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May 31, 2022

*VIA ELECTRONIC FILING*

Mr. Adam J. Teitzman  
Commission Clerk  
Florida Public Service Commission  
2540 Shumard Oak Boulevard  
Tallahassee, Florida 32399-0850

**Re: In re: Petition by Florida City Gas for Base Rate Increase**  
**Docket No. 20220069-GU**

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Dear Mr. Teitzman:

Enclosed for filing on behalf of Florida City Gas (“FCG”) in the above-referenced docket is FCG’s Petition for Base Rate Increase, together with supporting testimonies, exhibits, and Minimum Filing Requirements. This filing includes the following documents:

1. Petition for Base Rate Increase
2. Direct Testimony of Kurt S. Howard and Exhibit KSH-1
3. Direct Testimony of Mark Campbell and Exhibits MC-1 through MC-6
4. Direct Testimony of Liz Fuentes and Exhibits LF-1 through LF-6
5. Direct Testimony of Tara DuBose and Exhibits TBD-1 through TBD-6
6. Direct Testimony of Jennifer Nelson and Exhibits JEN-1 through JEN-10
7. Direct Testimony of Ned Allis and Exhibits NWA-1 (2022 Depreciation Study) through NWA-5
8. Minimum Filing Requirements, Schedule A
9. Minimum Filing Requirements, Schedule B
10. Minimum Filing Requirements, Schedule C

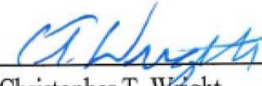
11. Minimum Filing Requirements, Schedule D
12. Minimum Filing Requirements, Schedule E
13. Minimum Filing Requirements, Schedule G
14. Minimum Filing Requirements, Schedule H
15. Minimum Filing Requirements, Schedule I

FCG is not seeking interim rate relief and, therefore, is not providing Minimum Filing Requirements, Schedule F. Each of the above-referenced documents are being separately filed in this docket.

Please note that certain Minimum Filing Requirements contain confidential information and data, which has been redacted and will be provided with a Request for Confidential Classification filed under separate cover.

If you or your staff have any question regarding this filing, please contact me at (561) 691-7144.

Respectfully submitted,

  
\_\_\_\_\_  
Christopher T. Wright  
Authorized House Counsel No. 1007055

Enclosed: [Document 11 of 15]

**CERTIFICATE OF SERVICE**

20220069-GU

**I HEREBY CERTIFY** that a true and correct copy of the foregoing has been furnished by electronic mail this 31st day of May 2022 to the following parties:

<p>Ashley Weisenfeld Walt Trierweiler Florida Public Service Commission Office of the General Counsel 2540 Shumard Oak Boulevard Tallahassee, Florida 32399-0850 <a href="mailto:awaisenf@psc.state.fl.us">awaisenf@psc.state.fl.us</a> <a href="mailto:wtrierwe@psc.state.fl.us">wtrierwe@psc.state.fl.us</a></p> <p><i>For Commission Staff</i></p>	<p>Office of Public Counsel Richard Gentry Patricia A. Christensen c/o The Florida Legislature 111 West Madison Street, Room 812 Tallahassee, FL 32399-1400 <a href="mailto:Gentry.richard@leg.state.fl.us">Gentry.richard@leg.state.fl.us</a> <a href="mailto:christensen.patty@leg.state.fl.us">christensen.patty@leg.state.fl.us</a></p> <p><i>For Office of Public Counsel</i></p>
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*s/ Christopher T. Wright*

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Christopher T. Wright  
Fla. Auth. House Counsel No. 1017875  
Florida Power & Light Company  
700 Universe Boulevard (JB/LAW)  
Juno Beach, Florida 33408

*Attorney for Florida City Gas*

Florida Public Service Commission  
 Company: Florida City Gas  
 Docket No.: 20220069-GU

Explanation: Provide the company's 13-month average reconciled jurisdictional capital structure and cost rates for each class of capital for the historic base year of the current case and the historic base year or test year of the last rate case.

Type of Data Shown:  
 His. Base YR Last Case: 12/31/16  
 His. Base YR Current Case: 12/31/21  
 Witness: Liz Fuentes

Line No.	(1) Class of Capital	Last Rate Case - Historic Base Year Ended 12/31/2016					Present Rate Case - Historic Base Year Ended 12/31/2021					(13)* Cost Rate	(14) Weighted Cost	
		(2) Dollars	(3) Ratio	(4) Requested	(5) Approved (A)	(6) Requested	(7) Approved (A)	(8) Amount Books	(9) Specific	(10) Prorata	(11) Net			(12) Ratio
1	COMMON EQUITY	\$ 84,139,517	39.21%	11.25%	10.19%	4.41%	4.00%	\$ 165,581,593	\$ -	\$ (18,298,071)	\$ 147,283,522	41.77%	10.75%	4.49%
2	LONG TERM DEBT	76,165,906	35.50%	4.75%	4.75%	1.69%	1.69%	100,055,235	(4,368,004)	(10,574,193)	85,113,038	24.14%	3.60%	0.87%
3	SHORT TERM DEBT	13,480,467	6.28%	1.89%	1.89%	0.12%	0.12%	78,787,276	-	(8,706,615)	70,080,661	19.88%	0.75%	0.15%
4	PREFERRED STOCK	-	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-	0.00%	0.00%	0.00%
5	CUSTOMER DEPOSITS	3,901,581	1.82%	2.73%	2.73%	0.05%	0.05%	3,609,806	-	(398,912)	3,210,894	0.91%	2.77%	0.03%
6	TAX CRDTS - 0 COST	6	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-	0.00%	0.00%	0.00%
7	TX CRDTS - WTD CST	-	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-	0.00%	0.00%	0.00%
8	ACCUM DEFERRED INC TAXES - 0 COST	36,891,759	17.19%	0.00%	0.00%	0.00%	0.00%	52,728,679	0	(5,826,935)	46,901,744	13.30%	0.00%	0.00%
9	OTHER (EXPLAIN)	-	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-	0.00%	0.00%	0.00%
10	TOTAL	\$ 214,579,236	100.00%			6.27%	5.85%	\$ 400,762,589	\$ (4,368,004)	\$ (43,804,726)	\$ 352,589,859	100.00%		5.53%

\*The cost rate for common equity is the company's proposed rate.

NOTE: (A) FCG's last rate case (Docket No. 20170179-GU) resulted in Commission approval of a settlement agreement. Therefore, all cost rates reflected in column (5) represent projected data filed in Docket No. 20170179-GU, except for the 10.19% common equity cost rate that was specifically authorized in the settlement agreement.

Florida Public Service Commission

Company: Florida City Gas

Docket No.: 20220069-GU

Explanation: Provide the company's 13-month average capital structure and cost rate for the most recent year prior to the historic base year. (Consistent with the methodology of schedule D-1 Page 1).

Type of Data Shown:  
Historic Base YR - 1 : 12/31/2020  
Witness: Liz Fuentes

## Historic Base Year - 1 (Year Ended 12/31/2020)

Line No.	(1) Class of Capital	(2) Dollar Amount	(3) Percent of Total	(4) Cost Rate	(5) Weighted Cost Rate (3)X(4)
	Class of Capital				
1	COMMON EQUITY	\$ 135,006,732	40.55%	10.19%	4.13%
2	LONG TERM DEBT	83,535,975	25.09%	4.38%	1.10%
3	SHORT TERM DEBT	64,442,276	19.35%	2.86%	0.55%
4	PREFERRED STOCK	-	0.00%	0.00%	0.00%
5	CUSTOMER DEPOSITS	2,673,345	0.80%	2.66%	0.02%
6	TAX CREDITS - 0 COST	-	0.00%	0.00%	0.00%
7	TAX CREDITS - WTD. COST	-	0.00%	0.00%	0.00%
8	ACCUM. DEFERRED INCOME TAX-0 COST	47,291,724	14.20%	0.00%	0.00%
9	OTHER (EXPLAIN)	-	0.00%	0.00%	0.00%
10	TOTAL	<u>\$ 332,950,052</u>	<u>100.00%</u>		<u>5.80%</u>

Supporting Schedules:

Recap Schedules:

Florida Public Service Commission

Explanation: Provide analysis, as specified, of each outstanding issue of long-term debt, on a 13 month average basis, for the historic base year.

Type of Data Shown:  
Historic Base Year Data 12/31/21  
Witness: Mark Campbell

Company: Florida City Gas

Docket No.: 20220069-GU

Line No.	(1) Issue	(2) Issue Date	(3) Maturity Date	(4) Principal Outstanding 12/31/21	(5) (Premium) Discount	(6) Issuing Expense	(7) Net (5)+(6)	(8) Life (Years)	(9) Amortization (7)/(8)	(10) Interest	(11) Annual Total Cost (9)+(10)
1	Long-term Borrowing from FPL <sup>(1)</sup>			\$96,201,923						\$3,286,450	\$3,286,450
2											
3											
4											
5											
6											
7											
8											
9											
10											
11											
12											
13											
14											
15											
16	TOTAL			\$96,201,923	\$0	\$0	\$0		\$0	\$0	\$3,286,450
17	UNAMORTIZED PREMIUM, DISCOUNT, AND ISSUE EXPENSE			0							
18	NET			\$96,201,923							
19	EMBEDDED COST OF LONG-TERM DEBT (11)/(4)			3.42%							

<sup>(1)</sup> Per Order PSC-2020-0401-FOF-EI, FCG is authorized to make long-term borrowings from FPL in an aggregate principal amount not to exceed \$300 million during calendar year 2021.

Florida Public Service Commission

Explanation: Provide an explanation of call provisions and special restrictions including series, due date, and debt type for the historic base year.

Type of Data Shown:  
Historic Base Year Data 12/31/21  
Witness: Mark Campbell

Company: Florida City Gas

Docket No.: 20220069-GU

## Narrative Explanation:

Per Order No. PSC-2020-0401-FOF-EI issued on October 26, 2020, the Commission granted FCG approval to finance its ongoing working capital and capital expenditure requirements during 2021 through short-term and long-term borrowings from FPL.

FCG was authorized to make long-term borrowing from FPL in an aggregate amount not to exceed \$300 million in principal at any one time during calendar year 2021.

YEAR

GENERAL REDEMPTION PRICE\* (%)

SPECIAL REDEMPTION PRICE\* (%)

\* IF REDEEMED DURING THE 12 MONTH PERIOD ENDING MONTH DATE

Supporting Schedules:

Recap Schedules:

Florida Public Service Commission

Company: Florida City Gas

Docket No.: 20220069-GU

Explanation: Provide analysis of short term debt including each outstanding issue of short term debt on 13 month average for the historic base year.

Type of Data Shown:  
 Historic Base Year Data 12/31/21  
 Witness: Mark Campbell

Outstanding Short Term Debt

Line No.	(1) Description	(2) Average Interest Expense	(3) Maturity Date	(4) Average Amount Outstanding Historic Base Year	(5) Effective Cost Rate (2)/(4)
1	Short-term Borrowing from FPL <sup>(1)</sup>	\$590,125	Jan-2022	\$78,798,077	0.75%
2					
3					
4					
5					
6					
7					
8					
9					
10					
11					
12					
13					
14					
15					
16					
17		\$590,125		\$78,798,077	0.75%

<sup>(1)</sup> Per Order PSC-2020-0401-FOF-EI, FCG is authorized to make short-term borrowings from FPL in an aggregate principal amount not to exceed \$150 million at any one time during calendar year 2021.



Florida Public Service Commission

Explanation: Provide analysis, as specified, of preferred stock  
on a 13 month average basis for the historic base year.

Type of Data Shown:  
Historic Base Year Data 12/31/2021  
Witness: Mark Campbell

Company: Florida City Gas

Docket No.: 20220069-GU

Line No.	(1) Issue	(2) Issue Date	(3) Call Provisions or Special Restrictions	(4) Principal Amount Outstanding	(5) Discount or Premium Associated With (4)	(6) Issuing Expense Associated With (4)	(7) Net Proceeds (4)+(5)-(6)	(8) Coupon Rate	(9) Dollar Dividends (8 X 4)	(10) Effective Cost Rate (9)/(7)
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1 None

Florida Public Service Commission

Explanation: Provide analysis of common stock issues, as specified,  
for the historic base year and three previous calendar years.

Type of Data Shown:

Historic Base Year Data: 12/31/21

Historic Base YR - 1: 12/31/20

Historic Base YR - 2: 12/31/19

Historic Base YR - 3: 12/31/18

Witness: Mark Campbell

Company: Florida City Gas

Docket No.: 20220069-GU

Line No.	(1) Method of Issue <sup>(1)</sup>	(2) Price Per Share	(3) Shares Issued	(4) Gross Proceeds (2)X(3)	(5) Issue Expense	(6) Net Proceeds (4)-(5)	(7) Net Proceeds Per Share (6)/(3)	(8) Total Shares Outstanding
1	2018 Contribution/(Dividend)	N/A	N/A	\$ -	N/A	\$ -	N/A	N/A
2	2019 Contribution/(Dividend)	N/A	N/A	\$ (220,000,000)	N/A	\$ (220,000,000)	N/A	N/A
3	2020 Contribution/(Dividend)	N/A	N/A	\$ 70,000,000	N/A	\$ 70,000,000	N/A	N/A
4	2021 Contribution/(Dividend)	N/A	N/A	\$ (20,000,000)	N/A	\$ (20,000,000)	N/A	N/A

<sup>(1)</sup> Florida City Gas does not issue common stock. All equity contributions/(dividends) are from Florida Power & Light.

Supporting Schedules:

Recap Schedules:

Florida Public Service Commission

Explanation: Provide monthly balances, interest rates, and interest payments on customer deposits for the historic base year. Indicate the company policy on collecting deposits, deposit size, payment of interest, and refunds.

Type of Data Shown:  
 Historic Base Year Data: 12/31/2021  
 Witness: Liz Fuentes, Kurt Howard

Company: Florida City Gas

Docket No.: 20220069-GU

Line No.	(1) Month & Year	(2) Residential Customer Deposits @ 2.0%	(3) Non-Residential Customer Deposits @ 3.0%	(4) Inactive Customer Deposits <sup>(a)</sup>	(5) Total Customer Deposits (2)+(3)+(4)	(6) Interest Expense (2)*(2%/12) <sup>(b)</sup>	(7) Interest Expense (3)*(3%/12) <sup>(b)</sup>	(8) Total Interest (6)+(7) <sup>(c)</sup>
1	Dec-20	\$702,143	\$2,736,457	\$29,898	\$3,468,498	\$1,020	\$5,964	\$6,984
2	Jan-21	705,570	2,758,743	29,898	3,494,212	1,487	8,719	10,206
3	Feb-21	703,078	2,793,582	31,688	3,528,348	1,013	6,035	7,047
4	Mar-21	717,676	2,838,925	29,898	3,586,499	1,162	6,893	8,055
5	Apr-21	632,578	2,855,556	29,944	3,518,079	998	6,758	7,756
6	May-21	638,105	2,865,380	29,898	3,533,383	992	6,681	7,673
7	Jun-21	648,249	2,893,936	36,624	3,578,809	1,025	6,865	7,890
8	Jul-21	667,595	2,918,447	29,948	3,615,990	1,093	7,166	8,258
9	Aug-21	681,384	2,926,707	30,118	3,638,209	1,125	7,245	8,370
10	Sep-21	692,175	2,943,131	29,898	3,665,205	1,104	7,042	8,146
11	Oct-21	708,812	2,973,962	30,368	3,713,143	1,188	7,476	8,664
12	Nov-21	722,543	3,019,155	31,697	3,773,395	1,381	8,655	10,036
13	Dec-21	735,429	3,054,814	29,898	3,820,142	1,087	6,770	7,857
14				13-MONTH AVG.	\$3,610,301	\$13,653	\$86,306	\$99,958
15				EFFECTIVE INTEREST RATE	2.77%			

The Company's policy for collecting deposits, deposit size, payment of interest, and refunds is pursuant the "Rule and Regulations" section of FCG's tariff book.

Notes:

<sup>(a)</sup> Represents amounts not subject to interest.

<sup>(b)</sup> Amounts are estimated based on percentage split of customer deposits eligible for interest in columns (2) and (3) times total interest expense reflected in column (8).

<sup>(c)</sup> Represents total interest expense recorded on FCG's books and records.

Florida Public Service Commission

Explanation: Provide a summary of sources and  
uses of funds for the historic base year.Type of Data Shown:  
Historic Base Year Data: 12/31/21  
Witness: Liz Fuentes

Company: Florida City Gas

Docket No.: 20220069-GU

Year Ending 12/31/2021

Line No.

	<b>Cash Flow From Operating Activities</b>	
1	Net income	\$ 14,561,610
	Adj to reconcile net Income to net cash from operating activities:	
2	Depreciation and Amortization	23,228,614
3	Deferred Income Taxes (Net)	431,126
4	Investment Tax Credit Adjustments (Net)	-
5	Net (Increase) Decreases in Receivables	1,566,501
6	Net (Increase) Decreases in Inventory	(225,553)
7	Net (Decrease) Increase in Payables and Accrued Expenses	1,354,815
8	Net (Increase) Decreases in Other Regulatory Assets	(77,899)
9	Cost Recovery Clauses	(3,190,132)
10	Other	670,632
11	Net Cash Provided by (Used in) Operating Activities	<u>\$ 38,319,714</u>
	<b>Cash Flow From Investing Activities</b>	
12	Gross Additions to Utility Plant	\$ (43,521,027)
13	Purchases of Investment Securities	(6)
14	Net Cash Provided by (Used in) Investing Activities	<u>\$ (43,521,033)</u>
	<b>Cash Flow From Financing Activities</b>	
15	Proceeds from Issuance of Long-Term Debt	\$ 25,000,000
16	Dividends on Common Stock	(20,000,000)
17	Net Cash Provided by (Used in) Financing Activities	<u>\$ 5,000,000</u>
18	Net Increase (Decrease) in Cash and Cash Equivalents	<u>\$ (201,319)</u>
19	Cash and Cash Equivalents at Beginning of Year	<u>7,268,052</u>
20	Cash and Cash Equivalents at End of Year	<u>\$ 7,066,733</u>

Supporting Schedules:

Recap Schedules:

Florida Public Service Commission

Explanation: Provide a brief narrative description of security issuances since the last rate proceeding to include dollar amount, cost rate, and purpose of issuances.

Type of Data Shown:  
Historic Base Year Data: 12/31/21  
Witness: Mark Campbell

Company: Florida City Gas

Docket No. 20220069-GU

Line  
No.

Narrative Description:

Long-term Borrowing from FPL (A)(B)

		<u>13-Month</u>	<u>Annual</u>	
		<u>Average Balance</u>	<u>Interest Expense</u>	<u>Cost Rate</u>
1	2018 \$	-	\$ -	N/A
2	2019 \$	152,307,692	7,152,411	4.70%
3	2020 \$	95,384,615	3,871,167	4.06%
4	2021 \$	96,201,923	3,286,450	3.42%

5 (A) FPL acquired FCG in 2018. Pre-acquisition information for Southern Company is not readily available.

6 (B) The Commission granted FCG approval to finance its ongoing working capital and capital expenditure requirements through short-term and long-term borrowings from FPL.

7 See Docket No. 20180166-GU, Order No. PSC-2018-0550-FOF-GU; Docket No. 20190157-EI, Order No. PSC-2019-0472-FOF-EI; Docket No. 20200188-EI, Order No. PSC-2020-0401-FOF-EI;  
8 and Docket No. 20210127-EI, Order PSC-2021-0409-FOF-EI.

Supporting Schedules:

Recap Schedules:

Florida Public Service Commission

Explanation: Provide the average annual amount and source of capital of each subsidiary investment for the three most recent calendar years and the 13-month average balance for the historic base year.

Type of Data Shown:  
 Historic Base Year Data: 12/31/21  
 Historic Base YR - 1: 12/31/2020  
 Historic Base YR - 2: 12/31/2019  
 Historic Base YR - 3: 12/31/2018  
 Witness: Liz Fuentes

Company: Florida City Gas

Docket No.: 20220069-GU

Line No.	(1) Subsidiary Name	(2) Year of Formation	(3) Source of Investment	<u>Year or Month Ended</u>			
				2018	2019	2020	2021
1							
2							
3							
4	None						
5							
6							
7							
8							

Florida Public Service Commission

Explanation: Reconcile the total capital structure to the 13 month average jurisdictional rate base showing all balance sheet accounts and individual adjustments necessary to construct rate base. Based on current commission rules, policy, and precedent as established in most recent rate cases.

Type of Data Shown:  
Historic Base Year Data: 12/31/21  
Witness: Liz Fuentes

Company: Florida City Gas

Docket No.: 20220069-GU

Line No.	Capital Structure		Reconciling Adjustments*			Reconciled Capital Structure**	
	Component	Per Books	To Conform With Ratio of Investor Sources (A)	Specific Adjustments	Prorata Adjustments	Component	Adjusted
1	DIVISIONAL CAPITAL	\$ 165,581,593	\$ -	\$ -	\$ (18,298,071)	DIVISIONAL CAPITAL	\$ 147,283,522
2	LONG TERM DEBT	\$ 100,055,235	\$ -	\$ (4,368,004)	\$ (10,574,193)	LONG TERM DEBT	\$ 85,113,038
3	SHORT TERM DEBT	\$ 78,787,276	\$ -	\$ -	\$ (8,706,615)	SHORT TERM DEBT	\$ 70,080,661
4	CUSTOMER DEPOSITS	\$ 3,609,806	\$ -	\$ -	\$ (398,912)	CUSTOMER DEPOSITS	\$ 3,210,894
5	INVESTMENT TAX CREDIT	\$ -	\$ -	\$ -	\$ -	INVESTMENT TAX CREDIT	\$ -
6	DEFERRED TAXES	\$ 52,728,679	\$ -	\$ 0	\$ (5,826,935)	DEFERRED TAXES	\$ 46,901,744
7	OTHER (EXPLAIN)	\$ -	\$ -	\$ -	\$ -	OTHER (EXPLAIN)	\$ -
8	TOTAL	\$ 400,762,589	\$ -	\$ (4,368,004)	\$ (43,804,726)	TOTAL	\$ 352,589,859

Capital Structure		
Long Term Debt	\$ 85,113,038	28%
Short Term Debt	\$ 70,080,661	23%
Common Equity	\$ 147,283,522	49%
Total	\$ 302,477,221	100%

\*List Corresponding Adjustments to Rate Base

\*This Schedule must equal Jurisdictional Rate Base

Note (A): FCG's current approved equity ratio of 49.1% for earnings surveillance reporting was established in Order No. PSC-2018-0190-FOF-GU, Docket No. 20170179-GU. No adjustments are needed in this column since FCG's equity ratio for 2021 was below 49.1%.

Florida Public Service Commission

Explanation: Provide calculations for the following - interest coverage ratios and preferred dividend coverage (including and excluding AFUDC for each indicator) for the historic base year (under current and proposed rates), the prior year, and the 3 previous calendar years.

Type of Data Shown:  
Historic Base Year Data: 12/31/21  
Historic Base YR - 1 : 12/31/20  
Witness: Mark Campbell

Company: Florida City Gas

Docket No. 20220069-GU

Line No.	Indicator	<u>3 Previous Calendar Years</u>			<u>Month and Year Ended 12/21</u>		
		2017	2018	2019	Prior Year	Historic Base Year Current Rates	Historic Base Year Proposed Rates
<u>INCLUDING ALLOWANCE FOR FUNDS USED DURING CONSTRUCTION</u>							
1	EARNINGS BEFORE INTEREST (INCLUDING AFUDC)	\$10,213,230	\$18,376,796	\$13,306,032	\$13,092,427	\$18,752,685	N/A
2	DEBT PORTION OF ALLOW. FOR FUNDS USED DURING CONSTR.	0	0	0	0	0	
3	INCOME TAXES	3,280,433	3,458,630	1,353,230	1,587,129	4,059,616	
4	EARNINGS BEFORE INTEREST AND TAXES (1)+(2)+(3)	13,493,663	21,835,426	14,659,262	14,679,556	22,812,301	
5	INTEREST (BEFORE DEDUCTING AFUDC)	4,561,511	3,051,810	7,408,098	6,531,666	4,129,795	
6	PRE-TAX INTEREST COVERAGE RATIO (4)/(5)	2.96	7.15	1.98	2.25	5.52	
7	EARNINGS AFTER INTEREST, AFTER TAXES (4)-(3)-(5)	\$5,651,719	\$15,324,986	\$5,897,934	\$6,560,761	\$14,622,890	
8	PREFERRED DIVIDENDS	N/A	N/A	N/A	N/A	N/A	
9	PREFERRED DIVIDENDS COVERAGE RATIO (7)/(8)	N/A	N/A	N/A	N/A	N/A	
<u>EXCLUDING ALLOWANCES FOR FUNDS USED DURING CONSTRUCTION</u>							
10	EARNINGS BEFORE INTEREST (INCLUDING OTHER AFUDC)	\$10,213,230	\$18,376,796	\$13,306,032	\$13,092,427	\$18,752,685	
11	ALLOWANCE FOR OTHER FUNDS USED DURING CONSTRUCTION	\$0	\$0	\$0	\$0	\$0	
12	INCOME TAXES	3,280,433	3,458,630	1,353,230	1,587,129	4,059,616	
13	EARNINGS BEFORE INTEREST AND TAXES (10)-(11)+(12)	13,493,663	21,835,426	14,659,262	14,679,556	22,812,301	
14	INTEREST (BEFORE DEDUCTING ALLOWANCE BORROWED FUDC)	\$4,561,511	\$3,051,810	\$7,408,098	\$6,531,666	\$4,129,795	
15	PRE-TAX INTEREST COVERAGE RATIO (13)/(14)	2.96	7.15	1.98	2.25	5.52	
16	EARNINGS AFTER INTEREST, AFTER TAXES (13)-(12)-(14)	\$5,651,719	\$15,324,986	\$5,897,934	\$6,560,761	\$14,622,890	
17	PREFERRED DIVIDENDS	N/A	N/A	N/A	N/A	N/A	
18	PREFERRED DIVIDEND COVERAGE RATIO (16)/(17)	N/A	N/A	N/A	N/A	N/A	

Supporting Schedules:

Recap Schedules: A-6



Florida Public Service Commission

Explanation: Provide information, as specified, used to calculate the percentage of construction funds generated internally.

Type of Data Shown:  
 Historic Base Year Data: 12/31/21  
 Historic Base YR - 1 : 12/31/20  
 Witness: Mark Campbell

Company: Florida City Gas

Docket No.: 20220069-GU

Line No.	Indicator Funds From Current Operations:	<u>3 Previous Calendar Years</u>			<u>Month and Year Ended 12/21</u>		
		2017	2018	2019	Prior Year	Historic Base Year Current Rates	Historic Base Year Proposed Rates
1	NET INCOME	\$5,651,719	\$15,324,986	\$5,897,934	\$6,560,761	\$14,622,890	N/A
2	DEPRECIATION AND AMORTIZATION	16,495,564	13,848,925	13,224,133	15,049,639	15,739,356	
3	ITC (NET)	0	0	0	0	0	
4	DEFERRED TAXES (NET)	8,512,269	-308,976	341,870	-1,843,565	560,405	
5	AFUDC	0	0	0	0	0	
6	TOTAL FUNDS FROM CURRENT OPERATION (1)+(2)+(3)+(4)-(5)	30,659,552	28,864,935	19,463,937	19,766,835	30,922,651	
7	RETIREMENTS AND REDEMPTIONS <sup>(1)</sup>	1,218,963	102,661,212	0	0	0	
8	DIVIDENDS (PREFERRED AND COMMON) <sup>(2)</sup>	0	0	220,000,000	0	20,000,000	
9	TOTAL FUNDS GENERATED INTERNALLY (6)-(7)-(8)	29,440,589	-73,796,277	-200,536,063	19,766,835	10,922,651	
10	CONSTRUCTION EXPENDITURES (EXCLUDING AFUDC)	41,716,046	50,506,414	51,810,784	51,932,474	44,408,975	
11	PERCENTAGE OF CONSTRUCTION FUNDS GENERATED INTERNALLY (9)/(10)	70.57%	-146.11%	-387.05%	38.06%	24.60%	

<sup>(1)</sup> Individual borrowings from FPL do not have discrete associated maturity dates.

<sup>(2)</sup> Florida City Gas does not issue common stock. All equity dividends are from Florida Power & Light.

Florida Public Service Commission

Explanation: Calculate the afudc as a percentage of income available for common for the historic base year, (under current and proposed rates), the prior year, and the three previous calendar years.

Type of Data Shown:  
 Historic Base Year Data: 12/31/21  
 Historic Base YR - 1 : 12/31/20  
 Witness: Mark Campbell

Company: Florida City Gas

Docket No.: 20220069-GU

Line No.	Indicator	<u>3 Previous Calendar Years</u>			<u>Month and Year Ended 12/21</u>		
		2017	2018	2019	Prior Year	Historic Base Year Current Rates	Historic Base Year Proposed Rates
1	ALLOWANCES FOR FUNDS USED DURING CONSTRUCTION	\$0	\$0	\$0	\$0	\$0	N/A
2	DEFERRED TAXES ON DEBT COMPONENT OF AFUDC	0	0	0	0	0	
3	NET ALLOWANCE FOR FUNDS USED DURING CONSTRUCTION (1)-(2)	0	0	0	0	0	
4	INCOME AVAILABLE FOR COMMON	5,651,719	15,324,986	5,897,934	6,560,761	14,622,890	
5	AFUDC AS A PERCNTAGE OF INCOME AVAILABLE FOR COMMON (3)/(4)	0.00%	0.00%	0.00%	0.00%	0.00%	

Supporting Schedules:

Recap Schedules: A-6

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 Florida Public Service Commission

Company: Florida City Gas

Docket No.: 20220069-GU

 Explanation: Provide information, as specified,  
 for the most recent five year historical  
 market data for the company or  
 consolidated company (if applicant's  
 stock is not publicly traded).

 Type of Data Shown:  
 Historic Base Year Data: 12/31/21  
 Historic Base YR - 1 : 12/31/20  
 Historic Base YR - 2 : 12/31/19  
 Historic Base YR - 3 : 12/31/18  
 Historic Base YR - 4 : 12/31/17  
 Witness: Mark Campbell
 

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Line No.	Indicators (A)(B)	(1) <u>12/31/2017</u>	(2) <u>12/31/2018</u>	(3) <u>12/31/2019</u>	(4) <u>12/31/2020</u>	(5) <u>12/31/2021</u>
1	MARKET/BOOK RATIO	2.01	2.43	3.20	4.14	4.93
2	AVERAGE PRICE/EARNING RATIO	14.53	23.60	28.95	35.59	37.61
3	AVERAGE PRE-TAX INTEREST COVERAGE (INCLUDING AFUDC)	2.96	7.15	1.98	2.25	5.52
4	AVERAGE PRE-TAX INTEREST COVERAGE (EXCLUDING AFUDC)	2.96	7.15	1.98	2.25	5.52
5	EARNED RETURNS ON AVERAGE BOOK EQUITY	3.44	21.28	10.59	7.94	9.69
6	DIVIDENDS/SHARE	2.30	1.11	1.25	1.40	1.54
7	EARNINGS/SHARE	0.84	3.51	1.95	1.49	1.82
8	AVERAGE MARKET VALUE/SHARE	98.06	64.80	84.73	105.69	125.56
9						

(A) All ratios are based on consolidated company, except for pre-tax interest coverage ratios that are based on Florida City Gas.

(B) For 2017, the ratios are based on Southern Company. For 2018 - 2021 ratios are based on NextEra Energy, Inc.

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 Supporting Schedules:

Recap Schedules: