

# ST JOE NATURAL GAS



Serving Florida's Panhandle Since 1963

P. O. Box 549 / Port St. Joe, FL 32457  
301 Long Avenue / Port St. Joe, FL 32456  
tel 850.229.8216 / fax 850.229.8392

[www.stjoe.com](http://www.stjoe.com)

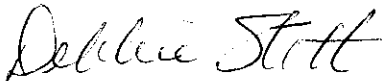
April 29, 2010

John Slemkewicz, Supervisor  
Electric & Gas Accounting  
Florida Public Service Commission  
2540 Shumard Oak Boulevard  
Tallahassee, Fl 32399-0850

Re: Actual Earnings Surveillance Report Ending December 31, 2009

Please find enclosed the Actual Earnings Surveillance Report for the twelve months ending December 31, 2009.

Sincerely,



Debbie Stitt  
Bookkeeper

ECONOMIC REGULATION

10 MAY -3 4:10:03

ST JOE  
NATURAL GAS

FLORIDA PUBLIC SERVICE COMMISSION

INVESTOR-OWNED NATURAL GAS UTILITY  
EARNINGS SURVEILLANCE REPORT

PSC/AFA 13 (6/94)

ST. JOE NATURAL GAS COMPANY  
 EARNINGS SURVEILLANCE REPORT SUMMARY  
 ACTUAL 12/31/09

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	\$ 181,226 \$	\$	181,226 \$	\$	\$
AVERAGE RATE BASE	\$ 3,954,226 \$	-906,529 \$	3,047,697 \$	\$	\$
AVERAGE RATE OF RETURN	4.58%		5.95%		
II. YEAR END RATE BASE (JURISDICTIONAL)	\$ 3,837,171 \$	-834,229 \$	3,002,942		

III. REQUIRED RATES OF RETURN AVERAGE CAPITAL STRUCTURE (FPSC ADJUSTED BASIS)	LOW	MIDPOINT	HIGH	IV. EARNED RETURN ON EQUITY (FPSC ADJUSTED BASIS)
	5.41 %	5.91 %	6.41 %	A. INCLUDING FLEX RATE REVENUES 11.07%
				B. EXCLUDING FLEX RATE REVENUES 11.07%

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.

Stuart L Shoaf, President  
 (Name and Title of Chief  
 Financial Officer)

*Stuart Shoaf*  
 (Signature)

4-28-10  
 (Date)

PSC/AFA13





ST. JOE NATURAL GAS COMPANY  
 YEAR END RATE BASE  
 ACTUAL 12/31/09

SCHEDULE 3

(1)	(2)	(3)	(4)	(5)	(7)	(8)	(9)
PLANT IN SERVICE	ACCUMULATED DEPRECIATION & AMORTIZATION	NET PLANT IN SERVICE	PROPERTY HELD FOR FUTURE USE	CONSTRUCTION WORK IN PROGRESS	NET UTILITY PLANT	WORKING CAPITAL	TOTAL RATE BASE
6,689,143	3,599,005	3,090,138		232,259	3,322,387	514,774	3,837,171

FPSC ADJUSTMENTS

PRO-RATA						-122,526	-122,526
NON-UTILITY	-363,319	-306,381			-306,381	-405,323	-711,704

TOTAL FPSC ADJUSTMENTS

	-363,319	-306,381		0	-306,381	-527,849	-834,230
--	----------	----------	--	---	----------	----------	----------

FPSC ADJUSTED

	6,325,824	3,542,067	#VALUE!	232,259	3,016,016	-13,075	3,002,941
--	-----------	-----------	---------	---------	-----------	---------	-----------

ST. JOE NATURAL GAS COMPANY  
 CAPITAL STRUCTURE  
 FPSC ADJUSTED BASIS  
 ACTUAL 12/31/09

SCHEDULE 4

AVERAGE	PER BOOKS	ADJUSTMENTS NON-UTILITY	PRO RATA	ADJUSTED	RATIO (%)	LOW POINT		MIDPOINT		HIGH POINT	
						COST RATE (%)	WEIGHTED COST (%)	COST RATE (%)	WEIGHTED COST (%)	COST RATE (%)	WEIGHTED COST (%)
LONG TERM DEBT	0	0	0	0	0.00%	0.00	0.00	0.00	0.00	0.00	0.00
SHORT TERM DEBT	0	0	0	0	0.00%	8.00	0.00	8.00	0.00	8.00	0.00
OTHER DEFERRED CREDITS - GC	27,402			27,402	0.90%	0.00	0.00	0.00	0.00	0.00	0.00
CUSTOMER DEPOSITS	74,140	-23,164	-2,681	48,296	1.58%	6.00	0.10	6.00	0.10	6.00	0.10
COMMON EQUITY	2,349,509	-734,063	-84,949	1,530,498	50.22%	10.00	5.02	11.00	5.52	12.00	6.03
DEFERRED INCOME TAXES	97,035			97,035	3.18%	0.00	0.00	0.00	0.00	0.00	0.00
OTHER DEFERRED CREDITS - FC	1,094,836			1,094,836	35.92%	0.00	0.00	0.00	0.00	0.00	0.00
LONG TERM DEBT - Bayside	176,923	-55,276	-6,397	115,250	3.78%	7.75	0.29	7.75	0.29	7.75	0.29
CUSTOMER ADVANCES FOR CONSTRUCTION	134,380			134,380	4.41%	0.00	0.00	0.00	0.00	0.00	0.00
TOTAL	3,954,225	-812,503	-94,026	3,047,696	100.00%		5.41		5.91		6.41

YEAR-END	PER BOOKS	ADJUSTMENTS NON-UTILITY	PRO RATA	ADJUSTED	RATIO (%)	LOW POINT		MIDPOINT		HIGH POINT	
						COST RATE (%)	WEIGHTED COST (%)	COST RATE (%)	WEIGHTED COST (%)	COST RATE (%)	WEIGHTED COST (%)
SHORT TERM DEBT	0	0	0	0	0.00%	8.00	0.00	8.00	0.00	8.00	0.00
OTHER DEFERRED CREDITS - GC	27,402			27,402	0.91%	0.00	0.00	0.00	0.00	0.00	0.00
CUSTOMER DEPOSITS	86,900	-25,027	-4,309	57,564	1.92%	6.00	0.12	6.00	0.12	6.00	0.12
COMMON EQUITY	2,284,280	-657,876	-113,259	1,513,144	50.39%	10.00	5.04	11.00	5.54	12.00	6.05
DEFERRED INCOME TAXES	134,833			134,833	4.49%	0.00	0.00	0.00	0.00	0.00	0.00
OTHER DEFERRED CREDITS - FC	1,069,375			1,069,375	35.61%	0.00	0.00	0.00	0.00	0.00	0.00
LONG TERM DEBT - Bayside	100,000	-28,800	-4,958	66,242	2.21%	7.75	0.17	7.75	0.17	7.75	0.17
CUSTOMER ADVANCES FOR CONSTRUCTION	134,380			134,380	4.47%	0.00	0.00	0.00	0.00	0.00	0.00
TOTAL	3,837,170	-711,704	-122,526	3,002,940	100.00%		5.32		5.83		6.33

ST. JOE NATURAL GAS COMPANY, INC. SCHEDULE 5  
 EARNED RETURN ON COMMON EQUITY  
 FPSC ADJUSTED BASIS  
 ACTUAL 12/31/09

A. FPSC ADJUSTED AVERAGE JURISDICTIONAL RETURN ON COMMON EQUITY  
INCLUDING FLEX RATE REVENUES

FPSC ADJUSTED AVERAGE EARNED RATE OF RETURN	5.95	(Schedule 1)
LESS: RECONCILED AVERAGE JURISDICTIONAL		
WEIGHTED COST RATES FOR:		
SHORT TERM DEBT	0.00 %	
LONG TERM DEBT - BAYSIDE	-0.29 %	
CUSTOMER DEPOSITS	-0.10 %	
OTHER DEFERRED CREDITS	0.00 %	
SUBTOTAL	-0.39 %	
TOTAL	5.56 %	
DIVIDED BY RECONCILED COMMON EQUITY RATIO	50.22 %	
JURISDICTIONAL RETURN ON COMMON EQUITY	11.07%	

B. FPSC ADJUSTED AVERAGE JURISDICTIONAL RETURN ON COMMON EQUITY  
EXCLUDING FLEX RATE REVENUES SAME AS ABOVE

NET OPERATING REVENUE EXCLUDING FLEX RATE REVENUES	\$	(Schedule 2, p. 2 of 2)
RATE BASE EXCLUDING FLEX RATE REVENUES	\$	(Schedule 2, p. 1 of 2)
FPSC ADJUSTED AVERAGE EARNED RATE OF RETURN		%
LESS: RECONCILED AVERAGE JURISDICTIONAL		
WEIGHTED COST RATES FOR:		
LONG TERM DEBT	( )	%
SHORT TERM DEBT	( )	%
PREFERRED STOCK	( )	%
CUSTOMER DEPOSITS	( )	%
TAX CREDITS-WEIGHTED COST (MIDPOINT)	( )	%
SUBTOTAL	( )	%
TOTAL		%
DIVIDED BY RECONCILED COMMON EQUITY RATIO		%
JURISDICTIONAL RETURN ON COMMON EQUITY		%