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May 12, 2020

Mr. Andrew L Maurey, Director
Division of Accounting & Finance
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850

Re: Actual Earnings Surveillance Report Ending December 31, 2019

Please find enclosed for filing the Actual Earnings Surveillance Report for the twelve months ending December 31, 2019.

Sincerely,

Debbie Stitt
Regulatory Analyst

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 DEC 31, 2019**

SCHEDULE 1

I. AVERAGE RATE OF RETURN (JURISDICTIONAL)					
NET OPERATING INCOME	\$	-328,730	\$	-328,730	\$
AVERAGE RATE BASE	\$	5,041,966	\$	-2,260,762	\$
AVERAGE RATE OF RETURN		-6.52%		-11.82%	
II. YEAR END RATE BASE (JURISDICTIONAL)	\$	5,060,176	\$	-2,143,892	\$
				2,916,284	


III. REQUIRED RATES OF RETURN AVERAGE CAPITAL STRUCTURE (FPSC ADJUSTED BASIS)					
LOW		5.14 %			
MIDPOINT		5.59 %			
HIGH		6.03 %			


IV. EARNED RETURN ON EQUITY (FPSC ADJUSTED BASIS)		
A. INCLUDING FLEX RATE REVENUES		-1.88%
B. EXCLUDING FLEX RATE REVENUES		-1.88%

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.

Andy Shoaf, Vice-President
(Name and Title of Chief Financial Officer)

 (Signature)

 (Date)

ST. JOE NATURAL GAS COMPANY
YEAR END RATE BASE
ACTUAL DEC 31, 2019

SCHEDULE 3

	(1)	(2)	(3)	(4)	(5)	(7)	(8)	(9)
PER BOOKS	PLANT IN SERVICE	ACCUMULATED DEPRECIATION & AMORTIZATION	NET PLANT IN SERVICE	PROPERTY HELD FOR FUTURE USE	CONSTRUCTION WORK IN PROGRESS	UTILITY PLANT NET	WORKING CAPITAL	TOTAL RATE BASE
	10,158,919	6,208,257	3,950,662		113,913	4,064,575	995,601	5,060,176

FPSC ADJUSTMENTS:

PRO-RATA							-151,418	-151,418
NON-UTILITY	-2,088,093	-726,322	-1,361,771		-53,003	-1,414,774	-577,700	-1,992,474

TOTAL FPSC ADJUSTMENTS	-2,088,093	-726,322	-1,361,771		-53,003	-1,414,774	-729,118	-2,143,892
FPSC ADJUSTED	8,070,826	5,481,935	2,588,891		60,910	2,649,801	266,483	2,916,284

ST. JOE NATURAL GAS COMPANY
 CAPITAL STRUCTURE
 FPSC ADJUSTED BASIS
 ACTUAL DEC 31, 2019

SCHEDULE 4

	AVERAGE	ADJUSTMENTS		ADJUSTED	RATIO (%)	LOW POINT		MIDPOINT		HIGH POINT	
		PER BOOKS	NON-UTILITY			PRO RATA	COST RATE (%)	WEIGHTED COST (%)	COST RATE (%)	WEIGHTED COST (%)	COST RATE (%)
LONG TERM DEBT	734,616	-414,775	-20,599	299,241	10.76%	6.50	0.70	6.50	0.70	6.50	0.70
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	0.99%	0.00	0.00	0.00	0.00	0.00	0.00
CUSTOMER DEPOSITS	57,281	-32,342	-1,606	23,333	0.84%	2.00	0.02	2.00	0.02	2.00	0.02
COMMON EQUITY	3,022,728	-1,706,678	-84,760	1,231,290	44.27%	10.00	4.43	11.00	4.87	12.00	5.31
DEFERRED INCOME TAXES	603,802			603,802	21.71%	0.00	0.00	0.00	0.00	0.00	0.00
OTHER DEFERRED CREDITS - FC	585,616			585,616	21.06%	0.00	0.00	0.00	0.00	0.00	0.00
PROPANE DEPOSITS	10,521			10,521	0.38%	0.00	0.00	0.00	0.00	0.00	0.00
CUSTOMER ADVANCES FOR CONSTRUCTION	0			0	0.00%	0.00	0.00	0.00	0.00	0.00	0.00
TOTAL	5,041,966	-2,153,795	-106,966	2,781,205	100.00%		5.14		5.59		6.03
LONG TERM DEBT	790,000	-414,618	-31,509	343,874	11.79%	6.50	0.77	6.50	0.77	6.50	0.77
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	0.94%	0.00	0.00	0.00	0.00	0.00	0.00
CUSTOMER DEPOSITS	57,125	-29,981	-2,278	24,866	0.85%	2.00	0.02	2.00	0.02	2.00	0.02
COMMON EQUITY	2,949,276	-1,547,875	-117,631	1,283,770	44.02%	10.00	4.40	11.00	4.84	12.00	5.28
DEFERRED INCOME TAXES	666,328			666,328	22.85%	0.00	0.00	0.00	0.00	0.00	0.00
OTHER DEFERRED CREDITS - FC	560,155			560,155	19.21%	0.00	0.00	0.00	0.00	0.00	0.00
PROPANE DEPOSITS	9,890			9,890	0.34%	0.00	0.00	0.00	0.00	0.00	0.00
CUSTOMER ADVANCES FOR CONSTRUCTION	0			0	0.00%	0.00	0.00	0.00	0.00	0.00	0.00
TOTAL	5,060,176	-1,992,474	-151,418	2,916,284	100.00%		5.19		5.63		6.07

ST. JOE NATURAL GAS COMPANY, INC.
 EARNED RETURN ON COMMON EQUITY
 FPSC ADJUSTED BASIS
 December 31, 2019

SCHEDULE 5

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

FPSC ADJUSTED AVERAGE EARNED RATE OF RETURN	-0.12	(Schedule 1)
LESS: RECONCILED AVERAGE JURISDICTIONAL WEIGHTED COST RATES FOR:		
SHORT TERM DEBT	0.00 %	
LONG TERM DEBT	-0.70 %	
CUSTOMER DEPOSITS	-0.02 %	
OTHER DEFERRED CREDITS	0.00 %	
SUBTOTAL	-0.72 %	
TOTAL	-0.83 %	
DIVIDED BY RECONCILED COMMON EQUITY RATIO	44.27 %	
JURISDICTIONAL RETURN ON COMMON EQUITY	-1.88%	

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
RATE BASE EXCLUDING FLEX RATE REVENUES	\$	(Schedule 2, p
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		%