

FLORIDA PUBLIC UTILITIES COMPANY
 NATURAL GAS
 RATE OF RETURN REPORT SUMMARY
 For the Projected 12 Months Ending December 31, 2022

SCHEDULE 1

	(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	\$ 12,541,684	\$ (423,165)	\$ 12,118,519	\$ 1,113,205	\$ 13,231,723
AVERAGE RATE BASE	\$ 335,051,210	\$ (7,526,309)	\$ 327,524,901	\$ (19,755,664)	\$ 307,769,237
AVERAGE RATE OF RETURN	3.74%		3.70%		4.30%
II. YEAR-END RATE OF RETURN (JURISDICTIONAL)					
NET OPERATING INCOME	\$ 12,541,684	\$ (423,165)	\$ 12,118,519	\$ 1,113,205	\$ 13,231,723
YEAR-END RATE BASE	\$ 337,771,075	\$ (7,500,849)	\$ 330,270,226	\$ (19,185,789)	\$ 311,084,437
YEAR-END RATE OF RETURN	3.71%		3.67%		4.25%
III. REQUIRED RATES OF RETURN AVERAGE CAPITAL STRUCTURE (FPSC ADJUSTED BASIS)			IV. EARNED RETURN ON EQUITY (FPSC ADJUSTED BASIS)		
LOW	5.53%		A.	INCL ACQUISITION ADJUSTMENT	8.71%
MIDPOINT	5.96%		B.	EXCL ACQUISITION ADJUSTMENT	10.90%
HIGH	6.39%				

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

FLORIDA PUBLIC UTILITIES COMPANY
 NATURAL GAS
 AVERAGE RATE OF RETURN
 For the Projected 12 Months Ending December 31, 2022
 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	\$ 433,969,166	\$ (109,207,430)	\$ 324,761,736	\$ -	\$ 6,275,086	\$ 331,036,822	\$ 4,014,388	\$ 335,051,210
FPSC ADJUSTMENTS:								
1) OFFSET TO ACCOUNTS RECEIVABLE	\$ -	\$ -	\$ -			\$ -	\$ (4,786,196)	\$ (4,786,196)
2) ELIMINATE GOODWILL	\$ (2,469,682)	\$ -	\$ (2,469,682)			\$ (2,469,682)		\$ (2,469,682)
3) FLEX RATE PLANT	\$ (1,020,000)	\$ 209,750	\$ (810,250)			\$ (810,250)		\$ (810,250)
4) ELIM. NON-UTILITY PLANT	\$ (2,371,976)	\$ 972,481	\$ (1,399,495)			\$ (1,399,495)		\$ (1,399,495)
5) ELIMINATE UNDER-RECOVERIES	\$ -	\$ -	\$ -			\$ -	\$ -	\$ -
6) REMOVE UNRECOVERED AEP			\$ -			\$ -	\$ (3,671,755)	\$ (3,671,755)
7) ELIMINATE DEF. ENVIRONMENTAL COSTS						\$ -	\$ 5,611,069	\$ 5,611,069
TOTAL FPSC ADJUSTMENTS	\$ (5,861,658)	\$ 1,182,231	\$ (4,679,427)	\$ -	\$ -	\$ (4,679,427)	\$ (2,846,882)	\$ (7,526,309)
FPSC ADJUSTED	\$ 428,107,508	\$ (108,025,199)	\$ 320,082,309	\$ -	\$ 6,275,086	\$ 326,357,395	\$ 1,167,506	\$ 327,524,901
			\$ -			\$ -		\$ -
ADJUSTED	\$ 428,107,508	\$ (108,025,199)	\$ 320,082,309	\$ -	\$ 6,275,086	\$ 326,357,395	\$ 1,167,506	\$ 327,524,901
PROFORMA ADJUSTMENTS								
			\$ -			\$ -		\$ -
			\$ -			\$ -		\$ -
ELIM. ACQUISITION ADJUSTMENT	\$ (34,192,493)	\$ 14,436,829	\$ (19,755,664)			\$ (19,755,664)		\$ (19,755,664)
ELIM. REG ASSET-TRNSCTN & TRNSITN CSTS								\$ -
TOTAL PRO FORMA ADJUSTMENTS	\$ (34,192,493)	\$ 14,436,829	\$ (19,755,664)	\$ -	\$ -	\$ (19,755,664)	\$ -	\$ (19,755,664)
PRO FORMA ADJUSTED	\$ 393,915,015	\$ (93,588,370)	\$ 300,326,645	\$ -	\$ 6,275,086	\$ 306,601,731	\$ 1,167,506	\$ 307,769,237

FLORIDA PUBLIC UTILITIES COMPANY
NATURAL GAS
YEAR END RATE OF RETURN
For the Projected 12 Months Ending December 31, 2022
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
PER BOOKS	\$ 438,641,597	\$ (110,087,763)	\$ 328,553,834	\$ -	\$ 5,245,311	\$ 333,799,145	\$ 3,971,930	\$ 337,771,075
FPSC ADJUSTMENTS:								
1) OFFSET TO ACCOUNTS RECEIVABLE	\$ -	\$ -	\$ -			\$ -	\$ (4,786,196)	\$ (4,786,196)
2) ELIMINATE GOODWILL	\$ (2,469,682)	\$ -	\$ (2,469,682)			\$ (2,469,682)		\$ (2,469,682)
3) FLEX RATE PLANT	\$ (1,020,000)	\$ 235,250	\$ (784,750)			\$ (784,750)		\$ (784,750)
4) ELIM. NON-UTILITY PLANT	\$ (2,371,976)	\$ 972,481	\$ (1,399,495)			\$ (1,399,495)		\$ (1,399,495)
5) ELIMINATE UNDER-RECOVERIES	\$ -	\$ -	\$ -			\$ -		\$ -
6) REMOVE UNRECOVERED AEP	\$ -	\$ -	\$ -			\$ -	\$ (3,671,755)	\$ (3,671,755)
7) ELIMINATE DEF. ENVIRONMENTAL COSTS						\$ -	\$ 5,611,029	\$ 5,611,029
TOTAL FPSC ADJUSTMENTS	\$ (5,861,658)	\$ 1,207,731	\$ (4,653,927)	\$ -	\$ -	\$ (4,653,927)	\$ (2,846,922)	\$ (7,500,849)
FPSC ADJUSTED	\$ 432,779,939	\$ (108,880,032)	\$ 323,899,907	\$ -	\$ 5,245,311	\$ 329,145,218	\$ 1,125,008	\$ 330,270,226
			\$ -			\$ -		\$ -
ADJUSTED PROFORMA ADJUSTMENTS	\$ 432,779,939	\$ (108,880,032)	\$ 323,899,907	\$ -	\$ 5,245,311	\$ 329,145,218	\$ 1,125,008	\$ 330,270,226
ELIM. ACQUISITION ADJUSTMENT	\$ (34,192,493)	\$ 15,006,704	\$ (19,185,789)			\$ (19,185,789)		\$ (19,185,789)
ELIM. REG ASSET-TRNSCTN & TRNSITN CSTS								\$ -
TOTAL PRO FORMA ADJUSTMENTS	\$ (34,192,493)	\$ 15,006,704	\$ (19,185,789)	\$ -	\$ -	\$ (19,185,789)	\$ -	\$ (19,185,789)
PRO FORMA ADJUSTED	\$ 398,587,446	\$ (93,873,328)	\$ 304,714,118	\$ -	\$ 5,245,311	\$ 309,959,429	\$ 1,125,008	\$ 311,084,437

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	\$ 145,137,868		\$ 145,137,868	\$ (2,632,480)	\$ (2,469,682)		\$ 140,035,706	42.76%	9.85%	4.21%	10.85%	4.64%
LONG TERM DEBT - CU	\$ 104,546,102		\$ 104,546,102	\$ (1,896,235)		\$ 102,649,866	31.34%	3.44%	1.08%	3.44%	1.08%	3.44%	1.08%
SHORT TERM DEBT	\$ 29,105,635		\$ 29,105,635	\$ (527,912)		\$ 28,577,723	8.73%	1.98%	0.17%	1.98%	0.17%	1.98%	0.17%
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	\$ 9,101,152		\$ 9,101,152			\$ 9,101,152	2.78%	2.38%	0.07%	2.38%	0.07%	2.38%	0.07%
DEFERRED INCOME TAXES	\$ 28,049,769		\$ 28,049,769			\$ 28,049,769	8.56%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
TAX CREDITS - WEIGHTED COST	\$ 19,110,685		\$ 19,110,685			\$ 19,110,685	5.84%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
TOTAL AVERAGE	\$ 335,051,210	\$ -	\$ 335,051,210	\$ (5,056,627)	\$ (2,469,682)	\$ 327,524,901	100.00%		5.53%		5.96%		6.39%

YEAR-END	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	\$ 148,524,091		\$ 148,524,091	\$ (2,619,226)	\$ (2,469,682)		\$ 143,435,184	43.43%	9.85%	4.28%	10.85%	4.71%
LONG TERM DEBT - CU	\$ 106,985,275		\$ 106,985,275	\$ (1,886,688)		\$ 105,098,588	31.82%	2.95%	0.94%	2.95%	0.94%	2.95%	0.94%
SHORT TERM DEBT	\$ 29,784,701		\$ 29,784,701	\$ (525,254)		\$ 29,259,447	8.86%	1.29%	0.11%	1.29%	0.11%	1.29%	0.11%
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	\$ 8,488,937		\$ 8,488,937			\$ 8,488,937	2.57%	2.43%	0.06%	2.43%	0.06%	2.43%	0.06%
DEFERRED INCOME TAXES	\$ 26,162,921		\$ 26,162,921			\$ 26,162,921	7.92%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
TAX CREDITS - WEIGHTED COST	\$ 17,825,150		\$ 17,825,150			\$ 17,825,150	5.40%	5.05%	0.27%	5.76%	0.31%	6.20%	0.33%
TOTAL YEAR-END	\$ 337,771,075	\$ -	\$ 337,771,075	\$ (5,031,167)	\$ (2,469,682)	\$ 330,270,226	100.00%		5.66%		6.13%		6.59%