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February 7, 2024

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

Re: Preliminary Earnings Surveillance Report Ending December 31, 2023

Please find attached for filing the Preliminary Earnings Surveillance Report for the twelve months ending December 31, 2023.

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**  
Preliminary December 31, 2023

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	\$ -284,430 \$		-284,430 \$	\$	\$
AVERAGE RATE BASE	\$ 7,820,589 \$	-4,542,246 \$	3,278,343 \$	\$	\$
AVERAGE RATE OF RETURN	-3.64%		-8.68%		%
II. YEAR END RATE BASE (JURISDICTIONAL)	\$ 8,027,367 \$	-4,353,616 \$	3,673,751		

III. REQUIRED RATES OF RETURN AVERAGE CAPITAL STRUCTURE (FPSC ADJUSTED BASIS)	LOW	MIDPOINT	HIGH
	5.33 %	5.82 %	6.32 %
			-1.44%
			-1.44%

IV. EARNED RETURN ON EQUITY  
(FPSC ADJUSTED BASIS)

A. INCLUDING	FLEX RATE REVENUES	-1.44%
B. EXCLUDING	FLEX RATE REVENUES	-1.44%

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)

PSC/IAFA13



ST. JOE NATURAL GAS COMPANY  
AVERAGE RATE OF RETURN  
INCOME STATEMENT  
Preliminary December 31, 2023

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
	OPERATING REVENUES	O & M GAS EXPENSE	O & M OTHER	DEPRECIATION & AMORTIZATION	TAXES OTHER THAN INCOME	INCOME TAXES CURRENT	DEFERRED INCOME TAXES (NET)	INVESTMENT TAX CREDIT (NET)	GAIN/LOSS ON DISPOSITION	TOTAL OPERATING EXPENSES	NET OPERATING INCOME
PER BOOKS	2,263,995	586,266	1,404,946	381,751	175,462	0				2,548,425	-284,430

FFSC ADJUSTMENTS:

TOTAL FFSC ADJUSTMENTS

FFSC ADJUSTED

FLEX RATE REVENUES

ADJUSTED FOR

FLEX RATE REVENUES

PRO FORMA REVENUE INCREASE AND ANNUALIZATION ADJUSTMENTS:

TOTAL PRO FORMA ADJUSTMENTS

PRO FORMA ADJUSTED

PER BOOKS  
CURRENT MONTH AMOUNT

**ST. JOE NATURAL GAS COMPANY**  
**YEAR END RATE BASE**  
**PRELIMINARY DECEMBER 31, 2023**

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
PER BOOKS	14,650,386	7,907,108	6,743,278		346,659	7,089,937	937,429	8,027,366

**FPSC ADJUSTMENTS:**

PRO-RATA							0	0
NON-UTILITY	-5,147,205	-1,558,195	-3,589,010		-206,397	-3,795,407	-558,208	-4,353,615

TOTAL FPSC ADJUSTMENTS	-5,147,205	-1,558,195	-3,589,010		-206,397	-3,795,407	-558,208	-4,353,615
FPSC ADJUSTED	9,503,181	6,348,913	3,154,268		140,262	3,294,530	379,221	3,673,751

ST. JOE NATURAL GAS COMPANY  
 CAPITAL STRUCTURE  
 FPSC ADJUSTED BASIS  
 PRELIMINARY DECEMBER 31, 2023

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 - SS & CC NON-UTILITY	620,000	-402,655	0	217,345	6.63%	6.50	0.43	6.50	0.43	6.50	0.43
LONG TERM DEBT - SHOAF & COSTIN FAMILY	300,000	-194,833	0	105,167	3.21%	5.00	0.16	5.00	0.16	5.00	0.16
OTHER DEFERRED CREDITS - GC	27,402			27,402	0.84%	0.00		0.00		0.00	
CUSTOMER DEPOSITS	182,895	-118,780	0	64,115	1.96%	2.00	0.04	2.00	0.04	2.00	0.04
COMMON EQUITY	4,405,893	-2,861,377	0	1,544,516	47.11%	10.00	4.71	11.00	5.18	12.00	5.65
DEFERRED INCOME TAXES	937,870			937,870	28.61%	0.00		0.00		0.00	
OTHER DEFERRED CREDITS - FC	381,928			381,928	11.65%	0.00	0.00	0.00	0.00	0.00	0.00
PROPANE DEBT	964,601	-964,601		0	0.00%	0.00	0.00	0.00	0.00	0.00	0.00
TOTAL	7,820,589	-4,542,246	0	3,278,343	100.00%		5.34		5.81		6.28

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 (%)
LONG TERM DEBT - SS & CC	620,000	-366,323	0	253,677	6.91%	6.50	0.45	6.50	0.45	6.50	0.45
LONG TERM DEBT - SHOAF & COSTIN FAMILY	300,000	-177,253	0	122,747	3.34%	5.00	0.17	5.00	0.17	5.00	0.17
OTHER DEFERRED CREDITS - GC	27,402			27,402	0.75%	0.00		0.00		0.00	
CUSTOMER DEPOSITS	189,447	-111,934	0	77,513	2.11%	2.00	0.04	2.00	0.04	2.00	0.04
COMMON EQUITY	4,638,997	-2,740,922	0	1,898,075	51.67%	10.00	5.17	11.00	5.68	12.00	6.20
DEFERRED INCOME TAXES	937,870			937,870	25.53%	0.00		0.00		0.00	
OTHER DEFERRED CREDITS - FC	356,467			356,467	9.70%	0.00	0.00	0.00	0.00	0.00	0.00
PROPANE DEBT	957,183	-957,183		0	0.00%	0.00	0.00	0.00	0.00	0.00	0.00
TOTAL	8,027,366	-4,353,615	0	3,673,751	100.00%		5.82		6.34		6.86

ST. JOE NATURAL GAS COMPANY, INC.  
 EARNED RETURN ON COMMON EQUITY  
 FPSC ADJUSTED BASIS  
 PRELIMINARY DECEMBER 2023

SCHEDULE 5

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

FPSC ADJUSTED AVERAGE EARNED RATE OF RETURN	-0.09	(Schedule 1)
LESS: RECONCILED AVERAGE JURISDICTIONAL WEIGHTED COST RATES FOR:		
SHORT TERM DEBT	0.00 %	
LONG TERM DEBT	-0.59 %	
CUSTOMER DEPOSITS	-0.04 %	
OTHER DEFERRED CREDITS	0.00 %	
SUBTOTAL	-0.63 %	
TOTAL	-0.72 %	
DIVIDED BY RECONCILED COMMON EQUITY RATIO	49.93 %	
JURISDICTIONAL RETURN ON COMMON EQUITY	-1.44%	

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		%