

FLORIDA CITY GAS  
 NATURAL GAS  
 RATE OF RETURN REPORT SUMMARY  
 For the Projected 12 Months Ending December 31, 2026

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	\$ 34,554,407	\$ (9,567,683)	\$ 24,986,723	\$ -	\$ 24,986,723
AVERAGE RATE BASE	\$ 1,132,158,092	\$ (560,337,221)	\$ 571,820,871	\$ -	\$ 571,820,871
AVERAGE RATE OF RETURN	3.05%		4.37%		4.37%
III. REQUIRED RATES OF RETURN AVERAGE CAPITAL STRUCTURE (FPSC ADJUSTED BASIS)				IV. EARNED RETURN ON EQUITY (FPSC ADJUSTED BASIS)	
LOW	7.14%			A. RETURN ON EQUITY	3.14%
MIDPOINT	7.62%				
HIGH	8.10%				

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

3/16/2026  
 Date

FLORIDA CITY GAS  
 NATURAL GAS  
 AVERAGE RATE OF RETURN  
 For the Projected 12 Months Ending December 31, 2026  
 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	\$ 1,286,367,083	\$ (229,342,867)	\$ 1,057,024,216	\$ -	\$ 39,857,039	\$ 1,096,881,254	\$ 35,276,838	\$ 1,132,158,092
FPSC ADJUSTMENTS:								
1) ELIMINATIONS OF 1/2 OF D & O PREPAID							\$ (31,577)	\$ (31,577)
2) REMOVE SAFE CLAUSE PLANT	(95,684,821)	2,306,099	(93,378,723)		(2,492,319)	(95,871,042)		(95,871,042)
3) INTERCOMPANY ACCOUNTS RECEIVABLE			-			-		-
4) REMOVE LEASES	(60,876)	43,798	(17,079)			(17,079)		(17,079)
5) ELIMINATE UNDER-RECOVERIES							-	-
6) ACCUM. DEFERRED RETIREMENT BENEFITS							-	-
7) REMOVE UNRECOVERED AEP			-			-	(5,832,808)	(5,832,808)
8) REMOVE DEFERRED RATE CASE EXPENSE			-			-	(2,751,500)	(2,751,500)
9) RELOCATION CLAUSE	(1,621,674)	8,474	(1,613,200)		(7,275,028)	(8,888,228)		(8,888,228)
10) TEMPORARY CASH INVESTMENTS			-			-		-
11) REMOVE CWIP WITH AFUDC			-		(6,528,048)	(6,528,048)		(6,528,048)
12) REMOVE GOODWILL	(440,416,939)		(440,416,939)			(440,416,939)		(440,416,939)
TOTAL FPSC ADJUSTMENTS	\$ (537,784,311)	\$ 2,358,370	\$ (535,425,941)	\$ -	\$ (16,295,395)	\$ (551,721,336)	\$ (8,615,885)	\$ (560,337,221)
FPSC ADJUSTED	\$ 748,582,772	\$ (226,984,497)	\$ 521,598,275	\$ -	\$ 23,561,643	\$ 545,159,919	\$ 26,660,952	\$ 571,820,871
			\$ -			\$ -		\$ -
ADJUSTED	\$ 748,582,772	\$ (226,984,497)	\$ 521,598,275	\$ -	\$ 23,561,643	\$ 545,159,919	\$ 26,660,952	\$ 571,820,871
PROFORMA ADJUSTMENTS			\$ -			\$ -		\$ -
TOTAL PRO FORMA ADJUSTMENTS	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
PRO FORMA ADJUSTED	\$ 748,582,772	\$ (226,984,497)	\$ 521,598,275	\$ -	\$ 23,561,643	\$ 545,159,919	\$ 26,660,952	\$ 571,820,871

FLORIDA CITY GAS  
 NATURAL GAS  
 AVERAGE RATE OF RETURN  
 For the Projected 12 Months Ending December 31, 2026  
 INCOME STATEMENT

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
	OPERATING REVENUES	O & M GAS 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	\$ 187,006,740	\$ 66,916,022	\$ 40,471,775	\$ 20,797,432	\$ 19,807,767	\$ 4,459,337				\$ 152,452,333	\$ 34,554,407
FPSC ADJUSTMENTS:											
1) INTEREST SYNC						-				-	-
2) ELIMINATE FUEL & SWING REVENUES AND EXP.	(61,154,186)	(60,848,120)			(306,066)	-				(61,154,186)	-
3) ELIMINATE CONSERVATION	(6,098,424)	(6,067,902)			(30,522)	-				(6,098,424)	-
4) ELIMINATE SAFE REVENUES AND COSTS	(13,371,517)			(1,254,170)	(1,408,980)	(2,714,036)				(5,377,186)	(7,994,331)
5) ELIMINATE AEP REVENUES AND EXPENSES	(1,613,958)			(302,707)	(8,078)	(330,289)				(641,074)	(972,884)
6) ELIMINATE REVENUE RELATED TAXES	(9,896,687)				(9,896,687)	-				(9,896,687)	-
7) 5% OF ECONOMIC DEVELOPMENT			(190)			48				(142)	142
8) INDUSTRY ASSOCIATION DUES			-			-				-	-
9) EXECUTIVE INCENTIVE COMPENSATION			(345,431)			87,549				(257,882)	257,882
10)RELOCATION CLAUSE	(1,238,494)			(9,164)	(9,016)	(309,289)				(327,469)	(911,025)
11)REMOVE 1/2 D & O INSURANCE			(70,369)			17,835				(52,534)	52,534
TOTAL FPSC ADJUSTMENTS	<u>\$ (93,373,266)</u>	<u>\$ (66,916,022)</u>	<u>\$ (415,990)</u>	<u>\$ (1,566,041)</u>	<u>\$ (11,659,349)</u>	<u>\$ (3,248,181)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (83,805,583)</u>	<u>\$ (9,567,683)</u>
FPSC ADJUSTED	<u>\$ 93,633,474</u>	<u>\$ -</u>	<u>\$ 40,055,785</u>	<u>\$ 19,231,391</u>	<u>\$ 8,148,418</u>	<u>\$ 1,211,156</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 68,646,751</u>	<u>\$ 24,986,723</u>
						<u>\$ -</u>				<u>\$ -</u>	<u>\$ -</u>
ADJUSTED	<u>\$ 93,633,474</u>	<u>\$ -</u>	<u>\$ 40,055,785</u>	<u>\$ 19,231,391</u>	<u>\$ 8,148,418</u>	<u>\$ 1,211,156</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 68,646,751</u>	<u>\$ 24,986,723</u>
						<u>\$ -</u>				<u>\$ -</u>	<u>\$ -</u>
TOTAL PRO FORMA ADJUSTMENTS	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
PRO FORMA ADJUSTED	<u>\$ 93,633,474</u>	<u>\$ -</u>	<u>\$ 40,055,785</u>	<u>\$ 19,231,391</u>	<u>\$ 8,148,418</u>	<u>\$ 1,211,156</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 68,646,751</u>	<u>\$ 24,986,723</u>

FLORIDA CITY GAS  
 NATURAL GAS  
 CAPITAL STRUCTURE  
 For the Projected 12 Months Ending December 31, 2026  
 FPSC ADJUSTED BASIS

SCHEDULE 3

AVERAGE	ADJUSTMENTS						RATIO (%)	LOW POINT		MIDPOINT		HIGH POINT	
	PER BOOKS	NON-UTILITY	ADJUSTED BOOKS	PRO-RATA	SPECIFIC	BALANCE		COST RATE (%)	WEIGHTED COST (%)	COST RATE (%)	WEIGHTED COST (%)	COST RATE (%)	WEIGHTED COST (%)
COMMON EQUITY	\$ 540,800,519		\$ 540,800,519	\$ (267,649,391)		\$ 273,151,128	47.77%	8.50%	4.06%	9.50%	4.54%	10.50%	5.02%
LONG TERM DEBT DIRECT	\$ 425,052,874		\$ 425,052,874	\$ (210,364,337)	\$ (17,079)	\$ 214,671,458	37.54%	6.75%	2.53%	6.75%	2.53%	6.75%	2.53%
LONG TERM DEBT CONSOLIDATED	\$ 65,705,686		\$ 65,705,686	\$ (32,518,621)		\$ 33,187,066	5.80%	4.56%	0.26%	4.56%	0.26%	4.56%	0.26%
SHORT TERM DEBT	\$ 53,949,791		\$ 53,949,791	\$ (26,700,471)		\$ 27,249,320	4.77%	5.59%	0.27%	5.59%	0.27%	5.59%	0.27%
CUSTOMER DEPOSITS	\$ 7,114,747		\$ 7,114,747	\$ (3,521,183)		\$ 3,593,564	0.63%	2.65%	0.02%	2.65%	0.02%	2.65%	0.02%
DEFERRED INCOME TAXES	\$ 23,968,933		\$ 23,968,933	\$ (11,862,545)		\$ 12,106,388	2.12%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
FAS 109 DEFERRED INCOME TAX	\$ 15,565,542		\$ 15,565,542	\$ (7,703,594)		\$ 7,861,948	1.38%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
TOTAL AVERAGE	1,132,158,092		\$ 1,132,158,092	\$ (560,320,142)	\$ (17,079)	\$ 571,820,871	100.00%		7.14%		7.62%		8.10%

## Earned Ret on Equity

SCHEDULE 5

FLORIDA CITY GAS  
 NATURAL GAS  
 EARNED RETURN ON COMMON EQUITY  
 FPSC ADJUSTED BASIS  
 For the Projected 12 Months Ending December 31, 2026

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

NET OPERATING INCOME INCLUDING ACQUISITION ADJUSTMENTS	\$24,986,723
RATE BASE INCLUDING ACQUISITION ADJUSTMENTS	<u>\$571,820,871</u>
FPSC ADJUSTED AVERAGE EARNED RATE OF RETURN	4.37%
LESS: RECONCILED AVERAGE JURISDICTIONAL	
WEIGHTED COST RATES FOR:	
LONG TERM DEBT - CU	2.53%
SHORT TERM DEBT	0.32%
CUSTOMER DEPOSITS	0.02%
TAX CREDITS-WEIGHTED COST (MIDPOINT)	0.00%
SUBTOTAL	<u>2.87%</u>
TOTAL	1.50%
DIVIDED BY RECONCILED COMMON EQUITY RATIO	47.77%
JURISDICTIONAL RETURN ON COMMON EQUITY	<u><u>3.14%</u></u>

Projects in Forecast Exceeding 0.4% of Plant

Project	Projected Cost	Start	Close
CG0006P NB AEP Com Mains	2,936,810.32	Monthly	Monthly
CG0007P NB AEP Res Mains	791,056.85	Monthly	Monthly
CG0008P NB Core Com Mains	1,319,610.53	Monthly	Monthly
CG0010P NB Core Com Meters Reg	913,291.32	Monthly	Monthly
CG0011P NB Core Com Services	2,014,496.95	Monthly	Monthly
CG0012P NB Core Res Mains	1,631,509.38	Monthly	Monthly
CG0014P NB Core Res Services	5,360,121.03	Monthly	Monthly
CG0046P Rinker Lateral Phase 1b	1,662,454.80	Monthly	Monthly
CG0065P Florida Energy Pathway	8,108,604.21	Monthly	Monthly
CG0079P AMI	58,611,655.67	Monthly	Monthly
CG0015P SAFE A25	30,000,000.01	Monthly	Monthly
CG0056P Okeechobee Rd FDOT Relocate	9,751,445.94	Monthly	Monthly