FLORIDA PUBLIC SERVICE COMMISSION	
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INVESTOR-OWNED NATURAL GAS UTILITY	
EARNINGS SURVEILLANCE REPORT	
FLORIDA CITY GAS	
SEPTEMBER 2022	
PSC/AFA 13 (6/94)	

FLORIDA CITY GAS EARNINGS SURVEILLANCE REPORT SUMMARY SEPTEMBER, 2022

		(1) ACTUAL PER BOOKS	(2) FPSC ADJUSTMENTS	(3) FPSC ADJUSTED	(4) PRO FORMA	(5) PRO FORMA
I. AVERAGE RATE OF RETURN (JURISDICTIONAL)		LK BOOKS	ADJUSTIMENTS	ADJUSTED	<u>ADJUSTMENTS</u>	ADJUSTED
NET OPERATING INCOME	\$	20,047,945	(1,830,280)	18,217,665		18,217,665
AVERAGE RATE BASE	\$	424,143,235	(54,853,102)	369,290,134	- 1	369,290,134
AVERAGE RATE OF RETURN		4.73%		4.93%		4.93%
II. REQUIRED RATES OF RETURN AVERAGE CAPITAL STRUCTURE (FPSC ADJUSTED BASIS)			III. EARNED RETUR	N ON EQUITY (FPS	C ADJUSTED BASIS)	
LOW	5.27%		A. RETURN ON COM	MMON EQUITY (AV	ERAGE)	8.39%
MIDPOINT	5.69%					
HIGH	6.12%					

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.

Keith Ferguson, Vice President Accounting and Controller

(Name and Title of Chief Financial Officer)

(Signature)

(Date)

FOR KGITH FERGUSON

FLORIDA CITY GAS AVERAGE RATE BASE SEPTEMBER, 2022

			(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Line No.			PLANT IN SERVICE	ACCUM. DEPR. & AMORT.	NET PLANT IN SERVICE	PROPERTY HELD FOR FUTURE USE	CWIP	NET UTILITY PLANT	WORKING CAPITAL	TOTAL RATE BASE
1	PER BOOKS (1)	\$	570,480,954	206,051,362	364,429,592	-	37,278,635	401,708,227	22,435,009	424,143,235
2										
3	FPSC ADJUSTMENTS:									
4	REMOVE SAFE CLAUSE PLANT	\$	(35,815,541)	(1,326,567)	(34,488,975)	-	(659,386)	(35,148,360)	-	(35,148,360)
5	REMOVE AEP		-	-	-	-	-	-	(2,006,780)	(2,006,780)
6	INTERCOMPANY AR		-	-	-	-	-	-	(95,099)	(95,099)
7	CLAUSE UNDERRECOVERIES		-	-	-	-	-	-	(4,692,694)	(4,692,694)
8	REMOVE LEASES		(9,677,542)	(1,838,567)	(7,838,975)	-	-	(7,838,975)	-	(7,838,975)
9	ACCUM DEFERRED RETIREMENT BENEFITS		-	-	-	-	-	-	37,881	37,881
10	TEMPORARY CASH INVESTMENTS	_							(5,109,074)	(5,109,074)
11	TOTAL FPSC ADJUSTMENTS (2)	_	(45,493,083)	(3,165,134)	(42,327,950)		(659,386)	(42,987,335)	(11,865,767)	(54,853,102)
12										
13	FPSC ADJUSTED	\$	524,987,871	202,886,229	322,101,642		36,619,249	358,720,892	10,569,242	369,290,134
14										
15	TOTAL PRO FORMA ADJUSTMENTS	\$			<u></u>			-	<u> </u>	-
16										
17	PRO FORMA ADJUSTED	\$	524,987,871	202,886,229	322,101,642		36,619,249	358,720,892	10,569,242	369,290,134

⁽¹⁾ Recoverable AGL Acquisition Adjustment and related Accumulated Amortization are included in "Per Books" amounts.

⁽²⁾ In order to be consistent with the "Per Book" capital structure reflected on Schedule 4, certain capital structure balances are no longer presented as part of "Per Book" Rate Base on this schedule. Therefore, no further capital structure adjustment is needed.

FLORIDA CITY GAS NET OPERATING INCOME SEPTEMBER, 2022

		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
Line No.	_	DPERATING REVENUES	O&M GAS EXPENSE	O&M OTHER	DEPR. & AMORT.	TAXES OTHER THAN INCOME TAXES	INCOME TAXES CURRENT	DEFERRED INCOME TAXES (NET)	INV. TAX CREDIT (NET)	GAIN/LOSS ON DISPOSITION	TOTAL OPERATING EXPENSES	NET OPERATING INCOME
1	PER BOOKS	\$ 112,980,484	29,475,882	31,851,449	17,500,420	10,018,574	3,288,424	797,790	-	-	92,932,539	20,047,945
2												
3	FPSC ADJUSTMENTS:											
4	FUEL REVENUES/COSTS	\$ (31,161,119)	(31,050,105)	(177,326)	-	(10,608)	18,932	-	-	-	(31,219,107)	57,987
5	FRANCHISE/GROSS RECEIPTS TAXES	(5,875,381)	-	(15,295)	-	(5,875,922)	3,880	-	-	-	(5,887,337)	11,956
6	ECP REVENUE/COSTS	(6,691,760)	-	(6,633,805)	-	(79,413)	5,252	-	-	-	(6,707,967)	16,207
7	AEP REVENUE/COSTS	(729,479)	-	(3,647)	(640,262)	-	(20,957)	-	-	-	(664,866)	(64,613)
8	SAFE REVENUE/COSTS	(3,827,240)	-	(19,136)	(925,972)	(633,333)	(550,933)	-	-	-	(2,129,373)	(1,697,867)
9	INDUSTRY ASSOCIATION DUES	-	-	5,000	-	-	(1,282)	-	-	-	3,718	(3,718)
10	ECONOMIC DEVELOPMENT	-	-	(3,683)	-	-	903	-	-	-	(2,780)	2,780
11	INTEREST SYNCHRONIZATION	 	<u>-</u>				153,012			- _	153,012	(153,012)
12	TOTAL FPSC ADJUSTMENTS	\$ (48,284,979)	(31,050,105)	(6,847,893)	(1,566,234)	(6,599,276)	(391,192)				(46,454,700)	(1,830,280)
13												
14	FPSC ADJUSTED	\$ 64,695,505	(1,574,223)	25,003,557	15,934,186	3,419,298	2,897,232	797,790			46,477,840	18,217,665
15												
16	TOTAL PRO FORMA ADJUSTMENTS	\$ <u> </u>	<u>-</u>				-					-
17												
18	PRO FORMA ADJUSTED	\$ 64,695,505	(1,574,223)	25,003,557	15,934,186	3,419,298	2,897,232	797,790			46,477,840	18,217,665

FLORIDA CITY GAS CAPITAL STRUCTURE FPSC ADJUSTED BASIS SEPTEMBER, 2022

			_	ADJUSTMENTS			_	LOW POINT		MID POINT		HIGH POINT	
No.	AVERAGE		PER BOOKS	SPECIFIC	PRO RATA	ADJUSTED	RATIO (%)	(%)	COST (%)	(%)	COST (%)	(%)	COST (%)
1	DIVISIONAL CAPITAL	\$	176,140,569	-	(19,891,930)	156,248,639	42.31%	9.19%	3.89%	10.19%	4.31%	11.19%	4.73%
2													
3	LONG TERM DEBT		153,670,189	(7,838,975)	(16,469,030)	129,362,184	35.03%	3.71%	1.30%	3.71%	1.30%	3.71%	1.30%
4													
5	SHORT TERM DEBT		37,307,042	-	(4,213,164)	33,093,878	8.96%	0.62%	0.06%	0.62%	0.06%	0.62%	0.06%
6													
7	PREFERRED STOCK		-	-	-	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
8													
9	CUSTOMER DEPOSITS		3,986,127	-	(450,162)	3,535,965	0.96%	2.71%	0.03%	2.71%	0.03%	2.71%	0.03%
10													
11	DEFERRED INCOME TAX		33,452,772	(0)	(3,777,893)	29,674,879	8.04%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
12													
13	FAS 109 DEFERRED INCOME TAX		19,586,536	-	(2,211,949)	17,374,587	4.70%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
14													
15	TAX CREDITS - ZERO COST		-	-	-	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
16													
17	TAX CREDITS - WEIGHTED COST	_		- -	 _		<u>0.00</u> %	0.00%	<u>0.00</u> %	0.00%	<u>0.00</u> %	0.00%	<u>0.00</u> %
18	TOTAL	\$	424,143,235	(7,838,975)	(47,014,127)	369,290,134	<u>100.00</u> %		<u>5.27</u> %		<u>5.69</u> %		<u>6.12</u> %
19													

SCHEDULE 5

FLORIDA CITY GAS

EARNED RETURN ON COMMON EQUITY

FPSC ADJUSTED BASIS

SEPTEMBER, 2022

Line No.	_	
1	FPSC ADJUSTED AVERAGE EARNED RATE OF RETURN	4.93%
2	LESS: RECONCILED AVERAGE JURISDICTIONAL WEIGHTED COST RATES FOR:	
3	LONG TERM DEBT	-1.30%
4	SHORT TERM DEBT	-0.06%
5	PREFERRED STOCK	0.00%
6	CUSTOMER DEPOSITS	-0.03%
7	TAX CREDITS-WEIGHTED COST(MIDPOINT)	0.00%
8	SUBTOTAL	-1.38%
9		
10	TOTAL	3.55%
11		
12	DIVIDED BY RECONCILED COMMON EQUITY RATIO	42.31%
13		
14	JURISDICTIONAL RETURN ON COMMON EQUITY	<u>8.39</u> %