

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

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	\$ 37,879,847	\$ (6,227,372)	\$ 31,652,475	\$ 1,139,750	\$ 32,792,225
AVERAGE RATE BASE	\$ 523,915,819	\$ (27,637,420)	\$ 496,278,398	\$ (17,761,100)	\$ 478,517,298
AVERAGE RATE OF RETURN	7.23%		6.38%		6.85%
<b>II. YEAR-END RATE OF RETURN (JURISDICTIONAL)</b>					
NET OPERATING INCOME	\$ 37,879,847	\$ (6,190,609)	\$ 31,689,238	\$ 1,139,750	\$ 32,828,988
YEAR-END RATE BASE	\$ 559,992,419	\$ (34,092,389)	\$ 525,900,030	\$ (17,191,226)	\$ 508,708,804
YEAR-END RATE OF RETURN	6.76%		6.03%		6.45%
<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.	INCL ACQUISITION ADJUSTMENT	11.20%
MIDPOINT	6.00%		B.	EXCL ACQUISITION ADJUSTMENT	12.54%
HIGH	6.40%				

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 PUBLIC UTILITIES COMPANY  
 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	\$ 693,731,111	\$ (172,602,877)	\$ 521,128,233	\$ -	\$ 13,719,753	\$ 534,847,986	\$ (10,932,168)	\$ 523,915,819
FPSC ADJUSTMENTS:								
1) ELIMINATIONS OF 1/2 OF D & O PREPAID	\$ -	\$ -	\$ -			\$ -	\$ (20,094)	\$ (20,094)
2) ELIMINATE GOODWILL	(3,183,612)	-	(3,183,612)			(3,183,612)		(3,183,612)
3) FLEX RATE & SPECIAL CONTRACT PLANT	(24,202,099)	10,677,648	(13,524,452)			(13,524,452)		(13,524,452)
4) ELIM. NON-UTILITY PLANT	(1,284,478)	734,795	(549,683)			(549,683)		(549,683)
5) ELIMINATE UNDER-RECOVERIES	-	-	-			-	-	-
6) OFFSET TO ACCOUNTS RECEIVABLE	-	-	-			-	(1,055,423)	(1,055,423)
7) REMOVE UNRECOVERED AEP	-	-	-			-	(18,100)	(18,100)
8) REMOVE DEFERRED RATE CASE EXPENSE	-	-	-			-	(2,236,356)	(2,236,356)
9) ALLOCATE ACCRUED INTEREST FROM PARENT	-	-	-			-	(1,783,451)	(1,783,451)
10) FLEXIBLE LIABILITY ADJUSTMENT	-	-	-			-	-	-
11) ALLOCATE CORP. HEALTH INSURANCE RES.	-	-	-			-	(125,517)	(125,517)
12) ELIMINATE FLEX PLANT WORKING CAPITAL	-	-	-			-	(9,004)	(9,004)
13) ELIMINATE DEF. ENVIRONMENTAL COSTS	-	-	-			-	3,451,196	3,451,196
14) ELIMINATE AFUDC & CWIP	-	-	-		(8,582,925)	(8,582,925)		(8,582,925)
TOTAL FPSC ADJUSTMENTS	\$ (28,670,189)	\$ 11,412,443	\$ (17,257,746)	\$ -	\$ (8,582,925)	\$ (25,840,671)	\$ (1,796,749)	\$ (27,637,420)
FPSC ADJUSTED	\$ 665,060,922	\$ (161,190,434)	\$ 503,870,487	\$ -	\$ 5,136,828	\$ 509,007,315	\$ (12,728,917)	\$ 496,278,398
			\$ -			\$ -		\$ -
ADJUSTED	\$ 665,060,922	\$ (161,190,434)	\$ 503,870,487	\$ -	\$ 5,136,828	\$ 509,007,315	\$ (12,728,917)	\$ 496,278,398
PROFORMA ADJUSTMENTS								
ELIM. ACQUISITION ADJUSTMENT	\$ (34,192,493)	\$ 16,431,393	\$ (17,761,100)			\$ (17,761,100)		\$ (17,761,100)
ELIM. REG ASSET-TRNSCTN & TRNSITN CSTS								-
TOTAL PRO FORMA ADJUSTMENTS	\$ (34,192,493)	\$ 16,431,393	\$ (17,761,100)	\$ -	\$ -	\$ (17,761,100)	\$ -	\$ (17,761,100)
PRO FORMA ADJUSTED	\$ 630,868,429	\$ (144,759,042)	\$ 486,109,387	\$ -	\$ 5,136,828	\$ 491,246,215	\$ (12,728,917)	\$ 478,517,298

FLORIDA PUBLIC UTILITIES COMPANY  
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	\$ 172,633,006	\$ 51,725,207	\$ 43,841,595	\$ 16,103,352	\$ 13,850,442	\$ 9,232,563				\$ 134,753,159	\$ 37,879,847
FPSC ADJUSTMENTS:											
1) INTEREST SYNC						468,277				468,277	(468,277)
2) ELIMINATE FUEL & SWING REVENUES AND EXP.	(47,849,032)	(47,872,206)			(239,820)	66,656				(48,045,370)	196,338
3) ELIMINATE CONSERVATION	(3,822,815)	(3,853,001)			(19,133)	12,500				(3,859,634)	36,819
4) NON-UTILITY DEPRECIATION EXPENSE				(90,205)		22,863				(67,343)	67,343
5) ELIMINATE AEP REVENUES AND EXPENSES	(6,767)			(6,639)	(34)	(24)				(6,697)	(71)
6) ELIMINATE REVENUE RELATED TAXES	(4,905,578)				(4,905,578)	-				(4,905,578)	-
7) 5% OF ECONOMIC DEVELOPMENT			(175)			44				(131)	131
8) REVENUE ADJ FOR PRIOR PERIOD	(146,000)					(37,004)				(37,004)	(108,996)
9) CORRECTION 3RD QUARTER 2023 EXPENSES			1,412,204			(357,923)				1,054,281	(1,054,281)
10) FLEX RATE & SPECIAL CONTRACTS	(7,335,399)		(466,648)	(503,590)	(193,690)	(1,564,159)				(2,728,088)	(4,607,311)
11) EXPENSE ACCRUAL ADJUSTMENT			499,751			(126,662)				373,089	(373,089)
12) INTEREST INCOME	1,936					491				491	1,445
13) REMOVE ENVIRONMENTAL AMORTIZATION				-		-				-	-
14) REMOVE NON-UTILITY PROPERTY TAX					(12,587)	3,190				(9,397)	9,397
15) REMOVE COMPANY EVENTS			(47,790)			12,112				(35,678)	35,678
16) REMOVE 1/2 D & O INSURANCE			(48,476)			12,286				(36,190)	36,190
17) REMOVE SERP			(1,759)			446				(1,313)	1,313
TOTAL FPSC ADJUSTMENTS	<u>\$ (64,063,656)</u>	<u>\$ (51,725,207)</u>	<u>\$ 1,347,106</u>	<u>\$ (600,434)</u>	<u>\$ (5,370,841)</u>	<u>\$ (1,486,907)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (57,836,284)</u>	<u>\$ (6,227,372)</u>
FPSC ADJUSTED	\$ 108,569,350	\$ -	\$ 45,188,701	\$ 15,502,917	\$ 8,479,601	\$ 7,745,656	\$ -	\$ -	\$ -	\$ 76,916,876	\$ 31,652,475
						\$ -				\$ -	\$ -
ADJUSTED	<u>\$ 108,569,350</u>	<u>\$ -</u>	<u>\$ 45,188,701</u>	<u>\$ 15,502,917</u>	<u>\$ 8,479,601</u>	<u>\$ 7,745,656</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 76,916,876</u>	<u>\$ 31,652,475</u>
ELIMINATE ACQUISITION AMORTIZATION				\$ (1,492,509)		\$ 352,759				\$ (1,139,750)	\$ 1,139,750
ELIMINATE TRANSACT./TRANSIT. AMORTIZATION						\$ -				\$ -	\$ -
						\$ -				\$ -	\$ -
						\$ -				\$ -	\$ -
TOTAL PRO FORMA ADJUSTMENTS	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (1,492,509)</u>	<u>\$ -</u>	<u>\$ 352,759</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (1,139,750)</u>	<u>\$ 1,139,750</u>
PRO FORMA ADJUSTED	<u>\$ 108,569,350</u>	<u>\$ -</u>	<u>\$ 45,188,701</u>	<u>\$ 14,010,408</u>	<u>\$ 8,479,601</u>	<u>\$ 8,098,415</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 75,777,126</u>	<u>\$ 32,792,225</u>

FLORIDA PUBLIC UTILITIES COMPANY  
NATURAL GAS  
YEAR END RATE OF RETURN  
For the 12 Months Ending September 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	\$ 736,704,925	\$ (174,677,117)	\$ 562,027,809	\$ -	\$ 7,971,606	\$ 569,999,415	\$ (10,006,996)	\$ 559,992,419
FPSC ADJUSTMENTS:								
1) ELIMINATIONS OF 1/2 OF D & O PREPAID	\$ -	\$ -	\$ -			\$ -	\$ 4,013	\$ 4,013
2) ELIMINATE GOODWILL	(3,183,612)	-	(3,183,612)			(3,183,612)	-	(3,183,612)
3) FLEX RATE & SPECIAL CONTRACT PLANT	(24,202,099)	10,929,443	(13,272,656)			(13,272,656)		(13,272,656)
4) ELIM. NON-UTILITY PLANT	(1,267,231)	769,754	(497,477)			(497,477)		(497,477)
5) ELIMINATE UNDER-RECOVERIES	-	-	-			-	-	-
6) OFFSET TO ACCOUNTS RECEIVABLE	-	-	-			-	(1,556,555)	(1,556,555)
7) REMOVE UNRECOVERED AEP	-	-	-			-	(154,353)	(154,353)
8) REMOVE DEFERRED RATE CASE EXPENSE	-	-	-			-	(1,772,092)	(1,772,092)
9) ALLOCATE ACCRUED INTEREST FROM PARENT	-	-	-			-	(2,293,607)	(2,293,607)
10) FLEXIBLE LIABILITY ADJUSTMENT	-	-	-			-	-	-
11) ALLOCATE CORP. HEALTH INSURANCE RES.	-	-	-			-	(104,414)	(104,414)
12) ELIMINATE FLEX PLANT WORKING CAPITAL	-	-	-			-	(9,004)	(9,004)
13) ELIMINATE DEF. ENVIRONMENTAL COSTS	-	-	-			-	3,441,422	3,441,422
14) ELIMINATE AFUDC CWIP	-	-	-		(14,694,053)	(14,694,053)	-	(14,694,053)
TOTAL FPSC ADJUSTMENTS	\$ (28,652,942)	\$ 11,699,197	\$ (16,953,746)	\$ -	\$ (14,694,053)	\$ (31,647,799)	\$ (2,444,590)	\$ (34,092,389)
FPSC ADJUSTED	\$ 708,051,983	\$ (162,977,920)	\$ 545,074,063	\$ -	\$ (6,722,447)	\$ 538,351,616	\$ (12,451,586)	\$ 525,900,030
			\$ -			-		-
ADJUSTED	\$ 708,051,983	\$ (162,977,920)	\$ 545,074,063	\$ -	\$ (6,722,447)	\$ 538,351,616	\$ (12,451,586)	\$ 525,900,030
PROFORMA ADJUSTMENTS								
ELIM. ACQUISITION ADJUSTMENT	\$ (34,192,493)	\$ 17,001,267	\$ (17,191,226)			\$ (17,191,226)		\$ (17,191,226)
ELIM. REG ASSET-TRNSCTN & TRNSITN CSTS								-
TOTAL PRO FORMA ADJUSTMENTS	\$ (34,192,493)	\$ 17,001,267	\$ (17,191,226)	\$ -	\$ -	\$ (17,191,226)	\$ -	\$ (17,191,226)
PRO FORMA ADJUSTED	\$ 673,859,490	\$ (145,976,653)	\$ 527,882,837	\$ -	\$ (6,722,447)	\$ 521,160,390	\$ (12,451,586)	\$ 508,708,804

FLORIDA PUBLIC UTILITIES COMPANY  
NATURAL GAS  
YEAR END RATE OF RETURN  
For the 12 Months Ending September 30, 2024  
INCOME STATEMENT

SCHEDULE 3  
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	\$ 172,633,006	\$ 51,725,207	\$ 43,841,595	\$ 16,103,352	\$ 13,850,442	\$ 9,232,563				\$ 134,753,159	\$ 37,879,847
FPSC ADJUSTMENTS:											
1) INTEREST SYNC						431,513				431,513	(431,513)
2) ELIMINATE FUEL & SWING REVENUES AND EXP.	(47,849,032)	(47,872,206)			(239,819)	66,655				(48,045,369)	196,337
3) ELIMINATE CONSERVATION	(3,822,815)	(3,853,001)			(19,133)	12,500				(3,859,634)	36,819
4) NON-UTILITY DEPRECIATION EXPENSE				(90,205)		22,863				(67,343)	67,343
5) ELIMINATE AEP REVENUES AND EXPENSES	(6,767)			(6,639)	(34)	(24)				(6,697)	(71)
6) ELIMINATE REVENUE RELATED TAXES	(4,905,578)				(4,905,578)	-				(4,905,578)	-
7) 5% OF ECONOMIC DEVELOPMENT			(175)			44				(131)	131
8) REVENUE ADJ FOR PRIOR PERIOD	(146,000)		-			(37,004)				(37,004)	(108,996)
9) CORRECTION 3RD QUARTER 2023 EXPENSES			1,412,204			(357,923)				1,054,281	(1,054,281)
10) FLEX RATE & SPECIAL CONTRACTS	(7,335,399)		(466,648)	(503,590)	(193,690)	(1,564,159)				(2,728,088)	(4,607,311)
11) EXPENSE ACCRUAL ADJUSTMENT			499,751			(126,662)				373,089	(373,089)
12) INTEREST INCOME	1,936					491				491	1,445
13) REMOVE ENVIRONMENTAL AMORTIZATION				-		-				-	-
14) REMOVE NON-UTILITY PROPERTY TAX					(12,587)	3,190				(9,397)	9,397
15) REMOVE COMPANY EVENTS			(47,790)			12,112				(35,678)	35,678
16) REMOVE 1/2 D & O INSURANCE			(48,476)			12,286				(36,190)	36,190
17) REMOVE SERP			(1,759)			446				(1,313)	1,313
TOTAL FPSC ADJUSTMENTS	\$ (64,063,656)	\$ (51,725,207)	\$ 1,347,106	\$ (600,434)	\$ (5,370,840)	\$ (1,523,671)	\$ -	\$ -	\$ -	\$ (57,873,047)	\$ (6,190,609)
FPSC ADJUSTED	\$ 108,569,350	\$ -	\$ 45,188,701	\$ 15,502,917	\$ 8,479,602	\$ 7,708,892	\$ -	\$ -	\$ -	\$ 76,880,113	\$ 31,689,238
	\$ -		\$ -	\$ -	\$ -	\$ -				\$ -	\$ -
ADJUSTED	\$ 108,569,350	\$ -	\$ 45,188,701	\$ 15,502,917	\$ 8,479,602	\$ 7,708,892	\$ -	\$ -	\$ -	\$ 76,880,113	\$ 31,689,238
ELIMINATE ACQUISITION AMORTIZATION				\$ (1,492,509)		\$ 352,759				\$ (1,139,750)	\$ 1,139,750
ELIMINATE TRANSACT./TRANSIT. AMORTIZATION						\$ -				\$ -	\$ -
						\$ -				\$ -	\$ -
						\$ -				\$ -	\$ -
TOTAL PRO FORMA ADJUSTMENTS	\$ -	\$ -	\$ -	\$ (1,492,509)	\$ -	\$ 352,759	\$ -	\$ -	\$ -	\$ (1,139,750)	\$ 1,139,750
PRO FORMA ADJUSTED	\$ 108,569,350	\$ -	\$ 45,188,701	\$ 14,010,408	\$ 8,479,602	\$ 8,061,651	\$ -	\$ -	\$ -	\$ 75,740,363	\$ 32,828,988

FLORIDA PUBLIC UTILITIES COMPANY  
 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	\$ 213,132,243		\$ 213,132,243	\$ (11,917,710)	\$ (3,183,612)	\$ 198,030,921	39.90%	9.25%	3.69%	10.25%	4.09%	11.25%	4.49%
LONG TERM DEBT - CU	\$ 192,991,548		\$ 192,991,548	\$ (10,791,503)		\$ 182,200,045	36.71%	4.05%	1.49%	4.05%	1.49%	4.05%	1.49%
SHORT TERM DEBT	\$ 31,199,731		\$ 31,199,731	\$ (1,744,595)		\$ 29,455,136	5.94%	6.16%	0.37%	6.16%	0.37%	6.16%	0.37%
CUSTOMER DEPOSITS	\$ 12,276,708		\$ 12,276,708			\$ 12,276,708	2.47%	1.99%	0.05%	1.99%	0.05%	1.99%	0.05%
DEFERRED INCOME TAXES	\$ 74,315,587		\$ 74,315,587			\$ 74,315,587	14.98%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
TAX CREDITS - WEIGHTED COST	\$ -		\$ -			\$ -	0.00%	5.55%	0.00%	5.95%	0.00%	6.35%	0.00%
<b>TOTAL AVERAGE</b>	<b>523,915,818</b>	<b>\$ -</b>	<b>\$ 523,915,819</b>	<b>\$ (24,453,808)</b>	<b>\$ (3,183,612)</b>	<b>\$ 496,278,399</b>	<b>100.00%</b>		<b>5.60%</b>		<b>6.00%</b>		<b>6.40%</b>

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	\$ 230,990,444		\$ 230,990,444	\$ (15,198,162)	\$ (3,183,612)	\$ 212,608,670	40.43%	9.25%	3.74%	10.25%	4.14%	11.25%	4.55%
LONG TERM DEBT - CU	\$ 202,227,145		\$ 202,227,145	\$ (13,305,663)		\$ 188,921,482	35.92%	4.00%	1.44%	4.00%	1.44%	4.00%	1.44%
SHORT TERM DEBT	\$ 36,551,824		\$ 36,551,824	\$ (2,404,951)		\$ 34,146,873	6.49%	5.16%	0.34%	5.16%	0.34%	5.16%	0.34%
CUSTOMER DEPOSITS	\$ 12,255,843		\$ 12,255,843			\$ 12,255,843	2.33%	2.00%	0.05%	2.00%	0.05%	2.00%	0.05%
DEFERRED INCOME TAXES	\$ 77,967,162		\$ 77,967,162			\$ 77,967,162	14.83%	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%
<b>TOTAL YEAR-END</b>	<b>\$ 559,992,418</b>	<b>\$ -</b>	<b>\$ 559,992,418</b>	<b>\$ (30,908,777)</b>	<b>\$ (3,183,612)</b>	<b>\$ 525,900,029</b>	<b>100.00%</b>		<b>5.57%</b>		<b>5.97%</b>		<b>6.38%</b>