

FLORIDA PUBLIC SERVICE COMMISSION

**INVESTOR-OWNED NATURAL GAS UTILITY
EARNINGS SURVEILLANCE REPORT**

FLORIDA CITY GAS

JUNE 2022

PSC/AFA 13 (6/94)

FLORIDA CITY GAS
EARNINGS SURVEILLANCE REPORT SUMMARY
JUNE, 2022

	(1) ACTUAL PER BOOKS	(2) FPSC ADJUSTMENTS	(3) FPSC ADJUSTED	(4) PRO FORMA ADJUSTMENTS	(5) PRO FORMA ADJUSTED
<u>I. AVERAGE RATE OF RETURN (JURISDICTIONAL)</u>					
NET OPERATING INCOME	\$ 19,984,954	(4,701,974)	15,282,980	-	15,282,980
AVERAGE RATE BASE	\$ 416,279,444	(54,332,529)	361,946,915	-	361,946,915
AVERAGE RATE OF RETURN		4.80%	4.22%		4.22%

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

LOW	5.11%
MIDPOINT	5.53%
HIGH	5.95%


III. EARNED RETURN ON EQUITY (FPSC ADJUSTED BASIS)

A. RETURN ON COMMON EQUITY (AVERAGE) 7.07%

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.

Keith Ferguson, Vice President Accounting and Controller
(Name and Title of Chief Financial Officer)


 (Signature)
 FOR KEITH FERGUSON

8/15/2022
 (Date)

FLORIDA CITY GAS
AVERAGE RATE BASE
JUNE, 2022

Line No.	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	
	PLANT IN SERVICE	ACCUM. DEPR. & AMORT.	NET PLANT IN SERVICE	PROPERTY HELD FOR FUTURE USE	CWIP	NET UTILITY PLANT	WORKING CAPITAL	TOTAL RATE BASE	
1	PER BOOKS ⁽¹⁾	\$ 563,986,307	203,006,205	360,980,102	-	30,423,554	391,403,656	24,875,788	416,279,444
2									
3	<u>FPSC ADJUSTMENTS:</u>								
4	REMOVE SAFE CLAUSE PLANT	\$ (33,391,952)	(1,102,811)	(32,289,141)	-	(609,532)	(32,898,673)	-	(32,898,673)
5	REMOVE AEP	-	-	-	-	-	(3,674,479)	(3,674,479)	
6	INTERCOMPANY AR	-	-	-	-	-	(83,211)	(83,211)	
7	CLAUSE UNDERRECOVERIES	-	-	-	-	-	(3,973,267)	(3,973,267)	
8	REMOVE LEASES	(9,455,951)	(1,479,933)	(7,976,018)	-	(7,976,018)	-	(7,976,018)	
9	ACCUM DEFERRED RETIREMENT BENEFITS	-	-	-	-	-	37,206	37,206	
10	TEMPORARY CASH INVESTMENTS	-	-	-	-	-	(5,764,087)	(5,764,087)	
11	TOTAL FPSC ADJUSTMENTS ⁽²⁾	<u>(42,847,903)</u>	<u>(2,582,744)</u>	<u>(40,265,159)</u>	<u>-</u>	<u>(609,532)</u>	<u>(40,874,691)</u>	<u>(13,457,838)</u>	<u>(54,332,529)</u>
12									
13	FPSC ADJUSTED	<u>\$ 521,138,404</u>	<u>200,423,461</u>	<u>320,714,943</u>	<u>-</u>	<u>29,814,022</u>	<u>350,528,965</u>	<u>11,417,949</u>	<u>361,946,915</u>
14									
15	TOTAL PRO FORMA ADJUSTMENTS	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
16									
17	PRO FORMA ADJUSTED	<u>\$ 521,138,404</u>	<u>200,423,461</u>	<u>320,714,943</u>	<u>-</u>	<u>29,814,022</u>	<u>350,528,965</u>	<u>11,417,949</u>	<u>361,946,915</u>

⁽¹⁾ Recoverable AGL Acquisition Adjustment and related Accumulated Amortization are included in "Per Books" amounts.

⁽²⁾ In order to be consistent with the "Per Book" capital structure reflected on Schedule 4, certain capital structure balances are no longer presented as part of "Per Book" Rate Base on this schedule. Therefore, no further capital structure adjustment is needed.

FLORIDA CITY GAS
NET OPERATING INCOME
JUNE, 2022

Line No.	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	
	OPERATING REVENUES	O&M GAS EXPENSE	O&M OTHER	DEPR. & AMORT.	TAXES OTHER THAN INCOME TAXES	INCOME TAXES CURRENT	DEFERRED INCOME TAXES (NET)	INV. TAX CREDIT (NET)	GAIN/LOSS ON DISPOSITION	TOTAL OPERATING EXPENSES	NET OPERATING INCOME	
1	PER BOOKS	\$ 117,804,499	28,481,230	31,487,984	23,894,874	9,728,097	3,924,827	302,532	-	-	97,819,544	19,984,954
2												
3	<u>FPSC ADJUSTMENTS:</u>											
4	FUEL REVENUES/COSTS	\$ (29,475,713)	(29,374,002)	(170,531)	-	(10,180)	19,451	-	-	(29,535,262)	59,549	
5	FRANCHISE/GROSS RECEIPTS TAXES	(5,787,264)	-	(14,881)	-	(5,787,753)	3,752	-	-	(5,798,882)	11,618	
6	ECP REVENUE/COSTS	(10,112,066)	-	(6,648,928)	-	(74,286)	(828,678)	-	-	(7,551,892)	(2,560,174)	
7	AEP REVENUE/COSTS	(7,824,096)	-	(39,120)	(7,265,471)	-	(126,998)	-	-	(7,431,589)	(392,507)	
8	SAFE REVENUE/COSTS	(3,720,918)	-	(18,605)	(865,642)	(598,027)	(546,587)	-	-	(2,028,860)	(1,692,059)	
9	INDUSTRY ASSOCIATION DUES	-	-	(12,500)	-	-	3,066	-	-	(9,434)	9,434	
10	ECONOMIC DEVELOPMENT	-	-	(3,629)	-	-	886	-	-	(2,743)	2,743	
11	INTEREST SYNCHRONIZATION	-	-	-	-	-	140,579	-	-	140,579	(140,579)	
12	<u>TOTAL FPSC ADJUSTMENTS</u>	<u>\$ (56,920,057)</u>	<u>(29,374,002)</u>	<u>(6,908,195)</u>	<u>(8,131,112)</u>	<u>(6,470,245)</u>	<u>(1,334,528)</u>	<u>-</u>	<u>-</u>	<u>(52,218,083)</u>	<u>(4,701,974)</u>	
13												
14	<u>FPSC ADJUSTED</u>	<u>\$ 60,884,442</u>	<u>(892,773)</u>	<u>24,579,790</u>	<u>15,763,762</u>	<u>3,257,852</u>	<u>2,590,299</u>	<u>302,532</u>	<u>-</u>	<u>-</u>	<u>45,601,462</u>	<u>15,282,980</u>
15												
16	<u>TOTAL PRO FORMA ADJUSTMENTS</u>	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	
17												
18	<u>PRO FORMA ADJUSTED</u>	<u>\$ 60,884,442</u>	<u>(892,773)</u>	<u>24,579,790</u>	<u>15,763,762</u>	<u>3,257,852</u>	<u>2,590,299</u>	<u>302,532</u>	<u>-</u>	<u>-</u>	<u>45,601,462</u>	<u>15,282,980</u>

FLORIDA CITY GAS
EARNED RETURN ON COMMON EQUITY
FPSC ADJUSTED BASIS
JUNE, 2022

SCHEDULE 5

Line No.		
1	FPSC ADJUSTED AVERAGE EARNED RATE OF RETURN	4.22%
2	LESS: RECONCILED AVERAGE JURISDICTIONAL WEIGHTED COST RATES FOR:	
3	LONG TERM DEBT	-1.17%
4	SHORT TERM DEBT	-0.06%
5	PREFERRED STOCK	0.00%
6	CUSTOMER DEPOSITS	-0.03%
7	TAX CREDITS-WEIGHTED COST(MIDPOINT)	0.00%
8	SUBTOTAL	-1.26%
9		_____
10	TOTAL	2.97%
11		
11	DIVIDED BY RECONCILED COMMON EQUITY RATIO	41.97%
12		_____
13	JURISDICTIONAL RETURN ON COMMON EQUITY	<u>7.07%</u>