

FLORIDA PUBLIC UTILITIES COMPANY
 NATURAL GAS
 RATE OF RETURN REPORT SUMMARY
 For the 12 Months Ending June 30, 2024

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	\$ 35,537,182	\$ (4,848,158)	\$ 30,689,024	\$ 1,139,750	\$ 31,828,774
AVERAGE RATE BASE	\$ 506,901,417	\$ (24,490,962)	\$ 482,410,455	\$ (18,046,038)	\$ 464,364,417
AVERAGE RATE OF RETURN	7.01%		6.36%		6.85%
II. YEAR-END RATE OF RETURN (JURISDICTIONAL)					
NET OPERATING INCOME	\$ 35,537,182	\$ (4,947,488)	\$ 30,589,694	\$ 1,139,750	\$ 31,729,444
YEAR-END RATE BASE	\$ 540,039,157	\$ (46,629,687)	\$ 493,409,470	\$ (17,476,163)	\$ 475,933,307
YEAR-END RATE OF RETURN	6.58%		6.20%		6.67%
III. REQUIRED RATES OF RETURN AVERAGE CAPITAL STRUCTURE (FPSC ADJUSTED BASIS)			IV. EARNED RETURN ON EQUITY (FPSC ADJUSTED BASIS)		
LOW	5.57%		A.	INCL ACQUISITION ADJUSTMENT	11.22%
MIDPOINT	5.97%		B.	EXCL ACQUISITION ADJUSTMENT	12.57%
HIGH	6.38%				

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

9/13/2024
 Date

FLORIDA PUBLIC UTILITIES COMPANY
NATURAL GAS
AVERAGE RATE OF RETURN
For the 12 Months Ending June 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	\$ 674,919,091	\$ (170,190,996)	\$ 504,728,095	\$ -	\$ 12,534,019	\$ 517,262,114	\$ (10,360,697)	\$ 506,901,417
FPSC ADJUSTMENTS:								
1) ELIMINATIONS OF 1/2 OF D & O PREPAID	\$ -	\$ -	\$ -			\$ -	\$ (20,701)	\$ (20,701)
2) ELIMINATE GOODWILL	(3,183,612)	-	(3,183,612)			(3,183,612)		(3,183,612)
3) FLEX RATE & SPECIAL CONTRACT PLANT	(24,202,099)	10,551,750	(13,650,349)			(13,650,349)		(13,650,349)
4) ELIM. NON-UTILITY PLANT	(1,294,957)	720,520	(574,436)			(574,436)		(574,436)
5) ELIMINATE UNDER-RECOVERIES	-	-	-			-	-	-
6) OFFSET TO ACCOUNTS RECEIVABLE	-	-	-			-	(1,051,583)	(1,051,583)
7) REMOVE UNRECOVERED AEP	-	-	-			-	-	-
8) REMOVE DEFERRED RATE CASE EXPENSE	-	-	-			-	(2,559,925)	(2,559,925)
9) ALLOCATE ACCRUED INTEREST FROM PARENT	-	-	-			-	(1,614,619)	(1,614,619)
10) FLEXIBLE LIABILITY ADJUSTMENT	-	-	-			-	-	-
11) ALLOCATE CORP. HEALTH INSURANCE RES.	-	-	-			-	(133,824)	(133,824)
12) ELIMINATE FLEX PLANT WORKING CAPITAL	-	-	-			-	(9,004)	(9,004)
13) ELIMINATE DEF. ENVIRONMENTAL COSTS	-	-	-			-	3,462,603	3,462,603
14) ELIMINATE AFUDC CWIP	-	-	-		(5,155,510)	(5,155,510)	-	(5,155,510)
TOTAL FPSC ADJUSTMENTS	\$ (28,680,668)	\$ 11,272,271	\$ (17,408,397)	\$ -	\$ (5,155,510)	\$ (22,563,908)	\$ (1,927,054)	\$ (24,490,962)
FPSC ADJUSTED	\$ 646,238,423	\$ (158,918,726)	\$ 487,319,697	\$ -	\$ 7,378,509	\$ 494,698,206	\$ (12,287,751)	\$ 482,410,455
			\$ -			\$ -		\$ -
ADJUSTED	\$ 646,238,423	\$ (158,918,726)	\$ 487,319,697	\$ -	\$ 7,378,509	\$ 494,698,206	\$ (12,287,751)	\$ 482,410,455
PROFORMA ADJUSTMENTS								
ELIM. ACQUISITION ADJUSTMENT	\$ (34,192,493)	\$ 16,146,455	\$ (18,046,038)			\$ (18,046,038)		\$ (18,046,038)
ELIM. REG ASSET-TRNSCTN & TRNSITN CSTS								-
TOTAL PRO FORMA ADJUSTMENTS	\$ (34,192,493)	\$ 16,146,455	\$ (18,046,038)	\$ -	\$ -	\$ (18,046,038)	\$ -	\$ (18,046,038)
PRO FORMA ADJUSTED	\$ 612,045,930	\$ (142,772,271)	\$ 469,273,659	\$ -	\$ 7,378,509	\$ 476,652,168	\$ (12,287,751)	\$ 464,364,417

FLORIDA PUBLIC UTILITIES COMPANY
NATURAL GAS
AVERAGE RATE OF RETURN
For the 12 Months Ending June 30, 2024
INCOME STATEMENT

SCHEDULE 2
PAGE 2 OF 2

	(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	\$ 173,719,338	\$ 53,465,387	\$ 46,034,321	\$ 16,011,306	\$ 13,922,165	\$ 8,748,977				\$ 138,182,156	\$ 35,537,182
FPSC ADJUSTMENTS:											
1) INTEREST SYNC						409,662				409,662	(409,662)
2) ELIMINATE FUEL & SWING REVENUES AND EXP.	(49,229,939)	(49,213,868)			(256,556)	60,951				(49,409,473)	179,534
3) ELIMINATE CONSERVATION	(4,208,255)	(4,251,519)			(21,062)	16,303				(4,256,277)	48,022
4) NON-UTILITY DEPRECIATION EXPENSE				(105,664)		26,781				(78,884)	78,884
5) ELIMINATE AEP REVENUES AND EXPENSES	(407)			(404)	(2)	0				(407)	0
6) ELIMINATE REVENUE RELATED TAXES	(4,609,596)				(4,609,596)	-				(4,609,596)	-
7) 5% OF ECONOMIC DEVELOPMENT			(13)			3				(9)	9
8) OUT OF PERIOD ADJ	(121,200)					(30,718)				(30,718)	(90,482)
9) FLEX RATE & SPECIAL CONTRACTS	(7,322,991)		(466,648)	(503,590)	(193,690)	(1,561,014)				(2,724,943)	(4,598,048)
10) EXPENSE ACCRUAL ADJUSTMENT			186,674			(47,313)				139,361	(139,361)
11) INTEREST INCOME	3,835					972				972	2,863
12) REMOVE ENVIRONMENTAL AMORTIZATION				-		-				-	-
13) REMOVE NON-UTILITY PROPERTY TAX					(12,771)	3,237				(9,535)	9,535
14) REMOVE COMPANY EVENTS			(45,332)			11,489				(33,843)	33,843
15) REMOVE 1/2 D & O INSURANCE			(47,398)			12,013				(35,385)	35,385
16) REMOVE SERP			(1,767)			448				(1,319)	1,319
						-				-	-
TOTAL FPSC ADJUSTMENTS	\$ (65,488,552)	\$ (53,465,387)	\$ (374,485)	\$ (609,659)	\$ (5,093,677)	\$ (1,097,186)	\$ -	\$ -	\$ -	\$ (60,640,394)	\$ (4,848,158)
FPSC ADJUSTED	\$ 108,230,786	\$ -	\$ 45,659,836	\$ 15,401,647	\$ 8,828,488	\$ 7,651,791	\$ -	\$ -	\$ -	\$ 77,541,762	\$ 30,689,024
						\$ -				\$ -	\$ -
ADJUSTED	\$ 108,230,786	\$ -	\$ 45,659,836	\$ 15,401,647	\$ 8,828,488	\$ 7,651,791	\$ -	\$ -	\$ -	\$ 77,541,762	\$ 30,689,024
ELIMINATE ACQUISITION AMORTIZATION				\$ (1,491,132)		\$ 351,382				\$ (1,139,750)	\$ 1,139,750
ELIMINATE TRANSACT./TRANSIT. AMORTIZATION						\$ -				\$ -	\$ -
						\$ -				\$ -	\$ -
						\$ -				\$ -	\$ -
TOTAL PRO FORMA ADJUSTMENTS	\$ -	\$ -	\$ -	\$ (1,491,132)	\$ -	\$ 351,382	\$ -	\$ -	\$ -	\$ (1,139,750)	\$ 1,139,750
PRO FORMA ADJUSTED	\$ 108,230,786	\$ -	\$ 45,659,836	\$ 13,910,515	\$ 8,828,488	\$ 8,003,174	\$ -	\$ -	\$ -	\$ 76,402,012	\$ 31,828,774

FLORIDA PUBLIC UTILITIES COMPANY
NATURAL GAS
YEAR END RATE OF RETURN
For the 12 Months Ending June 30, 2024
RATE BASE

SCHEDULE 3
PAGE 1 OF 2

	(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	\$ 706,535,442	\$ (175,978,057)	\$ 530,557,385	\$ -	\$ 22,680,535	\$ 553,237,920	\$ (13,198,763)	\$ 540,039,157
FPSC ADJUSTMENTS:								
1) ELIMINATIONS OF 1/2 OF D & O PREPAID	\$ -	\$ -	\$ -			\$ -	\$ (8,025)	\$ (8,025)
2) ELIMINATE GOODWILL	(3,183,612)	-	(3,183,612)			(3,183,612)	-	(3,183,612)
3) FLEX RATE & SPECIAL CONTRACT PLANT	(24,202,099)	10,803,545	(13,398,554)			(13,398,554)	-	(13,398,554)
4) ELIM. NON-UTILITY PLANT	(1,274,892)	746,681	(528,210)			(528,210)	-	(528,210)
5) ELIMINATE UNDER-RECOVERIES	-	-	-			-	-	-
6) OFFSET TO ACCOUNTS RECEIVABLE	-	-	-			-	(1,074,671)	(1,074,671)
7) REMOVE UNRECOVERED AEP	-	-	-			-	-	-
8) REMOVE DEFERRED RATE CASE EXPENSE	-	-	-			-	(1,955,620)	(1,955,620)
9) ALLOCATE ACCRUED INTEREST FROM PARENT	-	-	-			-	(18,841,619)	(18,841,619)
10) FLEXIBLE LIABILITY ADJUSTMENT	-	-	-			-	-	-
11) ALLOCATE CORP. HEALTH INSURANCE RES.	-	-	-			-	(84,104)	(84,104)
12) ELIMINATE FLEX PLANT WORKING CAPITAL	-	-	-			-	(9,004)	(9,004)
13) ELIMINATE DEF. ENVIRONMENTAL COSTS	-	-	-			-	3,401,871	3,401,871
14) ELIMINATE AFUDC CWIP	-	-	-		(10,948,139)	(10,948,139)	-	(10,948,139)
TOTAL FPSC ADJUSTMENTS	\$ (28,660,603)	\$ 11,550,227	\$ (17,110,376)	\$ -	\$ (10,948,139)	\$ (28,058,515)	\$ (18,571,172)	\$ (46,629,687)
FPSC ADJUSTED	\$ 677,874,839	\$ (164,427,830)	\$ 513,447,009	\$ -	\$ 11,732,396	\$ 525,179,405	\$ (31,769,935)	\$ 493,409,470
			\$ -			-		-
ADJUSTED	\$ 677,874,839	\$ (164,427,830)	\$ 513,447,009	\$ -	\$ 11,732,396	\$ 525,179,405	\$ (31,769,935)	\$ 493,409,470
PROFORMA ADJUSTMENTS								
ELIM. ACQUISITION ADJUSTMENT	\$ (34,192,493)	\$ 16,716,330	\$ (17,476,163)			\$ (17,476,163)		\$ (17,476,163)
ELIM. REG ASSET-TRNSCTN & TRNSITN CSTS								-
TOTAL PRO FORMA ADJUSTMENTS	\$ (34,192,493)	\$ 16,716,330	\$ (17,476,163)	\$ -	\$ -	\$ (17,476,163)	\$ -	\$ (17,476,163)
PRO FORMA ADJUSTED	\$ 643,682,346	\$ (147,711,500)	\$ 495,970,846	\$ -	\$ 11,732,396	\$ 507,703,242	\$ (31,769,935)	\$ 475,933,307

FLORIDA PUBLIC UTILITIES COMPANY
NATURAL GAS
YEAR END RATE OF RETURN
For the 12 Months Ending June 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	\$ 173,719,338	\$ 53,465,387	\$ 46,034,321	\$ 16,011,306	\$ 13,922,165	\$ 8,748,977				\$ 138,182,156	\$ 35,537,182
FPSC ADJUSTMENTS:											
1) INTEREST SYNC						508,991				508,991	(508,991)
2) ELIMINATE FUEL & SWING REVENUES AND EXP.	(49,229,939)	(49,213,868)			(256,555)	60,951				(49,409,473)	179,534
3) ELIMINATE CONSERVATION	(4,208,255)	(4,251,519)			(21,062)	16,303				(4,256,277)	48,022
4) NON-UTILITY DEPRECIATION EXPENSE				(105,664)		26,781				(78,884)	78,884
5) ELIMINATE AEP REVENUES AND EXPENSES	(407)			(404)	(2)	0				(407)	0
6) ELIMINATE REVENUE RELATED TAXES	(4,609,596)				(4,609,596)	-				(4,609,596)	-
7) 5% OF ECONOMIC DEVELOPMENT			(13)			3				(9)	9
8) OUT OF PERIOD ADJ	(121,200)		-			(30,718)				(30,718)	(90,482)
9) FLEX RATE & SPECIAL CONTRACTS	(7,322,991)		(466,648)	(503,590)	(193,690)	(1,561,014)				(2,724,943)	(4,598,048)
10) EXPENSE ACCRUAL ADJUSTMENT			186,674			(47,313)				139,361	(139,361)
11)INTEREST INCOME	3,835					972				972	2,863
12)REMOVE ENVIRONMENTAL AMORTIZATION				-		-				-	-
13)REMOVE NON-UTILITY PROPERTY TAX					(12,771)	3,237				(9,535)	9,535
14)REMOVE COMPANY EVENTS			(45,332)			11,489				(33,843)	33,843
15)REMOVE 1/2 D & O INSURANCE			(47,398)			12,013				(35,385)	35,385
16)REMOVE SERP			(1,767)			448				(1,319)	1,319
TOTAL FPSC ADJUSTMENTS	<u>\$ (65,488,552)</u>	<u>\$ (53,465,387)</u>	<u>\$ (374,485)</u>	<u>\$ (609,659)</u>	<u>\$ (5,093,676)</u>	<u>\$ (997,857)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (60,541,064)</u>	<u>\$ (4,947,488)</u>
FPSC ADJUSTED	<u>\$ 108,230,786</u>	<u>\$ -</u>	<u>\$ 45,659,836</u>	<u>\$ 15,401,647</u>	<u>\$ 8,828,489</u>	<u>\$ 7,751,121</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 77,641,092</u>	<u>\$ 30,589,694</u>
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
ADJUSTED	<u>\$ 108,230,786</u>	<u>\$ -</u>	<u>\$ 45,659,836</u>	<u>\$ 15,401,647</u>	<u>\$ 8,828,489</u>	<u>\$ 7,751,121</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 77,641,092</u>	<u>\$ 30,589,694</u>
ELIMINATE ACQUISITION AMORTIZATION				\$ (1,491,132)		\$ 351,382				\$ (1,139,750)	\$ 1,139,750
ELIMINATE TRANSACT./TRANSIT. AMORTIZATION						\$ -				\$ -	\$ -
						\$ -				\$ -	\$ -
						\$ -				\$ -	\$ -
TOTAL PRO FORMA ADJUSTMENTS	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (1,491,132)</u>	<u>\$ -</u>	<u>\$ 351,382</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (1,139,750)</u>	<u>\$ 1,139,750</u>
PRO FORMA ADJUSTED	<u>\$ 108,230,786</u>	<u>\$ -</u>	<u>\$ 45,659,836</u>	<u>\$ 13,910,515</u>	<u>\$ 8,828,489</u>	<u>\$ 8,102,503</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 76,501,342</u>	<u>\$ 31,729,444</u>

FLORIDA PUBLIC UTILITIES COMPANY
 NATURAL GAS
 CAPITAL STRUCTURE
 For the 12 Months Ending June 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	\$ 209,066,998		\$ 209,066,998	\$ (10,556,552)	\$ (3,183,612)	\$ 195,326,834	40.49%	9.25%	3.75%	10.25%	4.15%	11.25%	4.56%
LONG TERM DEBT - CU	\$ 184,544,651		\$ 184,544,651	\$ (9,318,330)		\$ 175,226,321	36.32%	3.93%	1.43%	3.93%	1.43%	3.93%	1.43%
SHORT TERM DEBT	\$ 28,369,277		\$ 28,369,277	\$ (1,432,468)		\$ 26,936,809	5.58%	6.11%	0.34%	6.11%	0.34%	6.11%	0.34%
CUSTOMER DEPOSITS	\$ 12,157,465		\$ 12,157,465			\$ 12,157,465	2.52%	2.05%	0.05%	2.05%	0.05%	2.05%	0.05%
DEFERRED INCOME TAXES	\$ 72,763,025		\$ 72,763,025			\$ 72,763,025	15.08%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
TAX CREDITS - WEIGHTED COST	\$ -		\$ -			\$ -	0.00%	5.52%	0.00%	5.92%	0.00%	6.33%	0.00%
TOTAL AVERAGE	506,901,416	\$ -	\$ 506,901,417	\$ (21,307,350)	\$ (3,183,612)	\$ 482,410,455	100.00%		5.57%		5.97%		6.38%

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	\$ 216,903,318		\$ 216,903,318	\$ (20,911,985)	\$ (3,183,612)	\$ 192,807,721	39.08%	9.25%	3.61%	10.25%	4.01%	11.25%	4.40%
LONG TERM DEBT - CU	\$ 199,013,625		\$ 199,013,625	\$ (19,187,213)		\$ 179,826,412	36.45%	3.76%	1.37%	3.76%	1.37%	3.76%	1.37%
SHORT TERM DEBT	\$ 34,714,465		\$ 34,714,465	\$ (3,346,876)		\$ 31,367,589	6.36%	4.48%	0.28%	4.48%	0.28%	4.48%	0.28%
CUSTOMER DEPOSITS	\$ 12,575,574		\$ 12,575,574			\$ 12,575,574	2.55%	1.99%	0.05%	1.99%	0.05%	1.99%	0.05%
DEFERRED INCOME TAXES	\$ 76,832,175		\$ 76,832,175			\$ 76,832,175	15.57%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
TAX CREDITS - WEIGHTED COST	\$ -		\$ -			\$ -	0.00%	5.26%	0.00%	5.66%	0.00%	6.05%	0.00%
	\$ 540,039,157	\$ -	\$ 540,039,157	\$ (43,446,075)	\$ (3,183,612)	\$ 493,409,470	100.00%		5.31%		5.71%		6.10%