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September 3, 2024

BY E-FILING

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

Re: **Docket No. 20240046-GU - Petition for rate increase by St. Joe Natural Gas Company, Inc.**

Dear Mr. Teitzman:

Attached, for electronic filing in the referenced docket on behalf of St. Joe Natural Gas, please find the Customer Notice mailed to customers [see DN 08557-2024], the Synopsis of Rate Filing posted to the Company's website.

Thank you for your assistance with this filing. As always, please don't hesitate to let me know if you have any questions whatsoever.

Sincerely,

A handwritten signature in cursive script that reads "Beth Keating".

Beth Keating
Gunster, Yoakley & Stewart, P.A.
215 South Monroe St., Suite 601
Tallahassee, FL 32301
(850) 521-1706



NOTICE TO CUSTOMERS

It is our honor to be your natural gas service provider. You are our valued customer, and as such, we are providing this notice to you of the Company's request for a rate increase.

In spite of our efforts to manage costs in order to delay requesting an increase, on May 29, 2024, the Company filed a request for a rate increase with the Florida Public Service Commission ("PSC") asking for a permanent increase in rates, as well as an interim increase in rates pending the Commission's decision in this case. The Commission is the agency, under Florida law, charged with setting and regulating the rates, fees, and services of Florida utilities and will review the Company's request. The Docket Number assigned by the Commission for this proceeding is Docket No. 20240046-GU. The Company is asking that the Commission allow the Company to increase its rates and charges to the extent necessary to generate additional gross annual revenues in the amount of \$1,043,838 on an annual basis so that the Company will have an opportunity to earn a fair overall rate of return of 6.05% with a return on common equity of 11.00%. The Company is requesting final rates to be effective in January 2025.

SJNG's current rates were established by the Commission back in 2008, in Docket No. 20070492-GU. Since that time, SJNG has encountered increasing operating and maintenance costs, higher labor costs, increasing taxes, as well as inflation, which has eroded the Company's returns over the 16 years since its rates were last set. The Company has also seen a decrease in total system demand and therefore, a decrease in revenues. As such, the Company's current rates and charges do not provide the Company with reasonable compensation for the services it provides. Under Florida law, the Company is entitled to reasonable compensation for its services, as well as a reasonable rate of return on its rate base. The Company is currently earning a negative overall rate of return on an adjusted basis. Without the requested revenue increase, SJNG's ability to continue to provide consistent, reliable service will suffer. Rate relief will ensure the continued financial viability of the Company. The financial integrity of the Company bears directly upon the Company's ability to provide reliable, efficient service to both current and future customers.

While the Company has taken proactive measures to try to contain its costs, four key drivers have nonetheless made it necessary for SJNG to seek relief: (1) the Company's current rates currently do not recover its property tax expense, which has increased by 120% since its last rate case, nor its property insurance expense, which has also increased significantly; (2) the Company has experienced increases to its rate base, not currently recovered in base rates, associated with extensions to serve new customers; (3) operating expenses have increased by approximately 68% since the Company's last rate case; and (4) the Company has experienced increases in regulatory costs, particularly those associated with changes to the federal pipeline safety regulations, as well as overall operating costs, including almost 16 years' worth of inflation. As such, and in spite of its cost containment efforts, the Company is, and has been for some time, earning well below the range authorized by the Commission in the Company's last rate case. As of the end of 2023, the Company was earning a negative overall rate of return of -9.42% on an adjusted basis. If this situation is not addressed, it will ultimately impair the Company's ability to provide safe, reliable service.

The Company has asked that the PSC handle the Company's request using its Proposed Agency Action Process. This process will include a customer meeting to receive testimony from the Company's customers regarding the Company's quality of service and other matters pertinent to the Company's requested rate increase. **The PSC has scheduled the following customer service meeting to be conducted virtually:**

**September 4, 2024
6:00 p.m. (EST)**

Customers may register to speak at the virtual customer meeting in one of the following ways: (1) register using the PSC's online registration form, which will be available at www.FloridaPSC.com, under the "Hot Topics" heading, (2) call the PSC at (850) 413-7080 or (3) email speakersignup@psc.state.fl.us. Online registration will open on August 21, 2024 at

9:00 a.m., and close on September 02, 2024 at noon. Please note that the order in which customers will speak is based on the order in which they register. If you have questions about the sign-up process, please call (850) 413-7080.

Upon completion of the customer meeting, the Commission's professional staff will prepare a recommendation based upon its review of the information presented addressing what rate relief, if any, is appropriate for the Company. The Commission's staff is composed of attorneys, engineers, accountants, rate and finance analysts, and consumer affairs specialists. The Commission will review and take action on their staff's recommendation and thereafter, an Order addressing the Company's request will be issued. The Order will be a Proposed Agency Action Order. As such, any party whose substantial interests are impacted will have 21 days in which to protest the Commission's decision. If no such person files a protest in a timely manner, the Commission's decision will become final. If the decision is, however, timely protested by a person whose substantial interests are affected, the matter will be set for a formal hearing process.

While not yet defined by the Commission, the amount of any such approved increase will not exceed the amounts identified in the chart attached hereto in the column "Proposed Rates." The chart also reflects certain proposed increases in the Company's charges for certain services. The amount in the "Interim Rates" column is the amount the Commission approved at its August 8, 2024, Agenda Conference, and they will become effective on September 7, 2024. These rates provide temporary relief for the Company while the Commission processes the Company's request for the permanent relief.

Filings in the case are accessible at:

<https://www.psc.state.fl.us/clerks-office-dockets-level2?DocketNo=20240046&TabNumber=5>. Information regarding the Company's request is also available at <https://stjoegas.com/home> or by calling the Company at 1-850-229-8216. You may also obtain information by calling the Florida Public Service Commission at 1-800-342-3552.

[Comparison of Rates on Following Page]

ST. JOE NATURAL GAS COMPANY COMPARISON OF CURRENT AND PROPOSED RATES

RATE SCHEDULE		PRESENT RATES	APPROVED INTERIM RATES	PROPOSED RATES
RESIDENTIAL / RS – 1 (Proposed to be closed)	CUSTOMER CHARGE	\$13.00	\$13.00	\$0.00
	DELIVERY CHARGE	\$1.29614	\$2.5953	\$0.00000
RESIDENTIAL / RS – 2	CUSTOMER CHARGE	\$16.00	\$16.00	\$20.00
	DELIVERY CHARGE	\$0.87058	\$1.7926	\$1.40959
RESIDENTIAL / RS – 3	CUSTOMER CHARGE	\$20.00	\$20.00	\$25.00
	DELIVERY CHARGE	\$0.72859	\$1.4390	\$1.24119
COMMERCIAL/ GS-1	CUSTOMER CHARGE	\$20.00	\$20.00	\$25.00
	DELIVERY CHARGE	\$0.66605	\$1.0550	\$1.17458
COMMERCIAL/ GS-2	CUSTOMER CHARGE	\$70.00	\$70.00	\$80.00
	DELIVERY CHARGE	\$0.42319	\$0.66409	\$1.00539
COMMERCIAL/ GS-4	CUSTOMER CHARGE	\$2,000.00	\$2,000.00	\$2,000.00
	DELIVERY CHARGE	\$0.15840	\$0.3302	\$0.30690
TRANSPORT/ TS-4	CUSTOMER CHARGE	\$2,000.00	\$2,000.00	\$2,000.00
	DELIVERY CHARGE	\$0.15840	\$0.2861	\$0.30690

SERVICE	CURRENT CHARGE	PROPOSED CHARGE
CONNECTION CHARGE - RESIDENTIAL	\$40.00	\$80.00
CONNECTION CHARGE (READ-IN)- RESIDENTIAL	\$26.00	\$66.00
CONNECTION CHARGE - COMMERCIAL	\$60.00	\$120.00
REALTY INSPECTION CHARGE	\$0.00	\$105.00
RECONNECTION CHARGE - RESIDENTIAL	\$40.00	\$90.00
RECONNECTION CHARGE - COMMERCIAL	\$60.00	\$120.00
RETURNED CHECK CHARGES	\$25.00	\$35.00
LATE FEES	\$3.00	\$13.00



RATE CASE FILES

Synopsis (pdf)

DOWNLOAD



DOCKET NO. 20240046-GU

Synopsis of Rate Request

I. Company Overview

St. Joe Natural Gas Company (“SJNG” or “Company”) is a Florida corporation incorporated in 1959. Its corporate offices are located at 301 Long Avenue, Port St. Joe, Florida 32456. SJNG is a gas utility subject to the regulatory jurisdiction of this Commission pursuant to Section 366.06, Florida Statutes (F.S.).

SJNG serves 3,259 residential and commercial customers in Port St. Joe, Mexico Beach, and Wewahitchka, as well as unincorporated areas of Gulf County.

II. Request for Rate Increase/ Summary

On May 29, 2024, the Company filed a request for a rate increase with the Florida Public Service Commission (“Commission”) asking for a permanent increase in rates, as well as an interim increase in rates pending the Commission’s decision in this case. The Commission is the agency, under Florida law¹, charged with setting and regulating the rates, fees, and services of Florida utilities and will review the Company’s request. The Docket Number assigned by the Commission for this proceeding is Docket No. 20240046-GU.

The Company is asking that the Commission allow the Company to increase its rates and charges to the extent necessary to generate additional gross annual revenues in the amount of \$1,043,838 on an annual basis so that the Company will have an opportunity to earn a fair overall rate of return of 6.05% with a return on common equity of 11.00%. The Company is requesting final rates to be effective in January 2025. The Company is asking for an effective date that is thirty days from the date the Commission’s decision on new rates becomes final and in any event, no later than January 1, 2025. The Company’s request for interim relief seeks permission to implement a temporary increase in an amount necessary to generate additional revenues. The Commission staff has recommended adjustments to the

¹ Chapter 366, Florida Statutes.

Company's request in this regard, and recommends that the Commission approve an interim increase in the amount of \$543,665.

The Commission will utilize a "test year" for purposes of setting rates for SJNG. The Company has used a projected test year of January 1 through December 31, 2024 for purposes of presenting its case, and believes this time period best represents actual conditions in effect at the time new rates will go into effect, as compared with other prior periods. The Company's jurisdictional 13-month average rate base for the test year period is projected to be \$3,381,746. Without the requested rate increase, the jurisdictional net operating income for the Company in the same period is projected to be -\$576,971, reflecting projected revenues of \$1,554,112. The result is a projected rate of return of -17.06% in the test year. As such, St. Joe asks that the Commission allow the Company an overall rate of return of 6.05%, including a mid-point ROE of 11.00%. The resulting revenue deficiency is \$1,043,838.

III. Interim Request

SJNG also asked for an interim increase in its retail rates and charges in an amount necessary to generate additional revenues pending the final outcome of the case. At its August 8, 2024, Agenda Conference, the Public Service Commission approved an interim increase that will go into effect September 5, 2024, and remain in effect while the case is processed and before permanent rates and charges go into effect in accordance with the Commission's final determinations in this proceeding. The interim increase is based upon actual data derived from the preceding or "historic" test year with an ending date of December 31, 2023. The Commission determined that the Company's annual revenue deficiency is a negative \$250,357, which is based upon the historic test year's 13-month average rate base of \$3,166,968, which results in an overall interim revenue increase of \$543,665 to be allocated across the Company's customer base. This interim increase will be placed into effect subject to refund, with interest, if at the conclusion of this proceeding, the Commission determines that some or all of the increase was not justified.

IV. Reasons for Request - Key Factors

The Company is requesting this rate increase because the cost to provide safe and reliable natural gas service has risen significantly over the past 16 years, while the Company's revenues have declined. An appropriate rate increase will enable SJNG to continue to provide the excellent service its customers expect and deserve, while also earning a fair and reasonable return on its investment.

SJNG's current rates were established by the Commission back in 2008, in Docket No. 20070492-GU. Since that time, SJNG has encountered increasing operating and maintenance costs, higher labor costs, increasing taxes, as well as inflation, which has eroded the Company's returns over the 16 years since its rates were last set. The Company has also seen a decrease in total system demand and therefore, a decrease in revenues. As such, the Company's current rates and charges do not provide the Company with reasonable compensation for the services it provides. Under Florida law, the Company is entitled to reasonable compensation for its services, as well as a reasonable rate of return on its rate base. As of the end of 2023, the Company was earning a negative overall rate of return of -9.42% on an adjusted basis. Without the requested revenue increase, SJNG's ability to continue to provide consistent, reliable service will suffer. Rate relief will ensure the continued financial viability of the Company. The financial integrity of the Company bears directly upon the Company's ability to provide reliable, efficient service to both current and future customers.

While the Company has taken proactive measures to try to contain its costs, four key drivers have nonetheless made it necessary for SJNG to seek relief: (1) the Company's current rates currently do not recover its property tax expense, which has increased by 120% since its last rate case, nor its property insurance expense, which has also increased significantly; (2) the Company has experienced increases to its rate base, not currently recovered in base rates, associated with extensions to serve new customers; (3) operating expenses have increased by approximately 68% since the Company's last rate case; and (4) the Company has experienced increases in regulatory costs, particularly those associated with changes to the federal pipeline safety regulations, as well as overall operating costs, including almost 16 years' worth of inflation. As such, and in spite of its cost containment efforts, the Company is, and has been for some time, earning well below the range authorized by the Commission in the Company's last rate case. If this situation is not addressed, it will ultimately impair the Company's ability to provide safe, reliable service.

To produce the requested permanent revenue increase, the Company has also filed revised tariff schedules which include the requested rate increases. The adjustments to the various rates and charges, and the changes made to the different rate classes, are based upon a cost of service study, which was then used to allocate costs across the Company's different rate classes. While revisions vary from rate class to rate class, a typical residential customer using 10 therms per month would see an increase of \$10.62 on the monthly bill (excluding application of the fuel factor), for an adjusted monthly bill of approximately \$45.73. A comparison of the present and proposed rates is attached to this Synopsis as

Appendix A, along with a copy of the Executive Summary submitted with the Company's filing at the Commission.

V. Additional Requests

In addition to the requested rate increase, the Company is also seeking Commission approval to take several additional actions, namely, authorization to make certain adjustments to its rate structure, namely elimination of its RS-1 customer class and consolidation under its RS-2 rate class.

VI. Rate Making Process

The Company has filed detailed accounting and financial schedules, based upon the projected and historic test years, which are called Minimum Filing Requirements or "MFRs". The Company has also filed a formal Petition making its request to the Commission, along with written, prefiled testimony and exhibits of its witnesses, who explain and support the Company's analysis of rate base, capital structure, achieved and required net operating income, adjustments to expenses and rate base, tariff changes, quality of service, and other pertinent issues.

The Commission will address the Company's request through its Proposed Agency Action ("PAA") process. This process will include a customer meeting to receive testimony from the Company's customers regarding the Company's quality of service and other matters pertinent to the Company's requested rate increase.

Key considerations in the case are likely to include:

1. What is the appropriate test year for setting base rates?
2. What is SJNG's test year rate base?
3. What is SJNG's cost of capital?
4. What is SJNG's test year net operating income?
5. Is SJNG's cost of service methodology appropriate?
6. What are the appropriate rate levels for each customer class?

Upon completion of the customer meetings, the Commission's professional staff will prepare a recommendation based upon its review of the information presented addressing what rate relief, if any, is appropriate for the Company. The Commission's staff is composed of attorneys, engineers, accountants, rate and finance analysts, and consumer affairs specialists. The Commission will review

and take action on their staff's recommendation and thereafter, an Order addressing the Company's request will be issued. The Order will be a Proposed Agency Action Order. As such, any party whose substantial interests are impacted will have 21 days in which to protest the Commission's decision. If no such person files a protest in a timely manner, the Commission's decision will become final. If the decision is, however, timely protested by a person whose substantial interests are affected, the matter will be set for a formal hearing process.

In addition to the Commission's professional staff, the Office of Public Counsel typically intervenes and may still do so. In which case, they will also be analyzing the documents and testimony submitted by the Company, as well as any additional information produced as a result of the audit that will be conducted by Commission audit staff. The Office of Public Counsel may be contacted at: Office of Public Counsel, c/o The Florida Legislature, 111 West Madison Street, Room 812, Tallahassee, FL 32399-1400.

A customer service meeting has been scheduled, as follows:

Virtual Meeting

Wednesday, September 4, 2024

6:00 p.m. (EST)

Customers may register to speak at the virtual customer meeting in one of the following ways: (1) register using the PSC's online registration form, which will be available at www.FloridaPSC.com, under the "Hot Topics" heading, (2) call the PSC at (850) 413-7080 or (3) email speakersignup@psc.state.fl.us. Online registration will open on August 21, 2024 at 9:00 a.m., and close on September 02, 2024 at noon. Please note that the order in which customers will speak is based on the order in which they register. If you have questions about the sign-up process, please call (850) 413-7080.

Please note this customer meeting will begin as scheduled and will continue until all witnesses have been heard. In accordance with the Americans with Disabilities Act, persons needing accommodations to participate should contact the Office of Commission Clerk no later than five days prior to the hearing in which you plan to participate at by contacting the PSC 1-850-413-5770. Any person who is hearing or speech impaired should contact the Commission by using the Florida Relay Service at 1-800-955-8771.

One or more Commissioners may be present at the customer meetings.

Currently, the schedule for this proceeding is as follows:

Order on Interim Rate Request	08/26/2044
Virtual Customer Service Hearing	09/4/2024

More detailed information regarding the Company's requested rate increase is included in the Company's MFRs, which can be reviewed on the Company's website at <https://stjoegas.com/home>, which provides a direct link to the documents and filings made with the Commission.

Any customer comments regarding the Company's service or the proposed rate increase should include the docket number assigned to this case, Docket No. 20240046-GU, and should be addressed to:

Commission Clerk
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850

You may also contact the Commission at their toll free number: **1-800-342-3552**.

Company personnel may be contacted to answer any questions concerning the rate request at the address shown on your bill, by calling either of the Company business offices at (850) 229-8216, or by visiting the Company's website: <https://stjoegas.com/home> .

APPENDIX A
ST. JOE NATURAL GAS COMPANY
COMPARISON OF CURRENT AND PROPOSED RATES

RATE SCHEDULE		PRESENT RATES	APPROVED INTERIM RATES	PROPOSED RATES
RESIDENTIAL / RS – 1 (Proposed to be closed)	CUSTOMER CHARGE	\$13.00	\$13.00	\$0.00
	DELIVERY CHARGE	\$1.29614	\$2.5953	\$0.00000
RESIDENTIAL / RS – 2	CUSTOMER CHARGE	\$16.00	\$16.00	\$20.00
	DELIVERY CHARGE	\$0.87058	\$1.7926	\$1.40959
RESIDENTIAL / RS – 3	CUSTOMER CHARGE	\$20.00	\$20.00	\$25.00
	DELIVERY CHARGE	\$0.72859	\$1.4390	\$1.24119
COMMERCIAL/ GS-1	CUSTOMER CHARGE	\$20.00	\$20.00	\$25.00
	DELIVERY CHARGE	\$0.66605	\$1.0550	\$1.17458
COMMERCIAL/ GS-2	CUSTOMER CHARGE	\$70.00	\$70.00	\$80.00
	DELIVERY CHARGE	\$0.42319	\$0.66409	\$1.00539
COMMERCIAL/ GS-4	CUSTOMER CHARGE	\$2,000.00	\$2,000.00	\$2,000.00
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TRANSPORT/ TS-4	CUSTOMER CHARGE	\$2,000.00	\$2,000.00	\$2,000.00
	DELIVERY CHARGE	\$0.15840	\$0.2861	\$0.30690

SERVICE	CURRENT CHARGE	PROPOSED CHARGE
CONNECTION CHARGE - RESIDENTIAL	\$40.00	\$80.00
CONNECTION CHARGE (READ-IN)- RESIDENTIAL	\$26.00	\$66.00
CONNECTION CHARGE - COMMERCIAL	\$60.00	\$120.00
REALTY INSPECTION CHARGE	\$0.00	\$105.00
RECONNECTION CHARGE - RESIDENTIAL	\$40.00	\$90.00
RECONNECTION CHARGE - COMMERCIAL	\$60.00	\$120.00
RETURNED CHECK CHARGES	\$25.00	\$35.00
LATE FEES	\$3.00	\$13.00

APPENDIX B
FLORIDA PUBLIC UTILITIES COMPANY

Schedule A – Executive Summary Schedules

FLORIDA PUBLIC SERVICE COMMISSION
 COMPANY: ST. JOE NATURAL GAS COMPANY
 DOCKET NO: 20240046-GU

EXPLANATION: PROVIDE A SCHEDULE SHOWING THE MAGNITUDE OF CHANGE - PRESENT vs PRIOR RATE CASE.

TYPE OF DATA SHOWN:
 HISTORIC TY LAST CASE: 12/31/06
 PROJECTED TY LAST CASE: 12/31/08
 PROJECTED TY CURRENT CASE: 12/31/24

WITNESS: STITT

LINE NO.	ITEM	LAST RATE CASE							CURRENT RATE CASE			
		REQUESTED			AUTHORIZED				REQUESTED			
		(1)*	(2)*	(3)*	(4)*	(5)*	(6)*	(7)*	(8)*	(9)	(10)**	(11)**
		HISTORICAL	ATTRITION	TOTAL	PROJECTED	HISTORICAL	ATTRITION	TOTAL	PROJECTED	PROJECTED	DOLLAR	PERCENTAGE
		12/31/06	N/A	N/A	TEST YEAR	12/31/06	N/A	TOTAL	TEST YEAR	TEST YEAR	OR PERCENT	PERCENTAGE
					12/31/08	12/31/06			12/31/08	12/31/24	DIFFERENCE	CHANGE
1	DOCKET NUMBER				20070592					20240046		
2	HISTORICAL DATA OR TEST YEAR					12/31/06			12/31/06	12/31/22		
3	PROJECTED TEST YEAR				12/31/2008	12/31/08			12/31/08	12/31/24		
4	RATE INCREASE - PERMANENT				624,166				543,868	1,043,841	499,973	91.93%
5	RATE INCREASE - INTERIM				229,785				157,775	612,209	454,434	288.03%
6	JURISDICTIONAL RATE BASE BEFORE RATE RELIEF				3,037,636				3,024,656	3,381,787	357,131	11.81%
7	JURISDICTIONAL NET OPERATING INCOME BEFORE RATE RELIEF				(57,658)				(200,835)	(576,971)	(376,136)	187.29%
8	RATE OF RETURN BEFORE RATE RELIEF				-1.32%				-6.61%	-17.06%	-10.45%	158.11%
9	SYSTEM CAPITALIZATION				3,037,636				3,024,656	3,381,787	357,131	11.81%
10	OVERALL RATE OF RETURN				6.14%				5.44%	6.05%	0.61%	11.21%
11	COST OF LONG-TERM DEBT				7.75%				7.75%	8.50%	0.75%	9.68%
12	COST OF PREFERRED STOCK								N/A	N/A	N/A	N/A
13	COST OF SHORT-TERM DEBT				8.00%				8.00%	0.00%	-8.00%	-100.00%
14	COST OF CUSTOMER DEPOSITS				6.00%				6.00%	2.00%	-4.00%	-66.67%
15	COST OF COMMON EQUITY				11.50%				11.00%	11.00%	0.00%	0.00%
16	NUMBER OF CUSTOMERS - AVERAGE				3,078				3,078	3,412	334	10.85%
17	DATE NEW PERMANENT RATES EFFECTIVE											

(A) AS DETERMINED BY THE "FILE AND SUSPEND" PROVISIONS OF SECTION 366.06 (4), FLORIDA STATUTES.

* IF COMPANY'S LAST RATE CASE INCLUDED A HISTORIC AND ATTRITION YEAR, COMPLETE COLUMNS (1) - (3) AND COLUMNS (5) - (7) UNDER THE HEADING "LAST RATE CASE". IF THE COMPANY'S LAST RATE CASE WAS BASED ON A PROJECTED TEST YEAR, COMPLETE COLUMNS (4) AND (8) UNDER THE HEADING "LAST RATE CASE".

** IF THE COMPANY'S LAST RATE CASE INCLUDED A HISTORIC AND ATTRITION YEAR, THIS CALCULATION WILL BE THE DIFFERENCE BETWEEN COLUMN (9) AND COLUMN (7). IF THE COMPANY'S LAST RATE CASE WAS BASED ON A PROJECTED TEST YEAR, THIS CALCULATION WILL BE THE DIFFERENCE BETWEEN COLUMN (9) AND COLUMN (8).

FLORIDA PUBLIC SERVICE COMMISSION
 COMPANY: ST. JOE NATURAL GAS COMPANY

EXPLANATION: PROVIDE A SCHEDULE SHOWING AN ANALYSIS
 OF PERMANENT RATE INCREASE REQUESTED

TYPE OF DATA SHOWN:
 PROJECTED TY LAST CASE: 12/31/08
 PROJECTED TY CURRENT CASE: 12/31/24

DOCKET NO: 20240046-GU

WITNESS: STITT

LINE NO.	DESCRIPTION	INCREASE IN GROSS REVENUE DOLLARS	% OF TOTAL
1	RESTORE ADJUSTED NET OPERATING INCOME TO PREVIOUSLY ALLOWED OVERALL RATE OF RETURN OF 5.44% RE: DOCKET NO. 070592-GU		0.00%
2	REDUCTION IN REQUESTED OVERALL RATE OF RETURN OF 6.14% TO 5.44%		0.00%
3	EFFECT OF PROJECTED TEST YEAR		0.00%
4	TOTAL PERMANENT RATE INCREASE REQUESTED	<u>\$1,043,841</u>	<u>0.00%</u>

FLORIDA PUBLIC SERVICE COMMISSION
 COMPANY: ST JOE NATURAL GAS COMPANY
 DOCKET NO: 20240046-GU

EXPLANATION: PROVIDE A SCHEDULE SHOWING AN ANALYSIS
 OF JURISDICTIONAL RATE BASE

TYPE OF DATA SHOWN:
 HISTORIC TY LAST CASE: 12/31/06
 PROJECTED TY LAST CASE: 12/31/08
 PROJECTED TY CURRENT CASE: 12/31/24

WITNESS: STITT

LINE NO.	ITEM	RATE BASE DETERMINED BY COMMISSION IN LAST RATE CASE				RATE BASE REQUESTED BY COMPANY IN CURRENT RATE CASE		(6)** DOLLAR DIFFERENCE	(7)** PERCENT DIFFERENCE
		(1)* HISTORIC N/A	(2)* ATTRITION N/A	(3)* TOTAL	(4)* PROJECTED TEST YEAR 12/31/08	(5) PROJECTED TEST YEAR 12/31/24			
<u>UTILITY PLANT</u>									
1	PLANT IN SERVICE	\$0	\$0	\$0	\$6,435,378	\$9,549,790	\$3,114,412	48.40%	
2	CONSTRUCTION WORK IN PROGRESS	0	0	0	0	0	0	0.00%	
3	UTILITY PLANT ACQUISITION ADJUSTMENT	0	0	0	0	0	0	0.00%	
4	GROSS UTILITY PLANT	0	0	0	6,435,378	9,549,790	3,114,412	48.40%	
<u>DEDUCTIONS</u>									
5	ACCUMULATED DEPRECIATION	0	0	0	(3,280,359)	(6,242,825)	(2,962,466)	90.31%	
6	ACCUMULATED AMORTIZATION	0	0	0	0	0	0	0.00%	
7	LIMITED TERM UTILITY PLANT	0	0	0	0	0	0	0.00%	
8	ACQUISITION ADJUSTMENT	0	0	0	0	0	0	0.00%	
9	CUSTOMER ADVANCES FOR CONSTRUCTION	0	0	0	0	0	0	0.00%	
10	TOTAL DEDUCTIONS	0	0	0	(3,280,359)	(6,242,825)	(2,962,466)	90.31%	
11	NET UTILITY PLANT	0	0	0	3,155,019	3,306,965	151,946	4.82%	
12	ALLOWANCE FOR WORKING CAPITAL	0	0	0	(130,363)	74,822	205,185	-157.40%	
13	RATE BASE	\$0	\$0	\$0	\$3,024,656	\$3,381,787	\$357,131	11.81%	

* IF THE COMPANY'S LAST RATE CASE INCLUDED A HISTORIC AND ATTRITION YEAR, COMPLETE COLUMNS (1) - (3).
 IF THE COMPANY'S LAST RATE CASE WAS BASED ON A PROJECTED TEST YEAR, COMPLETE COLUMN (4).

** IF THE COMPANY'S LAST RATE CASE INCLUDED A HISTORIC AND ATTRITION YEAR, THIS CALCULATION WILL BE THE DIFFERENCE BETWEEN COLUMN (5) AND COLUMN (3). IF THE COMPANY'S LAST RATE CASE WAS BASED ON A PROJECTED TEST YEAR, THIS CALCULATION WILL BE THE DIFFERENCE BETWEEN COLUMN (5) AND COLUMN (4).

FLORIDA PUBLIC SERVICE COMMISSION
 COMPANY: ST. JOE NATURAL GAS COMPANY

EXPLANATION: PROVIDE A SCHEDULE SHOWING AN ANALYSIS
 OF JURISDICTIONAL NET OPERATING INCOME

TYPE OF DATA SHOWN:
 HISTORIC TY LAST CASE: 12/31/06
 PROJECTED TY LAST CASE: 12/31/08
 PROJECTED TY CURRENT CASE: 12/31/24

DOCKET NO: 20240046-GU

WITNESS: STITT

LINE NO.	ITEM	NET OPERATING INCOME AS DETERMINED BY COMMISSION IN LAST RATE CASE				NOI REQUESTED BY COMPANY IN CURRENT CASE	(6)**	(7)**
		(1)* HISTORIC N/A	(2)* ATTRITION N/A	(3)* TOTAL	(4)* PROJECTED TEST YEAR 2008	(5)** PROJECTED TEST YEAR 2024		
1	OPERATING REVENUES (A)	\$0	\$0	\$0	\$1,072,946	\$1,554,112	\$481,165	44.85%
	<u>OPERATING REVENUE DEDUCTIONS:</u>							
2	COST OF GAS				0	0		
3	OPERATING & MAINTENANCE EXPENSE	0	0	0	898,433	1,497,821	599,388	66.71%
4	DEPRECIATION EXPENSE	0	0	0	246,211	374,049	127,838	51.92%
5	AMORTIZATION EXPENSE	0	0	0	0	0	0	0.00%
6	TAXES OTHER THAN INCOME	0	0	0	58,085	128,363	70,277	120.99%
7	INCOME TAXES (FEDERAL & STATE)	0	0	0	0	0	0	#DIV/0!
8	DEFERRED TAXES (FEDERAL & STATE)	0	0	0	43,188	102,452	59,264	137.22%
9	INVESTMENT TAX CREDITS	0	0	0	0	0	0	N/A
10	TOTAL OPERATING REVENUE DEDUCTIONS	0	0	0	1,245,918	2,102,685	856,767	68.77%
11	NET OPERATING INCOME (B)	\$0	\$0	\$0	(\$172,972)	(\$548,573)	(\$375,602)	217.15%

(A) EXCLUDES FUEL REVENUE
 (B) BEFORE RATE RELIEF

* IF THE COMPANY'S LAST RATE CASE INCLUDED A HISTORIC AND ATTRITION YEAR, COMPLETE COLUMNS (1) - (3). IF THE COMPANY'S LAST RATE CASE WAS BASED ON A PROJECTED TEST YEAR, COMPLETE COLUMN (4).

** IF THE COMPANY'S LAST RATE CASE INCLUDED A HISTORIC AND ATTRITION YEAR, THIS CALCULATION WILL BE THE DIFFERENCE BETWEEN COLUMN (5) AND COLUMN (3). IF THE COMPANY'S LAST RATE CASE WAS BASED ON A PROJECTED TEST YEAR, THIS CALCULATION WILL BE THE DIFFERENCE BETWEEN COLUMN (5) AND COLUMN (4).

*** Excludes Fuel Revenues

SUPPORTING SCHEDULES: G-2 p.1

RECAP SCHEDULES:

FLORIDA PUBLIC SERVICE COMMISSION
 COMPANY: ST. JOE NATURAL GAS COMPANY

EXPLANATION: PROVIDE A SCHEDULE SHOWING
 OVERALL RATE OF RETURN COMPARISON

TYPE OF DATA SHOWN:
 PROJECTED TY LAST CASE: 12/31/08
 PROJECTED TY CURRENT CASE: 12/31/24

DOCKET NO: 20240046-GU

WITNESS: STITT

PROJECTED TEST YEAR 12/31/24 (REQUESTED)

LINE NO.	ITEM	DOLLARS	RATIO	EMBEDDED COST	WEIGHTED COST	DOLLARS	RATIO	EMBEDDED COST	WEIGHTED COST
DOCKET NO. 20070592 ORDER NO. PSC-08-0436-PAA-GU LAST RATE CASE (AUTHORIZED)									
1	LONG-TERM DEBT -FIXED	\$669,307	22.13%	7.75%	1.71%	\$335,752	9.93%	8.50%	0.84%
2	LONG-TERM DEBT - VARIABLE	\$0	0.00%	0.00%	0.00%	\$0	0.00%	0.00%	0.00%
3	DEFERRED CREDIT - FCPC	\$1,220,168	40.34%	0.00%	0.00%	\$405,416	11.99%	0.00%	0.00%
4	SHORT-TERM DEBT	\$0	0.00%	8.00%	0.00%	\$0	0.00%	0.00%	0.00%
5	CUSTOMER DEPOSITS	\$42,804	1.42%	6.00%	0.08%	\$57,825	1.71%	2.00%	0.03%
6	COMMON EQUITY	\$1,004,052	33.20%	11.00%	3.65%	\$1,593,697	47.13%	11.00%	5.18%
7	DEFERRED REFUNDS	\$0	0.00%	0.00%	0.00%	\$0	0.00%	0.00%	0.00%
8	DEFERRED TAXES	\$88,325	2.92%	0.00%	0.00%	\$989,098	29.25%	0.00%	0.00%
9	TOTAL CAPITALIZATION	\$3,024,656	100.00%		5.44%	\$3,381,787	100.00%		6.06%

SUPPORTING SCHEDULES: G-3 p. 1

RECAP SCHEDULES:

FLORIDA PUBLIC SERVICE COMMISSION
 COMPANY: ST. JOE NATURAL GAS COMPANY
 DOCKET NO: 20240046-GU

EXPLANATION: PROVIDE A SUMMARY OF FINANCIAL INDICATORS AS SPECIFIED BELOW FOR THE HISTORIC DATA BASE YEAR OF THE LAST RATE CASE, HISTORIC DATA BASE YEAR FOR THIS CASE, AND THE YEAR IMMEDIATELY FOLLOWING THE PRESENT HISTORIC DATA BASE YEAR.

TYPE OF DATA SHOWN:
 TY YR LAST CASE: 12/31/06
 HIS. BASE YR DATA CURRENT: 12/31/22
 BASE YR + 1 CURRENT CASE: 12/31/23
 PROJECTED TY CURRENT CASE: 12/31/24
 WITNESS: STITT

LINE NO.	INDICATORS	(1) DATA FROM HISTORIC BASE YR OR TY RELATED TO COMPANY'S PRIOR CASE	(2) DATA FROM HISTORIC BASE YEAR RELATED TO COMPANY'S CURRENT CASE	(3) YEAR AFTER CURRENT HISTORIC BASE YEAR WITHOUT ANY RATE INCREASE	(4) PROJECTED TEST YEAR WITHOUT ANY RATE INCREASE	(5) PROJECTED TEST YEAR INCLUDING REQUESTED RATE INCREASE
<u>INTEREST COVERAGE RATIOS:</u>		N/A				
1	INCLUDING AFUDC IN INCOME BEFORE INTEREST CHARGES	-	N/A	N/A	N/A	N/A
2	EXCLUDING AFUDC FROM INCOME BEFORE INTEREST CHARGES	-	N/A	N/A	N/A	N/A
<u>OTHER FINANCIAL RATIOS:</u>						
3	AFUDC AS A PERCENT OF INCOME AVAILABLE FOR COMMON	0.00%	N/A	N/A	N/A	N/A
4	PERCENT OF CONSTRUCTION FUNDS GENERATED INTERNALLY	0.00%	N/A	N/A	N/A	N/A
<u>PREFERRED DIVIDEND COVERAGE:</u>						
5	INCLUDING AFUDC	N/A	N/A	N/A	N/A	N/A
6	EXCLUDING AFUDC	N/A	N/A	N/A	N/A	N/A
<u>RATIO OF EARNINGS TO FIXED CHARGES***:</u>						
7	INCLUDING AFUDC	0.00%	N/A	N/A	N/A	N/A
8	EXCLUDING AFUDC	0.00%	N/A	N/A	N/A	N/A
*** ASSUMES DEPRECIATION & INTEREST IN CALCULATION						
<u>EARNINGS PER SHARE:</u>						
9	INCLUDING AFUDC	\$0.00	N/A	N/A	N/A	N/A
10	EXCLUDING AFUDC	\$0.00	N/A	N/A	N/A	N/A
11	DIVIDENDS PER SHARE	\$0.00	N/A	N/A	N/A	N/A

SUPPORTING SCHEDULES: D-11 p.1-3, G-3 p.9-11

RECAP SCHEDULES: