

FLORIDA PUBLIC UTILITIES COMPANY
ELECTRIC
RATE OF RETURN REPORT SUMMARY
September 30, 2022

REVISED SCHEDULE 1
3/16/2023

	(1) ACTUAL PER BOOKS	(2) FPSC ADJUSTMENTS	(3) FPSC ADJUSTED	(4) PRO FORMA ADJUSTMENTS	(5) PRO FORMA ADJUSTED
I. AVERAGE RATE OF RETURN (JURISDICTIONAL)					
NET OPERATING INCOME	\$ 5,057,159	(\$432,163)	\$4,624,997	\$0	\$4,624,997
AVERAGE RATE BASE	\$145,170,717	(\$36,546,052)	\$108,624,666	\$0	\$108,624,666
AVERAGE RATE OF RETURN	3.48%		4.26%		4.26%
II. YEAR-END RATE OF RETURN (JURISDICTIONAL)					
NET OPERATING INCOME	\$5,057,159	(\$457,564)	\$4,599,596	\$0	\$4,599,596
YEAR-END RATE BASE	\$151,355,506	(\$48,561,328)	\$102,794,178	\$0	\$102,794,178
YEAR-END RATE OF RETURN	3.34%		4.47%		4.47%

III. REQUIRED RATES OF RETURN AVERAGE CAPITAL STRUCTURE (FPSC ADJUSTED BASIS)		IV. FINANCIAL INTEGRITY INDICATORS	
LOW	4.77%	A. TIE WITH AFUDC	7.13
MIDPOINT	5.16%	B. TIE WITHOUT AFUDC	7.13
HIGH	5.55%	C. AFUDC TO NET INCOME	0.00
		D. INTERNALLY GENERATED FUNDS	483.28
		E. LTD TO TOTAL INVESTOR FUNDS	36.97
		F. STD TO TOTAL INVESTOR FUNDS	11.57
		G. RETURN ON COMMON EQUITY	7.92

I am aware that Section 837.06, 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 Distribution

Michelle Napier
Signature

3/16/2023
Date

FLORIDA PUBLIC UTILITIES COMPANY
ELECTRIC
AVERAGE RATE OF RETURN
For the 12 Months Ending September, 2022
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	\$166,772,857	(\$74,735,859)	\$92,036,999	\$0	\$1,386,004	\$93,423,003	\$51,747,715	\$145,170,718
FPSC ADJUSTMENTS:								
			\$0			\$0		\$0
1) ELIM. NON UTILITY PLANT	\$0	\$0	\$0			\$0		\$0
2) REGULATORY LIAB - PENSION AMORT			\$0			\$0		\$0
3) REGULATORY ASSET - LITIGATION COSTS			\$0			\$0		\$0
4) REMOVE INT. EARNING STORM			\$0			\$0	(\$26,722,516)	(\$26,722,516)
5) MOVE A/D MICHAEL REG ASSET TO WC		\$0	\$0			\$0	\$0	\$0
6) ADJUST STORM 13-MONTH AVG TO ORDER			\$0			\$0	\$8	\$8
6) ELIMINATE NET UNDERRECOVERY			\$0			\$0	(\$9,823,544)	(\$9,823,544)
7) DEFERRED RATE CASE EXPENSE			\$0			\$0	\$0	\$0
TOTAL FPSC ADJUSTMENTS	\$0	\$0	\$0	\$0	\$0	\$0	(\$36,546,052)	(\$36,546,052)
FPSC ADJUSTED	\$166,772,857	(\$74,735,859)	\$92,036,999	\$0	\$1,386,004	\$93,423,003	\$15,201,663	\$108,624,666
FLEX RATE REVENUES	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
ADJUSTED FOR FLEX RATE REVENUES	\$166,772,857	(\$74,735,859)	\$92,036,999	\$0	\$1,386,004	\$93,423,003	\$15,201,663	\$108,624,666
PROFORMA ADJUSTMENTS								
TOTAL PRO FORMA ADJUSTMENTS	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
PRO FORMA ADJUSTED	\$166,772,857	(\$74,735,859)	\$92,036,999	\$0	\$1,386,004	\$93,423,003	\$15,201,663	\$108,624,666

FLORIDA PUBLIC UTILITIES COMPANY
ELECTRIC
AVERAGE RATE OF RETURN
For the 12 Months Ending September, 2022
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	\$ 87,944,972	\$ 47,669,077	\$ 13,126,184	\$ 13,294,708	\$ 7,400,467	\$ 1,397,376				\$ 82,887,813	\$ 5,057,159
FPSC ADJUSTMENTS:											
1) INCOME TAX SYNCH ADJUSTMENT						\$ (89,092)				\$ (89,092)	\$ 89,092
2) ELIMINATE FUEL REVENUES AND EXPENSES	\$ (46,966,438)	\$ (46,786,030)			\$ (33,881)	\$ (37,137)				\$ (46,857,049)	\$ (109,389)
3) ELIMINATE CONSERVATION	\$ (882,875)	\$ (883,047)			\$ (635)	\$ 205				\$ (883,478)	\$ 603
4)NON-UTILITY DEPRECIATION EXPENSE				\$ -		\$ -				\$ -	\$ -
5) ELIMINATE REVENUE RELATED TAXES (FRANCHISE & GROSS RECEIPTS)	\$ (5,628,299)				\$ (5,628,299)	\$ -				\$ (5,628,299)	\$ -
6) ELIMINATE 5% OF ECONOMIC DEVELOPMENT			\$ (1,258)			\$ 319				\$ (939)	\$ 939
7) OUT OF PERIOD ADJ			\$ -	\$ -		\$ -				\$ -	\$ -
8) REMOVE STORM SURCHARGE ADJUSTMENT	\$ (8,212,751)		\$ (21,057)	\$ (7,632,424)	\$ (5,514)	\$ (140,349)				\$ (7,799,344)	\$ (413,407)
						\$ -				\$ -	\$ -
						\$ -				\$ -	\$ -
TOTAL FPSC ADJUSTMENTS	\$ (61,690,363)	\$ (47,669,077)	\$ (22,315)	\$ (7,632,424)	\$ (5,668,330)	\$ (266,055)	\$ -	\$ -	\$ -	\$ (61,258,200)	\$ (432,163)
FPSC ADJUSTED	\$ 26,254,609	\$ -	\$ 13,103,870	\$ 5,662,284	\$ 1,732,137	\$ 1,131,321	\$ -	\$ -	\$ -	\$ 21,629,612	\$ 4,624,997
PRO FORMA ADJUSTMENTS											
										\$ -	\$ -
TOTAL PRO FORMA ADJUSTMENTS	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
PRO FORMA ADJUSTED	\$26,254,609	\$0	\$13,103,870	\$5,662,284	\$1,732,137	\$1,131,321	\$0	\$0	\$0	\$21,629,612	\$4,624,997

FLORIDA PUBLIC UTILITIES COMPANY
ELECTRIC
YEAR END RATE OF RETURN
For the 12 Months Ending September, 2022
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	\$167,194,309	(\$76,013,606)	\$91,180,703	\$0	\$2,521,211	\$93,701,914	\$57,653,593	\$151,355,506
FPSC ADJUSTMENTS:								
1) ELIM. NON UTILITY PLANT	\$0	\$0	\$0			\$0		\$0
2) OUT OF PERIOD LITIGATION ADJ						\$0		\$0
3) ELIMINATION OF UNDER-RECOVERY						\$0	(\$25,172,572)	(\$25,172,572)
4) DEFERRED RATE CASE EXPENSE						\$0	\$0	\$0
5) AMORTIZE STORM COSTS						\$0		\$0
6) REMOVE STORM COST-INTEREST EARNING						\$0	(\$23,388,756)	(\$23,388,756)
TOTAL FPSC ADJUSTMENTS	\$0	\$0	\$0	\$0	\$0	\$0	(\$48,561,328)	(\$48,561,328)
FPSC ADJUSTED	\$167,194,309	(\$76,013,606)	\$91,180,703	\$0	\$2,521,211	\$93,701,914	\$9,092,264	\$102,794,178
COMP RATE ADJ REVENUES	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
ADJUSTED FOR COMP RATE ADJ REVENUE	\$167,194,309	(\$76,013,606)	\$91,180,703	\$0	\$2,521,211	\$93,701,914	\$9,092,264	\$102,794,178
PROFORMA ADJUSTMENTS								
TOTAL PRO FORMA ADJUSTMENTS	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
PRO FORMA ADJUSTED	\$167,194,309	(\$76,013,606)	\$91,180,703	\$0	\$2,521,211	\$93,701,914	\$9,092,264	\$102,794,178

FLORIDA PUBLIC UTILITIES COMPANY
ELECTRIC
YEAR END RATE OF RETURN
For the 12 Months Ending September, 2022
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	\$ 87,944,972	\$ 47,669,077	\$ 13,126,184	\$ 13,294,708	\$ 7,400,467	\$ 1,397,376				\$ 82,887,813	\$ 5,057,159
FPSC ADJUSTMENTS:											
1) INCOME TAX SYNCH ADJUSTMENT						\$ (63,691)				\$ (63,691)	\$ 63,691
2) ELIMINATE FUEL REVENUES AND EXPENSES	\$ (46,966,438)	\$ (46,786,030)			\$ (33,881)	\$ (37,137)				\$ (46,857,049)	\$ (109,389)
3) ELIMINATE CONSERVATION	\$ (882,875)	\$ (883,047)			\$ (635)	\$ 205				\$ (883,478)	\$ 603
4)NON-UTILITY DEPRECIATION EXPENSE				\$ -		\$ -				\$ -	\$ -
5) ELIMINATE REVENUE RELATED TAXES (FRANCHISE & GROSS RECEIPTS)	\$ (5,628,299)				\$ (5,628,299)	\$ -				\$ (5,628,299)	\$ -
6) ELIMINATE 5% OF ECONOMIC DEVELOPMENT			\$ (1,258)			\$ 319				\$ (939)	\$ 939
7) OUT OF PERIOD ADJ	\$ -		\$ -	\$ -		\$ -				\$ -	\$ -
8) REMOVE STORM SURCHARGE ADJUSTMENT	\$ (8,212,751)		\$ (21,057)	\$ (7,632,424)	\$ (5,514)	\$ (140,349)				\$ (7,799,344)	\$ (413,407)
						\$ -				\$ -	\$ -
						\$ -				\$ -	\$ -
TOTAL FPSC ADJUSTMENTS	\$ (61,690,363)	\$ (47,669,077)	\$ (22,315)	\$ (7,632,424)	\$ (5,668,330)	\$ (240,654)	\$ -	\$ -	\$ -	\$ (61,232,799)	\$ (457,564)
FPSC ADJUSTED	\$ 26,254,609	\$ -	\$ 13,103,870	\$ 5,662,284	\$ 1,732,137	\$ 1,156,722	\$ -	\$ -	\$ -	\$ 21,655,013	\$ 4,599,596
PRO FORMA ADJUSTMENTS											
										\$ -	\$ -
TOTAL PRO FORMA ADJUSTMENTS	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
PRO FORMA ADJUSTED	\$26,254,609	\$0	\$13,103,870	\$5,662,284	\$1,732,137	\$1,156,722	\$0	\$0	\$0	\$21,655,013	\$4,599,596

AVERAGE	ADJUSTMENTS						LOW POINT		MIDPOINT		HIGH POINT	
	PER BOOKS	HURRICANE MICHAEL	ADJUSTED		RATIO (%)	COST RATE (%)	WEIGHTED COST (%)	COST RATE (%)	WEIGHTED COST (%)	COST RATE (%)	WEIGHTED COST (%)	
			BOOKS	PRO-RATA ADJ.								SPECIFIC BALANCE
COMMON EQUITY	\$60,874,986		\$60,874,986	(\$18,808,107)	\$42,066,879	38.73%	9.25%	3.58%	10.25%	3.97%	11.25%	4.36%
LONG TERM DEBT - CU	\$43,727,170		\$43,727,170	(\$13,510,070)	\$30,217,100	27.82%	3.50%	0.97%	3.50%	0.97%	3.50%	0.97%
SHORT TERM DEBT	\$13,684,090		\$13,684,090	(\$4,227,875)	\$9,456,215	8.71%	1.66%	0.14%	1.66%	0.14%	1.66%	0.14%
LONG TERM DEBT - FC	\$0		\$0	\$0	\$0	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	\$3,922,366		\$3,922,366		\$3,922,366	3.61%	2.29%	0.08%	2.29%	0.08%	2.29%	0.08%
DEFERRED INCOME TAXES	\$22,962,105		\$22,962,105		\$22,962,105	21.14%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
TAX CREDITS - WEIGHTED COST	\$0		\$0		\$0	0.00%	4.69%	0.00%	5.08%	0.00%	5.47%	0.00%
TOTAL AVERAGE	\$145,170,717	\$0	\$145,170,717	(\$36,546,052)	\$108,624,665	100.00%		4.77%		5.16%		5.55%

YEAR-END	ADJUSTMENTS						LOW POINT		MIDPOINT		HIGH POINT	
	PER BOOKS	HURRICANE MICHAEL	ADJUSTED		RATIO (%)	COST RATE (%)	WEIGHTED COST (%)	COST RATE (%)	WEIGHTED COST (%)	COST RATE (%)	WEIGHTED COST (%)	
			BOOKS	PRO-RATA ADJ.								SPECIFIC BALANCE
COMMON EQUITY	\$64,388,021		\$64,388,021	(25,097,480)	\$0	38.22%	9.25%	3.54%	10.25%	3.92%	11.25%	4.30%
LONG TERM DEBT - CU	\$47,030,878		\$47,030,878	(18,331,928)	\$28,698,949	27.92%	3.34%	0.93%	3.34%	0.93%	3.34%	0.93%
SHORT TERM DEBT	\$13,166,028		\$13,166,028	(\$5,131,920)	\$8,034,108	7.82%	1.77%	0.14%	1.77%	0.14%	1.77%	0.14%
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	\$3,994,780		\$3,994,780		\$3,994,780	3.89%	2.25%	0.09%	2.25%	0.09%	2.25%	0.09%
DEFERRED INCOME TAXES	\$22,775,800		\$22,775,800		\$22,775,800	22.16%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
TAX CREDITS - WEIGHTED COST	\$0		\$0		\$0	0.00%	4.61%	0.00%	4.99%	0.00%	5.37%	0.00%
TOTAL YEAR-END	\$151,355,506	\$0	\$151,355,506	(\$48,561,327)	\$102,794,178	100.00%		4.70%		5.08%		5.46%