

FLORIDA PUBLIC UTILITIES COMPANY  
 ELECTRIC DIVISION  
 RATE OF RETURN REPORT SUMMARY  
 Forecast December 31, 2022

SCHEDULE 1

	(1) ACTUAL PER BOOKS	(2) FPSC ADJUSTMENTS	(3) FPSC ADJUSTED	(4) PRO FORMA ADJUSTMENTS	(5) PRO FORMA ADJUSTED
<b>I. AVERAGE RATE OF RETURN (JURISDICTIONAL)</b>					
NET OPERATING INCOME	\$ 5,569,390	\$47,741	\$5,617,131	\$ -	\$5,617,131
AVERAGE RATE BASE	\$144,024,366	(\$30,165,113)	\$113,859,253	\$0	\$113,859,253
AVERAGE RATE OF RETURN	3.87%		4.93%		4.93%
<b>II. YEAR-END RATE OF RETURN (JURISDICTIONAL)</b>					
NET OPERATING INCOME	\$5,569,390	\$51,427	\$5,620,817	-	\$5,620,817
YEAR-END RATE BASE	\$143,540,275	(\$26,479,907)	\$117,060,368	-	\$117,060,368
YEAR-END RATE OF RETURN	3.88%		4.80%		4.80%
<b>III. REQUIRED RATES OF RETURN AVERAGE CAPITAL STRUCTURE (FPSC ADJUSTED BASIS)</b>			<b>IV. EARNED RETURN ON EQUITY (FPSC ADJUSTED BASIS)</b>		
LOW	5.60%		A.	INCLUDING ACQ. ADJ.	7.96%
MIDPOINT	6.12%				
HIGH	6.64%				

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 D Napier  
 Director, Regulatory Affairs

*Michelle D. Napier*  
 Signature

3/17/2022  
 Date

	(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	168,692,937.47	(75,926,450.15)	\$92,766,487	\$0	2,094,010	\$94,800,498	49,163,868.25	\$144,024,366
FPSC ADJUSTMENTS:								
1) ELIM. NON UTILITY PLANT								
2) REGULATORY LIAB - PENSION AMORT								
3) REGULATORY ASSET - LITIGATION COSTS								
4) REMOVE STORM COST-INTEREST EARNING			\$0			\$0	(30,189,309)	(\$30,189,309)
5) MOVE A/D MICHAEL REG ASSET TO WC		(2,631,684.00)	(2,631,684.00)			(2,631,684.00)	2,631,684	\$0
6) ADJUST STORM 13-MONTH AVG TO ORDER			\$0			\$0	24,196	\$24,196
7) ELIMINATE NET UNDERRECOVERY								
8) DEFERRED RATE CASE EXPENSE					\$0			\$0
TOTAL FPSC ADJUSTMENTS	\$0	(\$2,631,684)	(\$2,631,684)	\$0	\$0	(2,631,684.00)	(27,533,429)	(30,165,113)
FPSC ADJUSTED	\$168,692,937	(\$78,558,134)	\$90,134,803	\$0	\$2,094,010	\$92,228,814	\$21,630,439	\$113,859,253
COMP RATE ADJ REVENUES	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
ADJUSTED FOR COMP RATE ADJ REVENUE	\$168,692,937	(\$78,558,134)	\$90,134,803	\$0	\$2,094,010	\$92,228,814	\$21,630,439	\$113,859,253
PROFORMA ADJUSTMENTS								
TOTAL PRO FORMA ADJUSTMENTS	-	-	-	\$0	-	-	-	-
PRO FORMA ADJUSTED	\$168,692,937	(\$78,558,134)	\$90,134,803	\$0	\$2,094,010	\$92,228,814	\$21,630,439	\$113,859,253

	(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	79,100,509	44,646,603	12,056,821	13,543,675	1,615,395	1,668,625				73,531,120	\$5,569,390
FPSC ADJUSTMENTS:											
1) INTEREST SYNCHRONIZATION						(\$70,782)				(\$70,782)	\$70,782
2) ELIMINATE FUEL AND CONSERVATION REVENUES AND EXPENSES	(\$44,646,603)	(\$44,646,603)			\$32,146	(\$8,147)				(\$44,622,605)	(\$23,998)
3)NON-UTILITY DEPRECIATION EXPENSE											\$0
4) ELIMINATE REVENUE RELATED TAXES (FRANCHISE & GROSS RECEIPTS)	(\$5,359,115)				(\$5,359,115)					(\$5,359,115)	\$0
5) ELIMINATE 5% OF ECONOMIC DEVELOPMENT			(\$1,283)			\$325				(\$957)	\$957
6) OUT OF PERIOD ADJ											\$0
7) REMOVE STORM SURCHARGE ADJUSTMENT	(\$7,658,991)		(\$21,057)	(\$7,632,420)	(\$5,514)	-				(\$7,658,991)	\$0
TOTAL FPSC ADJUSTMENTS	(\$57,664,709)	(\$44,646,603)	(\$22,340)	(\$7,632,420)	(\$5,332,483)	(\$78,604)	\$0	\$0	\$0	(\$57,712,451)	\$47,741
FPSC ADJUSTED	\$21,435,800	\$0.00	\$12,034,482	\$5,911,255	(\$3,717,089)	\$1,590,020	\$0	\$0	\$0	\$15,818,669	\$5,617,131
COMP RATE ADJ REVENUES - DEFICIT/(SURPLUS)	\$0					\$0				\$0	\$0
ADJUSTED FOR COMP RATE ADJ REVENUES	\$21,435,800	\$0	\$12,034,482	\$5,911,255	(\$3,717,089)	\$1,590,020	\$0	\$0	\$0	\$15,818,669	\$5,617,131
PROFORMA ADJUSTMENTS											
TOTAL PRO FORMA ADJUSTMENTS	-	\$0	-	-	-	-	\$0	\$0	\$0	\$0	-
PRO FORMA ADJUSTED	\$21,435,800	\$0	\$12,034,482	\$5,911,255	(\$3,717,089)	\$1,590,020	\$0	\$0	\$0	\$15,818,669	\$5,617,131

	(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	171,308,703	(78,273,412)	\$93,035,291	\$0	5,716,860	\$98,752,151	44,788,124	\$143,540,275
FPSC ADJUSTMENTS:								
1) ELIM. NON UTILITY PLANT								
2) OUT OF PERIOD LITIGATION ADJ								
3) ELIMINATION OF UNDER-RECOVERY								
4) DEFERRED RATE CASE EXPENSE	\$0	\$0	\$0		\$0	\$0		\$0
5) AMORTIZE STORM COSTS			\$0			\$0	\$0	\$0
6) REMOVE STORM COST-INTEREST EARNING			\$0			\$0	(\$26,479,907)	(\$26,479,907)
7) ELIMINATE NET UNDERRECOVERY								
8) DEFERRED RATE CASE EXPENSE								
TOTAL FPSC ADJUSTMENTS	-	-	-	-	-	-	(26,479,907)	(26,479,907)
FPSC ADJUSTED	\$171,308,703	(\$78,273,412)	\$93,035,291	\$0	\$5,716,860	\$98,752,151	\$18,308,217	\$117,060,368
COMP RATE ADJ REVENUES	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
ADJUSTED FOR COMP RATE ADJ REVENUE	\$171,308,703	(\$78,273,412)	\$93,035,291	\$0	\$5,716,860	\$98,752,151	\$18,308,217	\$117,060,368
PROFORMA ADJUSTMENTS								
TOTAL PRO FORMA ADJUSTMENTS	-	-	-	\$0	-	-	-	-
PRO FORMA ADJUSTED	\$171,308,703	(\$78,273,412)	\$93,035,291	\$0	\$5,716,860	\$98,752,151	\$18,308,217	\$117,060,368

	(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	\$ 79,100,509	\$ 44,646,603	\$ 12,056,821	\$ 13,543,675	\$ 1,615,395	\$ 1,668,625				\$ 73,531,120	\$ 5,569,390
FPSC ADJUSTMENTS:											
1) INCOME TAX SYNCH ADJUSTMENT						\$ (74,468)				\$ (74,468)	\$ 74,468
2) ELIMINATE FUEL AND CONSERVATION REVENUES AND EXPENSES	\$ (44,646,603)	\$ (44,646,603)			\$ 32,146	\$ (8,147)				\$ (44,622,605)	\$ (23,998)
3)NON-UTILITY DEPRECIATION EXPENSE				\$ -		\$ -				\$ -	\$ -
4) ELIMINATE REVENUE RELATED TAXES (FRANCHISE & GROSS RECEIPTS)	\$ (5,359,115)				\$ (5,359,115)	\$ -				\$ (5,359,115)	\$ -
5) ELIMINATE 5% OF ECONOMIC DEVELOPMENT			\$ (1,283)			\$ 325				\$ (957)	\$ 957
6) OUT OF PERIOD ADJ	\$ -		\$ -	\$ -		\$ -				\$ -	\$ -
7) REMOVE STORM SURCHARGE ADJUSTMENT	\$ (7,658,991)		\$ (21,057)	\$ (7,632,420)	\$ (5,514)	\$ -				\$ (7,658,991)	\$ -
TOTAL FPSC ADJUSTMENTS	\$ (57,664,709)	\$ (44,646,603)	\$ (22,340)	\$ (7,632,420)	\$ (5,332,483)	\$ (82,290)	\$ -	\$ -	\$ -	\$ (57,716,137)	\$ 51,427
FPSC ADJUSTED	\$ 21,435,800	\$ -	\$ 12,034,482	\$ 5,911,255	\$ (3,717,089)	\$ 1,586,334	\$ -	\$ -	\$ -	\$ 15,814,983	\$ 5,620,817
PRO FORMA ADJUSTMENTS										\$ -	\$ -
TOTAL PRO FORMA ADJUSTMENTS	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
PRO FORMA ADJUSTED	\$21,435,800	\$0	\$12,034,482	\$5,911,255	(\$3,717,089)	\$1,586,334	\$0	\$0	\$0	\$15,814,983	\$5,620,817

AVERAGE	ADJUSTMENTS					RATIO (%)	LOW POINT		MIDPOINT		HIGH POINT		
	PER BOOKS	HURRICANE MICHAEL	ADJUSTED BOOKS	PRO-RATA	SPECIFIC		BALANCE	COST RATE (%)	WEIGHTED COST (%)	COST RATE (%)	WEIGHTED COST (%)	COST RATE (%)	WEIGHTED COST (%)
COMMON EQUITY	\$ 58,858,896		\$ 58,858,896	\$ 12,405		\$ 58,871,301	51.71%	9.25%	4.78%	10.25%	5.30%	11.25%	5.82%
LONG TERM DEBT - CU	\$ 41,310,850	\$ (20,365,708)	\$ 20,945,143	\$ 8,707		\$ 20,953,849	18.40%	3.63%	0.67%	3.63%	0.67%	3.63%	0.67%
SHORT TERM DEBT	\$ 14,631,636	\$ (9,823,601)	\$ 4,808,035	\$ 3,084		\$ 4,811,119	4.23%	1.34%	0.06%	1.34%	0.06%	1.34%	0.06%
LONG TERM DEBT - FC	\$ -		\$ -	\$ -		\$ -	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
SHORT TERM DEBT - REFINANCED LTD	\$ -		\$ -	\$ -		\$ -	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
CUSTOMER DEPOSITS	\$ 4,242,229		\$ 4,242,229			\$ 4,242,229	3.73%	2.31%	0.09%	2.31%	0.09%	2.31%	0.09%
DEFERRED INCOME TAXES	\$ 24,980,755		\$ 24,980,755			\$ 24,980,755	21.94%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
TAX CREDITS - WEIGHTED COST			\$ -			\$ -	0.00%	5.51%	0.00%	6.03%	0.00%	6.55%	0.00%
TOTAL AVERAGE	\$ 144,024,366	\$ (30,189,309)	\$ 113,835,057	\$ 24,196	\$ -	\$ 113,859,253	100.00%		5.60%		6.12%		6.64%

YEAR-END	ADJUSTMENTS					RATIO (%)	LOW POINT		MIDPOINT		HIGH POINT		
	PER BOOKS	HURRICANE MICHAEL	ADJUSTED BOOKS	PRO-RATA	SPECIFIC		BALANCE	COST RATE (%)	WEIGHTED COST (%)	COST RATE (%)	WEIGHTED COST (%)	COST RATE (%)	WEIGHTED COST (%)
COMMON EQUITY	\$ 56,933,155		\$ 56,933,155			\$ 56,933,155	48.64%	9.25%	4.50%	10.25%	4.99%	11.25%	5.47%
LONG TERM DEBT - CU	\$ 41,089,865	\$ (17,863,345)	\$ 23,226,519			\$ 23,226,519	19.84%	3.35%	0.66%	3.35%	0.66%	3.35%	0.66%
SHORT TERM DEBT	\$ 16,293,254	\$ (8,616,562)	\$ 7,676,692			\$ 7,676,692	6.56%	1.10%	0.07%	1.10%	0.07%	1.10%	0.07%
LONG TERM DEBT - FC	\$ -		\$ -	\$ -		\$ -	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
SHORT TERM DEBT - REFINANCED LTD	\$ -		\$ -	\$ -		\$ -	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
CUSTOMER DEPOSITS	\$ 4,242,744		\$ 4,242,744			\$ 4,242,744	3.62%	2.26%	0.08%	2.26%	0.08%	2.26%	0.08%
DEFERRED INCOME TAXES	\$ 24,981,258		\$ 24,981,258			\$ 24,981,258	21.34%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
TAX CREDITS - WEIGHTED COST			\$ -			\$ -	0.00%	5.23%	0.00%	5.72%	0.00%	6.20%	0.00%
TOTAL YEAR-END	\$ 143,540,275	\$ (26,479,907)	\$ 117,060,368	\$ -	\$ -	\$ 117,060,368	100.00%		5.31%		5.80%		6.28%