

FLORIDA PUBLIC UTILITIES COMPANY  
ELECTRIC  
RATE OF RETURN REPORT SUMMARY  
September 30, 2021

SCHEDULE 1

	(1) ACTUAL PER BOOKS	(2) FPSC ADJUSTMENTS	(3) FPSC ADJUSTED	(4) PRO FORMA ADJUSTMENTS	(5) PRO FORMA ADJUSTED
L. AVERAGE RATE OF RETURN (JURISDICTIONAL)					
NET OPERATING INCOME	\$ 6,350,495	(\$1,515,441)	\$4,835,054	\$0	\$4,835,054
AVERAGE RATE BASE	\$141,954,915	(\$33,288,707)	\$108,666,209	\$0	\$108,666,209
AVERAGE RATE OF RETURN	4.47%		4.45%		4.45%
II. YEAR-END RATE OF RETURN (JURISDICTIONAL)					
NET OPERATING INCOME	\$6,350,495	(\$1,517,668)	\$4,832,827	\$0	\$4,832,827
YEAR-END RATE BASE	\$136,091,201	(\$30,015,295)	\$106,075,905	\$0	\$106,075,905
YEAR-END RATE OF RETURN	4.67%		4.56%		4.56%

IV. FINANCIAL INTEGRITY INDICATORS

A. TIE WITH AFUDC	6.19
B. TIE WITHOUT AFUDC	6.19
C. AFUDC TO NET INCOME	0.00
D. INTERNALLY GENERATED FUNDS	396.68
E. LTD TO TOTAL INVESTOR FUNDS	24.30
F. STD TO TOTAL INVESTOR FUNDS	3.96
G. RETURN ON COMMON EQUITY	6.92

III. REQUIRED RATES OF RETURN  
AVERAGE CAPITAL STRUCTURE  
(FPSC ADJUSTED BASIS)

LOW	5.65%
MIDPOINT	6.22%
HIGH	6.76%

I am aware that Section 857.06, Florida Statutes, provides:

Whoever knowingly makes a false statement in writing with the intent to mislead a public servant in the performance of his official duty shall be guilty of a misdemeanor of the second degree punishable as provided in s. 775.082, s. 775.083, or s. 775.084.

Michelle Napier  
Director - Regulatory Affairs

*Michelle D Napier per CDJ*  
Signature

*November 15, 2021*  
Date

SCHEDULE 1

FLORIDA PUBLIC UTILITIES COMPANY  
ELECTRIC  
RATE OF RETURN REPORT SUMMARY  
September 30, 2021

I. AVERAGE RATE OF RETURN (JURISDICTIONAL)	(1) ACTUAL PER BOOKS	(2) FPSC ADJUSTMENTS	(3) FPSC ADJUSTED	(4) PRO FORMA ADJUSTMENTS	(5) PRO FORMA ADJUSTED
NET OPERATING INCOME	\$ 6,350,495	(\$1,515,441)	\$4,835,054	\$0	\$4,835,054
AVERAGE RATE BASE	\$141,954,916	(\$33,288,707)	\$108,666,209	\$0	\$108,666,209
AVERAGE RATE OF RETURN	4.47%		4.45%		4.45%
II. YEAR-END RATE OF RETURN (JURISDICTIONAL)					
NET OPERATING INCOME	\$6,350,495	(\$1,517,668)	\$4,832,827	\$0	\$4,832,827
YEAR-END RATE BASE	\$136,091,201	(\$30,015,295)	\$106,075,906	\$0	\$106,075,906
YEAR-END RATE OF RETURN	4.67%		4.56%		4.56%

IV. FINANCIAL INTEGRITY INDICATORS

III. REQUIRED RATES OF RETURN AVERAGE CAPITAL STRUCTURE (FPSC ADJUSTED BASIS)					
LOW	5.69%			6.19	
MIDPOINT	6.22%			6.19	
HIGH	6.76%			0.00	
				396.68	
				24.30	
				3.96	
				6.92	

I am aware that Section 857.06, Florida Statutes, provides:

Whoever knowingly makes a false statement in writing with the intent to mislead a public servant in the performance of his official duty shall be guilty of a misdemeanor of the second degree punishable as provided in s. 775.082, s. 775.083, or s. 775.084.

Michelle Napier  
Director - Regulatory Affairs

Signature

Date

AVERAGE RATE OF RETURN  
For the 12 Months Ending September 30, 2021  
RATE BASE

(1) PLANT IN SERVICE	(2) ACCUMULATED DEPRECIATION & AMORTIZATION	(3) PLANT IN SERVICE	(4) NET PROPERTY HELD FOR FUTURE USE	(5) CONSTRUCTION WORK IN PROGRESS	(6) NET UTILITY PLANT	(7) WORKING CAPITAL	(8) TOTAL RATE BASE
\$161,219,628	(\$70,962,262)	\$90,257,366	\$0	\$1,118,346	\$91,375,712	\$50,579,205	\$141,954,916
PER BOOKS							
FPSC ADJUSTMENTS:							
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
\$0	(\$2,631,684)	(\$2,631,684)	\$0	\$0	(\$2,631,684)	(\$33,214,937)	(\$35,214,937)
\$0	\$0	\$0	\$0	\$0	\$0	(\$73,771)	(\$73,771)
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
\$0	(\$2,631,684)	(\$2,631,684)	\$0	\$0	(\$2,631,684)	(\$30,657,023)	(\$35,288,707)
\$161,219,628	(\$73,593,946)	\$87,625,682	\$0	\$1,118,346	\$88,744,028	\$19,922,181	\$108,666,209
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
\$161,219,628	(\$73,593,946)	\$87,625,682	\$0	\$1,118,346	\$88,744,028	\$19,922,181	\$108,666,209
ADJUSTED FOR FLEX RATE REVENUES							
PROFORMA ADJUSTMENTS							
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL PROFORMA ADJUSTMENTS							
\$161,219,628	(\$73,593,946)	\$87,625,682	\$0	\$1,118,346	\$88,744,028	\$19,922,181	\$108,666,209
PROFORMA ADJUSTED							

- 1) ELIM. NON UTILITY PLANT
- 2) REGULATORY LIAB - PENSION AMORT
- 3) REGULATORY ASSET - LITIGATION COSTS
- 4) REMOVE INT. EARNING STORM
- 5) MOVE A/D MICHAEL REG ASSET TO WC
- 6) ADJUST STORM 13-MONTH AVG TO ORDER
- 6) ELIMINATE NET UNDERRECOVERY
- 7) DEFERRED RATE CASE EXPENSE

TOTAL FPSC ADJUSTMENTS

FPSC ADJUSTED

FLEX RATE REVENUES

ADJUSTED FOR FLEX RATE REVENUES

PROFORMA ADJUSTMENTS

TOTAL PROFORMA ADJUSTMENTS

PROFORMA ADJUSTED

FLORIDA PUBLIC UTILITIES COMPANY  
ELECTRIC

AVERAGE RATE OF RETURN

For the 12 Months Ending September 30, 2021  
INCOME STATEMENT

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
	OPERATING REVENUES	O & M FUEL EXPENSE	O & M OTHER	DEPRECC. & AMORTIZATION	TAXES OTHER THAN INCOME	INCOME TAXES CURRENT	D.I.T. (NET)	L.T.C. (NET)	GAIN/LOSS ON DISPOSITION	TOTAL OPERATING EXPENSES	NET OPERATING INCOME
PER BOOKS	\$ 88,913,013	\$ 44,771,888	\$ 12,415,887	\$ 12,611,374	\$ 7,665,226	\$ 98,143				\$ 77,562,518	\$ 6,350,495
FPSC ADJUSTMENTS:											
1) INCOME TAX SYNCY ADJUSTMENT						\$ 1,280,674				\$ 1,280,674	\$ (1,280,674)
2) ELIMINATE FUEL REVENUES AND EXPENSES	\$ (43,883,099)	\$ (43,871,763)			\$ (31,761)	\$ 5,009				\$ (43,896,515)	\$ 15,416
3) ELIMINATE CONSERVATION	\$ (911,567)	\$ (900,125)			\$ (656)	\$ (2,743)				\$ (909,524)	\$ (8,443)
4) NON-UTILITY DEPRECIATION EXPENSE											
5) ELIMINATE REVENUE RELATED TAXES (FRANCHISE & GROSS RECEIPTS)	\$ (5,455,955)				\$ (5,455,955)					\$ (5,455,955)	\$ -
6) ELIMINATE 5% OF ECONOMIC DEVELOPMENT	\$ (13,232)		\$ (758)			\$ 186				\$ (972)	\$ 572
7) OUT OF PERIOD ADJ	\$ (8,448,366)		\$ (396,057)	\$ (7,738,990)	\$ (5,514)	\$ (75,480)				\$ (8,216,041)	\$ (232,325)
8) REMOVE STORM SURCHARGE ADJUSTMENT											
TOTAL FPSC ADJUSTMENTS	\$ (58,712,619)	\$ (44,771,888)	\$ (396,815)	\$ (7,738,990)	\$ (5,493,886)	\$ 1,204,400				\$ (57,197,178)	\$ (1,515,441)
FPSC ADJUSTED	\$ 25,200,394	\$ -	\$ 12,019,072	\$ 4,872,384	\$ 2,171,340	\$ 1,302,543				\$ 20,865,340	\$ 4,835,054
PRO FORMA ADJUSTMENTS											
TOTAL PRO FORMA ADJUSTMENTS	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
PRO FORMA ADJUSTED	\$ 25,200,394	\$ 0	\$ 12,019,072	\$ 4,872,384	\$ 2,171,340	\$ 1,302,543	\$ 0	\$ 0	\$ 0	\$ 20,865,340	\$ 4,835,054

Note: Storm Surcharge Under-recovered due to COVID reduction in Kwh sales.

FLORIDA PUBLIC UTILITIES COMPANY  
ELECTRIC  
YEAR END RATE OF RETURN  
For the 12 Months Ending September 30, 2021  
RATE BASE

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
	PLANT IN SERVICE	ACCUMULATED DEPRECIATION & AMORTIZATION	PLANT IN SERVICE	NET PROPERTY HELD FOR FUTURE USE	CONSTRUCTION WORK IN PROGRESS	NET UTILITY PLANT	WORKING CAPITAL	TOTAL RATE BASE
PER BOOKS	\$163,886,101	(\$72,806,864)	\$91,079,237	\$0	\$779,698	\$91,858,936	\$44,232,265	\$136,091,201
FPSC-ADJUSTMENTS:								
1) ELIM. NON UTILITY PLANT	\$0	\$0	\$0			\$0		\$0
2) OUT OF PERIOD LITIGATION ADJ.						\$0	\$0	\$0
3) ELIMINATION OF UNDER-RECOVERY						\$0	\$0	\$0
4) DEFERRED RATE CASE EXPENSE						\$0	\$0	\$0
5) AMORTIZE STORM COSTS						\$0	(\$30,015,295)	\$0
6) REMOVE STORM COST-INTEREST EARNING						\$0	(\$30,015,295)	(\$30,015,295)
TOTAL FPSC ADJUSTMENTS	\$0	\$0	\$0	\$0	\$0	\$0	(\$30,015,295)	(\$30,015,295)
FPSC-ADJUSTED	\$163,886,101	(\$72,806,864)	\$91,079,237	\$0	\$779,698	\$91,858,936	\$14,216,970	\$106,075,906
COMP RATE ADJ REVENUES	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
ADJUSTED FOR COMP RATE ADJ REVENUE	\$163,886,101	(\$72,806,864)	\$91,079,237	\$0	\$779,698	\$91,858,936	\$14,216,970	\$106,075,906
PROFORMA ADJUSTMENTS								
TOTAL PRO FORMA ADJUSTMENTS	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
PRO FORMA ADJUSTED	\$163,886,101	(\$72,806,864)	\$91,079,237	\$0	\$779,698	\$91,858,936	\$14,216,970	\$106,075,906

FLORIDA PUBLIC UTILITIES COMPANY  
ELECTRIC

YEAR END DATE OF RETURN  
For the 12 Months Ending September 30, 2021  
INCOME STATEMENT

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
	OPERATING REVENUES	O & M FUEL EXPENSE	O & M OTHER	DEPREC. & AMORTIZATION	TAXES OTHER THAN INCOME	INCOME TAXES CURRENT	D.I.T. (NET)	I.T.C. (NET)	GAIN/LOSS ON DISPOSITION	TOTAL OPERATING EXPENSES	NET OPERATING INCOME
PER BOOKS	\$ 83,913,013	\$ 44,771,888	\$ 12,415,887	\$ 12,611,374	\$ 7,665,226	\$ 98,143				\$ 77,562,518	\$ 6,350,495
FPSC ADJUSTMENTS:											
1) INCOME TAX SYNCH ADJUSTMENT						\$ 1,282,900				\$ 1,282,900	\$ (1,282,900)
2) ELIMINATE FUEL REVENUES AND EXPENSES	\$ (43,883,099)	\$ (43,871,763)		\$ (31,761)	\$ 5,009					\$ (43,898,515)	\$ 15,416
3) ELIMINATE CONSERVATION	\$ (911,967)	\$ (900,125)		\$ (656)	\$ (2,743)					\$ (903,524)	\$ (8,443)
4) NON-UTILITY DEPRECIATION EXPENSE											
5) ELIMINATE REVENUE RELATED TAXES (FRANCHISE & GROSS RECEIPTS)	\$ (5,455,955)				\$ (5,455,955)					\$ (5,455,955)	\$ -
6) ELIMINATE 5% OF ECONOMIC DEVELOPMENT	\$ (13,232)					\$ 186				\$ (572)	\$ 572
7) OUT OF PERIOD ADJ	\$ (8,443,366)				\$ (5,514)	\$ (75,480)				\$ (8,216,041)	\$ (232,325)
8) REMOVE STORM SURCHARGE ADJUSTMENT											
TOTAL FPSC ADJUSTMENTS	\$ (58,712,619)	\$ (44,771,888)	\$ (396,815)	\$ (7,798,990)	\$ (5,499,886)	\$ 1,206,627	\$ -	\$ -	\$ -	\$ (57,194,952)	\$ (1,517,668)
FPSC ADJUSTED	\$ 25,200,394	\$ -	\$ 12,019,072	\$ 4,872,384	\$ 2,171,340	\$ 1,304,770	\$ -	\$ -	\$ -	\$ 20,367,566	\$ 4,832,827
PRO FORMA ADJUSTMENTS											
TOTAL PRO FORMA ADJUSTMENTS	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
PRO FORMA ADJUSTED	\$ 25,200,394	\$ 0	\$ 12,019,072	\$ 4,872,384	\$ 2,171,340	\$ 1,304,770	\$ 0	\$ 0	\$ 0	\$ 20,367,566	\$ 4,832,827

Note: Storm Surcharge Under-recovered due to COVID reduction in Kwh sales.

AVERAGE	ADJUSTMENTS			ADJUSTED BOOKS	PRO-RATA ADJ.	SPECIFIC BALANCE	RATIO (%)	LOW POINT		MIDPOINT		HIGH POINT	
	HURRICANE MICHAEL							COST RATE (%)	WEIGHTED COST (%)	COST RATE (%)	WEIGHTED COST (%)	COST RATE (%)	WEIGHTED COST (%)
COMMON EQUITY	\$57,945,649			\$57,945,649	(\$37,494)	\$57,908,155	53.29%	9.25%	4.93%	10.25%	5.46%	11.25%	5.00%
LONG TERM DEBT - CU	\$42,047,588	(\$2,406,796)		\$19,640,792	(27,207)	\$19,613,585	18.05%	3.50%	0.64%	3.56%	0.64%	3.56%	0.64%
SHORT TERM DEBT	\$14,017,230	(\$10,808,140)		\$3,209,190	(9,070)	\$3,200,120	2.89%	1.37%	0.04%	1.37%	0.04%	1.37%	0.04%
LONG TERM DEBT - FC	\$0	\$0		\$0		\$0	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
SHORT TERM DEBT - REFINANCED LTD	\$0			\$0	\$0	\$0	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
CUSTOMER DEPOSITS	\$3,720,802			\$3,720,802		\$3,720,802	3.42%	2.25%	0.08%	2.25%	0.08%	2.25%	0.08%
DEFERRED INCOME TAXES	\$24,223,546			\$24,223,546		\$24,223,546	22.29%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
TAX CREDITS - WEIGHTED COST	\$0			\$0		\$0	0.00%	5.61%	0.00%	6.14%	0.00%	6.68%	0.00%
TOTAL AVERAGE	\$141,954,315	(\$33,214,937)		\$108,739,379	(\$73,771)	\$108,666,208	100.00%		5.69%		6.22%		6.76%

YEAR-END	ADJUSTMENTS			ADJUSTED BOOKS	PRO-RATA ADJ.	SPECIFIC BALANCE	RATIO (%)	LOW POINT		MIDPOINT		HIGH POINT	
	HURRICANE MICHAEL							COST RATE (%)	WEIGHTED COST (%)	COST RATE (%)	WEIGHTED COST (%)	COST RATE (%)	WEIGHTED COST (%)
COMMON EQUITY	\$57,015,458			\$57,015,458		\$57,015,458	53.75%	9.25%	4.97%	10.25%	5.51%	11.25%	6.05%
LONG TERM DEBT - CU	\$38,948,747	(\$20,248,318)		\$18,700,429		\$18,700,428	17.63%	3.60%	0.63%	3.60%	0.63%	3.60%	0.63%
SHORT TERM DEBT	\$14,588,812	(\$9,766,977)		\$4,821,835		\$4,821,835	4.55%	1.36%	0.06%	1.36%	0.06%	1.36%	0.06%
LONG TERM DEBT - FC	\$0			\$0		\$0	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
SHORT TERM DEBT - REFINANCED LTD	\$0			\$0		\$0	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
CUSTOMER DEPOSITS	\$3,885,595			\$3,885,595		\$3,885,595	3.66%	2.19%	0.08%	2.19%	0.08%	2.19%	0.08%
DEFERRED INCOME TAXES	\$21,652,189			\$21,652,189		\$21,652,189	20.41%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
TAX CREDITS - WEIGHTED COST	\$0			\$0		\$0	0.00%	5.66%	0.00%	6.20%	0.00%	6.74%	0.00%
TOTAL YEAR-END	\$136,091,201	(\$30,015,235)		\$106,075,966	\$0	\$106,075,906	100.00%		5.74%		6.28%		6.82%

FLORIDA PUBLIC UTILITIES COMPANY  
 NATURAL GAS  
 RATE OF RETURN REPORT SUMMARY  
 For the 12 Month Ending September 30, 2021

	(1) ACTUAL PER BOOKS	(2) FISCAL ADJUSTMENTS	(3) FISCAL ADJUSTED	(4) PRO FORMA ADJUSTMENTS	(5) PRO FORMA ADJUSTED
I. AVERAGE RATE OF RETURN (UNSUBJECT TO TAX)	\$ 16,134,076	\$ 15,322,191	\$ 1,602,737	\$ 1,139,750	\$ 16,763,083
AVERAGE RATE BASE	\$ 292,216,099	\$ 391,189	\$ 292,107,280	\$ (21,189,351)	\$ 271,016,937
AVERAGE RATE OF RETURN	5.51%		5.23%		6.16%
II. YEAR-END RATE OF RETURN (FEDERAL INCOME)	\$ 16,134,076	\$ (511,642)	\$ 15,023,234	\$ 1,339,750	\$ 16,763,083
NET OPERATING INCOME	\$ 302,985,299	\$ 946,018	\$ 303,911,317	\$ (20,610,476)	\$ 283,300,841
YEAR-END RATE BASE	5.33%		5.14%		5.92%
III. REQUIRED RATES OF RETURN (FISCAL ADJUSTED BASIS)					
LOW	5.40%				9.66%
MIDPOINT	5.81%				11.02%
HIGH	6.23%				
M. EARLY RETURN ON EQUITY (FISCAL ADJUSTED BASIS)					
A. INCL. ACQUISITION ADJUSTMENT					
B. EXCL. ACQUISITION ADJUSTMENT					

I am aware that Section 817.05, Florida Statute, provides:  
 Whoever knowingly makes a false statement in writing with the intent to mislead a public servant in the performance of his official duty shall be guilty of a misdemeanor of the second degree punishable as provided in s. 775.082, s. 775.083, or s. 775.084.  
 Michelle D. Taylor  
 Director - Regulatory Affairs Division  
 Signature: *Michelle Taylor*  
 Date: 11/15/2021