FLORIDA CITY GAS
NATURAL GAS
RATE OF RETURN REPORT SUMMARY
For the 12 Months Ending June 30, 2026

SCHEDULE 1

I. AVERAGE RATE OF RETURN (JURISDICTIONAL)	(1) ACTUAL PER BOOKS	(2) FPSC ADJUSTMENTS	(3) FPSC ADJUSTED	(4) PRO FORMA ADJUSTMENTS	(5) PRO FORMA ADJUSTED
NET OPERATING INCOME	$ 38,688,013	$ (10,864,582)	$ 27,823,431	$ -	$ 27,823,431
AVERAGE RATE BASE	$ 1,101,783,537	$ (542,610,021)	$ 559,173,515	$ -	$ 559,173,515
AVERAGE RATE OF RETURN	3.51%		4.98%		4.98%

II. REQUIRED RATES OF RETURN
AVERAGE CAPITAL STRUCTURE
(FPSC ADJUSTED BASIS)

LOW	7.07%
MIDPOINT	7.55%
HIGH	8.02%

III. EARNED RETURN ON EQUITY (FPSC ADJUSTED BASIS) 4.10%

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 Distribution

Joanah Baugh
Signature

9/15/2026
Date

FLORIDA CITY GAS
NATURAL GAS
AVERAGE RATE OF RETURN
For the 12 Months Ending June 30, 2026
RATE BASE

	(1) PLANT IN SERVICE	(2) ACCUMULATED DEPRECIATION & AMORTIZATION	(3) PLANT IN SERVICE	(4) NET PROPERTY HELD FOR FUTURE USE	(5) CONSTRUCTION WORK IN PROGRESS	(6) NET UTILITY PLANT	(7) WORKING CAPITAL	(8) TOTAL RATE BASE
PER BOOKS	$ 1,232,175,682	$ (220,643,536)	$ 1,011,532,146	$ -	$ 57,938,497	$ 1,069,470,643	$ 32,312,894	$ 1,101,783,537
FPSC ADJUSTMENTS:								
1) ELIMINATIONS OF 1/2 OF D & O PREPAID	$ -	$ -	$ -			$ -	$ (26,765)	$ (26,765)
2) REMOVE GOODWILL	$ (440,416,939)		$ (440,416,939)			$ (440,416,939)		$ (440,416,939)
3) REMOVE SAFE CAUSE PLANT	(77,854,965)	1,346,161	(76,508,804)		(7,064,362)	(83,573,166)		(83,573,166)
4) REMOVE LEASES	(75,353)	59,153	(16,200)			(16,200)		(16,200)
5) ELIMINATE UNDER-RECOVERIES	-	-	-			-	(1,568,212)	(1,568,212)
6) CORRECT PGA ALLOCATION WITH FN			-			-	7,131,476	7,131,476
7) REMOVE UNRECOVERED AEP			-			-	(653,539)	(653,539)
8) REMOVE DEFERRED RATE CASE EXPENSE			-			-	(1,365,696)	(1,365,696)
9) OTHER RATE CASE ADJUSTMENTS (1)		-	-			-		-
10)RELOCATION CLAUSE	(512,018)	2,977	(509,041)		(466,091)	(975,132)		(975,132)
11) ELIMINATE AFUDC CWIP			-		(21,145,849)	(21,145,849)		(21,145,849)
12) CORRECT ACCRUAL ENTRY IN DECEMBER			-			-		-
13) 2025 DEPRECIATION STUDY IMPACT		-	-			-		-
TOTAL FPSC ADJUSTMENTS	$ (518,859,274)	$ 1,408,291	$ (517,450,983)	$ -	$ (28,676,302)	$ (546,127,286)	$ 3,517,264	$ (542,610,021)
FPSC ADJUSTED	$ 713,316,407	$ (219,235,245)	$ 494,081,162	$ -	$ 29,262,195	$ 523,343,357	$ 35,830,158	$ 559,173,515
			$ -			$ -		$ -
ADJUSTED	$ 713,316,407	$ (219,235,245)	$ 494,081,162	$ -	$ 29,262,195	$ 523,343,357	$ 35,830,158	$ 559,173,515
PROFORMA ADJUSTMENTS								
TOTAL PRO FORMA ADJUSTMENTS	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
PRO FORMA ADJUSTED	$ 713,316,407	$ (219,235,245)	$ 494,081,162	$ -	$ 29,262,195	$ 523,343,357	$ 35,830,158	$ 559,173,515

FLORIDA CITY GAS
NATURAL GAS
AVERAGE RATE OF RETURN
For the 12 Months Ending June 30, 2026
INCOME STATEMENT

SCHEDULE 2
PAGE 2 OF 2

	(1) OPERATING REVENUES	(2) O & M GAS EXPENSE	(3) O & M OTHER	(4) DEPREC. & AMORTIZATION	(5) TAXES OTHER THAN INCOME	(6) INCOME TAXES CURRENT	(7) D.I.T. (NET)	(8) I.T.C. (NET)	(9) GAIN/LOSS ON DISPOSITION	(10) TOTAL OPERATING EXPENSES	(11) NET OPERATING INCOME
PER BOOKS	$ 169,421,986	$ 50,993,616	$ 39,657,712	$ 19,320,626	$ 18,450,560	$ 2,311,459				$ 130,733,973	$ 38,688,013
FPSC ADJUSTMENTS:											
1) INTEREST/INCOME TAX SYNC						3,814,503				3,814,503	(3,814,503)
2) ELIMINATE FUEL & SWING REVENUES AND EXP.	(45,439,395)	(45,210,152)			(249,641)	5,170				(45,454,623)	15,228
3) ELIMINATE CONSERVATION	(5,854,689)	(5,783,464)			(29,302)	(10,625)				(5,823,391)	(31,298)
4) REMOVE SAFE REVENUE AND EXPENSE	(10,495,512)		-	(1,103,985)	(1,675,914)	(1,955,522)				(4,735,421)	(5,760,091)
5) ELIMINATE AEP REVENUES AND EXPENSES	(368,045)			(311,115)	(1,851)	(13,960)				(326,926)	(41,119)
6) ELIMINATE REVENUE RELATED TAXES	(7,898,003)				(7,898,003)	-				(7,898,003)	-
7) 5% OF ECONOMIC DEVELOPMENT			(19)			5				(14)	14
8) OUT OF PERIOD ADJ			-			-				-	-
9) FIVE YEAR AVERAGE BAD DEBT EXPENSE			339,445			(86,032)				253,413	(253,413)
10) EXECUTIVE INCENTIVE COMPENSATION			(294,438)			74,625				(219,813)	219,813
11) INTEGRATION COSTS			925,138			(234,476)				690,661	(690,661)
15)REMOVE 1/2 D & O INSURANCE			(80,974)			20,523				(60,451)	60,451
16)RELOCATION CLAUSE	(541,898)		-	(8,570)	(11,130)	(132,351)				(152,051)	(389,847)
17) 2025 DEPRECIATION STUDY IMPACT				239,979		(60,823)				179,157	(179,157)
TOTAL FPSC ADJUSTMENTS	$ (70,597,542)	$ (50,993,616)	$ 889,151	$ (1,183,690)	$ (9,865,841)	$ 1,421,036	$ -	$ -	$ -	$ (59,732,960)	$ (10,864,582)
FPSC ADJUSTED	$ 98,824,444	$ -	$ 40,546,863	$ 18,136,936	$ 8,584,719	$ 3,732,495	$ -	$ -	$ -	$ 71,001,013	$ 27,823,431
						$ -				$ -	$ -
ADJUSTED	$ 98,824,444	$ -	$ 40,546,863	$ 18,136,936	$ 8,584,719	$ 3,732,495	$ -	$ -	$ -	$ 71,001,013	$ 27,823,431
						-				$ -	$ -
										$ -	$ -
						$ -				$ -	$ -
						$ -				$ -	$ -
TOTAL PRO FORMA ADJUSTMENTS	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
PRO FORMA ADJUSTED	$ 98,824,444	$ -	$ 40,546,863	$ 18,136,936	$ 8,584,719	$ 3,732,495	$ -	$ -	$ -	$ 71,001,013	$ 27,823,431

FLORIDA CITY GAS
NATURAL GAS
CAPITAL STRUCTURE
For the 12 Months Ending June 30, 2026
FPSC ADJUSTED BASIS

SCHEDULE 3

		ADJUSTMENTS						LOW POINT		MIDPOINT		HIGH POINT	
AVERAGE	PER BOOKS	NON-UTILITY	ADJUSTED BOOKS	PRO-RATA	SPECIFIC	BALANCE	RATIO (%)	COST RATE (%)	WEIGHTED COST (%)	COST RATE (%)	WEIGHTED COST (%)	COST RATE (%)	WEIGHTED COST (%)
COMMON EQUITY	$ 524,030,242		$ 524,030,242	$ (258,072,246)		$ 265,957,995	47.56%	8.50%	4.04%	9.50%	4.52%	10.50%	4.99%
LONG TERM DEBT	$ 468,364,432		$ 468,364,432	$ (230,650,200)	$ (16,200)	$ 237,698,032	42.51%	6.49%	2.76%	6.49%	2.76%	6.49%	2.76%
SHORT TERM DEBT	$ 59,719,237		$ 59,719,237	$ (29,410,283)		$ 30,308,954	5.42%	4.68%	0.25%	4.68%	0.25%	4.68%	0.25%
CUSTOMER DEPOSITS	$ 6,772,880		$ 6,772,880	$ (3,335,480)		$ 3,437,400	0.62%	2.55%	0.02%	2.55%	0.02%	2.55%	0.02%
DEFFERED INCOME TAXES	$ 26,865,723		$ 26,865,723	$ (13,230,720)		$ 13,635,003	2.44%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
TAX CREDITS - WEIGHTED COST	$ -		$ -			$ -	0.00%	7.05%	0.00%	7.53%	0.00%	8.00%	0.00%
REG. LIAB FAS 109 Deferred TAX	$ 16,031,023		$ 16,031,023	$ (7,894,892)		$ 8,136,131	1.46%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
TOTAL AVERAGE	1,101,783,537	$ -	$ 1,101,783,537	$ (542,593,821)	$ (16,200)	$ 559,173,515	100.00%		7.07%		7.55%		8.02%

FLORIDA CITY GAS
NATURAL GAS
EARNED RETURN ON COMMON EQUITY
FPSC ADJUSTED BASIS
For the 12 Months Ending June 30, 2026

A. FPSC ADJUSTED AVERAGE JURISDICTIONAL RETURN ON COMMON EQUITY INCLUDING ACQUISITION ADJUSTMENTS

NET OPERATING INCOME INCLUDING ACQUISITION ADJUSTMENTS		$27,823,431	(Schedule 2, p. 2 of 2)
RATE BASE INCLUDING ACQUISITION ADJUSTMENTS		$559,173,515	(Schedule 2, p. 1 of 2)
FPSC ADJUSTED AVERAGE EARNED RATE OF RETURN		4.98%	(Schedule 1)
LESS: RECONCILED AVERAGE JURISDICTIONAL			
	WEIGHTED COST RATES FOR:		
	LONG TERM DEBT - CU	2.76%	
	SHORT TERM DEBT	0.25%	
	CUSTOMER DEPOSITS	0.02%	
	TAX CREDITS-WEIGHTED COST (MIDPOINT)	0.00%	
	SUBTOTAL	3.03%	
TOTAL		1.95%	
DIVIDED BY RECONCILED COMMON EQUITY RATIO		47.56%	
JURISDICTIONAL RETURN ON COMMON EQUITY		4.10%	