u>106,852,861</u>	<u>(80,610,191)</u>	<u>26,242,470</u>
5								
6	Operating Expenses:							
7	Operation & Maintenance:							
8	Fuel			-	100%	-	-	-
9	Purchased Power	62,340,080		62,340,080	100%	62,340,080	(62,340,080)	-
10	Other	15,215,600		15,215,600	100%	15,215,600	(1,393,497)	13,822,103
11	Depreciation	4,123,145		4,123,145	100%	4,123,145	47,804	4,170,950
12	Amortization	8,766,358		8,766,358	100%	8,766,358	(7,632,424)	1,133,934
13	Decommissioning Expense			-	100%	-	-	-
14	Taxes Other Than Income Taxes	9,148,948		9,148,948	100%	9,148,948	(7,443,580)	1,705,369
15	Income Taxes (Note 1)	8,306,623		6,306,623	100%	6,306,623	(424,714)	5,881,909
16	Deferred Income Taxes-Net	(4,940,440)		(4,940,440)	100%	(4,940,440)	-	(4,940,440)
17	Investment Tax Credit-Net			-	100%	-	-	-
18	(Gain)/Loss on Disposal of Plant			-	100%	-	-	-
19	Total Operating Expenses	<u>100,960,294</u>		<u>100,960,294</u>	100%	<u>100,960,294</u>	<u>(79,186,471)</u>	<u>21,773,824</u>
20								
21	Net Operating Income	<u>5,892,367</u>		<u>5,892,367</u>	100%	<u>5,892,367</u>	<u>(1,423,721)</u>	<u>4,468,646</u>
22								
23	Note 1: Used income tax booked and not what the tax computed in C-22. Company is using income tax synchronization consistent with prior cases.							
24								
25								
26								
27								
28								
29								
30								
31								
32								

Supporting Schedules: C-2 (2023), C-4 (2023), C-5 (2023), C7 (2023)

Recap Schedules: