

	(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	\$ 12,379,269	(\$2,959,713)	\$9,419,557	(\$540,189)	\$8,879,367
AVERAGE RATE BASE	\$171,075,423	(\$39,606,431)	\$131,468,993	\$0	\$131,468,993
AVERAGE RATE OF RETURN	7.24%		7.16%		6.75%
II. YEAR-END RATE OF RETURN (JURISDICTIONAL)					
NET OPERATING INCOME	\$12,379,269	(\$2,761,526)	\$9,617,743	(\$723,581)	\$8,894,162
YEAR-END RATE BASE	\$182,389,344	(\$24,961,089)	\$157,428,254	\$0	\$157,428,254
YEAR-END RATE OF RETURN	6.79%		6.11%		5.65%

III. REQUIRED RATES OF RETURN		IV. FINANCIAL INTEGRITY INDICATORS	
AVERAGE CAPITAL STRUCTURE (FPSC ADJUSTED BASIS)		A. TIE WITH AFUDC	4.62
LOW	5.59%	B. TIE WITHOUT AFUDC	4.62
MIDPOINT	6.00%	C. AFUDC TO NET INCOME	0.00
HIGH	6.41%	D. INTERNALLY GENERATED FUNDS	16.10
		E. LTD TO TOTAL INVESTOR FUNDS	43.94
		F. STD TO TOTAL INVESTOR FUNDS	6.02
		G. RETURN ON COMMON EQUITY	13.07

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.

Joanah Baugh
 Director, Regulatory Affairs

Joanah Baugh
 Signature

12/15/2025
 Date

AVERAGE RATE OF RETURN

For the 12 Months Ending December 31, 2025

RATE BASE

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
	PLANT IN SERVICE	ACCUMULATED DEPRECIATION & AMORTIZATION	PLANT IN SERVICE	NET PROPERTY HELD FOR FUTURE USE	CONSTRUCTION WORK IN PROGRESS	NET UTILITY PLANT	WORKING CAPITAL	TOTAL RATE BASE
PER BOOKS	\$208,980,598	(\$84,159,020)	\$124,821,578	\$0	\$28,703,080	\$153,524,658	\$17,550,766	\$171,075,423
FPSC ADJUSTMENTS:								
1) ELIM. NON UTILITY PLANT	(9,217)	2,016	(7,202)	-	-	-	-	-
2) ELIM SPP PLANT AND ACC. DEP.	(16,631,219)	283,656	(16,347,563)	-	(18,149,442)	(34,497,005)	-	(34,497,005)
3) ELIMINATE AFUDC				-	-	-	-	-
4) REMOVE INT. EARNING STORM				-			(3,769,644)	(3,769,644)
5) MOVE A/D MICHAEL REG ASSET TO WC				-			-	-
6) ADJUST STORM 13-MONTH AVG TO ORDER				-			-	-
7) ELIMINATE NET UNDERRECOVERY				-			-	-
8) DEFERRED RATE CASE EXPENSE				-			(1,339,782)	(1,339,782)
9) OVER COLLECTION FROM RATE CASE SETTLEMENT				\$0		\$0	-	\$0
TOTAL FPSC ADJUSTMENTS	(\$16,640,437)	\$285,672	(\$16,354,765)	\$0	(\$18,149,442)	(\$34,497,005)	(\$5,109,425)	(\$39,606,431)
FPSC ADJUSTED	\$192,340,161	(\$83,873,348)	\$108,466,813	\$0	\$10,553,638	\$119,027,652	\$12,441,341	\$131,468,993
FLEX RATE REVENUES	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
ADJUSTED FOR FLEX RATE REVENUES	\$192,340,161	(\$83,873,348)	\$108,466,813	\$0	\$10,553,638	\$119,027,652	\$12,441,341	\$131,468,993
PROFORMA ADJUSTMENTS								
TOTAL PRO FORMA ADJUSTMENTS	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
PRO FORMA ADJUSTED	\$192,340,161	(\$83,873,348)	\$108,466,813	\$0	\$10,553,638	\$119,027,652	\$12,441,341	\$131,468,993

AVERAGE RATE OF RETURN

For the 12 Months Ending December 31, 2025

INCOME STATEMENT

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
	OPERATING REVENUES	O & M FUEL EXPENSE	O & M OTHER	DEPREC. & AMORTIZATION	TAXES OTHER THAN INCOME	INCOME TAXES CURRENT	D.I.T. (NET)	I.T.C. (NET)	GAIN/LOSS ON DISPOSITION	TOTAL OPERATING EXPENSES	NET OPERATING INCOME
PER BOOKS	\$ 110,550,512	\$ 54,883,519	\$ 18,314,521	\$ 13,147,848	\$ 8,682,928	\$ 3,142,427				\$ 98,171,243	\$ 12,379,269
FPSC ADJUSTMENTS:											
1) INCOME TAX SYNCH ADJUSTMENT						171,936				171,936	(171,936)
2) ELIMINATE FUEL REVENUES AND EXPENSES	(53,945,344)	(54,130,232)			(41,729)	57,436				(54,114,525)	169,181
3) ELIMINATE CONSERVATION	(760,669)	(753,287)			(645)	(1,708)				(755,639)	(5,030)
4)NON-UTILITY DEPRECIATION EXPENSE				(737)						(737)	737
5) ELIMINATE REVENUE RELATED TAXES (FRANCHISE & GROSS RECEIPTS)	(6,650,242)				(6,650,242)	-				(6,650,242)	-
6) ELIMINATE 5% OF ECONOMIC DEVELOPMENT			(900)			228				(672)	672
7) EXPENSE ACCRUAL ADJUSTMENT-PRIOR PERIOD	(177,156)		307,885	2		(122,934)				184,953	(362,109)
8) REMOVE STORM SURCHARGE ADJUSTMENT	(8,404,858)		(21,057)	(7,632,424)	(5,514)	(189,039)				(7,848,034)	(556,824)
9) ELIMINATE SPP	(6,374,831)		(2,794,763)	(343,090)	(511,904)	(690,670)				(4,340,426)	(2,034,404)
10) REMOVE DEFERRAL FROM RATE CASE SETTLEMENT	-					-				-	-
TOTAL FPSC ADJUSTMENTS	<u>\$ (76,313,100)</u>	<u>\$ (54,883,519)</u>	<u>\$ (2,508,835)</u>	<u>\$ (7,976,250)</u>	<u>\$ (7,210,033)</u>	<u>\$ (774,751)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (73,353,388)</u>	<u>\$ (2,959,713)</u>
FPSC ADJUSTED	<u>\$ 34,237,412</u>	<u>\$ -</u>	<u>\$ 15,805,686</u>	<u>\$ 5,171,599</u>	<u>\$ 1,472,895</u>	<u>\$ 2,367,676</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 24,817,855</u>	<u>\$ 9,419,557</u>
PRO FORMA ADJUSTMENTS											
WEATHER NORMALIZATION ADJUSTMENT	\$ (723,581)					(183,392)				\$ (183,392)	\$ (540,189)
TOTAL PRO FORMA ADJUSTMENTS	<u>\$ (723,581)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (183,392)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (183,392)</u>	<u>\$ (540,189)</u>
PRO FORMA ADJUSTED	<u>\$33,513,831</u>	<u>\$0</u>	<u>\$15,805,686</u>	<u>\$5,171,599</u>	<u>\$1,472,895</u>	<u>\$2,184,284</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$24,634,464</u>	<u>\$ 8,879,367</u>

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
	PLANT IN SERVICE	ACCUMULATED DEPRECIATION & AMORTIZATION	PLANT IN SERVICE	NET PROPERTY HELD FOR FUTURE USE	CONSTRUCTION WORK IN PROGRESS	NET UTILITY PLANT	WORKING CAPITAL	TOTAL RATE BASE
PER BOOKS	\$218,604,295	(\$84,151,032)	\$134,453,264	\$0	\$37,302,065	\$171,755,329	\$10,634,015	\$182,389,344
FPSC ADJUSTMENTS:								
1) ELIM. NON UTILITY PLANT	(7,684)	2,384	(5,300)					-
2) ELIMINATE AFUDC					-	-		-
3) ELIMINATION OF UNDER-RECOVERY							(495,982)	(495,982)
4) DEFERRED RATE CASE EXPENSE							(1,292,062)	(1,292,062)
5) ELIM SPP PLANT AND ACC. DEP.	(23,680,987)	477,000			(23,173,045)	(23,173,045)		(23,173,045)
6) REMOVE STORM COST-INTEREST EARNING							0	0
7) OVER COLLECTION AND DEFERRAL FROM RATE CASE SETTLEMENT								
TOTAL FPSC ADJUSTMENTS	<u>(\$23,688,671)</u>	<u>\$479,385</u>	<u>(\$5,300)</u>	<u>\$0</u>	<u>(\$23,173,045)</u>	<u>(\$23,173,045)</u>	<u>(1,788,044.00)</u>	<u>(\$24,961,089)</u>
FPSC ADJUSTED	\$194,915,624	(\$83,671,647)	\$134,447,964	\$0	\$14,129,020	\$148,582,283	\$8,845,971	\$157,428,254
COMP RATE ADJ REVENUES	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
ADJUSTED FOR COMP RATE ADJ REVENUE	<u>\$194,915,624</u>	<u>(\$83,671,647)</u>	<u>\$134,447,964</u>	<u>\$0</u>	<u>\$14,129,020</u>	<u>\$148,582,283</u>	<u>\$8,845,971</u>	<u>\$157,428,254</u>
PROFORMA ADJUSTMENTS								
TOTAL PRO FORMA ADJUSTMENTS	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
PRO FORMA ADJUSTED	<u>\$194,915,624</u>	<u>(\$83,671,647)</u>	<u>\$134,447,964</u>	<u>\$0</u>	<u>\$14,129,020</u>	<u>\$148,582,283</u>	<u>\$8,845,971</u>	<u>\$157,428,254</u>

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
	OPERATING REVENUES	O & M FUEL EXPENSE	O & M OTHER	DEPREC. & AMORTIZATION	TAXES OTHER THAN INCOME	INCOME TAXES CURRENT	D.I.T. (NET)	I.T.C. (NET)	GAIN/LOSS ON DISPOSITION	TOTAL OPERATING EXPENSES	NET OPERATING INCOME
PER BOOKS	\$ 110,550,512	\$ 54,883,519	\$ 18,314,521	\$ 13,147,848	\$ 8,682,928	\$ 3,142,427				\$ 98,171,243	\$ 12,379,269
FPSC ADJUSTMENTS:											
1) INCOME TAX SYNCH ADJUSTMENT						(26,251)				(26,251)	26,251
2) ELIMINATE FUEL REVENUES AND EXPENSES	(53,945,344)	(54,130,232)			(41,729)	57,436				(54,114,525)	169,181
3) ELIMINATE CONSERVATION	(760,669)	(753,287)			(645)	(1,708)				(755,639)	(5,030)
4)NON-UTILITY DEPRECIATION EXPENSE				(737)						(737)	737
5) ELIMINATE REVENUE RELATED TAXES (FRANCHISE & GROSS RECEIPTS)	(6,650,242)				(6,650,242)	-				(6,650,242)	-
6) ELIMINATE 5% OF ECONOMIC DEVELOPMENT			(900)			228				(672)	672
7) EXPENSE ACCRUAL ADJUSTMENT-PRIOR PERIOD	(177,156)		307,885	2		(122,934)				184,953	(362,109)
8) REMOVE STORM SURCHARGE ADJUSTMENT	(8,404,858)		(21,057)	(7,632,424)	(5,514)	(189,039)				(7,848,034)	(556,824)
9) ELIMINATE SPP	(6,374,831)		(2,794,763)	(343,090)	(511,904)	(690,670)				(4,340,426)	(2,034,404)
10) REMOVE OVER COLLECTION FROM RATE CASE SETTLEMENT	-					-				-	-
TOTAL FPSC ADJUSTMENTS	\$ (76,313,100)	\$ (54,883,519)	\$ (2,508,835)	\$ (7,976,250)	\$ (7,210,033)	\$ (972,938)	\$ -	\$ -	\$ -	\$ (73,551,574)	\$ (2,761,526)
FPSC ADJUSTED	\$ 34,237,412	\$ -	\$ 15,805,686	\$ 5,171,599	\$ 1,472,895	\$ 2,169,489	\$ -	\$ -	\$ -	\$ 24,619,669	\$ 9,617,743
PRO FORMA ADJUSTMENTS											
WEATHER NORMALIZATION ADJUSTMENT	\$ (723,581)					(183,392)				\$ -	\$ (723,581)
TOTAL PRO FORMA ADJUSTMENTS	\$ (723,581)	\$ -	\$ -	\$ -	\$ -	\$ (183,392)	\$ -	\$ -	\$ -	\$ -	\$ (723,581)
PRO FORMA ADJUSTED	\$33,513,831	\$0	\$15,805,686	\$5,171,599	\$1,472,895	\$1,986,098	\$0	\$0	\$0	\$24,619,669	\$8,894,162

FLORIDA PUBLIC UTILITIES COMPANY
CONSOLIDATED ELECTRIC DIVISION
FINANCIAL INTEGRITY INDICATORS
December 31, 2025

SCHEDULE 5

A. TIMES INTEREST EARNED WITH AFUDC

EARNINGS BEFORE INTEREST	\$ 12,288,192
AFUDC - DEBT	\$ -
INCOME TAXES	\$ 3,119,699
TOTAL	<u>\$ 15,407,891</u>
INTEREST CHARGES (BEFORE DEDUCTING AFUDC-DEBT)	\$ 3,336,149
TIE WITH AFUDC	<u>\$ 5</u>

B. TIMES INTEREST EARNED WITHOUT AFUDC

EARNINGS BEFORE INTEREST & TAXES	\$ 12,288,192
AFUDC - OTHER	\$ -
INCOME TAXES	\$ 3,119,699
TOTAL	<u>\$ 15,407,891</u>
INTEREST CHARGES (BEFORE DEDUCTING AFUDC-DEBT)	\$ 3,336,149
TIE WITHOUT AFUDC	<u>\$ 5</u>

C. PERCENT AFUDC TO NET INCOME AVAILABLE FOR COMMON STOCKHOLDERS

AFUDC - DEBT	\$ -
X (1 - INCOME TAX RATE)	\$ 1
SUBTOTAL	<u>\$ -</u>
AFUDC - OTHER	\$ -
TOTAL	<u>\$ -</u>
NET INCOME AVAILABLE FOR COMMON STOCKHOLDERS	\$ 8,952,043
PERCENT AFUDC TO AVAIL. NET INCOME	<u>\$ -</u>

D. PERCENT INTERNALLY GENERATED FUNDS

NET INCOME	\$ 8,952,043
PREFERRED DIVIDENDS	\$ -
COMMON DIVIDENDS	\$ -
AFUDC (DEBT & OTHER)	\$ -
DEPRECIATION & AMORTIZATION	
DEFERRED INCOME TAXES	\$ (3,382,459)
INVESTMENT TAX CREDITS	\$ -
OTHER	\$ -
TOTAL	<u>\$ 5,569,584</u>
CONSTRUCTION EXPENDITURES (EXCLUDING AFUDC OTHER & DEBT)	\$ 34,587,731
PERCENT INTERNALLY GENERATED FUNDS	<u>16.10</u>

E. LONG TERM DEBT AS PERCENT OF TOTAL INVESTOR CAPITAL

F. SHORT TERM DEBT AS PERCENT OF TOTAL INVESTOR CAPITAL

RECONCILED AVERAGE RETAIL AMOUNTS

LONG TERM DEBT	\$ 46,848,239
SHORT TERM DEBT	\$ 6,418,288
PREFERRED STOCK	\$ -
COMMON EQUITY	\$ 53,351,822
TOTAL	<u>\$ 106,618,349</u>
% LONG TERM DEBT TO TOTAL	<u>43.94</u>
% SHORT TERM DEBT TO TOTAL	<u>6.02</u>

G. FPSC ADJUSTED AVERAGE JURISDICTIONAL RETURN ON COMMON EQUITY

FPSC ADJUSTED AVG. EARNED RATE OF RETURN	<u>7.16</u>
LESS: RECONCILED AVERAGE RETAIL WEIGHTED COST RATES FOR:	
LONG TERM DEBT CU	(1.55)
LONG TERM DEBT FC	0.00
SHORT TERM DEBT	(0.25)
SHORT TERM DEBT REFINANCED	
PREFERRED STOCK	0.00
CUSTOMER DEPOSITS	(0.06)
TAX CREDITS - WEIGHTED COST (MIDPOINT)	0.00
SUBTOTAL	<u>(1.86)</u>
TOTAL	5.30
DIVIDED BY COMMON EQUITY RATIO	<u>0.4058</u>
JURISDICTIONAL RETURN ON COMMON EQUITY	<u>13.07</u>

AVERAGE	ADJUSTMENTS						LOW POINT		MIDPOINT		HIGH POINT	
	PER BOOKS	ADJUSTED BOOKS	PRO-RATA ADJ.	SPECIFIC	BALANCE	RATIO (%)	COST RATE (%)	WEIGHTED COST (%)	COST RATE (%)	WEIGHTED COST (%)	COST RATE (%)	WEIGHTED COST (%)
COMMON EQUITY	\$73,170,880	\$73,170,880	(\$19,819,058)		\$53,351,822	40.58%	9.20%	3.73%	10.20%	4.14%	11.20%	4.55%
LONG TERM DEBT - CU	\$64,251,355	\$64,251,355	(\$17,403,116)		\$46,848,239	35.63%	4.36%	1.55%	4.36%	1.55%	4.36%	1.55%
SHORT TERM DEBT	\$8,802,545	\$8,802,545	(\$2,384,256)		\$6,418,288	4.88%	5.11%	0.25%	5.11%	0.25%	5.11%	0.25%
LONG TERM DEBT - FC	\$0	\$0	\$0		\$0	0.00%	0.00%		0.00%	0.00%	0.00%	0.00%
SHORT TERM DEBT - REFINANCED LTD	\$0	\$0	\$0		\$0	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
CUSTOMER DEPOSITS	\$3,330,804	\$3,330,804			\$3,330,804	2.53%	2.48%	0.06%	2.48%	0.06%	2.48%	0.06%
DEFERRED INCOME TAXES	\$21,519,840	\$21,519,840			\$21,519,840	16.37%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
TAX CREDITS - WEIGHTED COST	\$0	\$0			\$0	0.00%	5.53%	0.00%	5.94%	0.00%	6.35%	0.00%
TOTAL AVERAGE	\$171,075,423	\$0	\$171,075,423	(\$39,606,431)	\$0	100.00%		5.59%		6.00%		6.41%

YEAR-END	ADJUSTMENTS						LOW POINT		MIDPOINT		HIGH POINT	
	PER BOOKS	ADJUSTED BOOKS	PRO-RATA ADJ.	SPECIFIC	BALANCE	RATIO (%)	COST RATE (%)	WEIGHTED COST (%)	COST RATE (%)	WEIGHTED COST (%)	COST RATE (%)	WEIGHTED COST (%)
COMMON EQUITY	\$80,774,352	\$80,774,352	(12,490,529)	\$0	\$68,283,823	43.38%	9.20%	3.99%	10.20%	4.42%	11.20%	4.86%
LONG TERM DEBT - CU	\$72,773,175	\$72,773,175	(11,253,268)		\$61,519,906	39.08%	4.47%	1.75%	4.47%	1.75%	4.47%	1.75%
SHORT TERM DEBT	\$7,872,042	\$7,872,042	(1,217,292)		\$6,654,750	4.23%	5.97%	0.25%	5.97%	0.25%	5.97%	0.25%
LONG TERM DEBT - FC	\$0	\$0	-		\$0	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
SHORT TERM DEBT - REFINANCED LTD	\$0	\$0	-		\$0	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
CUSTOMER DEPOSITS	\$2,716,448	\$2,716,448			\$2,716,448	1.73%	3.04%	0.05%	3.04%	0.05%	3.04%	0.05%
DEFERRED INCOME TAXES	\$18,253,327	\$18,253,327			\$18,253,327	11.60%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
TAX CREDITS - WEIGHTED COST	\$0	\$0			\$0	0.00%	5.99%	0.00%	6.42%	0.00%	6.86%	0.00%
TOTAL YEAR-END	\$182,389,343	\$0	\$182,389,343	(24,961,089)	\$0	100.00%		6.04%		6.47%		6.91%

FLORIDA PUBLIC UTILITIES COMPANY
ELECTRIC DIVISION
AFUDC RATE BASED ON ACTUAL
FPSC ADJUSTED BASIS
DECEMBER 2024

SCHEDULE A:

CAPITAL COMPONENTS	JURISDICTIONAL 13-MONTH AVERAGE	CAPITAL RATIO	COST OF CAPITAL	AFUDC WEIGHTED COMPONENTS
COMMON EQUITY	\$ 53,351,822	40.58%	10.25% *	4.16%
LONG TERM DEBT	46,848,239	35.63%	4.47% **	1.59%
SHORT TERM DEBT	6,418,288	4.88%	5.11% ***	0.25%
CUSTOMER DEPOSITS	3,330,804	2.53%	2.48% ***	0.06%
DEFERRED INCOME TAX	21,519,840	16.37%	0.00%	0.00%
INVESTMENT TAX CREDITS	-	0.00%	0.00%	0.00%
TOTAL	\$ 131,468,993	100.00%		6.06%

* Based on the midpoint approved equity return in Docket No. 20140025-EI

** Based on year end long term debt rate per the December 2025 rate of return report.

*** Based on 13-month average cost rates per the December 2025 rate of return report.

Actual Annual Rate (R)= 6.80% Docket 20220210-EI

FLORIDA PUBLIC UTILITIES COMPANY
ELECTRIC DIVISION
AFUDC RATE BASED ON ACTUAL
FPSC ADJUSTED BASIS
DECEMBER 2024

SCHEDULE B

CAPITAL COMPONENTS	PER BOOKS	COMMISSION ADJUSTMENTS	ADJUSTED AVERAGE BALANCE
COMMON EQUITY	\$ 73,170,880	\$ (19,819,058)	\$ 53,351,822
LONG TERM DEBT	64,251,355	(17,403,116)	46,848,239
SHORT TERM DEBT	8,802,545	(2,384,256)	6,418,288
CUSTOMER DEPOSITS	3,330,804		3,330,804
DEFERRED INCOME TAX	21,519,840		21,519,840
INVESTMENT TAX CREDITS	-		-
TOTAL	\$ 171,075,423	\$ (39,606,431)	\$ 131,468,993