

FLORIDA PUBLIC UTILITIES COMPANY
 INDIANTOWN DIVISION
 RATE OF RETURN REPORT SUMMARY
 June 30, 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	\$ (114,031)	\$ (7,203)	\$ (121,234)	\$ 37,887	\$ (83,347)
AVERAGE RATE BASE	\$ 1,983,313	\$ -	\$ 1,983,313	\$ (178,195)	\$ 1,805,118
AVERAGE RATE OF RETURN	(5.75%)		(6.11%)		(4.62%)
II. YEAR-END RATE OF RETURN (JURISDICTIONAL)					
NET OPERATING INCOME	\$ (114,031)	\$ (7,531)	\$ (121,562)	\$ 37,887	\$ (83,675)
YEAR-END RATE BASE	\$ 1,929,658	\$ -	\$ 1,929,658	\$ (153,337)	\$ 1,776,321
YEAR-END RATE OF RETURN	(5.91%)		(6.30%)		(4.71%)
III. REQUIRED RATES OF RETURN AVERAGE CAPITAL STRUCTURE (FPSC ADJUSTED BASIS)					
LOW	5.32%				
MIDPOINT	5.72%				
HIGH	6.12%				
IV. EARNED RETURN ON EQUITY (FPSC ADJUSTED BASIS)					
			A. INCL ACQUISITION ADJUSTMENT		(18.1%)
			B. EXCL ACQUISITION ADJUSTMENT		(14.7%)

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 Napier

Director, Regulatory Affairs Distribution

Michelle D. Napier
 Signature

9/15/2022

Date

	(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	3,536,270	(1,794,491)	1,741,780	-	9,465	1,751,245	232,069	1,983,313
FPSC ADJUSTMENTS:								
REMOVE NET UNRECOVERED CONSERVATION			-			-	-	-
ELIMINATE INTEREST EARNING AFUDC IN CWIP			-			-	-	-
TOTAL FPSC ADJUSTMENTS	-	-	-	-	-	-	-	-
FPSC ADJUSTED	3,536,270	(1,794,491)	1,741,780	-	9,465	1,751,245	232,069	1,983,313
PROFORMA ADJUSTMENTS								
Remove Acquisition Adjustment	(745,800)	567,605	(178,195)			(178,195)		(178,195)
TOTAL PRO FORMA ADJUSTMENTS	(745,800)	567,605	(178,195)	-	-	(178,195)	-	(178,195)
PRO FORMA ADJUSTED	2,790,470	(1,226,886)	1,563,585	-	9,465	1,573,050	232,069	1,805,118

	(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	\$ 180,456	\$ 35,562	\$ 150,939	\$ 123,784	\$ 35,798	\$ (51,596)				\$ 294,487	\$ (114,031)
FPSC ADJUSTMENTS:											
1) Interest Synchronization						\$ 6,928				\$ 6,928	\$ (6,928)
2) Elim. Conservation Rev & Exp.	\$ (9,835)	\$ (9,786)			\$ (49)	\$ 0				\$ (9,835)	\$ 0
3) Elimination of Revenue Taxes	\$ (902)				\$ (902)	\$ -				\$ (902)	\$ -
4) Elim. Economic Development			\$ (0)			\$ 0				\$ (0)	\$ 0
5) Remove Swing Service	\$ (25,905)	\$ (25,776)			\$ (130)	\$ 0				\$ (25,906)	\$ 1
6) Out of Period Adjust			\$ 363			\$ (86)				\$ 276	\$ (276)
7) Amortization of Protected Deferred Taxes						\$ -				\$ -	\$ -
						\$ -				\$ -	\$ -
						\$ -				\$ -	\$ -
TOTAL FPSC ADJUSTMENTS	\$ (36,642)	\$ (35,562)	\$ 362	\$ -	\$ (1,082)	\$ 6,842	\$ -	\$ -	\$ -	\$ (29,439)	\$ (7,203)
FPSC ADJUSTED	\$ 143,814	\$ -	\$ 151,301	\$ 123,784	\$ 34,716	\$ (44,754)	\$ -	\$ -	\$ -	\$ 265,048	\$ (121,234)
PROFORMA ADJUSTMENTS											
Remove Acquisition Adjustment Amortization				\$ (49,716)		\$ 11,829				\$ (37,887)	\$ 37,887
TOTAL PRO FORMA ADJUSTMENTS	\$ -	\$ -	\$ -	\$ (49,716)	\$ -	\$ 11,829	\$ -	\$ -	\$ -	\$ (37,887)	\$ 37,887
PRO FORMA ADJUSTED	\$ 143,814	\$ -	\$ 151,301	\$ 74,068	\$ 34,716	\$ (32,925)	\$ -	\$ -	\$ -	\$ 227,161	\$ (83,347)

	(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	\$ 3,546,286	\$ (1,856,504)	\$ 1,689,782	\$ -	\$ 317	\$ 1,690,099	\$ 239,559	\$ 1,929,658
FPSC ADJUSTMENTS:								
REMOVE NET UNREC. CONSERVATION			\$ -			\$ -	\$ -	\$ -
TOTAL FPSC ADJUSTMENTS	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
FPSC ADJUSTED	\$ 3,546,286	\$ (1,856,504)	\$ 1,689,782	\$ -	\$ 317	\$ 1,690,099	\$ 239,559	\$ 1,929,658
PROFORMA ADJUSTMENTS								
Remove Acquisition Adjustment	\$ (745,800)	\$ 592,463	\$ (153,337)			\$ (153,337)		\$ (153,337)
TOTAL PRO FORMA ADJUSTMENTS	\$ (745,800)	\$ 592,463	\$ (153,337)	\$ -	\$ -	\$ (153,337)	\$ -	\$ (153,337)
PRO FORMA ADJUSTED	\$ 2,800,486	\$ (1,264,041)	\$ 1,536,445	\$ -	\$ 317	\$ 1,536,762	\$ 239,559	\$ 1,776,321

	(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	\$ 180,456	\$ 35,562	\$ 150,939	\$ 123,784	\$ 35,798	\$ (51,596)				\$ 294,487	\$ (114,031)
FPSC ADJUSTMENTS:											
1) Interest Synchronization						\$ 7,256				\$ 7,256	\$ (7,256)
2) Elim. Conservation Rev & Exp.	\$ (9,835)	\$ (9,786)			\$ (49)	\$ 0				\$ (9,835)	\$ 0
3) Elimination of Revenue Taxes	\$ (902)				\$ (902)	\$ -				\$ (902)	\$ -
4) Elim. Economic Development			\$ (0)			\$ 0				\$ (0)	\$ 0
5) Remove Swing Service	\$ (25,905)	\$ (25,776)			\$ (130)	\$ 0				\$ (25,906)	\$ 1
6) Out of Period Adjust			\$ 363			\$ (86)				\$ 276	\$ (276)
7) Amortization of Protected Deferred Taxes						\$ -				\$ -	\$ -
						\$ -				\$ -	\$ -
						\$ -				\$ -	\$ -
						\$ -				\$ -	\$ -
						\$ -				\$ -	\$ -
TOTAL FPSC ADJUSTMENTS	\$ (36,642)	\$ (35,562)	\$ 362	\$ -	\$ (1,082)	\$ 7,170	\$ -	\$ -	\$ -	\$ (29,111)	\$ (7,531)
FPSC ADJUSTED	\$ 143,814	\$ -	\$ 151,301	\$ 123,784	\$ 34,716	\$ (44,426)	\$ -	\$ -	\$ -	\$ 265,376	\$ (121,562)
PROFORM ADJUSTMENTS											
Remove Acquisition Adjustment Amortization				\$ (49,716)		\$ 11,829				\$ (37,887)	\$ 37,887
TOTAL PRO FORMA ADJUSTMENTS	\$ -	\$ -	\$ -	\$ (49,716)	\$ -	\$ 11,829	\$ -	\$ -	\$ -	\$ (37,887)	\$ 37,887
PRO FORMA ADJUSTED	\$ 143,814	\$ -	\$ 151,301	\$ 74,068	\$ 34,716	\$ (32,597)	\$ -	\$ -	\$ -	\$ 227,489	\$ (83,675)

AVERAGE	ADJUSTMENTS						LOW POINT		MIDPOINT		HIGH POINT		
	PER BOOKS	NON-UTILITY	ADJUSTED BOOKS	PRO-RATA	SPECIFIC	BALANCE	RATIO (%)	COST RATE (%)	WEIGHTED COST (%)	COST RATE (%)	WEIGHTED COST (%)	COST RATE (%)	WEIGHTED COST (%)
COMMON EQUITY	\$791,440	\$ -	\$ 791,440	\$ -	\$ (1)	\$791,439	39.90%	10.50%	4.19%	11.50%	4.59%	12.50%	4.99%
LONG TERM DEBT	\$ 560,636	\$ -	\$ 560,636	\$ -	\$ -	\$ 560,636	28.27%	3.53%	1.00%	3.53%	1.00%	3.53%	1.00%
SHORT TERM DEBT	\$ 187,288	\$ -	\$ 187,288	\$ -	\$ -	\$ 187,288	9.44%	1.26%	0.12%	1.26%	0.12%	1.26%	0.12%
SHORT TERM DEBT REFINANCED LTD	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
CUSTOMER DEPOSITS	\$7,010	\$ -	\$ 7,010	\$ -	\$ -	\$ 7,010	0.35%	2.17%	0.01%	2.17%	0.01%	2.17%	0.01%
DEFERRED INCOME TAXES	\$436,941	\$ -	\$ 436,941	\$ -	\$ -	\$ 436,941	22.03%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
TAX CREDITS - WEIGHTED COST	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%	5.31%	0.00%	5.71%	0.00%	6.11%	0.00%
TOTAL AVERAGE	\$ 1,983,315	\$ -	\$ 1,983,315	\$ -	\$ (1)	\$ 1,983,314	100.00%		5.32%		5.72%		6.12%

YEAR-END	ADJUSTMENTS						LOW POINT		MIDPOINT		HIGH POINT		
	PER BOOKS	NON-UTILITY	ADJUSTED BOOKS	PRO-RATA	SPECIFIC	BALANCE	RATIO (%)	COST RATE (%)	WEIGHTED COST (%)	COST RATE (%)	WEIGHTED COST (%)	COST RATE (%)	WEIGHTED COST (%)
COMMON EQUITY	\$783,911	\$ -	\$ 783,911	\$ -	\$ 1	\$783,911	40.62%	10.50%	4.27%	11.50%	4.67%	12.50%	5.08%
LONG TERM DEBT	\$ 574,113	\$ -	\$ 574,113	\$ -	\$ -	\$ 574,113	29.75%	3.25%	0.97%	3.25%	0.97%	3.25%	0.97%
SHORT TERM DEBT	\$ 131,217	\$ -	\$ 131,217	\$ -	\$ -	\$ 131,217	6.80%	1.69%	0.11%	1.69%	0.11%	1.69%	0.11%
SHORT TERM DEBT REFINANCED LTD	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
CUSTOMER DEPOSITS	\$ 6,773	\$ -	\$ 6,773	\$ -	\$ -	\$ 6,773	0.35%	2.25%	0.01%	2.25%	0.01%	2.25%	0.01%
DEFERRED INCOME TAXES	\$433,644	\$ -	\$ 433,644	\$ -	\$ -	\$ 433,644	22.47%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
TAX CREDITS - WEIGHTED COST	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%	5.35%	0.00%	5.75%	0.00%	6.16%	0.00%
TOTAL YEAR-END	\$ 1,929,657	\$ -	\$ 1,929,657	\$ -	\$ 1	\$1,929,658	100.00%		5.36%		5.76%		6.17%