

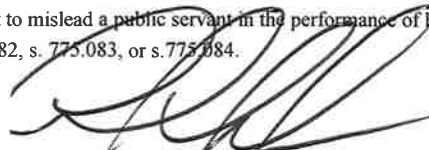
**FLORIDA CITY GAS  
YEAR END RATE BASE  
June 2017**

|   |     | (1)<br>ACTUAL<br><u>PER BOOKS</u> | (2)<br>FPSC<br><u>ADJUSTMENTS</u> | (3)<br>FPSC<br><u>ADJUSTED</u>                                  | (4)<br>PRO FORMA<br><u>ADJUSTMENTS</u> | (5)<br>PRO FORMA<br><u>ADJUSTED</u> | Reference                  |
|---|-----|-----------------------------------|-----------------------------------|---|--|-------------------------------------|----------------------------|
| <b><u>I. AVERAGE RATE OF RETURN (JURISDICTIONAL)</u></b>                                    |     |                                   |                                   |   |  |                                     |                            |
| NET OPERATING INCOME  | (a) | \$ 11,025,034                     | \$ (1,453,949)                    | \$ 9,571,086  | \$ 463,125                             | \$ 10,034,210                       | Sch.,2 page 2, Col. 11     |
| AVERAGE RATE BASE   | (a) | \$ 186,148,533                    | \$ 33,456,250                     | \$ 219,604,782  | \$ (12,993,300)                        | \$ 206,611,482                      | Sch. 2 page 1, Col. 9      |
| AVERAGE RATE OF RETURN  | (a) | <b>5.92%</b>                      |                                   | <b>4.36%</b>  |  | <b>4.86%</b>                        |                            |
| <b><u>II. YEAR END RATE BASE (JURISDICTIONAL)</u></b>                                       |     |                                   |                                   |   |  |                                     |                            |
|   |     | \$ 193,860,310                    | \$ 33,577,440                     | \$ 227,437,750  | \$ (12,581,132)                        | \$ 214,856,619                      | Sch. 3, Col. 9             |
| <b><u>III. REQUIRED RATES OF RETURN AVERAGE CAPITAL STRUCTURE (FPSC ADJUSTED BASIS)</u></b> |     |                                   |                                   |   |  |                                     |                            |
| LOW   |     | <b><u>5.85%</u></b>               | Sch.4                             | <b><u>IV. EARNED RETURN ON EQUITY (FPSC ADJUSTED BASIS)</u></b> |  |                                     |                            |
| MIDPOINT  |     | <b><u>6.24%</u></b>               | Sch.4                             | A. INCLUDING AGL ACQ. ADJ. & REGULATORY ASSETS                  |  |                                     | <b><u>6.46%</u></b> Sch.5  |
| HIGH  |     | <b><u>6.63%</u></b>               | Sch.4                             | B. EXC.UDING AGL ACQ. ADJ. & REGULATORY ASSETS                  |  |                                     | <b><u>7.91%</u></b> Sch. 5 |

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.

**DANIO C. WEAVER, VP. FINANCE AFFAIRS**  
(Name and Title of Chief Financial Officer)

  
(Signature)

**5/9/17**  
(Date)

**FLORIDA CITY GAS**  
**AVERAGE RATE OF RETURN**  
**RATE BASE**  
**June 2017**

| Line No.  | (1)                           | (2)                   | (3)                    | (4)                          | (5)                  | (7)                    | (8)                   | (9)                    |
|-----------|-------------------------------|-----------------------|------------------------|------------------------------|----------------------|------------------------|-----------------------|------------------------|
|           | PLANT IN SERVICE              | ACCUM. DEPR. & AMORT. | NET PLANT IN SERVICE   | PROPERTY HELD FOR FUTURE USE | CWIP                 | NET UTILITY PLANT      | WORKING CAPITAL       | TOTAL RATE BASE        |
| <b>1</b>  | \$ 392,728,071                | \$ 169,127,869        | \$ 223,600,202         | \$ -                         | \$ 15,315,406        | \$ 238,915,609         | \$ (52,767,076)       | \$ 186,148,533         |
| <b>2</b>  |                               |                       |                        |                              |                      |                        |                       |                        |
| <b>3</b>  | <b>FPSC ADJUSTMENTS:</b>      |                       |                        |                              |                      |                        |                       |                        |
| <b>4</b>  | (26,633,077)                  | -                     | (26,633,077)           |                              |                      | (26,633,077)           |                       | (26,633,077)           |
| <b>5</b>  | 3,111,404                     | 819,249               | 2,292,155              |                              |                      | 2,292,155              |                       | 2,292,155              |
| <b>6</b>  | 21,656,835                    | 8,783,050             | 12,873,785             |                              |                      | 12,873,785             |                       | 12,873,785             |
| <b>7</b>  | -                             |                       | -                      |                              |                      |                        | (14,056,655)          | (14,056,655)           |
| <b>8</b>  |                               |                       |                        |                              |                      |                        | (69,453)              | (69,453)               |
| <b>9</b>  | 1,497,497                     | 835,850               | 661,648                |                              |                      | 661,648                |                       | 661,648                |
| <b>10</b> |                               |                       |                        |                              |                      |                        |                       |                        |
| <b>11</b> |                               |                       |                        |                              |                      |                        | 60,086,635            | 60,086,635             |
| <b>12</b> |                               |                       |                        |                              |                      |                        | (748,969)             | (748,969)              |
| <b>13</b> |                               |                       |                        |                              |                      |                        | (1,056,703)           | (1,056,703)            |
| <b>14</b> |                               |                       |                        |                              |                      |                        | (2,838)               | (2,838)                |
| <b>15</b> |                               |                       |                        |                              |                      |                        | 119,515               | 119,515                |
| <b>16</b> | (34,800)                      | (25,008)              | (9,792)                | -                            | -                    | (9,792)                | -                     | (9,792)                |
| <b>17</b> | <u>\$ (402,142)</u>           | <u>\$ 10,413,141</u>  | <u>\$ (10,815,282)</u> | <u>\$ -</u>                  | <u>\$ -</u>          | <u>\$ (10,815,282)</u> | <u>\$ 44,271,532</u>  | <u>\$ 33,456,250</u>   |
| <b>18</b> |                               |                       |                        |                              |                      |                        |                       |                        |
| <b>19</b> | <u>\$ 392,325,930</u>         | <u>\$ 179,541,010</u> | <u>\$ 212,784,920</u>  | <u>\$ -</u>                  | <u>\$ 15,315,406</u> | <u>\$ 228,100,326</u>  | <u>\$ (8,495,544)</u> | <u>\$ 219,604,782</u>  |
| <b>20</b> |                               |                       |                        |                              |                      |                        |                       |                        |
| <b>21</b> | \$ -                          | \$ -                  | \$ -                   | \$ -                         | \$ -                 | \$ -                   | \$ -                  | \$ -                   |
| <b>22</b> |                               |                       |                        |                              |                      |                        |                       |                        |
| <b>23</b> | <u>\$ 392,325,930</u>         | <u>\$ 179,541,010</u> | <u>\$ 212,784,920</u>  | <u>\$ -</u>                  | <u>\$ 15,315,406</u> | <u>\$ 228,100,326</u>  | <u>\$ (8,495,544)</u> | <u>\$ 219,604,782</u>  |
| <b>24</b> |                               |                       |                        |                              |                      |                        |                       |                        |
| <b>25</b> |                               |                       |                        |                              |                      |                        |                       |                        |
| <b>26</b> |                               |                       |                        |                              |                      |                        |                       |                        |
| <b>27</b> | <b>PRO FORMA ADJUSTMENTS:</b> |                       |                        |                              |                      |                        |                       |                        |
| <b>28</b> |                               |                       |                        |                              |                      |                        |                       |                        |
| <b>29</b> | <u>\$ (21,656,835)</u>        | <u>\$ (8,783,050)</u> | <u>\$ (12,873,785)</u> | <u>\$ -</u>                  | <u>\$ -</u>          | <u>\$ (12,873,785)</u> | <u>\$ (119,515)</u>   | <u>\$ (12,993,300)</u> |
| <b>30</b> |                               |                       |                        |                              |                      |                        |                       |                        |
| <b>31</b> | <u>\$ 370,669,095</u>         | <u>\$ 170,757,959</u> | <u>\$ 199,911,135</u>  | <u>\$ -</u>                  | <u>\$ 15,315,406</u> | <u>\$ 215,226,542</u>  | <u>\$ (8,615,059)</u> | <u>\$ 206,611,482</u>  |

**FLORIDA CITY GAS**  
**AVERAGE RATE OF RETURN**  
**INCOME STATEMENT**  
 June 2017

| Line No. | (1)<br>OPERATING REVENUES    | (2)<br>O&M GAS EXPENSE | (3)<br>O&M OTHER | (4)<br>DEPR. & AMORT. | (5)<br>INCOME TAXES THAN INCOME TAXES | (6)<br>INCOME TAXES CURRENT | (7)<br>INCOME TAXES (NET) | (8)<br>INV. TAX CREDIT (NET) | (9)<br>GAIN/LOSS ON DISPOSITION | (10)<br>OPERATING EXPENSES | (11)<br>NET OPERATING INCOME |
|----------|------------------------------|------------------------|------------------|-----------------------|---------------------------------------|-----------------------------|---------------------------|------------------------------|---------------------------------|----------------------------|------------------------------|
| 1        | \$ 85,863,611                | \$ 26,674,910          | \$ 21,470,623    | \$ 15,538,089         | \$ 7,045,143                          | \$ 2,292,165                | \$ 2,168,374              | \$ (10)                      | \$ (350,717)                    | \$ 74,838,576              | \$ 11,025,034                |
| 2        |                              | \$ -                   |                  | \$ -                  |                                       | \$ -                        |                           |                              | \$ -                            | \$ -                       | \$ -                         |
| 3        | \$ 85,863,611                | \$ 26,674,910          | \$ 21,470,623    | \$ 15,538,089         | \$ 7,045,143                          | \$ 2,292,165                | \$ 2,168,374              | \$ (10)                      | \$ (350,717)                    | \$ 74,838,576              | \$ 11,025,034                |
| 4        |                              |                        |                  |                       |                                       |                             |                           |                              |                                 |                            |                              |
| 5        | <b>FPSC ADJUSTMENTS:</b>     |                        |                  |                       |                                       |                             |                           |                              |                                 |                            |                              |
| 6        | (26,808,285)                 | (26,674,910)           |                  |                       | (133,375)                             | -                           |                           |                              |                                 | (26,808,285)               | -                            |
| 7        | (4,417,011)                  |                        |                  |                       | (4,417,011)                           | -                           |                           |                              |                                 | (4,417,011)                | -                            |
| 8        | -                            |                        |                  |                       | -                                     | -                           |                           |                              |                                 | -                          | -                            |
| 10       | (2,707,425)                  |                        |                  | (1,346,972)           |                                       | (511,939)                   |                           |                              |                                 | (1,858,911)                | (848,513)                    |
| 11       |                              |                        |                  | 721,895               |                                       | (271,649)                   |                           |                              |                                 | 450,246                    | (450,246)                    |
| 12       | -                            | -                      |                  | -                     |                                       | -                           |                           |                              |                                 | -                          | -                            |
| 13       | (27)                         |                        |                  | -                     |                                       | (11)                        |                           |                              |                                 | (11)                       | (16)                         |
| 14       |                              |                        |                  | -                     |                                       | -                           |                           |                              |                                 | -                          | -                            |
| 15       |                              |                        | (16,025)         |                       |                                       | 6,030                       |                           |                              |                                 | (9,995)                    | 9,995                        |
| 16       |                              |                        | (878)            |                       |                                       | 330                         |                           |                              |                                 | (548)                      | 548                          |
| 17       |                              |                        |                  | 164,249               |                                       |                             | (61,808)                  |                              |                                 | 102,441                    | (102,441)                    |
| 18       |                              |                        | (13,503)         |                       |                                       | 5,081                       |                           |                              |                                 | (8,422)                    | 8,422                        |
| 19       |                              |                        |                  |                       |                                       | (131,975)                   |                           | 350,717                      |                                 | 218,742                    | (218,742)                    |
| 20       |                              |                        |                  |                       |                                       | (147,045)                   |                           |                              |                                 | (147,045)                  | 147,045                      |
| 21       | (33,932,748)                 | (26,674,910)           | (30,406)         | (460,828)             | (4,550,386)                           | (1,051,178)                 | (61,808)                  | -                            | 350,717                         | (32,478,799)               | (1,453,949)                  |
| 22       |                              |                        |                  |                       |                                       |                             |                           |                              |                                 |                            |                              |
| 23       | \$ 51,930,863                | \$ -                   | \$ 21,440,217    | \$ 15,077,261         | \$ 2,494,757                          | \$ 1,240,987                | \$ 2,106,566              | \$ (10)                      | \$ -                            | \$ 42,359,777              | \$ 9,571,086                 |
| 24       |                              |                        |                  |                       |                                       |                             |                           |                              |                                 |                            |                              |
| 25       |                              |                        |                  |                       |                                       |                             |                           |                              |                                 |                            |                              |
| 26       |                              |                        |                  |                       |                                       |                             |                           |                              |                                 |                            |                              |
| 27       | \$ 51,930,863                | \$ -                   | \$ 21,440,217    | \$ 15,077,261         | \$ 2,494,757                          | \$ 1,240,987                | \$ 2,106,566              | \$ (10)                      | \$ -                            | \$ 42,359,777              | \$ 9,571,086                 |
| 28       |                              |                        |                  |                       |                                       |                             |                           |                              |                                 |                            |                              |
| 29       |                              |                        |                  |                       |                                       |                             |                           |                              |                                 |                            |                              |
| 30       | <b>PRO FORMA ADJUSTMENTS</b> |                        |                  |                       |                                       |                             |                           |                              |                                 |                            |                              |
| 31       |                              |                        |                  |                       |                                       |                             |                           |                              |                                 |                            |                              |
| 32       |                              |                        |                  | (886,144)             |                                       | 361,211                     | 61,808                    |                              |                                 | (463,125)                  | 463,125                      |
| 33       |                              |                        |                  |                       |                                       |                             |                           |                              |                                 |                            |                              |
| 34       | \$ 51,930,863                | \$ -                   | \$ 21,440,217    | \$ 14,191,117         | \$ 2,494,757                          | \$ 1,602,199                | \$ 2,168,374              | \$ (10)                      | \$ -                            | \$ 41,896,653              | \$ 10,034,210                |

FLORIDA CITY GAS  
YEAR END RATE BASE  
RATE BASE  
June 2017

| Line No.  | (1)<br>PLANT IN<br>SERVICE                | (2)<br>ACCUM. DEPR. &<br>AMORT. | (3)<br>NET PLANT IN<br>SERVICE | (4)<br>PROPERTY<br>HELD FOR<br>FUTURE USE | (5)<br>CWIP | (7)<br>NET UTILITY<br>PLANT | (8)<br>WORKING<br>CAPITAL | (9)<br>TOTAL RATE BASE |                       |
|-----------|---|---------------------------------|--------------------------------|---|-------------|-----------------------------|---------------------------|------------------------|-----------------------|
| <b>1</b>  | PER BOOKS                                 | \$ 412,517,141                  | \$ 173,733,551                 | \$ 238,783,589                            | \$ -        | \$ 10,086,449               | \$ 248,870,039            | \$ (55,009,729)        | \$ 193,860,310        |
| <b>2</b>  |   |                                 |                                |   |             |                             |                           |                        |                       |
| <b>3</b>  | <b>FPSC ADJUSTMENTS:</b>                  |                                 |                                |   |             |                             |                           |                        |                       |
| <b>4</b>  | Goodwill                                  | (26,633,077)                    | -                              | (26,633,077)                              |             | (26,633,077)                |                           | (26,633,077)           |                       |
| <b>5</b>  | AGL Common Plant                          | 2,924,551                       | 626,833                        | 2,297,718                                 |             | 2,297,718                   |                           | 2,297,718              |                       |
| <b>6</b>  | AGL Acquisition Adj. Per Amort Schedule   | 21,656,835                      | 9,143,998                      | 12,512,837                                |             | 12,512,837                  |                           | 12,512,837             |                       |
| <b>7</b>  | Remove AEP                                | -                               | -                              | -   |             | -                           | (14,014,664)              | (14,014,664)           |                       |
| <b>8</b>  | Nonutility plant                          | -                               | -                              | -   |             | -                           | (66,555)                  | (66,555)               |                       |
| <b>9</b>  | FCG Acquisition Adjustments               | 1,497,497                       | 861,621                        | 635,876                                   |             | 635,876                     | -                         | 635,876                |                       |
| <b>10</b> | Accumulated Removal Cost                  |                                 |                                |   |             |                             |                           |                        |                       |
| <b>11</b> | Capital structure adjustments             |                                 |                                |   |             |                             | 59,598,491                | 59,598,491             |                       |
| <b>12</b> | Gas cost/conservation/CRA underrecoveries |                                 |                                |   |             |                             | (810,649)                 | (810,649)              |                       |
| <b>13</b> | Interest payable adjustment               |                                 |                                |   |             |                             |                           |                        |                       |
| <b>14</b> | Nonutility storage                        |                                 |                                |   |             |                             | (1,616)                   | (1,616)                |                       |
| <b>15</b> | Pension and Transition Costs Reg. Asset   |                                 |                                |   |             |                             | 68,294                    | 68,294                 |                       |
| <b>16</b> | Fort Pierce Utility acquisition           | (34,800)                        | (25,584)                       | (9,216)                                   | -           | (9,216)                     | -                         | (9,216)                |                       |
| <b>17</b> | <b>TOTAL FPSC ADJUSTMENTS</b>             | <b>(588,994)</b>                | <b>10,606,868</b>              | <b>(11,195,862)</b>                       | <b>-</b>    | <b>(11,195,862)</b>         | <b>44,773,302</b>         | <b>33,577,440</b>      |                       |
| <b>18</b> |   |                                 |                                |   |             |                             |                           |                        |                       |
| <b>19</b> | <b>FPSC ADJUSTED</b>                      | <b>\$ 411,928,146</b>           | <b>\$ 184,340,419</b>          | <b>\$ 227,587,728</b>                     | <b>\$ -</b> | <b>\$ 10,086,449</b>        | <b>\$ 237,674,177</b>     | <b>\$ (10,236,427)</b> | <b>\$ 227,437,750</b> |
| <b>20</b> |   |                                 |                                |   |             |                             |                           |                        |                       |
| <b>21</b> | <b>PRO FORMA ADJUSTMENTS:</b>             |                                 |                                |   |             |                             |                           |                        |                       |
| <b>22</b> |   |                                 |                                |   |             |                             |                           |                        |                       |
| <b>23</b> | <b>TOTAL PRO FORMA ADJUSTMENTS</b>        | <b>\$ (21,656,835)</b>          | <b>\$ (9,143,998)</b>          | <b>\$ (12,512,837)</b>                    | <b>\$ -</b> | <b>\$ (12,512,837)</b>      | <b>\$ (68,294)</b>        | <b>\$ (12,581,132)</b> |                       |
| <b>24</b> |   |                                 |                                |   |             |                             |                           |                        |                       |
| <b>25</b> | <b>PRO FORMA ADJUSTED</b>                 | <b>\$ 390,271,311</b>           | <b>\$ 175,196,421</b>          | <b>\$ 215,074,890</b>                     | <b>\$ -</b> | <b>\$ 10,086,449</b>        | <b>\$ 225,161,340</b>     | <b>\$ (10,304,721)</b> | <b>\$ 214,856,619</b> |



**FLORIDA CITY GAS**  
**EARNED RETURN ON COMMON EQUITY**  
**FPSC ADJUSTED BASIS**

SCHEDULE 5

June 2017

**A. INCLUDING AGL ACQUISITION ADJUSTMENT & REGULATORY ASSETS**

Line No.

|    |  |                      |
|----|--|----------------------|
| 1  | FPSC ADJUSTED AVERAGE EARNED RATE OF RETURN                      | 4.36%                |
| 2  | LESS: RECONCILED AVERAGE JURISDICTIONAL WEIGHTED COST RATES FOR: |                      |
| 3  | LONG TERM DEBT   | -1.61%               |
| 4  | SHORT TERM DEBT  | -0.10%               |
| 5  | PREFERRED STOCK  | 0.00%                |
| 6  | CUSTOMER DEPOSITS  | -0.12%               |
| 7  | TAX CREDITS-WEIGHTED COST(MIDPOINT)                              | <u>0.00%</u>         |
| 8  | <b>SUBTOTAL</b>  | <b><u>-1.83%</u></b> |
| 9  | <b>TOTAL</b>   | <b><u>2.53%</u></b>  |
| 10 | DIVIDED BY RECONCILED COMMON EQUITY RATIO                        | <u>39.16%</u>        |
| 11 | <b>JURISDICTIONAL RETURN ON COMMON EQUITY</b>                    | <b><u>6.46%</u></b>  |

12  
13  
14  
15  
16

**B. EXCLUDING AGL ACQUISITION ADJUSTMENT & REGULATORY ASSETS**

|    |  |                      |
|----|--|----------------------|
| 17 |  |                      |
| 18 |  |                      |
| 19 | NET OPERATING INCOME EXCLUDING FLEX RATE REVENUES                | \$ 10,034,210        |
| 20 |  |                      |
| 21 | RATE BASE EXCLUDING FLEX RATE REVENUES                           | \$ 206,611,482       |
| 22 |  |                      |
| 23 | FPSC ADJUSTED AVERAGE EARNED RATE OF RETURN                      | 4.86%                |
| 24 | LESS: RECONCILED AVERAGE JURISDICTIONAL WEIGHTED COST RATES FOR: |                      |
| 25 | LONG TERM DEBT   | -1.59%               |
| 26 | SHORT TERM DEBT  | -0.10%               |
| 27 | PREFERRED STOCK  | 0.00%                |
| 28 | CUSTOMER DEPOSITS  | -0.13%               |
| 29 | TAX CREDITS-WEIGHTED COST(MIDPOINT)                              | <u>0.00%</u>         |
| 30 | <b>SUBTOTAL</b>  | <b><u>-1.81%</u></b> |
| 31 | <b>TOTAL</b>   | <b><u>3.05%</u></b>  |
| 32 | DIVIDED BY RECONCILED COMMON EQUITY RATIO                        | <u>38.55%</u>        |
| 33 | <b>JURISDICTIONAL RETURN ON COMMON EQUITY</b>                    | <b><u>7.91%</u></b>  |