

FLORIDA CITY GAS
 NATURAL GAS
 RATE OF RETURN REPORT SUMMARY
 For the 12 Months Ending September 30, 2024

SCHEDULE 1

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	\$ 44,923,071	\$ (3,149,307)	\$ 41,773,764	\$ -	\$ 41,773,764
AVERAGE RATE BASE	\$ 887,159,704	\$ (390,998,589)	\$ 496,161,115	\$ -	\$ 496,161,115
AVERAGE RATE OF RETURN	8.42%		8.42%		8.42%

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

LOW	7.42%
MIDPOINT	7.92%
HIGH	8.42%

IV. EARNED RETURN ON EQUITY
 (FPSC ADJUSTED BASIS)

A. RETURN ON EQUITY	10.50%
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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 Distribution

Michelle Napier

Signature

12/13/2024

Date

FLORIDA CITY GAS
 NATURAL GAS
 AVERAGE RATE OF RETURN
 For the 12 Months Ending September 30, 2024
 RATE BASE

SCHEDULE 2
 PAGE 1 OF 2

	(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	\$ 1,052,610,674	\$ (216,296,109)	\$ 836,314,565	\$ -	\$ 27,441,776	\$ 863,756,342	\$ 23,403,362	\$ 887,159,704
FPSC ADJUSTMENTS:								
1) ELIMINATIONS OF 1/2 OF D & O PREPAID							\$ (8,484)	\$ (8,484)
2) REMOVE SAFE CLAUSE PLANT	(17,358,127)	96,139	(17,261,987)		(2,821,428)	(20,083,416)		(20,083,416)
3) INTERCOMPANY ACCOUNTS RECEIVABLE			-			-	(38,993)	(38,993)
4) REMOVE LEASES	(10,621,760)	720,586	(9,901,174)			(9,901,174)		(9,901,174)
5) ELIMINATE UNDER-RECOVERIES							-	-
6) ACCUM. DEFERRED RETIREMENT BENEFITS							(8,462)	(8,462)
7) REMOVE UNRECOVERED AEP			-			-	(1,011,738)	(1,011,738)
8) REMOVE DEFERRED RATE CASE EXPENSE			-			-	(1,361,522)	(1,361,522)
9) OTHER RATE CASE ADJUSTMENTS (1)		47,530	47,530			47,530		47,530
10) TEMPORARY CASH INVESTMENTS			-			-	(2,933,580)	(2,933,580)
11) REMOVE CWIP WITH AFUDC			-		(1,175,473)	(1,175,473)		(1,175,473)
12) REMOVE GOODWILL	(354,523,277)		(354,523,277)			(354,523,277)		(354,523,277)
TOTAL FPSC ADJUSTMENTS	\$ (382,503,164)	\$ 864,256	\$ (381,638,908)	\$ -	\$ (3,996,901)	\$ (385,635,810)	\$ (5,362,779)	\$ (390,998,589)
FPSC ADJUSTED	\$ 670,107,510	\$ (215,431,853)	\$ 454,675,657	\$ -	\$ 23,444,875	\$ 478,120,532	\$ 18,040,583	\$ 496,161,115
			\$ -			\$ -		\$ -
ADJUSTED	\$ 670,107,510	\$ (215,431,853)	\$ 454,675,657	\$ -	\$ 23,444,875	\$ 478,120,532	\$ 18,040,583	\$ 496,161,115
PROFORMA ADJUSTMENTS			\$ -			\$ -		\$ -
TOTAL PRO FORMA ADJUSTMENTS	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
PRO FORMA ADJUSTED	\$ 670,107,510	\$ (215,431,853)	\$ 454,675,657	\$ -	\$ 23,444,875	\$ 478,120,532	\$ 18,040,583	\$ 496,161,115

FLORIDA CITY GAS
NATURAL GAS
AVERAGE RATE OF RETURN
For the 12 Months Ending September 30, 2024
INCOME STATEMENT

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
	OPERATING REVENUES	O & M GAS 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	\$ 132,614,901	\$ 22,846,180	\$ 41,309,343	\$ 5,858,773	\$ 12,840,306	\$ 4,837,228				\$ 87,691,831	\$ 44,923,071
FPSC ADJUSTMENTS:											
1) INTEREST SYNC						3,217,160				3,217,160	(3,217,160)
2) ELIMINATE FUEL & SWING REVENUES AND EXP.	(23,125,452)	(22,846,180)	(77,521)		(81,990)	(30,353)				(23,036,044)	(89,408)
3) ELIMINATE CONSERVATION	(6,958,490)		(6,969,779)		(39,738)	12,933				(6,996,584)	38,094
4) ELIMINATE SAFE REVENUES AND COSTS	(2,555,557)		(12,184)	(238,215)	(293,674)	(509,811)				(1,053,883)	(1,501,674)
5) ELIMINATE AEP REVENUES AND EXPENSES	(601,857)		(2,273)	(373,127)	(3,012)	(56,632)				(435,044)	(166,813)
6) ELIMINATE REVENUE RELATED TAXES	(6,989,378)		(29,717)		(6,989,378)	7,532				(7,011,564)	22,186
7) 5% OF ECONOMIC DEVELOPMENT			(381)			97				(284)	284
8) INDUSTRY ASSOCIATION DUES			-			-				-	-
9) EXECUTIVE INCENTIVE COMPENSATION			(254,284)			64,448				(189,836)	189,836
10) OTHER RATE CASE ADJUSTMENTS (1)				(2,086,474)		528,817				(1,557,657)	1,557,657
11) REMOVE 1/2 D & O INSURANCE			(23,696)			6,006				(17,690)	17,690
TOTAL FPSC ADJUSTMENTS	<u>\$ (40,230,735)</u>	<u>\$ (22,846,180)</u>	<u>\$ (7,369,835)</u>	<u>\$ (2,697,815)</u>	<u>\$ (7,407,793)</u>	<u>\$ 3,240,196</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (37,081,428)</u>	<u>\$ (3,149,307)</u>
FPSC ADJUSTED	<u>\$ 92,384,167</u>	<u>\$ -</u>	<u>\$ 33,939,508</u>	<u>\$ 3,160,958</u>	<u>\$ 5,432,513</u>	<u>\$ 8,077,424</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 50,610,403</u>	<u>\$ 41,773,764</u>
						\$ -				\$ -	\$ -
ADJUSTED	<u>\$ 92,384,167</u>	<u>\$ -</u>	<u>\$ 33,939,508</u>	<u>\$ 3,160,958</u>	<u>\$ 5,432,513</u>	<u>\$ 8,077,424</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 50,610,403</u>	<u>\$ 41,773,764</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>\$ -</u>
PRO FORMA ADJUSTED	<u>\$ 92,384,167</u>	<u>\$ -</u>	<u>\$ 33,939,508</u>	<u>\$ 3,160,958</u>	<u>\$ 5,432,513</u>	<u>\$ 8,077,424</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 50,610,403</u>	<u>\$ 41,773,764</u>

FLORIDA CITY GAS
 NATURAL GAS
 CAPITAL STRUCTURE
 For the 12 Months Ending September 30, 2024
 FPSC ADJUSTED BASIS

SCHEDULE 4

AVERAGE	ADJUSTMENTS					RATIO (%)	LOW POINT		MIDPOINT		HIGH POINT		
	PER BOOKS	NON-UTILITY	ADJUSTED BOOKS	PRO-RATA	SPECIFIC		BALANCE	COST RATE (%)	WEIGHTED COST (%)	COST RATE (%)	WEIGHTED COST (%)	COST RATE (%)	WEIGHTED COST (%)
COMMON EQUITY	\$ 437,738,820		\$ 437,738,820	\$ (190,161,915)		\$ 247,576,904	49.90%	8.50%	4.24%	9.50%	4.74%	10.50%	5.24%
LONG TERM DEBT	\$ 357,721,300		\$ 357,721,300	\$ (151,099,556)	\$ (9,901,174)	\$ 196,720,570	39.65%	7.01%	2.78%	7.01%	2.78%	7.01%	2.78%
SHORT TERM DEBT	\$ 55,468,309		\$ 55,468,309	\$ (24,096,469)		\$ 31,371,840	6.32%	6.18%	0.39%	6.18%	0.39%	6.18%	0.39%
CUSTOMER DEPOSITS	\$ 5,959,212		\$ 5,959,212	\$ (2,588,793)		\$ 3,370,419	0.68%	1.51%	0.01%	1.51%	0.01%	1.51%	0.01%
DEFERRED INCOME TAXES	\$ 11,849,618		\$ 11,849,618	\$ (5,147,695)		\$ 6,701,923	1.35%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
FAS 109 DEFERRED INCOME TAX	\$ 18,422,292		\$ 18,422,292	\$ (8,002,988)		\$ 10,419,305	2.10%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
TOTAL AVERAGE	887,159,551	\$ -	\$ 887,159,551	\$ (381,097,415)	\$ (9,901,174)	\$ 496,160,962	100.00%		7.42%		7.92%		8.42%

Earned Ret on Equity

SCHEDULE 5

FLORIDA CITY GAS
NATURAL GAS
EARNED RETURN ON COMMON EQUITY
FPSC ADJUSTED BASIS
For the 12 Months Ending September 30, 2024

A. FPSC ADJUSTED AVERAGE JURISDICTIONAL RETURN ON COMMON EQUITY
INCLUDING ACQUISITION ADJUSTMENTS

NET OPERATING INCOME INCLUDING ACQUISITION ADJUSTMENTS	\$41,773,764
RATE BASE INCLUDING ACQUISITION ADJUSTMENTS	<u>\$496,161,115</u>
FPSC ADJUSTED AVERAGE EARNED RATE OF RETURN	8.42%
LESS: RECONCILED AVERAGE JURISDICTIONAL	
WEIGHTED COST RATES FOR:	
LONG TERM DEBT - CU	2.78%
SHORT TERM DEBT	0.39%
CUSTOMER DEPOSITS	0.01%
TAX CREDITS-WEIGHTED COST (MIDPOINT)	0.00%
SUBTOTAL	<u>3.18%</u>
TOTAL	5.24%
DIVIDED BY RECONCILED COMMON EQUITY RATIO	49.90%
JURISDICTIONAL RETURN ON COMMON EQUITY	<u><u>10.50%</u></u>

FLORIDA CITY GAS

RESERVE AMOUNT BALANCE AS OF SEPTEMBER 30, 2024

ATTACHMENT 1

RELATED

AMOUNT

ORDER

Total Reserve Amount Available Under Current Settlement Agreement	\$ 25,000,000	PSC-2023-0177-FOF-GU
Actual Amortization from 5/31/2023 - 12/31/2023 ⁽¹⁾ :		
January, 2023		
February, 2023		
March, 2023		
April, 2023		
May, 2023	\$ -	
June, 2023	\$ (6,301,154)	
July, 2023		
August, 2023		
September, 2023	\$ (385,699)	
October, 2023	\$ (908,029)	
November, 2023	\$ 3,180,759	
December, 2023	\$ (5,078,218)	
Total Amortization from 5/31/2023 - 12/31/2023:	\$ (9,492,341)	
Remaining Reserve Amount - 12/31/2023	\$ 15,507,659	
January, 2024	\$ -	
February, 2024	\$ -	
March, 2024	\$ (3,688,791)	
April, 2024	\$ -	
May, 2024	\$ -	
June, 2024	\$ (2,043,338)	
July, 2024	\$ -	
August, 2024	\$ -	
September, 2024	\$ (3,182,574)	
October, 2024	\$ -	
November, 2024	\$ -	
December, 2024	\$ -	
Reserve projected to be used in 2024	\$ (8,914,703)	
Remaining Reserve Amount - 12/31/2024	\$ 6,592,956	
Reserve used in 2025	\$ (6,592,956)	
Remaining Reserve Amount - 12/31/2025	\$ -	
Reserve used in 2026	\$ -	

Note

(1) Reserve amortization debits/credits are recorded on a quarterly basis.