

FLORIDA PUBLIC UTILITIES COMPANY
ELECTRIC
RATE OF RETURN REPORT SUMMARY
December 31, 2023

	(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	\$ 5,892,366	(\$881,059)	\$5,011,307	\$0	\$5,011,307
AVERAGE RATE BASE	\$159,601,708	(\$39,331,799)	\$120,269,910	\$0	\$120,269,910
AVERAGE RATE OF RETURN	3.69%		4.17%		4.17%
II. YEAR-END RATE OF RETURN (JURISDICTIONAL)					
NET OPERATING INCOME	\$5,892,366	(\$893,758)	\$4,998,608	\$0	\$4,998,608
YEAR-END RATE BASE	\$149,800,627	(\$25,377,880)	\$124,422,747	\$0	\$124,422,747
YEAR-END RATE OF RETURN	3.93%		4.02%		4.02%

IV. FINANCIAL INTEGRITY INDICATORS

III. REQUIRED RATES OF RETURN AVERAGE CAPITAL STRUCTURE (FPSC ADJUSTED BASIS)			
LOW	5.03%	A. TIE WITH AFUDC	3.34
MIDPOINT	5.41%	B. TIE WITHOUT AFUDC	3.34
HIGH	5.79%	C. AFUDC TO NET INCOME	0.00
		D. INTERNALLY GENERATED FUNDS	59.16
		E. LTD TO TOTAL INVESTOR FUNDS	40.79
		F. STD TO TOTAL INVESTOR FUNDS	7.47
		G. RETURN ON COMMON EQUITY	7.00

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 Napier
Signature

3/29/2024
Date

AVERAGE RATE OF RETURN

For the 12 Months Ending December, 2023
RATE BASE

	(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	\$173,354,314	(\$78,872,144)	\$94,482,170	\$0	\$6,859,878	\$101,342,047	\$58,259,660	\$159,601,708
FPSC ADJUSTMENTS:								
1) ELIM. NON UTILITY PLANT	\$0	\$0	\$0	\$0		\$0		\$0
2) REGULATORY LIAB - PENSION AMORT			\$0	\$0		\$0		\$0
3) ELIMINATE AFUDC			\$0	\$0	(\$13,061)	(\$13,061)		(\$13,061)
4) REMOVE INT. EARNING STORM			\$0	\$0		\$0	(\$18,229,785)	(\$18,229,785)
5) MOVE A/D MICHAEL REG ASSET TO WC		\$0	\$0	\$0		\$0	\$0	\$0
6) ADJUST STORM 13-MONTH AVG TO ORDER			\$0	\$0		\$0	\$10	\$10
6) ELIMINATE NET UNDERRECOVERY			\$0	\$0		\$0	(\$21,088,963)	(\$21,088,963)
7) DEFERRED RATE CASE EXPENSE			\$0	\$0		\$0	\$0	\$0
TOTAL FPSC ADJUSTMENTS	\$0	\$0	\$0	\$0	(\$13,061)	(\$13,061)	(\$39,318,738)	(\$39,331,799)
FPSC ADJUSTED	\$173,354,314	(\$78,872,144)	\$94,482,170	\$0	\$6,846,817	\$101,328,986	\$18,940,923	\$120,269,909
FLEX RATE REVENUES	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
ADJUSTED FOR FLEX RATE REVENUES	\$173,354,314	(\$78,872,144)	\$94,482,170	\$0	\$6,846,817	\$101,328,986	\$18,940,923	\$120,269,909
PROFORMA ADJUSTMENTS								
TOTAL PRO FORMA ADJUSTMENTS	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
PRO FORMA ADJUSTED	\$173,354,314	(\$78,872,144)	\$94,482,170	\$0	\$6,846,817	\$101,328,986	\$18,940,923	\$120,269,909

FLORIDA PUBLIC UTILITIES COMPANY
ELECTRIC
AVERAGE RATE OF RETURN
For the 12 Months Ending December, 2023
INCOME STATEMENT

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
	OPERATING REVENUES	O & M FUEL 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	\$ 106,852,661	\$ 63,039,953	\$ 14,522,179	\$ 12,883,034	\$ 9,148,948	\$ 1,366,181				\$ 100,960,295	\$ 5,892,366
FPSC ADJUSTMENTS:											
1) INCOME TAX SYNCH ADJUSTMENT						\$ 19,310				\$ 19,310	\$ (19,310)
2) ELIMINATE FUEL REVENUES AND EXPENSES	\$ (63,392,279)	\$ (62,340,062)			\$ (50,814)	\$ (253,806)				\$ (62,644,681)	\$ (747,598)
3) ELIMINATE CONSERVATION	\$ (690,361)	\$ (699,889)			\$ (497)	\$ 2,541				\$ (697,845)	\$ 7,484
4)NON-UTILITY DEPRECIATION EXPENSE				\$ -		\$ -				\$ -	\$ -
5) ELIMINATE REVENUE RELATED TAXES (FRANCHISE & GROSS RECEIPTS)	\$ (7,379,030)				\$ (7,379,030)	\$ -				\$ (7,379,030)	\$ -
6) ELIMINATE 5% OF ECONOMIC DEVELOPMENT 7) OUT OF PERIOD ADJ			\$ (900)			\$ 228				\$ (672)	\$ 672
8) REMOVE STORM SURCHARGE ADJUSTMENT	\$ (7,822,825)		\$ (21,057)	\$ (7,632,424)	\$ (5,514)	\$ (41,523)				\$ (7,700,518)	\$ (122,307)
						\$ -				\$ -	\$ -
						\$ -				\$ -	\$ -
TOTAL FPSC ADJUSTMENTS	\$ (79,284,495)	\$ (63,039,951)	\$ (21,957)	\$ (7,632,424)	\$ (7,435,854)	\$ (273,249)	\$ -	\$ -	\$ -	\$ (78,403,436)	\$ (881,059)
FPSC ADJUSTED	\$ 27,568,166	\$ 2	\$ 14,500,222	\$ 5,250,611	\$ 1,713,094	\$ 1,092,932	\$ -	\$ -	\$ -	\$ 22,556,859	\$ 5,011,307
PRO FORMA ADJUSTMENTS										\$ -	\$ -
TOTAL PRO FORMA ADJUSTMENTS	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
PRO FORMA ADJUSTED	\$27,568,166	\$2	\$14,500,222	\$5,250,611	\$1,713,094	\$1,092,932	\$0	\$0	\$0	\$22,556,859	\$5,011,307

	(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	\$177,508,418	(\$80,078,749)	\$97,429,670	\$0	\$13,505,705	\$110,935,375	\$38,865,251	\$149,800,627
FPSC ADJUSTMENTS:								
1) ELIM. NON UTILITY PLANT	\$0	\$0	\$0			\$0		\$0
2) ELIMINATE AFUDC					(169,799)	(\$169,799)		(\$169,799)
3) ELIMINATION OF UNDER-RECOVERY						\$0	(\$10,479,707)	(\$10,479,707)
4) DEFERRED RATE CASE EXPENSE						\$0	\$0	\$0
5) AMORTIZE STORM COSTS						\$0		\$0
6) REMOVE STORM COST-INTEREST EARNING						\$0	(\$14,728,374)	(\$14,728,374)
TOTAL FPSC ADJUSTMENTS	\$0	\$0	\$0	\$0	(\$169,799)	(\$169,799)	(\$25,208,081)	(\$25,377,880)
FPSC ADJUSTED	\$177,508,418	(\$80,078,749)	\$97,429,670	\$0	\$13,335,906	\$110,765,576	\$13,657,170	\$124,422,747
COMP RATE ADJ REVENUES	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
ADJUSTED FOR COMP RATE ADJ REVENUE	\$177,508,418	(\$80,078,749)	\$97,429,670	\$0	\$13,335,906	\$110,765,576	\$13,657,170	\$124,422,747
PROFORMA ADJUSTMENTS								\$0
TOTAL PRO FORMA ADJUSTMENTS	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
PRO FORMA ADJUSTED	\$177,508,418	(\$80,078,749)	\$97,429,670	\$0	\$13,335,906	\$110,765,576	\$13,657,170	\$124,422,747

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
	OPERATING REVENUES	O & M FUEL 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	\$ 106,852,661	\$ 63,039,953	\$ 14,522,179	\$ 12,883,034	\$ 9,148,948	\$ 1,366,181				\$ 100,960,295	\$ 5,892,366
FPSC ADJUSTMENTS:											
1) INCOME TAX SYNCH ADJUSTMENT						\$ 32,009				\$ 32,009	\$ (32,009)
2) ELIMINATE FUEL REVENUES AND EXPENSES	\$ (63,392,279)	\$ (62,340,062)			\$ (50,814)	\$ (253,806)				\$ (62,644,681)	\$ (747,598)
3) ELIMINATE CONSERVATION	\$ (690,361)	\$ (699,889)			\$ (497)	\$ 2,541				\$ (697,845)	\$ 7,484
4)NON-UTILITY DEPRECIATION EXPENSE				\$ -		\$ -				\$ -	\$ -
5) ELIMINATE REVENUE RELATED TAXES (FRANCHISE & GROSS RECEIPTS)	\$ (7,379,030)				\$ (7,379,030)	\$ -				\$ (7,379,030)	\$ -
6) ELIMINATE 5% OF ECONOMIC DEVELOPMENT			\$ (900)			\$ 228				\$ (672)	\$ 672
7) OUT OF PERIOD ADJ	\$ -		\$ -	\$ -		\$ -				\$ -	\$ -
8) REMOVE STORM SURCHARGE ADJUSTMENT	\$ (7,822,825)		\$ (21,057)	\$ (7,632,424)	\$ (5,514)	\$ (41,523)				\$ (7,700,518)	\$ (122,307)
						\$ -				\$ -	\$ -
						\$ -				\$ -	\$ -
TOTAL FPSC ADJUSTMENTS	\$ (79,284,495)	\$ (63,039,951)	\$ (21,957)	\$ (7,632,424)	\$ (7,435,854)	\$ (260,551)	\$ -	\$ -	\$ -	\$ (78,390,737)	\$ (893,758)
FPSC ADJUSTED	\$ 27,568,166	\$ 2	\$ 14,500,222	\$ 5,250,611	\$ 1,713,094	\$ 1,105,630	\$ -	\$ -	\$ -	\$ 22,569,558	\$ 4,998,608
PRO FORMA ADJUSTMENTS										\$ -	\$ -
TOTAL PRO FORMA ADJUSTMENTS	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
PRO FORMA ADJUSTED	\$27,568,166	\$2	\$14,500,222	\$5,250,611	\$1,713,094	\$1,105,630	\$0	\$0	\$0	\$22,569,558	\$4,998,608

AVERAGE	ADJUSTMENTS						LOW POINT		MIDPOINT		HIGH POINT	
	PER BOOKS	ADJUSTED BOOKS	PRO-RATA ADJ.	SPECIFIC	BALANCE	RATIO (%)	COST RATE (%)	WEIGHTED COST (%)	COST RATE (%)	WEIGHTED COST (%)	COST RATE (%)	WEIGHTED COST (%)
	COMMON EQUITY	\$66,323,642	\$66,323,642	(\$20,348,281)		\$45,975,361	38.23%	9.25%	3.54%	10.25%	3.92%	11.25%
LONG TERM DEBT - CU	\$52,296,663	\$52,296,663	(\$16,044,764)		\$36,251,898	30.14%	3.64%	1.10%	3.64%	1.10%	3.64%	1.10%
SHORT TERM DEBT	\$9,578,638	\$9,578,638	(\$2,938,753)		\$6,639,885	5.52%	5.35%	0.30%	5.35%	0.30%	5.35%	0.30%
LONG TERM DEBT - FC	\$0	\$0	\$0		\$0	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
SHORT TERM DEBT - REFINANCED LTD	\$0	\$0	\$0		\$0	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
CUSTOMER DEPOSITS	\$4,001,967	\$4,001,967			\$4,001,967	3.33%	2.63%	0.09%	2.63%	0.09%	2.63%	0.09%
DEFERRED INCOME TAXES	\$27,400,798	\$27,400,798			\$27,400,798	22.78%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
TAX CREDITS - WEIGHTED COST	\$0	\$0			\$0	0.00%	4.94%	0.00%	5.32%	0.00%	5.70%	0.00%
TOTAL AVERAGE	\$159,601,708	\$0	\$159,601,708	(\$39,331,799)	\$0	100.00%		5.03%		5.41%		5.79%

YEAR-END	ADJUSTMENTS						LOW POINT		MIDPOINT		HIGH POINT	
	PER BOOKS	ADJUSTED BOOKS	PRO-RATA ADJ.	SPECIFIC	BALANCE	RATIO (%)	COST RATE (%)	WEIGHTED COST (%)	COST RATE (%)	WEIGHTED COST (%)	COST RATE (%)	WEIGHTED COST (%)
	COMMON EQUITY	\$57,988,798	\$57,988,798	(12,070,932)	\$0	\$45,917,866	36.91%	9.25%	3.41%	10.25%	3.78%	11.25%
LONG TERM DEBT - CU	\$55,598,900	\$55,598,900	(11,573,452)		\$44,025,448	35.38%	3.13%	1.11%	3.13%	1.11%	3.13%	1.11%
SHORT TERM DEBT	\$8,327,718	\$8,327,718	(1,733,495)		\$6,594,223	5.30%	3.97%	0.21%	3.97%	0.21%	3.97%	0.21%
LONG TERM DEBT - FC	\$0	\$0	-		\$0	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
SHORT TERM DEBT - REFINANCED LTD	\$0	\$0	-		\$0	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
CUSTOMER DEPOSITS	\$4,014,341	\$4,014,341			\$4,014,341	3.23%	2.62%	0.08%	2.62%	0.08%	2.62%	0.08%
DEFERRED INCOME TAXES	\$23,870,870	\$23,870,870			\$23,870,870	19.19%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
TAX CREDITS - WEIGHTED COST	\$0	\$0			\$0	0.00%	4.73%	0.00%	5.10%	0.00%	5.47%	0.00%
TOTAL YEAR-END	\$149,800,626	\$0	\$149,800,626	(\$25,377,879)	\$0	100.00%		4.81%		5.18%		5.55%