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FPSC - COMMISSION CLERK

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Nuclear Cost Recovery Clause

DOCKET NO. 140009-EI

Submitted for filing:
May 1, 2014

REDACTED

DIRECT TESTIMONY OF THOMAS G. FOSTER
IN SUPPORT OF LEVY ESTIMATED/ACTUAL AND PROJECTION COSTS AND CR3 UPRATE ESTIMATED/ACTUAL AND PROJECTION COSTS

ON BEHALF OF
DUKE ENERGY FLORIDA, INC.

IN RE: NUCLEAR COST RECOVERY CLAUSE

BY DUKE ENERGY FLORIDA, INC.

FPSC DOCKET NO. 140009-EI

DIRECT TESTIMONY OF THOMAS G. FOSTER
IN SUPPORT OF LEVY AND CR3 UPRATE ESTIMATED/ACTUAL AND PROJECTION COSTS

I. INTRODUCTION AND QUALIFICATIONS.

Q. Please state your name and business address.

A. My name is Thomas G. Foster. My business address is 299 First Avenue North, St. Petersburg, FL 33701.

Q. By whom are you employed and in what capacity?

A. I am employed by Duke Energy Business Services, LLC as Director, Rates and Regulatory Planning.

Q. What are your responsibilities in that position?

A. I am responsible for regulatory planning and cost recovery for Duke Energy Florida, Inc. ("DEF" or the "Company"). These responsibilities include: regulatory financial reports; and analysis of state, federal, and local regulations and their impact on DEF. In this capacity, I am also responsible for the Levy Nuclear Project ("LNP") and the Crystal River Unit 3 ("CR3") Extended Power Uprate ("EPU") Project ("CR3 Uprate") Cost Recovery filings, made as part of this docket, in accordance with Rule 25-6.0423, Florida Administrative Code (F.A.C.).

Q. Please describe your educational background and professional experience.

A. I joined Duke Energy on October 31, 2005, as a Senior Financial Analyst in the Regulatory group. In that capacity I supported the preparation of testimony and exhibits associated with various Dockets. In late 2008, I was promoted to Supervisor Regulatory Planning. In 2012, following the merger with Duke Energy, I was promoted to my current position. Prior to working at Duke I was the Supervisor in the Fixed Asset group at Eckerd Drug. In this role I was responsible for ensuring proper accounting for all fixed assets as well as various other accounting responsibilities. I have 6 years of experience related to the operation and maintenance of power plants obtained while serving in the United States Navy as a nuclear operator. I received a Bachelors of Science degree in Nuclear Engineering Technology from Thomas Edison State College. I received a Masters of Business Administration with a focus on finance from the University of South Florida and I am a Certified Public Accountant in the State of Florida.

II. PURPOSE OF TESTIMONY.

Q. What is the purpose of your testimony?

A. The purpose of my testimony is to present, for Florida Public Service Commission ("FPSC" or the "Commission") review, DEF's expected 2014 and 2015 costs associated with the Levy and CR3 Uprate projects consistent with Rule 25-6.0423(7), F.A.C., in support of setting 2015 rates in the Capacity Cost Recovery Clause ("CCRC"). For Levy, the rate will be consistent with the 2013 Revised and Restated Stipulation and Settlement Agreement approved by the Commission in Order No. PSC-13-0598-FOF-EI (the "2013 Settlement Agreement"). The schedules attached to my testimony show how the revenues collected pursuant to the approved rate will be applied to costs. As discussed further in the testimony of Witnesses Christopher Fallon and Michael Delowery, at this time there are certain Levy and EPU costs that are not known or knowable and DEF has not included these in our estimates.

Q. Are you sponsoring any exhibits in support of your testimony?

A. Yes. I am sponsoring sections of the following exhibits, which were prepared under my supervision:

- Exhibit No. __ (TGF-4) reflects the actual and estimated costs associated with the LNP and consists of: 2015 Revenue Requirement Summary, 2014 Estimated/Actual Detail Schedule, 2015 Projection Detail Schedule, Estimated Rate Impact Schedule, and Appendices A through F, which reflect DEF's retail revenue requirements for the LNP from January 2014 through December 2015. Witness Fallon will be co-sponsoring portions of the 2014 Estimated/Actual Detail Schedule Lines 1 (a – e) and Lines 3 (a – e) 2015 Projection Detail Schedule Lines 1 (a – e) and Lines 3 (a – e) and sponsoring Appendices D and E.
- Exhibit No. ___ (TGF-5) reflects the actual and estimated costs associated with the CR3 Uprate project and consists of: 2015

Revenue Requirement Summary, 2014 Estimated/Actual Detail Schedule, 2015 Projection Detail Schedule, Estimated Rate Impact Schedule, and Appendices A through F, which reflect DEF's retail revenue requirements for the project from January 2014 through December 2015. Michael Delowery will be co-sponsoring portions of Schedule 2014 Detail Lines 1 (a – d) and Schedule 2015 Detail Lines 1 (a - d) and sponsoring Appendices D and E.

The 2014 and 2015 Detail Schedules for the Levy Nuclear project and the CR3 Uprate project contain the same calculations provided in the Nuclear Filing Requirement ("NFR") Schedules prior to project cancellation in a more concise manner.

These exhibits are true and accurate.

Q. What are the 2014-2015 Detail Schedules and the Appendices?

A. • Schedule 2015 Summary reflects the projection of total retail revenue requirements for the period as well as true-ups for prior periods

• Schedule 2014 Detail reflects the actual/estimated calculations for the true-up of total retail revenue requirements for the period.

• Schedule 2015 Detail reflects the projection calculations for the true-up of total retail revenue requirements for the period.

• Schedule 2015 Estimated Rate Impact reflects the estimated Capacity Cost Recovery Factors for 2015.

• Appendix A (CR3 Uprate) reflects beginning balance explanations and support for the 2015 Regulatory Asset Amortization Amount.

- Appendix A (Levy) reflects beginning balance explanations and support for the 2015 Regulatory Asset Amortization Amount.
- Appendix B reflects Other Wind Down/Exit cost variance explanations for the period.
- Appendix C provides support for the appropriate rate of return consistent with the provisions of Rule 25-6.0423(7), F.A.C.
- Appendix D describes Major Task Categories for expenditures and variance explanations for the period.
- Appendix E reflects contracts and details executed in excess of $1.0 million.
- Appendix F (CR3 Uprate) reflects a summary of the 2013-2019 Uprate Amortization Schedule for the Uncollected Investment Balance.
- Appendix F (Levy) reflects a summary of the 2010-2014 Rate Management Plan Schedule for the Regulatory Asset created in 2010.

Q. Are NFR Schedules P-1 through P-8, their Appendices, and the NFR TOR Schedules necessary for either the CR3 Uprate project or the Levy Nuclear Project?

A. No. These NFR Schedules were developed for active nuclear power plant projects. The CR3 Uprate project and Levy Nuclear Project were cancelled and are no longer active projects. As a result, there are no projected costs to complete the project and total project costs that need to be tracked for the project and, therefore, no need for these NFR Schedules.

III. CARRYING COST RATES AND SEPARATION FACTORS.

Q. What is the carrying cost rate used in the 2014 Detail and 2015 Detail Schedules?

A. Beginning in February 2013 for the CR3 Uprate and July 2013 for the LNP, DEF is using the rate specified in Rule 25-6.0423(7)(b), F.A.C.: "The amount recovered under this subsection will be the remaining unrecovered Construction Work in Progress balance at the time of abandonment and future payment of all outstanding costs and any other prudent and reasonable exit costs. The unrecovered balance during the recovery period will accrue interest at the utility's overall pretax weighted average midpoint cost of capital on a Commission adjusted basis as reported by the utility in its Earnings Surveillance Report filed in December of the prior year, utilizing the midpoint of return on equity (ROE) range or ROE approved for other regulatory purposes, as applicable." The carrying cost rate used for this time period is 7.23 percent. On a pre-tax basis, the rate is 10.29 percent. This annual rate was also adjusted to a monthly rate consistent with the AFUDC rule, Rule 25-6.0141, Item (3), F.A.C. Support for the components of this rate is shown in Appendix C of Exhibit Nos.___(TGF-4) for the LNP and (TGF-5) for the CR3 Uprate project.

Q. What was the source of the separation factors used in the 2014 Detail and 2015 Detail Schedules?

A. The jurisdictional separation factors are consistent with Exhibit 1 to the 2013 Settlement Agreement approved by the Commission in Order No. PSC-13-0598-FOF-EI in Docket No 130208-EI.

IV. COST RECOVERY FOR THE LEVY COUNTY NUCLEAR PROJECT.

A. ACTUAL/ESTIMATED LNP COSTS.

Q. What are the total estimated revenue requirements for the LNP for the calendar year ended December 2014?

A. The total projected revenue requirements for the LNP are $38.8 million for the calendar year ended December 2014, as reflected on 2014 Detail Schedule Line 22 in Exhibit No__(TGF-4). This amount includes $25.2 million in exit/wind-down and disposition costs as can be seen on Lines 5a and 19d, and $13.5 million for the carrying costs on the unrecovered investment balance shown on Line 8d. These amounts were calculated in accordance with the provisions of Rule 25-6.0423, F.A.C.

Q. What is included in the revenue requirement for the period on the 2014 Detail Schedule, Line 9?

A. The annual total of $38.4 million reflected on 2014 Detail Schedule, Line 9 represents the total uncollected investment revenue requirement for 2014. This amount includes current period expenditures totaling $24.8 million along with the carrying cost on the average net unamortized plant eligible for return. The total return requirements of $13.5 million presented on Line 8d represents the carrying costs on the average uncollected investment balance.

Q. What is included in the Other Exit / Wind-down Expenditures on 2014 Detail Schedule?

A. The expenses included on this schedule represent other exit and wind-down costs including regulatory and administrative wind-down support costs that the Company expects to incur in 2014 related to the LNP that DEF is seeking recovery of through the NCRC.

Q. How did these expenditures for January 2014 through December 2014 compare with DEF's projected costs for 2014?

A. Appendix B, Line 5 shows that total Other Exit & Wind-down costs were $0.4 million or $0.1 million lower than estimated. There were no major variances with respect to these costs.

B. <u>EXIT & WIND-DOWN COSTS INCURRED IN 2014 FOR THE LEVY NUCLEAR PROJECT.</u>

Q. What are the exit and wind-down costs incurred for the Levy Nuclear Project for the period January 2014 through December 2014?

A. 2014 Detail Schedule Exhibit No__(TGF-4) Lines 1e, Line 3e, and Line 12e show that total exit and wind-down expenditures excluding carrying costs were [redacted].

Q. What do Lines 1 through 4 on 2014 Detail Schedule represent?

A. 2014 Detail Schedule Exhibit No__(TGF-4) Lines 1 through 4 reflect actual/estimated monthly expenditures for 2014. This schedule includes both the Generation and Transmission costs. These costs have been adjusted to a cash basis to calculate carrying costs. The appropriate jurisdictional separation factor was applied to arrive at the total jurisdictional costs. These costs are further described in the testimony of Mr. Fallon.

Q. Are there any costs related to disposition efforts for the Levy project assets for the calendar year 2014 or 2015?

A. Yes. Disposition costs of [redacted] occurred in January 2014. As a result of this disposition, an outstanding 2013 milestone payment accrual of [redacted] for this vendor was no longer necessary and subsequently reversed in 2014. The net of these amounts is shown on Line 1d of the 2014 Detail schedule. DEF estimates approximately [redacted] of potential additional disposition costs related to the Levy Long Lead Equipment expenses, to be incurred in the fourth quarter of 2014, as further explained in Mr. Fallon's testimony.

Q. Did you project any credits for the sale or other disposition efforts that will result in credits for the Levy project assets for the calendar year 2014 or 2015?

A. No. DEF cannot reasonably estimate the value of any potential sale or disposition of any LNP asset. Value received from any disposition of an

LNP asset will be credited against the uncollected investment at the time of disposition.

Q. What process have you implemented to ensure that future costs related to the Levy COLA are not included in the NCRC as of January 1, 2014?

A. As discussed by Mr. Fallon, on a project team level DEF has always segregated project costs incurred by specific project code and this process did not change for 2014. The project team continues to charge Combined Operating License ("COL") related labor, Nuclear Regulatory Commission ("NRC") fees, vendor invoices and all other COL-related cost items to the applicable COL project codes. The Regulatory Accounting and Regulatory Strategy groups ensure that the COL-related project codes and associated costs incurred in 2014 and beyond are not included in the Company's NCRC Schedules, and thus not presented for nuclear cost recovery. We will, however, continue to track the COL-related costs for accounting purposes consistent with the 2013 Settlement Agreement.

Q. What is the estimated true-up for 2014 expected to be?

A. The total true-up is expected to be an under-recovery of $8.0 million as can be seen on Line 24 of the 2014 Detail Schedule.

C. <u>LNP COST PROJECTIONS.</u>

Q. What is included in the projected period Revenue Requirements for 2015?

A. The period revenue requirements of $6.7 million in 2015, as depicted on 2015 Summary Schedule, Line 1d, includes period wind-down costs of $1.2 million and carrying costs on uncollected investment balance of $5.5 million.

Q. What is included on the Total Return for the Period on 2015 Detail Schedule, Line 8d?

A. The Revenue Requirements of $5.5 million depicted on this schedule on Line 8d represent carrying costs on the average uncollected investment balance. The schedule starts with the 2015 beginning balance, adds the monthly capital expenditures, removes the monthly amortization of the uncollected investment balance and computes the carrying charge on the average monthly balance. The equity component of the return is grossed up for taxes to cover the income taxes that will be paid upon recovery in rates. The LNP balance of land at year end 2012 was removed from the NCRC and reclassified to FERC Account 105 Plant Held for Future Use on DEF's books pursuant to the terms of Exhibit 5 to the 2013 Settlement Agreement approved by the Commission in Order No. PSC-13-0598-FOF-EI in Docket No 130208-EI.

Q. What are the exit and wind-down costs incurred for the Levy Nuclear Project for the period January 2015 through December 2015?

A. 2015 Detail Schedule Exhibit No__(TGF-4) Lines 1e, 3e and Line 10e show that total exit and wind-down expenditures excluding carrying costs are estimated at [redacted].

Q. What is the total projected exit and wind-down costs that will be incurred for the period January 2015 through December 2015?

A. As shown on Line 5c and Line 16d of 2015 Detail Schedule in Exhibit No.___(TGF-4), total projected jurisdictional costs for 2015 are $1.2 million. The costs have been adjusted to a cash basis for purposes of calculating the carrying charge and the appropriate jurisdictional separation factor has been applied.

Q. What are the projected total revenue requirements that DEF will recover in 2015?

A. DEF is requesting recovery consistent with the terms of the 2013 Settlement Agreement. This means DEF will recover revenues consistent with application of the factors in Exhibit 9 of the 2013 Settlement Agreement to the sales forecast presented in the CCRC later in the year. DEF calculated the estimated revenue requirement by applying the rates in Exhibit 9 of the 2013 Settlement Agreement to the sales forecast included in the 2015 Estimated Rate Impact Schedule of Exhibit No. ____ (TGF-4) to generate the projected revenue for 2015. As can be seen in the 2015

Estimated Rate Impact Schedule in column 2, this amount is $104.1 million. This amount is further reflected on the 2015 Summary Schedule, Line 7. This amount will be updated in the CCRC filing later in the year.

Q. What is the rate impact to the residential ratepayer in 2015?

A. The LNP residential rate impact is $3.45/1,000kWh pursuant to the terms of the 2013 Settlement Agreement. This appears in Exhibit No. ___ (TGF-4), 2015 Estimated Rate Impact Schedule.

Q. Does the LNP residential rate established in the 2013 Settlement Agreement affect the previously established LNP Rate Management Plan?

A. Yes. The 2013 Settlement Agreement fixes the LNP NCRC rate for the period 2013-2017 and provides for a true-up in the last year. Prior to the 2013 Settlement Agreement, in Order No. PSC-09-0783-FOF-EI, the Commission approved the deferral of LNP costs, approved a rate management plan for the recovery of the deferred LNP costs, and required DEF to update its rate management plan each year. The agreement to the fixed LNP NCRC rate in the 2013 Settlement Agreement necessarily drives the rate management plan updates. In 2012, in Order No. PSC-12-0650-FOF-EI, the Commission approved amortization of $88 million of the deferred balance in 2013. In 2014, application of the revenues generated by the fixed LNP NCRC rate to the deferred LNP balance resulted in the full amortization of the deferred balance and the collection of the remaining $29.2 million in 2014 as shown in Appendix F in Exhibit No. ___ (TGF-4).

Q. Have you provided schedules that show the impact of this proposed amortization as well as an update to the overall plan?

A. Yes. As I explained, Appendix A (page 3 of 3) of Exhibit No. ___ (TGF-4) provides an overview of DEF's methodology used to allocate the 2015 revenue requirement resulting from the 2013 Settlement Agreement and the resulting updated rate management plan.

Q. Is DEF currently projecting to be fully-recovered in 2015?

A. No. DEF currently shows a net unrecovered balance of $6.1 million at year end 2015. See Appendix A (page 3 of 3) of Exhibit No. ___(TGF-4) to my testimony.

Q. Should the true-up contemplated in the 2013 Settlement Agreement happen this year?

A. No it should not. DEF is estimating a net unrecovered investment in the amount of $6.1 million at year-end 2015. Additionally, there are several areas of potential costs that DEF has not included in its actual/estimated 2014 and projected 2015 costs because, as of the preparation date of this testimony, DEF is unable to accurately estimate, but very well may incur them, as explained by Mr. Fallon.

V. COST RECOVERY FOR THE CRYSTAL RIVER 3 UPRATE PROJECT.

Q. What is the status of the CR3 Uprate project?

A. As discussed more fully in the testimony of Mr. Delowery, the CR3 Uprate project was cancelled because the Company decided to retire the CR3 Unit.

Q. What are you requesting with respect to the CR3 Uprate project?

A. DEF requests that the Commission approve recovery of the remaining unrecovered investment in the CR3 Uprate project and the future payment of all outstanding costs and any other reasonable and prudent exit costs consistent with Section 366.93(6), Florida Statues, and Rule 25-6.0423(7), F.A.C. In support of this request, DEF has prepared Exhibit No. _____ (TGF-5), which shows the unrecovered investment and expected future payments and exit costs through the end of 2015 for purposes of setting 2015 rates. In 2013, DEF requested Commission approval of recovery of the remaining balance over a seven (7) year period beginning in 2013 and ending in 2019; however DEF did not propose to change the 2013 rate. DEF requests that the Commission approve the revenue requirements for 2015 to be placed into the CCRC of $63.2 million as shown on the 2015 Revenue Requirement Summary Line 9 of Exhibit No.___(TGF-5).

Q. Is the seven year recovery period appropriate?

A. Yes. Pursuant to the 2013 Settlement Agreement, “DEF Shall recover all CR3 EPU revenue requirements through the Nuclear Cost Recovery Clause (“NCRC”) consistent with the provisions of Section 366.93(6), Florida Statutes (“F.S.”). and Commission Rule 25-6.0423(6) F.A.C. with a seven (7) year amortization recovery period established 2013-2019.”

Q. What is the total estimated unrecovered investment in the CR3 Uprate project as of year-end 2013?

A. The total 2013 unrecovered investment to be amortized is approximately $262.1 million, as shown on lines 3a – 3b beginning balance amount in the 2014 Detail Schedule of Exhibit No.___(TGF-5). This amount is the construction costs incurred that have not been placed in service. This amount does not include prior period over/under recoveries or period costs like wind-down / exit costs.

Q. How is DEF recovering this investment?

A. DEF is recovering this balance over the remaining 6 year period from 2014-2019 as approved by the Commission in Order PSC-13-0598-FOF-EI, Docket No. 130208-EI.

Q. Will DEF account for salvage or CR3 Uprate asset sales?

A. Yes. To the extent DEF receives any salvage or re-sale value for the CR3 Uprate assets currently recovered through the NCRC, DEF will apply that value to reduce the unrecovered balance.

Q. How is DEF calculating the carrying cost collected over this amortization period?

A. DEF is using the rate specified in Rule 25-6.0423(7)(b), F.A.C. The carrying cost rate used for this time period is 7.23 percent. On a pre-tax basis, the rate is 10.29 percent. This annual rate was also adjusted to a monthly rate consistent with the AFUDC rule, Rule 25-6.0141, Item (3), F.A.C. Support for the components of this rate is shown in Appendix C of Exhibit No.___(TGF-5).

Q. What are the total estimated revenue requirements for the CR3 Uprate project for the calendar year ended December 2014?

A. The total estimated revenue requirements for the CR3 Uprate project are \$24.7 million for the calendar year ended December 2014, as reflected on page 4 line 22 of Exhibit No.___(TGF-5). This amount includes \$23.9 million for the carrying costs on the unrecovered investment balance shown on Line 5d and \$0.9 million current period wind-down costs shown on Lines 2e and 16d. These amounts were calculated in accordance with the provisions of Rule 25-6.0423, F.A.C. As discussed above, in Line 3d of the 2014 Detail Schedule, DEF has reflected amortization of an amount equal to 1/6th of the estimated year end 2014 unrecovered construction cost investment as presented in Exhibit No.____(TGF-6) filed with my testimony on May 1, 2013.

Q. What is the total estimated over or under recovery for the CR3 Uprate project for the calendar year ended December 2014?

A. The total estimated under- recovery is $0.2 million as shown in Exhibit No.___(TGF-5) 2014 Detail schedule line 24.

Q. Did you project any credits for the sale or other disposition efforts for the CR3 Uprate project assets for the calendar year 2014 or 2015?

A. No. DEF has not estimated the salvage or re-sale value for the CR3 Uprate assets at this time because that value is presently unknown and uncertain. Value received from any disposition of an EPU asset will be credited against the uncollected investment at the time of disposition.

Q. Were there any true-up adjustments that needed to be made to calculate the total estimated revenue requirements for the CR3 Uprate project for the calendar year ended December 2015?

A. Yes. As can be seen in Exhibit No. ___ (TGF-5), Appendix A, DEF recognized that as a result of a timing difference between DEF's calculation of the subsequent year's revenue requirements and the filing of the Company's Actuals True-up schedules there is to be a credit of $87,291 in Line 3e that resulted from a 2009 FPSC Audit adjustment and a debit of $499 in Line 10.

Q. Are there any true-up adjustments that need to be made that do not affect the total estimated revenue requirements for the CR3 Uprate project for the calendar year ended December 2015?

A. Yes. There is an accounting entry to be made in 2014 of approximately $2.6 million that represents costs that were previously incurred and cash paid in a prior period, without an offsetting accrual adjustment. The amount and offset are shown on Line 1a and Line 2a, respectively, in the 2014 Detail Schedule in Exhibit No. ___ (TGF-5). This adjustment will not affect the revenue requirements, as it affects only the presentation of the figures in the Detail schedules.

Q. What are the total estimated revenue requirements for the CR3 Uprate project for the calendar year ended December 2015?

A. As can be seen in Exhibit No. ___ (TGF-5), 2015 Summary Schedule Line 7, the total estimated revenue requirements are $63.2 million. This consists primarily of $43.7 million associated with amortizing the unrecovered construction cost spend and $19.5 million in period carrying costs, recovery of current period exit and wind-down activities and prior period over recoveries.

Q. Does this conclude your testimony?

A. Yes, it does.

SCHEDULE APPENDIX

REDACTED

EXHIBIT (TGF-4)

DUKE ENERGY FLORIDA, INC.
LEVY NUCLEAR UNITS 1 & 2
COMMISSION SCHEDULES

JANUARY 2014 - DECEMBER 2015

DOCKET NO. 140009-EI

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Levy Nuclear Units 1 & 2
January 2014 - December 2015

2015 Summary
Levy Nuclear Units 1 & 2
January 2015 - December 2015
Duke Energy Florida

Witness: Thomas G. Foster
Docket No. 140009-EI
Exhibit: (TGF- 4)

				12-Month Total
1.	Final Costs for the Period			
	a. Carrying Cost on Unrecovered Investment		$	5,479,030
	b. Period Exit Costs			854,787
	c. Period Other Exit / Wind-down Costs			355,125
	d. Total Period Revenue Requirement		$	6,688,942
2.	Prior Period Over/Under Recoveries		$	3,263,645
3.	Total Revenue Requirement for the Period	(Lines 1.d + 2)	$	9,952,587
4.	Current Period Amortization of Unrecovered Balance		$	94,038,554
5.	Final Revenue Requirement for the Period	(Line 3 + line 4)	$	103,991,141
6.	Revenue Tax Multiplier			1.00072
7.	**Total 2015 Projected Revenue Requirements**		**$**	**104,066,014**

DUKE ENERGY FLORIDA
Nuclear Cost Recovery Clause (NCRC) - Levy Nuclear Units 1 & 2
2014 Detail - Calculation of the Revenue Requirements
January 2014 through December 2014

Witness: T. G. Foster/C. Fallon
Docket No. 140009-EI
(TGF-4)

REDACTED

Line	Description		Beginning of Period Amount	Actual January 2014	Actual February 2014	Estimated March 2014	Estimated April 2014	Estimated May 2014	Estimated June 2014	Estimated July 2014	Estimated August 2014	Estimated September 2014	Estimated October 2014	Estimated November 2014	Estimated December 2014	Period Total	End of Period Total
1	Uncollected Investment : Generation																
	a Prior Period Construction Balance YE 2013		[redacted]														
	b Wind-Down Costs																
	c Sale or Salvage of Assets																
	d Disposition																
	e Total																
2	Adjustments																
	a Non-Cash Accruals		[redacted]														
	b Adjusted System Generation (Line 1e + Line 2a)																
	c Retail Jurisdictional Factor : Generation	92.885%															
	d Retail Uncollected Investment: Generation		[redacted]														
3	Uncollected Investment : Transmission																
	a Prior Period Construction Balance YE 2013		[redacted]														
	b Wind-Down Costs																
	c Sale or Salvage of Assets																
	d Disposition																
	e Total																
4	Adjustments																
	a Non-Cash Accruals		[redacted]														
	d Adjusted System Transmission (Line 3e + Line 4a)																
	e Retail Jurisdictional Factor : Transmission	70.203%															
	f Retail Uncollected Investment: Transmission		[redacted]														
5	Total Uncollected Investment																
	a Total Jurisdictional Uncollected Investment (2d + 4f)		214,246,253	5,834,345	443,296	47,488	790,694	474,882	474,882	474,882	474,882	474,882	14,388,906	474,882	474,882	24,828,901	239,075,154
	b Retail Land Transferred to Land Held for Future Use (a)		(66,221,330)														(66,221,330)
	c Total Jurisdictional Uncollected Investment		148,024,923														172,853,824
6	Carrying Cost on Unrecovered Investment Balance																
	a Uncollected Investment: Additions for the Period (Beg Balance: Line 5c.) (a)		148,024,923	5,834,345	443,296	47,488	790,694	474,882	474,882	474,882	474,882	474,882	14,388,906	474,882	474,882	$24,828,901	172,853,824
	b Plant-In-Service (a)		1,010,952														(1,010,952)
	c Period Recovered Wind-down / Exit Costs															24,828,901	24,828,901
	d Amortization of Uncollected Investment (2010)			2,435,326	2,435,326	2,435,326	2,435,326	2,435,326	2,435,326	2,435,326	2,435,326	2,435,326	2,435,326	2,435,326	2,435,326	29,223,910	29,223,910
	e Additional Amortization of Uncollected Investment Balance			3,905,376	3,905,376	3,905,376	3,905,376	3,905,376	3,905,376	3,905,376	3,905,376	3,905,376	3,905,376	3,905,376	3,905,376	46,864,516	(46,864,516)
	f Prior Period Carrying Charge Unrecovered Balance (a)		24,221,851	21,816,090	19,410,330	17,004,570	14,598,809	12,193,049	9,787,289	7,381,528	4,975,768	2,570,008	164,247	(2,241,513)	(4,647,273)		(4,647,273)
	g Prior Period Carrying Charge Recovered (a)		(354,786)	(29,566)	(29,566)	(29,566)	(29,566)	(29,566)	(29,566)	(29,566)	(29,566)	(29,566)	(29,566)	(29,566)	(29,566)		0
	h Prior Period Under/(Over) Recovery (Prior Month)			0	4,271,877	(2,207,558)	(1,186,505)	(454,398)	(779,629)	(790,433)	(801,330)	(812,317)	(823,396)	13,137,260	(729,747)	8,083,683	8,083,683
	i Net Investment		$171,235,822	$170,759,030	$163,328,722	$154,414,219	$147,659,783	$140,578,435	$133,487,670	$126,386,100	$119,273,633	$112,150,179	$118,929,671	$111,841,769	$104,800,885		$103,585,865
7	Average Net Investment			$170,997,426	$166,262,642	$157,546,043	$150,420,004	$143,496,563	$136,405,797	$129,304,227	$122,191,761	$115,068,307	$114,890,786	$114,759,897	$107,719,013		
8	Return on Average Net Investment																
	a Equity Component	0.00394		673,730	655,075	620,731	592,655	565,376	537,439	509,459	481,436	453,369	452,670	452,154	424,413	6,418,507	
	b Equity Component Grossed Up For Taxes	1.62800		1,096,834	1,066,463	1,010,551	964,843	920,433	874,952	829,400	783,779	738,085	736,947	736,107	690,945	10,449,340	
	c Debt Component	0.00189		323,869	314,901	298,392	284,895	271,782	258,353	244,902	231,431	217,939	217,603	217,355	204,020	3,085,442	
	d Total Return			1,420,703	1,381,364	1,308,943	1,249,738	1,192,215	1,133,305	1,074,302	1,015,210	956,024	954,550	953,462	894,965	13,534,781	
9	**Revenue Requirements for the Period (Line 6a + 8d)**			7,255,047	1,824,661	1,356,431	2,040,433	1,667,097	1,608,186	1,549,184	1,490,091	1,430,906	15,343,457	1,428,344	1,369,847	38,363,683	
10	Projected Revenue Requirements for the Period (Order No. PSC 13-0493-FOF-EI)			2,983,170	4,032,219	2,542,937	2,494,831	2,446,725	2,398,620	2,350,514	2,302,408	2,254,303	2,206,197	2,158,091	2,109,986	30,280,000	
11	Over/Under Recovery For the Period			4,271,877	(2,207,558)	(1,186,505)	(454,398)	(779,629)	(790,433)	(801,330)	(812,317)	(823,396)	13,137,260	(729,747)	(740,139)	8,083,683	
12	Other Exit / Wind-Down																
	a Accounting			(3,157)	13,305	10,262	10,262	10,262	10,262	10,262	10,262	10,262	10,262	10,262	10,262	$112,772	
	b Corporate Planning			9,947	7,876	16,070	16,070	16,070	16,070	16,070	16,070	16,070	16,070	16,070	16,070	$178,521	
	c Legal			0	29,750	9,525	9,525	9,525	9,525	9,525	9,525	9,525	9,525	9,525	9,525	$125,000	
	d Joint Owner Credit			0	0	0	0	0	0	0	0	0	0	0	0	0	
	e Total Other Exit / Wind-Down Costs			6,790	50,931	35,857	35,857	35,857	35,857	35,857	35,857	35,857	35,857	35,857	35,857	$416,293	
13	Jurisdictional Factor (A&G)			0.93221	0.93221	0.93221	0.93221	0.93221	0.93221	0.93221	0.93221	0.93221	0.93221	0.93221	0.93221		
14	Jurisdictional Amount			6,330	47,478	33,426	33,426	33,426	33,426	33,426	33,426	33,426	33,426	33,426	33,426	388,072	
15	Prior Period Unrecovered Balance (a)		(520,198)	(483,500)	(446,802)	(410,103)	(373,405)	(336,707)	(300,009)	(263,311)	(226,612)	(189,914)	(153,216)	(116,518)	(79,819)		
16	Prior Period Costs Recovered (a)		(440,379)	(36,698)	(36,698)	(36,698)	(36,698)	(36,698)	(36,698)	(36,698)	(36,698)	(36,698)	(36,698)	(36,698)	(36,698)	(36,698)	
17	Prior Month Period (Over)/Under Recovery			0	(33,747)	7,400	(6,653)	(6,655)	(6,656)	(6,658)	(6,659)	(6,660)	(6,662)	(6,663)	(6,665)		
18	Unamortized Balance		(520,198)	(483,500)	(480,549)	(436,451)	(406,406)	(376,363)	(346,321)	(316,280)	(286,241)	(256,203)	(226,167)	(196,132)	(166,098)	(129,400)	
19	Projected Carrying Costs for the Period																
	a Balance Eligible for Interest			(498,684)	(475,159)	(438,087)	(408,042)	(377,999)	(347,957)	(317,916)	(287,877)	(257,839)	(227,803)	(197,768)	(167,734)		
	b Monthly Commercial Paper Rate			0.01%	0.01%	0.01%	0.01%	0.01%	0.01%	0.01%	0.01%	0.01%	0.01%	0.01%	0.01%		
	c Interest Provision			(25)	(24)	(22)	(20)	(19)	(17)	(16)	(14)	(13)	(11)	(10)	(8)	(200)	
	d Total Costs and Interest (Line 14 + Line 19c)			6,305	47,455	33,404	33,406	33,408	33,409	33,411	33,412	33,414	33,415	33,417	33,418	387,872	
20	Recovered (Order No. PSC 13-0493-FOF-EI)			40,052	40,055	40,058	40,061	40,064	40,067	40,070	40,072	40,075	40,078	40,081	40,084	480,817	
21	Over/Under Recovery For the Period			(33,747)	7,400	(6,653)	(6,655)	(6,656)	(6,658)	(6,659)	(6,660)	(6,662)	(6,663)	(6,665)	(6,666)	(92,945)	
22	**Revenue Requirements for the Period**			7,261,352	1,872,115	1,389,836	2,073,839	1,700,504	1,641,595	1,582,594	1,523,503	1,464,320	15,376,872	1,461,761	1,403,265	38,751,555	
23	Recovered (Order No. PSC 13-0493-FOF-EI)			3,023,222	4,072,274	2,582,995	2,534,892	2,486,789	2,438,686	2,390,584	2,342,481	2,294,378	2,246,275	2,198,172	2,150,070	30,760,817	
24	**Over/Under Recovery For the Period**			4,238,130	(2,200,159)	(1,193,159)	(461,053)	(786,285)	(797,091)	(807,989)	(818,977)	(830,058)	13,130,596	(736,412)	(746,805)	7,990,738	

Note (a) : Please see Appendix A for Beginning Balance Support

DUKE ENERGY FLORIDA
Nuclear Cost Recovery Clause (NCRC) - Levy Nuclear Units 1 & 2
2015 Detail - Calculation of the Revenue Requirements
January 2015 through December 2015

Line	Description		Beginning of Period Amount	Projected January 2015	Projected February 2015	Projected March 2015	Projected April 2015	Projected May 2015	Projected June 2015	Projected July 2015	Projected August 2015	Projected September 2015	Projected October 2015	Projected November 2015	Projected December 2015	Period Total	End of Period Total
1	**Uncollected Investment : Generation**																
	a Prior Period Construction Balance YE 2013		[redacted]														
	b Wind-Down Costs																
	c Sale or Salvage of Assets																
	d Disposition																
	e Total																
2	**Adjustments**																
	a Non-Cash Accruals		[redacted]														
	b Adjusted System Generation (Line 1e + Line 2a)																
	c Retail Jurisdictional Factor : Generation	92.885%															
	d Retail Uncollected Investment: Generation		[redacted]														
3	**Uncollected Investment : Transmission**																
	a Prior Period Construction Balance YE 2013		[redacted]														
	b Wind-Down Costs																
	c Sale or Salvage of Assets																
	d Disposition																
	e Total																
4	**Adjustments**																
	a Non-Cash Accruals		[redacted]														
	d Adjusted System Transmission (Line 3e + Line 4a)																
	e Retail Jurisdictional Factor : Transmission	70.203%															
	f Retail Uncollected Investment: Transmission		[redacted]														
5	**Total Uncollected Investment**																
	a Total Jurisdictional Uncollected Investment (2d + 4f)		239,075,154														239,929,941
	b Retail Land Transferred to Land Held for Future Use (a)		(66,221,330)														(66,221,330)
	c Total Jurisdictional Uncollected Investment		172,853,824	427,394	427,394	0	0	0	0	0	0	0	0	0	0	854,787	173,708,611
6	**Carrying Cost on Uncollected Investment Balance**																
	a Uncollected Investment: Additions for the Period (Beg Balance: Line 5c.)		172,853,824	427,394	427,394	0	0	0	0	0	0	0	0	0	0	854,787	173,708,611
	b Plant-In-Service (a)		1,010,952	0	0	0	0	0	0	0	0	0	0	0	0	0	1,010,952
	c Period Recovered Wind-down / Exit Costs		24,828,901	0	0	0	0	0	0	0	0	0	0	0	0	854,787	25,683,688
	d Amortization of Uncollected Investment (2010)		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	e Additional Amortization of Uncollected Investment Balance		(46,864,516)	7,836,546	7,836,546	7,836,546	7,836,546	7,836,546	7,836,546	7,836,546	7,836,546	7,836,546	7,836,546	7,836,546	7,836,546	94,038,554	(140,903,070)
	f Prior Period Carrying Charge Unrecovered Balance (a)		3,436,410	3,150,042	2,863,675	2,577,307	2,290,940	2,004,572	1,718,205	1,431,837	1,145,470	859,102	572,735	286,367	(0)		(0)
	g Prior Period Carrying Charge Recovered (a)		3,436,410	286,367	286,367	286,367	286,367	286,367	286,367	286,367	286,367	286,367	286,367	286,367	286,367		0
	h Net Investment		$103,585,865	$95,890,345	$87,767,431	$79,217,124	$71,094,210	$62,971,297	$54,848,383	$46,725,469	$38,602,556	$30,479,642	$22,356,728	$14,233,815	$6,110,901		$6,110,901
7	Average Net Investment			$99,738,105	$92,042,585	$83,705,974	$75,155,667	$67,032,753	$58,909,840	$50,786,926	$42,664,012	$34,541,099	$26,418,185	$18,295,271	$10,172,358		
8	Return on Average Net Investment																
	a Equity Component	0.00394		392,968	362,648	329,802	296,113	264,109	232,105	200,100	168,096	136,092	104,088	72,083	40,079	2,598,283	
	b Equity Component Grossed Up For Taxes	1.62800		639,753	590,392	536,918	482,072	429,970	377,867	325,763	273,661	221,558	169,455	117,351	65,249	4,230,009	
	c Debt Component	0.00189		188,904	174,329	158,539	142,345	126,960	111,575	96,190	80,806	65,421	50,036	34,651	19,266	1,249,022	
	d Total Return for the Period			828,657	764,721	695,457	624,417	556,930	489,442	421,953	354,467	286,979	219,491	152,002	84,515	5,479,030	
9	**Revenue Requirements for the Period (Line 6e + 8d)**			1,256,050	1,192,114	695,457	624,417	556,930	489,442	421,953	354,467	286,979	219,491	152,002	84,515	6,333,818	
10	**Other Exit / Wind-Down**																
	a Accounting			10,262	10,262	10,262	10,262	10,262	10,262	10,262	10,262	10,262	10,262	10,262	10,262	$123,148	
	b Corporate Planning			16,070	16,070	16,070	16,070	16,070	16,070	16,070	16,070	16,070	16,070	16,070	16,070	$192,838	
	c Legal			5,417	5,417	5,417	5,417	5,417	5,417	5,417	5,417	5,417	5,417	5,417	5,417	$65,000	
	d Joint Owner Credit			0	0	0	0	0	0	0	0	0	0	0	0	0	
	e Total Other Exit / Wind-Down Costs			31,749	31,749	31,749	31,749	31,749	31,749	31,749	31,749	31,749	31,749	31,749	31,749	$380,986	
11	Jurisdictional Factor (A&G)			0.93221	0.93221	0.93221	0.93221	0.93221	0.93221	0.93221	0.93221	0.93221	0.93221	0.93221	0.93221		
12	Jurisdictional Amount			29,597	29,597	29,597	29,597	29,597	29,597	29,597	29,597	29,597	29,597	29,597	29,597	355,159	
13	Prior Period Unrecovered Balance (a)		(172,765)	(158,368)	(143,970)	(129,573)	(115,176)	(100,779)	(86,382)	(71,985)	(57,588)	(43,191)	(28,794)	(14,397)	0		
14	Prior Period Costs Recovered (a)		(172,765)	(14,397)	(14,397)	(14,397)	(14,397)	(14,397)	(14,397)	(14,397)	(14,397)	(14,397)	(14,397)	(14,397)	(14,397)		
15	Unamortized Balance		(172,765)	(158,368)	(143,970)	(129,573)	(115,176)	(100,779)	(86,382)	(71,985)	(57,588)	(43,191)	(28,794)	(14,397)	0		
16	Projected Carrying Costs for the Period																
	a Balance Eligible for Interest			21,997	(136,371)	(121,974)	(107,577)	(93,180)	(78,783)	(64,385)	(49,988)	(35,591)	(21,194)	(6,797)	7,600		
	b Monthly Commercial Paper Rate			0.01%	0.01%	0.01%	0.01%	0.01%	0.01%	0.01%	0.01%	0.01%	0.01%	0.01%	0.01%		
	c Interest Provision			1	(7)	(6)	(5)	(5)	(4)	(3)	(2)	(2)	(1)	(0)	0	(34)	
	d Total Costs and Interest (Line 12 + Line 16c)			29,598	29,590	29,590	29,591	29,592	29,593	29,593	29,594	29,595	29,596	29,596	29,597	355,125	
17	**Revenue Requirements for the Period**			1,285,648	1,221,704	725,048	654,009	586,522	519,035	451,546	384,061	316,574	249,087	181,598	114,112	6,688,943	

Note (a) : Please see Appendix A for Beginning Balance Support

Levy County Nuclear Units 1 & 2

2015 Estimated Rate Impact

FLORIDA PUBLIC SERVICE COMMISSION	EXPLANATION: Using the billing determinants and allocation factors used in the previous year's cost recovery filings, provide an estimate of the rete impact by class of the costs requested for recovery. Current billing determinants and allocation factors may be used, if available.	Exhibit:	TGF - 4
COMPANY: Duke Energy - FL		For the Year Ended:	12/31/2015
DOCKET NO.: 140009-EI		Witness:	Thomas G. Foster

Rate Class	(1) 12CP & 1/13 AD Demand Allocator (%)	(2) Production Demand Costs $	(3) Effective Mwh's @ Secondary Level Year 2015	(4) Capacity Cost Recovery Factor (c/Kwh)	(5) Capacity Cost Recovery Factor ($/kw-Mo)
Residential					
RS-1, RST-1, RSL-1, RSL-2, RSS-1					
Secondary	60.865%	$63,339,920	18,814,530	**0.345**	
General Service Non-Demand					
GS-1, GST-1					
Secondary			1,248,580	**0.252**	
Primary			4,329	**0.249**	
Transmission			3,695	**0.247**	
TOTAL GS	3.288%	$3,421,989	**1,256,604**		
General Service					
GS-2 Secondary	0.260%	$270,208	145,911	**0.182**	
General Service Demand					
GSD-1, GSDT-1, SS-1					
Secondary			11,999,354		**0.84**
Primary			2,283,269		**0.83**
Transmission			5,611		**0.82**
TOTAL GSD	31.810%	$33,102,985	**14,288,233**		
Curtailable					
CS-1, CST-1, CS-2, CST-2, CS-3, CST-3, SS-3					
Secondary			-		**0.91**
Primary			33,672		**0.90**
Transmission			-		**0.89**
TOTAL CS	0.051%	$52,671	**33,672**		
Interruptible					
IS-1, IST-1, IS-2, IST-2, SS-2					
Secondary			86,770		**0.69**
Primary			1,574,561		**0.68**
Transmission			315,033		**0.68**
TOTAL IS	3.547%	$3,690,759	**1,976,364**		
Lighting					
LS-1 Secondary	0.180%	$187,482	387,528	**0.052**	
	100.000%	$104,066,015	36,902,842	**0.282**	

2014

Unrecovered Investment Beginning Balance for Carrying Cost Calculation

Line No.

6a. Unrecovered Investment Beginning Balance | $ 148,024,923 | (a-b)

	Generation	2013 Retail Separation Factor	Retail	
2013 Detail (Line 17d) Generation	213,611,260	92.885%	$198,412,819	
2013 Detail (Line 19e) Transmission	22,553,786	70.203%	15,833,434	
	236,165,046		$214,246,253	(a)

Less: **RETAIL - Real Estate Transferred to Land Held for Future Use (per 2013 Settlement)**

	System	2013 Retail Separation Factor	Retail	
2013 Detail (Line 16a) Generation Land (accrued)	60,250,765	92.885%	$55,963,923	
2013 Detail (Line 18b) Transmission Land (accrued)	17,636,269	70.203%	12,381,190	
	$77,887,034		$68,345,113	
Less: Non-Land in Real Estate Acquisition Line (I.e. Permitting) – Not transferred to LHFFU as of 12/31/2013			2,123,783	
			66,221,330	(b)

6b. Transfers to Plant in Service | $ 1,010,952 |

Taken Directly From TGF-2 (2013 Detail Line 22)

This amount represents the amount of Levy projects that are currently in service at the updated Retail (Jurisdictionalized) rate.

6f. Prior Period Unrecovered Balance | $ 24,221,851 |

2013 Detail (TGF-2 2014)

Line 7. Prior Period Carrying Charge Unrecovered Preconstruction Balance (Incl. 2010 Reg Asset)	$	33,272,152
Line 15. Prior Period Preconstruction (Over)/Under Recovery		(6,711,170)
Line 24. Prior Period Carrying Charge Unrecovered Construction Balance		(464,035)
Line 31. Prior Period Construction (Over)/Under Recovery		(1,875,096)
This is the remaining amount of the 2013 Activity	$	24,221,851

6g. Amortization of Prior Period Unrecovered Carrying Charge | $ (354,786) |

Amount to Amortize over 12 Months
Comes from amount in Appendix A (Page 2 of 3)
All Items except O&M in the 2014 Collection / (Refund)

Other Exit & Wind-Down Costs

Line No.

15. Prior Period Unrecovered Costs Balance Eligible for Interest | $ (520,198) |

2013 Detail (TGF-2 2014)

Line 36. Prior Period Unrecovered Balance Eligible for interest — 60,748
This is the remaining amount of the 2012 Uncollected Balance.

Line 42. Prior Period (Over)/Under Recovery — (580,946)
This is the remaining amount of the 2013 Activity

16. Amortization of Unrecovered Balance Eligible for interest (a) | $ (440,379) |

Comes from amount in Appendix A (Page 2 of 3) in the 2014 Collection / (Refund)

2015

Line No.

Unrecovered Investment Beginning Balance for Carrying Cost Calculation

6f. Prior Period Unrecovered Balance | $ 3,436,410 |

Line 6f. 2014 Detail	Prior Period Carrying Charge Unrecovered Balance	(4,647,273)
Line 11 2014 Detail	Over/Under Recovery For the Period	8,083,683

Other Exit & Wind-Down Costs

13 Prior Period (Over)/Under Recovery | $ (172,765) |

Line 15 2014 Detail	Prior Period (Over)/Under Recovery	(79,819)
Line 21 2014 Detail	Over/Under Recovery For the Period	(92,945)

Prior Period Over / (Under) Support Schedules

DEF - Levy Nuclear Units 1&2

	2012 True Up	Note 1 2012 Est-Actual	2014 Collection/ (Refund) *
Preconstruction Rev Req.	16,543,722	12,835,927	3,707,795
Preconstruction Carrying Cost Rev Req.	12,675,742	12,335,295	340,447
Construction Carrying Cost Rev Req.	16,269,349	16,733,385	(464,036)
Recoverable O&M Revenue Req.	988,205	927,458	60,747
DTA	19,479,375	19,479,375	0
	65,956,393	62,311,440	3,644,953

Note 1: 2012 Est-Actual amounts are per Order PSC-12-0650-FOF-EI, Docket 120009-EI, Pg 26

	2013 Est-Actual	Note 2 2013 Projection	2014 Collection/ (Refund) *
Preconstruction Rev Req.	13,514,466	17,198,302	(3,683,836)
Preconstruction Carrying Cost Rev Req.	7,833,531	7,809,647	23,884
Construction Carrying Cost Rev Req.	14,000,362	14,279,402	(279,040)
Recoverable O&M Revenue Req.	523,974	1,025,100	(501,126)
	35,872,333	40,312,451	(4,440,118)

Note 2: 2013 Projection amounts are per Order PSC-12-0650-FOF-EI, Docket 120009-EI, Pg 27

DEF Revenue Requirement Allocation Schedule

Allocation of 2015 Revenue Requirements	Schedule	Amount	Amount Allocated / Amortized	Remaining Balance to Allocate	Unrecovered Balance
Amount to Allocate	2015 Est Rate Impact	$104,066,015			
Revenue Tax Multiplier		1.00072			
Total Amount for the Projection Period Rev. Requirement		**$103,991,141**			
Allocation Methodology					
• First to Allocate Current Period Carrying Costs					
Carrying Costs on Regulatory Asset	2015 Detail	5,479,030	5,479,030	$ 98,512,111	-
• Second to any (over)/under recovery from Prior Periods (Note 1)	2015 Detail	3,263,645	3,263,645	95,248,466	-
• Third to Current Period Other Exit & Wind-down Costs	2015 Detail	355,125	355,125	94,893,341	-
• Fourth to Current Period Exit Costs	2015 Detail	854,787	854,787	94,038,554	-
• Fifth to Regulatory Asset Balance (Note 3)	2015 Detail	94,038,554	94,038,554		-
		$103,991,141	**$103,991,141**	**$0**	-
• Balance of Regulatory Asset (Note 3)		147,013,971	140,903,070		**$6,110,901**

Net Unrecovered Balance at YE 2015 **$6,110,901**

Note 1: Prior period over recoveries were applied against cost components identified above and reflected in the NFR schedules herein.

Note 2: The 2010 Retail Regulatory Asset has been fully amortized at YE 2014.

Note 3: The amount shown is the remaining balance at Year End 2015 (Retail).

LEVY COUNTY NUCLEAR 1 & 2
Site Selection, Preconstruction Costs, and Carrying Costs on Construction Cost Balance
Estimated / Actual Filing: Other Wind-Down & Exit Expenditures Allocated or Assigned to Other Recovery Mechanisms

EXPLANATION: Provide variance explanations comparing the annual system total expenditures shown on 2014 Detail Schedules with the expenditures provided to the Commission Schedule P-4 in the May 1, 2013 Filing in Docket No. 130009-EI

Appendix B
Witness: Thomas G. Foster
(TGF-4)

COMPANY:
Duke Energy Florida

DOCKET NO.:
140009-EI

For Year Ended 12/31/2014

Line No.	Description	(A) System Projection	(B) System Estimated/Actual	(C) Variance Amount	(D) Explanation
	Allocated or Assigned Expenditures				
1	Accounting	$123,148	$112,772	($10,377)	
2	Corporate Planning	192,838	178,521	(14,317)	
3	Legal	200,000	125,000	(75,000)	
4	Other	0	0	0	
5	Total	$515,986	$416,293	($99,693)	

DUKE ENERGY FLORIDA
Average Rate of Return - Capital Structure
FPSC Adjusted Basis
December 2012

Appendix C
Witness: Thomas G. Foster
Docket No. 140009-EI
(TGF - 4)

	System Per Books	Specific Adjustments	Pro Rata Adjustments	System Adjusted	FPSC Adjusted Retail	Ratio	Low Point Cost Rate	Low Point Weighted Cost	Mid Point Cost Rate	Mid Point Weighted Cost	High Point Cost Rate	High Point Weighted Cost
Common Equity	$4,767,157,537	657,669,241	($813,779,810)	$4,611,046,968	$3,753,238,636	46.36%	9.50%	4.40%	10.50%	4.87%	11.50%	5.33%
Preferred Stock	33,496,700		(5,024,850)	28,471,850	23,175,138	0.29%	4.51%	0.01%	4.51%	0.01%	4.51%	0.01%
Long Term Debt - Fixed	4,491,809,896	0	(673,817,682)	3,817,992,215	3,107,718,483	38.39%	5.78%	2.22%	5.78%	2.22%	5.78%	2.22%
Short Term Debt *	232,034,133	(51,903,909)	(27,021,386)	153,108,838	124,625,494	1.54%	0.60%	0.01%	0.60%	0.01%	0.60%	0.01%
Customer Deposits												
Active	214,453,652		(32,170,253)	182,283,398	182,283,398	2.25%	5.36%	0.12%	5.36%	0.12%	5.36%	0.12%
Inactive	1,280,766		(192,128)	1,088,638	1,088,638	0.01%						
Investment Tax Credit												
Post '70 Total	3,450,862		(517,665)	2,933,197								
Equity **					1,309,719	0.02%	9.58%	0.00%	10.59%	0.00%	11.59%	0.00%
Debt **					1,077,805	0.01%	5.85%	0.00%	5.85%	0.00%	5.85%	0.00%
Deferred Income Taxes	1,365,618,849	155,326,427	(228,157,434)	1,292,787,842	1,052,286,240	13.00%						
FAS 109 DIT - Net	(218,650,949)		32,799,891	(185,851,058)	(151,276,570)	-1.87%						
Total	**$10,890,651,446**	**$761,091,759**	**($1,747,881,316)**	**$9,903,861,889**	**$8,095,526,982**	**100.00%**		**6.76%**		**7.23%**		**7.69%**

Equity	4.88%
Debt	2.35%
Total	7.23%

* Daily Weighted Average
**Cost Rates Calculated Per IRS Ruling

LEVY COUNTY NUCLEAR 1 & 2
Site Selection, Preconstruction Costs, and Carrying Costs on Construction Cost Balance
Estimated / Actual Filing: Description of Monthly Cost Additions

EXPLANATION: Provide a description of the major tasks performed within these Categories for the year.
List generation expenses separate from transmission

Appendix D
Witness: C. Fallon
Exhibit: (TGF - 4)
(Page 1 of 2)

COMPANY:
Duke Energy Florida

DOCKET NO.:
140009-EI

For Year Ended 12/31/2014

Line No.	Major Task & Description for amounts on 2014 Detail Schedule	Description
	Generation:	
1	Wind-Down Costs	Spend performed in accordance to Rule 25-6.0423(7).
2	Sale or Salvage of Assets	The amount of proceeds received from either selling, transferring or otherwise receiving salvage value for the nuclear assets.
3	Disposition	The cost of winding-down and exiting the nuclear project contracts
4	License Application	Detailed on-site characterization for geological and environmental analysis, NRC Review fees, transmission deliverability analysis, etc.
5	Engineering, Design & Procurement	Engineering & Design associated with the Site Layout, Power Block and Non-Power Block facilities.
6	Real Estate Acquisition	Land, Survey, Legal fees and commissions.
7	Project Management	Management oversight of construction, including, but not limited to engineering, quality assurance, field support and contract services.
8	Power Block Engineering, Procurement, etc.	The cost of constructing and procuring the nuclear power block (reactor vessel, containment vessel, cooling towers, etc.)
	Transmission:	
9	Wind-Down Costs	Spend performed in accordance to Rule 25-6.0423(7).
10	Sale or Salvage of Assets	The amount of proceeds received from either selling, transferring or otherwise receiving salvage value for the nuclear assets.
11	Disposition	The cost of winding-down and exiting the nuclear project contracts
12	Real Estate Acquisition	Land acquisition, survey, appraisal, title commitments, permitting, eminent domain support and ordinance review costs.
13	Other	Project Management, project scheduling and controls, development of contracting strategies, legal and related overhead costs and other miscellaneous costs associated with transmission construction.

LEVY COUNTY NUCLEAR 1 & 2
Site Selection, Preconstruction Costs, and Carrying Costs on Construction Cost Balance
Estimated/Actual True-Up Filing: Regulatory Asset Category - Variance in Additions and Expenditures

REDACTED

EXPLANATION: Provide variance explanations comparing the annual system total expenditures shown on 2014 Detail Schedule with the expenditures approved by the Commission on Schedules P-6.2 & P-6.3. List the Generation expenses separate from Transmission.

Appendix D
Witness: C. Fallon
Exhibit: (TGF - 4)
(Page 2 of 2)

COMPANY:
Duke Energy - FL

DOCKET NO.:
140009-EI

For Year Ended 12/31/2014

Line No.	Major Task & Description for amounts on Schedule	(A) System Projection	(B) System Estimated/Actual	(C) Variance Amount	(D) Explanation
	Generation:				
1	Wind-Down Costs (new category)	[redacted]			
2	Sale or Salvage of Assets (new category)				
3	Disposition (new category)				
4	License Application (P-6.2)				
5	Engineering, Design, & Procurement (P-6.2)				
6	Real Estate Acquisitions (P-6.3)				
7	Project Management (P-6.3)				
8	Power Block Engineering, Procurement, etc. (P-6.3)				
	Total Generation Costs				Variance due to termination of the EPC and terms of the RRSSA.
	Transmission:				
9	Wind-Down Costs	[redacted]			
10	Sale or Salvage of Assets				
11	Disposition				
12	Real Estate Acquisition (P-6.3)				
13	Other (P-6.3)				
	Total Transmission Costs				Variance due to termination of the EPC and terms of the RRSSA.

LEVY COUNTY NUCLEAR 1 & 2
True-Up Actual Filing: Contracts Executed

REDACTED

EXPLANATION: Provide a list of contracts executed in excess of $1 million including, a description of the work, the dollar value and term of the contract, the method of vendor selection, the identity and affiliation of the vendor, and current status of the contract.

Appendix E
Witness: C. Fallon
Docket No. 140009-EI
Exhibit: (TGF - 4)

COMPANY:
Duke Energy Florida

DOCKET NO.:
140009-EI

For Year Ended: 12/31/2015

	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)
Line No.	Contract No.	Status of Contract	Term of Contract	Original Amount	Actual Expended as of Prior Year End (2013)	Estimated Amount Expended in Years (2014-2015)	Estimate of Final Contract Amount	Name of Contractor	Affiliation of Vendor	Method of Selection	Nature and Scope of Work
1	N/A	Executed	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	Purchase Agreement for Rayonier Forest Resources	Indirect (Vertical Integration (buyer) on behalf of Duke Energy)	Purchase based on final results from site down select analysis that determined most suitable site to locate the plant.	Purchase Land for LNP. Final contract amount includes costs to complete title search, recording fees, and documentary stamps; and Final payment in 2014. Sold Approximately 3,000 acres to Duke Energy for siting Levy Nuclear Plant.
2	255934-09 Amendment 1-11	Executed	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	Joint Venture Team	Direct	Sole Source. Award for Phase III support of the COLA submittal (Reference contract 255934-02)	LNP Phase III (Initial Scope - COLA Revision 6) Incorporate RCC Specialty Test, Foundation Calcs Rev-Contract will be amended as new COLA Phase III work scope identified.
3	414310	Executed (continue partial suspension with schedule shift)	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	Westinghouse Electric Co. LLC.	Direct	Sole Source. Award based on vendor constructing the selected reactor technology.	To design, engineer, supply, equip, construct and install a fully operational two unit AP1000 Facility at the Levy Nuclear Plant Site. Final contract amount includes change orders.
4	571467 Amendment 1	Completed (Note 1)	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	O'Steen Brothers	Direct	RFP Process	Provide detailed engineering design, permitting, and construction services for a 3.2mile, 12 ft. wide multi-use paved trail ("Trail") on the Marjorie Harris Carr Cross Florida Greenway ("Greenway"), to be located in Citrus and Levy Counties (Florida).
5	N/A	Completed	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	NuStart Energy Development LLC	Direct	Membership Agreement in Industry Organization	Preparation of Reference Combined License Applications for Westinghouse and GE Designs.
6	N/A	Note 2	Note 2	Note 2	[redacted]	[redacted]	Note 2	Hopping, Green & Sams	Direct	Note 2	Legal Work - Levy Site Certification
7	N/A	Note 2	Note 2	Note 2	[redacted]	[redacted]	Note 2	Pillsbury Winthrop Shaw Pittman	Direct	Note 2	Legal Work - Levy COLA Work and COLA Contentions
8	N/A	Note 2	Note 2	Note 2	[redacted]	[redacted]	Note 2	Carlton Fields	Direct	Note 2	Legal Work – PEF Levy Units 1 & 2

Note 1: For this particular contract, costs incurred by DEF for the design, permitting, and construction of the Rec Trail were reimbursed from an escrow account administered by the State of Florida (Department of Financial Services, Division of Treasury).

Note 2: The scope, nature, and extent of legal services ultimately required is subject either to events and/or the actions and/or inactions of parties beyond the control of DEF and its legal services providers, and therefore are not amenable to determination at the time of contract execution or estimation in advance of the conclusion of legal services.

Note 3: Costs associated with terminating the EPC and related long lead time equipment contracts are under evaluation.

DEF Rate Management Plan Schedule

APPENDIX F
WITNESS: THOMAS G. FOSTER
Docket No. 140009-EI
(TGF-4)

DUKE ENERGY FLORIDA
UPDATED RATE MANAGEMENT PLAN
REVISED AMORTIZATION SCHEDULE
($'000's)

Line No.	Year	BB Deferral	CY Amortization		EB Deferral	Carrying Cost	Order Approving
1	2010	$273,890	$36,618		$237,271	$32,269	PSC-09-0783-FOF-EI
2	2011	237,271	60,000		177,271	26,169	PSC 11-0095-FOF-EI
3	2012	177,271	60,000		117,271	18,726	PSC 11-0547-FOF-EI
4	2013	117,271	88,048		29,224	9,248	PSC 12-0650-FOF-EI
5	2014	29,224	29,224	(Note 2)	-	1,748	PSC 13-0493-FOF-EI

Note 1: This appendix reflects DEF's projected amortization of the rate management deferral. Consistent with Order No. PSC-09-0783-FOF-EI, DEF shall be permitted to annually reconsider changes to the deferred amount and recovery schedule based on circumstances.

Note 2: Collection of the remaining amount of this balance occurs in 2014 and can be seen on Line 6d. of 2014 Detail Schedule in this Docket.

SCHEDULE APPENDIX

REDACTED

EXHIBIT (TGF-5)

DUKE ENERGY FLORIDA, INC.
CRYSTAL RIVER UNIT 3 UPRATE
COMMISSION SCHEDULES

JANUARY 2014 - DECEMBER 2015

DOCKET NO. 140009-EI

Table of Contents
Crystal River Unit 3 Uprate
January 2014 - December 2015

CR3 Uprate
2015 Revenue Requirement Summary
Duke Energy Florida

Witness: Thomas G. Foster
Docket No. 140009-EI
Exhibit: (TGF- 5)

(1)	Amortization of Unrecovered Balance	43,681,007	See 2015 Detail line 3d
(2)	Period Carrying Cost on Unrecovered Investment	19,548,832	See 2015 Detail line 5d
(3)	Period Exit Costs	154,258	See 2015 Detail lines 2e
(4)	Period Other Exit / Wind-Down Costs	189,194	See 2015 Detail line 13d
(5)	Period Other - Adjustments	360	See 2015 Detail line 15
(6)	Prior Period Over/Under Recoveries	(369,487)	See 2015 Detail lines 3e, 10 and 15
(7)	Total 2015 Revenue Requirement	63,204,163	
(8)	Revenue Tax Multiplier	1.00072	
(9)	Total 2015 Projected Revenue Requirements	63,249,670	

DUKE ENERGY FLORIDA
Nuclear Cost Recovery Clause (NCRC) - CR3 Uprate
2014 Detail - Calculation of the Revenue Requirements
January 2014 through December 2014

Witness: T.G. Foster / M. Delowery
Docket No. 140009-EI
Exhibit: (TGF- 5)

Line	Description		Beginning of Period Amount	Actual January 14	Actual February 14	Estimated March 14	Estimated April 14	Estimated May 14	Estimated June 14	Estimated July 14	Estimated August 14	Estimated September 14	Estimated October 14	Estimated November 14	Estimated December 14	Period Total
1	**Uncollected Investment**															
	a EPU Construction & Wind-Down Costs (c)		374,171,055	2,058	8,764	26,000	2,678,945	73,500	73,500	73,500	26,000	26,000	26,000	26,000	26,000	3,066,267
	b Sale or Salvage of Assets		0	0	0	0	0	0	0	0	0	0	0	0	0	0
	c Disposition		0	0	0	0	0	0	0	0	0	0	0	0	0	0
	d Total		374,171,055	2,058	8,764	26,000	2,678,945	73,500	73,500	73,500	26,000	26,000	26,000	26,000	26,000	$3,066,267
2	**Adjustments**															
	a Non-Cash Accruals (c)		2,293,285	0	0	(21,548)	(2,361,286)	(42,750)	0	0	42,750	42,750	0	0	0	($2,340,084)
	b Joint Owner Credit		(29,950,263)	746	(720)	(2,145)	(6,064)	(6,064)	(6,064)	(6,064)	(2,145)	(2,145)	(2,145)	(2,145)	(2,145)	(37,104)
	c Other (b)		(28,108,647)	0	0	0	0	0	0	0	0	0	0	0	0	0
	d Adjusted System Generation Construction Cost Additions		318,405,430	2,804	8,044	2,307	311,594	24,686	67,436	67,436	66,605	66,605	23,855	23,855	23,855	$689,079
	Retail Jurisdictional Factor : Current Year Activity	92.885%														
	Retail Jurisdictional Factor: (Beg Bal YE 2012 only)	91.683%														
	e Period Project Investment			2,604	7,471	2,143	289,424	22,929	62,637	62,637	61,866	61,866	22,157	22,157	22,157	$640,051
	f Beginning Balance - pre 2013 Investment		279,911,057													
	g Beginning Balance - 2013 Investment		12,170,084													
3	**Carrying Cost on Unrecovered Investment Balance**															
	a Uncollected Investment: Costs for the Period (Beg Balance: Line 2.f and 2.g)		292,081,140	2,604	7,471	2,143	289,424	22,929	62,637	62,637	61,866	61,866	22,157	22,157	22,157	292,721,191
	b Plant-in-Service (Beg Bal: YE 2013) (a)		29,995,096	0	0	0	0	0	0	0	0	0	0	0	0	29,995,096
	c Period Recovered Wind-down / Exit Costs		0	0	0	0	0	0	0	0	0	0	0	0	0	640,051
	d Amortization of Unrecovered Investment (a)		0	(3,683,571)	(3,683,571)	(3,683,571)	(3,683,571)	(3,683,571)	(3,683,571)	(3,683,571)	(3,683,571)	(3,683,571)	(3,683,571)	(3,683,571)	(3,683,571)	(44,202,846)
	e Prior Period Carrying Charge Unrecovered Balance (a)		(1,289,590)	(1,199,884)	(1,110,179)	(1,020,473)	(930,768)	(841,062)	(751,357)	(661,651)	(571,946)	(482,240)	(392,535)	(302,829)	(213,124)	(213,124)
	f Prior Period Carrying Charge Recovered (a)		(1,076,466)	(89,706)	(89,706)	(89,706)	(89,706)	(89,706)	(89,706)	(89,706)	(89,706)	(89,706)	(89,706)	(89,706)	(89,706)	
	g Prior Period Under/(Over) Recovery (Prior Month)				(24,208)	(19,584)	(25,139)	262,997	(117)	37,459	38,017	37,474	37,694	(1,949)	(2,378)	337,785
	h Net Investment		$260,796,454	$257,205,194	$253,591,988	$249,973,211	$246,641,488	$243,044,125	$239,489,851	$235,933,445	$232,376,825	$228,820,434	$225,224,554	$221,628,741	$218,032,497	$218,007,859
4	Average Net Investment			$259,000,824	$255,387,789	$251,776,543	$248,295,851	$245,119,017	$241,278,394	$237,761,696	$234,205,462	$230,648,299	$227,072,274	$223,436,752	$219,840,509	
5	Return on Average Net Investment															
	a Equity Component	0.00394		1,020,463	1,006,228	992,000	978,286	965,769	950,637	936,781	922,770	908,754	894,665	880,341	866,172	11,322,866
	b Equity Component Grossed Up For Taxes	1.62800		1,661,315	1,638,141	1,614,978	1,592,651	1,572,274	1,547,639	1,525,081	1,502,271	1,479,453	1,456,516	1,433,197	1,410,129	
	c Debt Component	0.00189		490,548	483,704	476,865	470,272	464,255	456,981	450,321	443,585	436,848	430,075	423,189	416,378	5,443,021
	d Total Return			2,151,863	2,121,845	2,091,843	2,062,923	2,036,529	2,004,620	1,975,402	1,945,856	1,916,301	1,886,591	1,856,386	1,826,507	23,876,664
6	Revenue Requirements for the Period (Lines 3a + 5d)			$2,154,468	$2,129,316	$2,093,985	$2,352,347	$2,059,458	$2,067,257	$2,038,039	$2,007,722	$1,978,167	$1,908,749	$1,878,543	$1,848,665	$24,516,716
7	Projected Revenue Requirements for the Period (Order No. PSC 13-0493-FOF-EI)			$2,178,675	$2,148,900	$2,119,125	$2,089,350	$2,059,575	$2,029,798	$2,000,023	$1,970,248	$1,940,473	$1,910,697	$1,880,921	$1,851,146	$24,178,932
8	Over/Under Recovery For the Period			($24,208)	($19,584)	($25,139)	$262,997	($117)	$37,459	$38,017	$37,474	$37,694	($1,949)	($2,378)	($2,481)	$337,785
9	**Other Exit / Wind-Down**															
	a Accounting			3,157	6,133	8,428	8,428	8,428	8,428	8,428	8,428	8,428	8,428	8,428	8,428	93,570
	b Corporate Planning			10,489	7,498	6,445	6,445	6,445	6,445	6,445	6,445	6,445	6,445	6,445	6,445	82,437
	c Legal			0	0	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	75,000
	d Joint Owner Credit			(1,122)	(1,120)	(1,896)	(1,896)	(1,896)	(1,896)	(1,896)	(1,896)	(1,896)	(1,896)	(1,896)	(1,896)	(21,198)
	e Total Other Exit / Wind-Down Costs			12,524	12,511	20,477	20,477	20,477	20,477	20,477	20,477	20,477	20,477	20,477	20,477	229,808
10	Jurisdictional Factor (A&G)			0.9322	0.9322	0.9322	0.9322	0.9322	0.9322	0.9322	0.9322	0.9322	0.9322	0.9322	0.9322	
11	Jurisdictional Amount			11,675	11,663	19,089	19,089	19,089	19,089	19,089	19,089	19,089	19,089	19,089	19,089	214,230
12	Prior Period Unrecovered Balance (a)		661,239	587,404	513,569	439,734	365,899	292,064	218,229	144,394	70,559	(3,277)	(77,112)	(150,947)	(224,782)	
13	Prior Period Costs Recovered (a)		886,021	73,835	73,835	73,835	73,835	73,835	73,835	73,835	73,835	73,835	73,835	73,835	73,835	(140,395)
14	Prior Month Period (Over)/Under Recovery			0	(21,387)	(21,401)	(13,975)	(13,976)	(13,977)	(13,977)	(13,978)	(13,979)	(13,980)	(13,981)	(13,982)	
15	Unamortized Balance		661,239	587,404	492,182	396,947	309,136	221,326	133,514	45,701	(42,112)	(129,926)	(217,741)	(305,557)	(393,374)	
16	Carrying Costs for the Period															
	a Balance Eligible for Interest			630,159	534,931	443,409	355,599	267,788	179,976	92,163	4,350	(83,464)	(171,279)	(259,095)	(346,911)	
	b Monthly Commercial Paper Rate			0.01%	0.01%	0.01%	0.01%	0.01%	0.01%	0.01%	0.01%	0.01%	0.01%	0.01%	0.01%	
	c Interest Provision			37	31	26	21	16	10	5	0	(5)	(10)	(15)	(20)	96
	d Total Costs and Interest (Line 11 + Line 16c)			11,712	11,694	19,115	19,110	19,105	19,100	19,095	19,089	19,084	19,079	19,074	19,069	214,326
17	Recovered (Order No. PSC 13-0493-FOF-EI)			33,099	33,094	33,090	33,086	33,081	33,077	33,073	33,069	33,064	33,060	33,056	33,051	396,900
18	Over/Under Recovery For the Period			(21,387)	(21,401)	(13,975)	(13,976)	(13,977)	(13,977)	(13,978)	(13,979)	(13,980)	(13,981)	(13,982)	(13,982)	(182,574)
19	Other - Adjustments (a)		(80,177)	(608)	(555)	(502)	(448)	(393)	(339)	(283)	(228)	(171)	(115)	(58)	(0)	(3,699)
20	Recovered (Order No. PSC 13-0493-FOF-EI)			(608)	(555)	(502)	(448)	(393)	(339)	(283)	(228)	(171)	(115)	(58)	(0)	(3,699)
21	Over/Under Recovery For the Period			0	0	0	0	0	0	0	0	0	0	0	0	0
22	**Revenue Requirements for the Period**			**2,165,572**	**2,140,455**	**2,112,599**	**2,371,010**	**2,078,169**	**2,086,018**	**2,056,851**	**2,026,584**	**1,997,080**	**1,927,713**	**1,897,560**	**1,867,734**	**24,727,343**
23	Recovered (Order No. PSC 13-0493-FOF-EI)			2,211,166	2,181,439	2,151,713	2,121,988	2,092,263	2,062,537	2,032,812	2,003,089	1,973,366	1,943,643	1,913,919	1,884,197	24,572,133
24	**Over/Under Recovery For the Period**			**(45,594)**	**(40,985)**	**(39,114)**	**249,021**	**(14,094)**	**23,482**	**24,039**	**23,495**	**23,714**	**(15,930)**	**(16,360)**	**(16,464)**	**155,210**

(a) Please see Appendix A for Beginning Balance support and support of Amortization of Unrecovered Balance and Other-Adjustments calculation
(b) Other line reflects cost of removal of previously existing assets.
(c) Approximately $2.6M accounting adjustment to correct schedule presentation line in Line.1a and 2a in April 2014 (no impact to revenue requirements).
This amount represents expenses incurred and cash paid in a previous period that did not have an offsetting accrual adjustment.

DUKE ENERGY FLORIDA
Nuclear Cost Recovery Clause (NCRC) - CR3 Uprate
2015 Detail - Calculation of the Revenue Requirements
January 2015 through December 2015

Line	Description		Beginning of Period Amount	Projected January 15	Projected February 15	Projected March 15	Projected April 15	Projected May 15	Projected June 15	Projected July 15	Projected August 15	Projected September 15	Projected October 15	Projected November 15	Projected December 15	Period Total
1	**Uncollected Investment**															
	a EPU Construction & Wind-Down Costs		377,237,322	26,000	26,000	26,000	26,000	26,000								130,000
	b Sale or Salvage of Assets		0	0	0	0	0	0	0	0	0	0	0	0	0	0
	c Disposition		0	0	0	0	0	0	0	0	0	0	0	0	0	0
	d Total		377,237,322	26,000	26,000	26,000	26,000	26,000	0	0	0	0	0	0	0	$130,000
2	**Adjustments**															
	a Non-Cash Accruals		(46,800)	0	0	0	0	0	23,400	23,400	0	0	0	0	0	$46,800
	b Joint Owner Credit		(29,987,366)	(2,145)	(2,145)	(2,145)	(2,145)	(2,145)	0	0	0	0	0	0	0	(10,726)
	c Other (b)		(28,108,647)	0	0	0	0	0	0	0	0	0	0	0	0	0
	d Adjusted System Generation Construction Cost Additions		319,094,509	23,855	23,855	23,855	23,855	23,855	23,400	23,400	0	0	0	0	0	$166,074
	Retail Jurisdictional Factor : Current Year Activity	92.885%														
	Retail Jurisdictional Factor: (Beg Bal YE 2012 only)	91.683%														
	e Exit / Wind-Down Costs for the Period			22,157	22,157	22,157	22,157	22,157	21,735	21,735	0	0	0	0	0	$154,258
	f Beginning Balance - pre 2013 Investment		279,911,057													
	g Beginning Balance YE 2014		12,810,135													
3	**Carrying Cost on Unrecovered Investment Balance**															
	a Uncollected Investment: Costs for the Period (Beg Balance: Line 2.f & 2.g)		292,721,191	22,157	22,157	22,157	22,157	22,157	21,735	21,735	0	0	0	0	0	292,875,449
	b Plant-in-Service (Beg Bal: YE 2014)		29,995,096	0	0	0	0	0	0	0	0	0	0	0	0	29,995,096
	c Period Recovered Wind-down / Exit Costs		640,051	0	0	0	0	0	0	0	0	0	0	0	0	794,309
	d Amortization of Unrecovered Investment (a)		(44,202,846)	(3,640,084)	(3,640,084)	(3,640,084)	(3,640,084)	(3,640,084)	(3,640,084)	(3,640,084)	(3,640,084)	(3,640,084)	(3,640,084)	(3,640,084)	(3,640,084)	(87,883,854)
	e Prior Period Carrying Charge Unrecovered Balance (a)		29,497	27,039	24,581	22,123	19,664	17,206	14,748	12,290	9,832	7,374	4,916	2,458	0	0
	f Prior Period Carrying Charge Recovered (a)		29,497	2,458	2,458	2,458	2,458	2,458	2,458	2,458	2,458	2,458	2,458	2,458	2,458	
	g Prior Period Under/(Over) Recovery (Prior Month)				0	0	0	0	0	0	0	0	0	0	0	
	h Net Investment		$217,912,695	$214,292,310	$210,649,768	$207,007,226	$203,364,684	$199,722,142	$196,079,178	$192,436,636	$188,772,359	$185,129,817	$181,487,274	$177,844,732	$174,202,190	$174,202,190
4	Average Net Investment			$216,102,502	$212,482,118	$208,839,576	$205,197,034	$201,554,492	$197,911,739	$194,268,774	$190,615,365	$186,951,088	$183,308,546	$179,666,003	$176,023,461	
5	Return on Average Net Investment															
	a Equity Component	0.00394		851,444	837,180	822,828	808,476	794,125	779,772	765,419	751,025	736,587	722,236	707,884	693,532	9,270,508
	b Equity Component Grossed Up For Taxes	1.62800		1,386,152	1,362,930	1,339,565	1,316,200	1,292,837	1,269,470	1,246,103	1,222,670	1,199,165	1,175,801	1,152,436	1,129,071	
	c Debt Component	0.00189		409,298	402,441	395,542	388,643	381,744	374,845	367,945	361,026	354,085	347,186	340,287	333,388	4,456,430
	d Total Return			1,795,450	1,765,371	1,735,107	1,704,843	1,674,581	1,644,315	1,614,048	1,583,696	1,553,250	1,522,987	1,492,723	1,462,459	19,548,832
6	Projected Revenue Requirements for the Period (3a + 5d)			$1,817,608	$1,787,529	$1,757,265	$1,727,001	$1,696,738	$1,666,050	$1,635,783	$1,583,696	$1,553,250	$1,522,987	$1,492,723	$1,462,459	$19,703,090
7	**Other Exit / Wind-Down**															
	a Accounting			8,031	8,031	8,031	8,031	8,031	8,031	8,031	8,031	8,031	8,031	8,031	8,031	96,377
	b Corporate Planning			7,076	7,076	7,076	7,076	7,076	7,076	7,076	7,076	7,076	7,076	7,076	7,076	84,910
	c Legal			3,333	3,333	3,333	3,333	3,333	3,333	3,333	3,333	3,333	3,333	3,333	3,333	40,000
	d Joint Owner Credit			(1,516)	(1,516)	(1,516)	(1,516)	(1,516)	(1,516)	(1,516)	(1,516)	(1,516)	(1,516)	(1,516)	(1,516)	(18,188)
	e Total Other Exit / Wind-Down Costs			16,925	16,925	16,925	16,925	16,925	16,925	16,925	16,925	16,925	16,925	16,925	16,925	203,099
8	Jurisdictional Factor (A&G)			0.9322	0.9322	0.9322	0.9322	0.9322	0.9322	0.9322	0.9322	0.9322	0.9322	0.9322	0.9322	
9	Jurisdictional Amount			15,778	15,778	15,778	15,778	15,778	15,778	15,778	15,778	15,778	15,778	15,778	15,778	189,330
10	Prior Period Unrecovered Balance (a)		(406,857)	(372,952)	(339,047)	(305,143)	(271,238)	(237,333)	(203,428)	(169,524)	(135,619)	(101,714)	(67,809)	(33,905)	0	
11	Prior Period Costs Recovered (a)		(406,857)	(33,905)	(33,905)	(33,905)	(33,905)	(33,905)	(33,905)	(33,905)	(33,905)	(33,905)	(33,905)	(33,905)	(33,905)	(33,905)
12	Unamortized Balance		(406,857)	(372,952)	(339,047)	(305,143)	(271,238)	(237,333)	(203,428)	(169,524)	(135,619)	(101,714)	(67,809)	(33,905)	0	
13	Projected Carrying Costs for the Period															
	a Balance Eligible for Interest			(382,016)	(348,111)	(314,206)	(280,302)	(246,397)	(212,492)	(178,587)	(144,683)	(110,778)	(76,873)	(42,968)	(9,064)	
	b Monthly Commercial Paper Rate			0.01%	0.01%	0.01%	0.01%	0.01%	0.01%	0.01%	0.01%	0.01%	0.01%	0.01%	0.01%	
	c Interest Provision			(22)	(20)	(18)	(16)	(14)	(12)	(10)	(8)	(6)	(4)	(3)	(1)	(137)
	d Total Costs and Interest (Line 9 + Line 13c)			15,755	15,757	15,759	15,761	15,763	15,765	15,767	15,769	15,771	15,773	15,775	15,777	189,194
14	Projected Expenditures for the Period			15,755	15,757	15,759	15,761	15,763	15,765	15,767	15,769	15,771	15,773	15,775	15,777	189,194
15	Other - Adjustments (a)		7,873	60	55	49	44	38	33	27	22	16	11	5	0	360
16	**Revenue Requirements for the Period**			**1,833,423**	**1,803,341**	**1,773,073**	**1,742,806**	**1,712,540**	**1,681,848**	**1,651,578**	**1,599,487**	**1,569,037**	**1,538,771**	**1,508,504**	**1,478,236**	**19,892,643**

(a) Please see Appendix A for Beginning Balance support and support of Amortization of Unrecovered Balance and Other-Adjustments calculation
(b) Other line reflects cost of removal of previously existing assets.

CRYSTAL RIVER UNIT 3 UPRATE

2015 Estimated Rate Impact

2015 Retail Rate Calculation

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: **Duke Energy - FL**

DOCKET NO.: **140009-EI**

EXPLANATION: Using the billing determinants and allocation factors used in the previous year's cost recovery filings, provide an estimate of the rate impact by class of the costs requested for recovery. Current billing determinants and allocation factors may be used, if available.

Exhibit: **TGF-5**

For the Year Ended: **12/31/2015**

Witness: **Thomas G. Foster**

Rate Class	(1) 12CP & 1/13 AD Demand Allocator (%)	(2) Production Demand Costs $	(3) Effective Mwh's @ Secondary Level Year 2015	**(4) Capacity Cost Recovery Factor (c/Kwh)**	**(5) Capacity Cost Recovery Factor ($/kW-mo)**
Residential					
RS-1, RST-1, RSL-1, RSL-2, RSS-1					
Secondary	60.865%	$38,496,997	18,814,530	**0.205**	
General Service Non-Demand					
GS-1, GST-1					
Secondary			1,248,580	**0.166**	
Primary			4,329	**0.164**	
Transmission			3,695	**0.163**	
TOTAL GS	3.288%	$2,079,830	**1,256,604**		
General Service					
GS-2 Secondary	0.260%	$164,228	145,911	**0.113**	
General Service Demand					
GSD-1, GSDT-1, SS-1					
Secondary			11,999,354		**0.54**
Primary			2,283,269		**0.53**
Transmission			5,611		**0.53**
TOTAL GSD	31.810%	$20,119,469	**14,288,233**		
Curtailable					
CS-1, CST-1, CS-2, CST-2, CS-3, CST-3, SS-3					
Secondary			-		**0.28**
Primary			33,672		**0.28**
Transmission			-		**0.27**
TOTAL CS	0.051%	$32,013	**33,672**		
Interruptible					
IS-1, IST-1, IS-2, IST-2, SS-2					
Secondary			86,770		**0.45**
Primary			1,574,561		**0.45**
Transmission			315,033		**0.44**
TOTAL IS	3.547%	$2,243,185	**1,976,364**		
Lighting					
LS-1 Secondary	0.180%	$113,949	387,528	**0.029**	
	100.000%	63,249,670	36,902,842	**0.171**	

DEF - CR3 Uprate

Appendix A
Witness: Thomas G. Foster
Exhibit (TGF-5)
(Page 1 of 3)

2014 Over/Under Recovery Beginning Balance

Line.				
3b	**Transferred to Plant In-service**		**$ 29,995,096**	
	EB from TGF-3_2013 Detail (filed March 2014) Line 3b			
3e	**Unrecovered Balance Carrying Cost**		**$ (1,289,590)**	
	Prior Period	2,251,684	Exhibit TGF-3	Line 3d. Prior Period Carrying Charge Unrecovered Balance
	Current Period	(3,549,147)	Exhibit TGF-3	Line 7 (Over)/Under for the Period
	Current Period	7,873	Exhibit TGF-3	Appendix A (3 of 3) adjustment for DTA calculation
	Total	(1,289,590)		
3f	**Prior Period Carrying Charge Recovered**		**$ (1,076,466)**	
	Unrecovered Balance Carrying Cost		860,062	Please refer to Appendix A (page 2 of 3)
	DTA Carrying Cost		(1,936,528)	Please refer to Appendix A (page 2 of 3)
			(1,076,466)	

Note: DTA Prior Period Unrecovered Balance (Combined with Construction Carrying Cost Unrecovered Carrying Cost)

	Other Exit / Wind-Down			
12	Prior Period Unrecovered Balance		**$ 661,239**	
	Prior Period	431,957	Exhibit TGF-3	Line 11 Prior Period Unrecovered Balance
	Current Period	229,282	Exhibit TGF-3	Line 17 (Over)/Under for the Period
	Total	661,239		
13	Prior Period Costs Recovered		**$ 886,021**	
	Prior Period	432,456	Please refer to Appendix A (page 2 of 3)	
	Current Period	453,565	Please refer to Appendix A (page 2 of 3)	
		886,021		

2015 Over/Under Recovery Beginning Balance

	Regulatory Asset Carrying Cost		
3e	**Unrecovered Balance Carrying Cost**		**$ 29,497**
	Adjustment from Prior Period	(87,291)	Adjustment from Prior Period 2009 Audit Control No. 10-006-2-2 (June 1, 2010)
	2013 DTA calculation Adjustment	(7,873)	Appendix A (3 of 3) adjustment for DTA calculation
	Prior Period	(213,124)	Line 3eof 2014 Detail
	Current Period	337,785	Line 8 of 2014 Detail
	Total	29,497	
	Other Exit / Wind-Down		
10	**Prior Period (Over)/Under Recovery**		**$ (406,857)**
	Adjustment from Prior Period	499	Adjustment from Prior Period
	Prior Period	(224,782)	Line 12 of 2014 Detail
	Current Period	(182,574)	Line 18 of 2014 Detail
	Total	(406,857)	
	Other - Adjustments		
15	**Other - Adjustments**		**$ 7,873**
	Reverse DTA Adjustment 2013 from Unrecovered Balance Carrying Cost	7,873	Appendix A (3 of 3) adjustment for DTA calculation

Annual Amortization Calculation

	TGF-6 Filed May 1, 2013		
1	Estimated 2013 EB Unrecovered Investment	265,009,070	
2	Estimated 2014 Additions	208,008	
3	Estimated 2014 EB Investment prior to Amortization (2014 through 2019)	265,217,076	
4	Annual Amortization (6 yrs)	44,202,846	
	TGF-3 Filed March 1, 2014	YE 2013 - Actual	
1	Additions for the Period (TGF-3 Filed March 2014 - Line 3a)	292,081,140	Line 3a of 2014 Detail
2	Less: Transferred to Plant-in-Service (TGF-3 Filed March 2014 - Line 3b)	29,995,096	Line 3b of 2014 Detail
3	2013 EB Investment prior to Amortization (2014 through 2019)	262,086,044	
4	Annual Amortization	43,681,007	

DEF proposed to begin amortizing the estimated investment in 2014 and amortize an amount equal to 1/6th of the estimated year end 2013 unrecovered investment through 2019 (as shown in TGF-6 May 1, 2013). Any true-up can be addressed in the final year of recovery.

Current Estimated True-Up Amount for 2019 (521,839)

2015 BB Investment prior to CY Amort	218,523,249	Line 3a less 3b plus 3d
2015 Additions	154,258	Line 2e of 2015 Detail
Total	218,677,506	
Less: 2015 Amortization	43,681,007	
Less: Collection of Wind-Down / Exit Costs through YE 2015	794,309	Line 3c
2015 EB Unrecovered Investment (Period Total 2015 Detail: Line 3h)	174,202,190	

Prior Period Over / (Under) Support Schedules
DEF - CR3 Uprate

Appendix A
Witness: Thomas G. Foster
(TGF - 5)
(Page 2 of 3)

		2012 True Up	Note 1 2012 Est-Actual	2014 Collection/ (Refund) *
1	Construction Carrying Cost Rev Req.	20,403,400	18,254,142	2,149,258
2	Recoverable O&M Revenue Req.	432,585	130	432,456
3	DTA	802,415	787,279	15,136
4	Inservice Rev Reqs/Base Refund	(3,242,310)	(3,242,310)	0
5	Total Revenue Requirement	18,396,090	15,799,241	2,596,849

Note 1: 2012 Est-Actual amounts are per Order PSC-12-0650-FOF-EI, Docket 120009-EI, Pg 39

		2013 Est-Actual	Note 2 2013 Projection	2014 Collection/ (Refund) *
6	Construction Carrying Cost Rev Req.	27,111,962	28,401,158	(1,289,196)
7	Recoverable O&M Revenue Req.	453,738	173	453,565
8	DTA	-	1,951,664	(1,951,664)
9	Inservice Rev Reqs/Base Refund	(6,946)	(3,587)	(3,358)
10	Total Revenue Requirement	27,558,755	30,349,407	(2,790,653)

Note 2: 2013 Projection amounts are per Order PSC-12-0650-FOF-EI, Docket 120009-EI, Pg 40

DEF CR3 Uprate
In Service Project Revenue Requirements 2013 Recovery

Line	Item	Jan Only	Beg Balance	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
1	Inservice Project Revenue Requirements		(3,587)	(553)	(507)	(462)	(417)	(371)	(325)	(278)	(231)	(184)	(135)	(87)	(37)	(3,587)
2	Projected Inservice Project Revenue Requirements		$19,629	1,636	1,636	1,636	1,636	1,636	1,636	1,636	1,636	1,636	1,636	1,636	1,636	19,629
3	PY (2011 and 2012) Inservice Project Revenue Requirements															
4	Under/(Over) Recovery			($58,272)	($59,401)	($60,575)	($61,794)	($63,058)	($64,369)	($65,727)	($67,132)	($68,583)	($70,084)	($71,633)	($73,232)	
5	Cumulative Under/(Over) Recovery		($57,190)	($58,272)	($60,014)	($61,887)	($63,418)	($65,209)	($67,062)	($68,977)	($70,955)	($72,996)	($75,103)	($77,276)	($79,517)	
6	Return on Average Under/(Over) Recovery (c)															
		Jan Only	Feb-Dec													
7	Equity Component (a)	0.00546	0.00394	($318)	($236)	($243)	($250)	($257)	($264)	($272)	($280)	($288)	($296)	($304)	($313)	($3,322)
8	Equity Component grossed up for taxes (b)	1.62800	1.62800	(518)	(385)	(396)	(407)	(418)	(430)	(442)	(455)	(468)	(482)	(496)	(510)	(5,407)
9	Debt Component	0.00163	0.001894	(95)	(114)	(117)	(120)	(124)	(127)	(131)	(134)	(138)	(142)	(146)	(151)	(1,538)
10	Total Return on Under/(Over) Recovery			($613)	($499)	($513)	($527)	($542)	($557)	($573)	($590)	($606)	($624)	($642)	($661)	($6,946)
11	Carrying Cost Adjustment for Consolidating Prior Period Unrecovered Balances			$0	$577	$603	$629	$659	$685	$714	$742	$771	$801	$830	$862	$7,673
12	Total Other - Adjustment Revenue Requirement			($613)	$79	$91	$103	$117	$128	$141	$152	$164	$177	$188	$201	$927

Notes:
(a) The monthly Equity Component of 4.87% reflects an 10.5% return on equity. The January monthly for Equity Component of 6.85% reflects an 11.75% return on equity.
(b) Requirement for the payment of income taxes is calculated using a Federal Income Tax rate of 38.575%.
(c) AFUDC actual monthly rate is calculated using the formula $M = [(1 + A/100)^{1/12} - 1] \times 100$; resulting in a monthly accrual rate of 0.00394 (Equity) and 0.001894 (Debt), which results in the annual rate of 7.23%.
For January 2013 only, a monthly accrual rate of 0.005464 (Equity) and 0.001626 (Debt), which results in the annual rate of 8.848% was used for the calculation.

DEF CR3 Uprate
In Service Project Revenue Requirements 2014 Recovery

Line	Item		Beg Balance	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
1	Inservice Project Revenue Requirements		(26,686)	(2,224)	(2,224)	(2,224)	(2,224)	(2,224)	(2,224)	(2,224)	(2,224)	(2,224)	(2,224)	(2,224)	(2,224)	(26,686)
2	Projected Inservice Project Revenue Requirements		(57,190)	(4,766)	(4,766)	(4,768)	(4,766)	(4,768)	(4,766)	(4,768)	(4,766)	(4,766)	(4,768)	(4,768)	(4,768)	(57,190)
3	Prior Years Inservice Project Revenue Requirements															
4	Under/(Over) Recovery	(83,876)		($73,188)	($66,198)	($59,206)	($52,219)	($45,229)	($38,239)	($31,250)	($24,260)	($17,270)	($10,281)	($3,291)	$3,699	
		(3,699)														($83,876)
5	Cumulative Under/(Over) Recovery	(3,699)	($80,177)	($73,188)	($66,806)	($60,372)	($53,883)	($47,341)	($40,745)	($34,094)	($27,388)	($20,625)	($13,807)	($6,932)	($0)	
6	Return on Average Under/(Over) Recovery (c)															
	k															
7	Equity Component (a)		0.00394	($288.38)	($263)	($236)	($212)	($187)	($161)	($134)	($108)	($81)	($54)	($27)	($0)	($1,754)
8	Equity Component grossed up for taxes (b)		1.62800	(469)	(429)	(387)	(346)	(304)	(261)	(219)	(176)	(132)	(89)	(44)	(0)	(2,856)
9	Debt Component		0.001894	(139)	(127)	(114)	(102)	(90)	(77)	(65)	(52)	(39)	(26)	(13)	(0)	(843)
10	Total Return on Under/(Over) Recovery (2014 Detail Line 24)			($606)	($555)	($502)	($448)	($393)	($339)	($283)	($228)	($171)	($115)	($58)	($0)	($3,699)
11	Amortization of Beginning Balance			($6,681)	($6,681)	($6,881)	($6,681)	($6,881)	($6,681)	($6,681)	($6,681)	($6,681)	($6,881)	($6,681)	($6,681)	($80,177)
				($7,290)	($7,236)	($7,183)	($7,129)	($7,075)	($7,020)	($6,965)	($6,909)	($6,853)	($6,796)	($6,739)	($6,681)	($83,876)
				($608)	($555)	($502)	($448)	($393)	($339)	($283)	($228)	($171)	($115)	($59)	($0)	($3,699)
																($80,177)

Notes:
(a) The monthly Equity Component of 4.87% reflects an 10.5% return on equity.
(b) Requirement for the payment of income taxes is calculated using a Federal Income Tax rate of 38.575%.
(c) AFUDC actual monthly rate is calculated using the formula $M = [(1 + A/100)^{1/12} - 1] \times 100$; resulting in a monthly accrual rate of 0.00394 (Equity) and 0.001894 (Debt), which results in the annual rate of 7.23%.

DEF CR3 Uprate
In Service Project Revenue Requirements 2015 Recovery

Line	Item	Beg Balance	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
1	Inservice Project Revenue Requirements	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2	Projected Inservice Project Revenue Requirements	7,873	656	656	656	656	656	656	656	656	656	656	656	656	7,873
3	Prior Years Inservice Project Revenue Requirements														
4	Under/(Over) Recovery	$7,873	$7,217	$6,561	$5,905	$5,249	$4,593	$3,937	$3,280	$2,624	$1,968	$1,312	$656	$0	
5	Cumulative Under/(Over) Recovery	$7,873	$7,217	$6,561	$5,905	$5,249	$4,593	$3,937	$3,280	$2,624	$1,968	$1,312	$656	$0	
6	Return on Average Under/(Over) Recovery (c)														
7	Equity Component (a)	0.00394	$28	$26	$23	$21	$18	$16	$13	$10	$8	$5	$3	$0	$171
8	Equity Component grossed up for taxes (b)	1.62800	46	42	38	34	29	25	21	17	13	8	4	0	278
9	Debt Component	0.001894	14	12	11	10	9	7	6	5	4	2	1	0	82
10	Total Return on Under/(Over) Recovery (2015 Detail Line 21)		$60	$55	$49	$44	$38	$33	$27	$22	$16	$11	$5	$0	$360

Notes:
(a) The monthly Equity Component of 4.87% reflects an 10.5% return on equity.
(b) Requirement for the payment of income taxes is calculated using a Federal Income Tax rate of 38.575%.
(c) AFUDC actual monthly rate is calculated using the formula $M = [(1 + A/100)^{1/12} - 1] \times 100$; resulting in a monthly accrual rate of 0.00394 (Equity) and 0.001894 (Debt), which results in the annual rate of 7.23%.

CRYSTAL RIVER UNIT 3 UPRATE

Estimated / Actual Filing: Other Exit / Wind-Down Expenditures Allocated or Assigned to Other Recovery Mechanisms

EXPLANATION: Provide variance explanations comparing the actual system total expenditures shown on 2014 Detail Schedule with the expenditures provided to the Commission in the 2014 Detail Projection Schedules.

Appendix B
Witness: Thomas G. Foster
Docket No. 140009-EI
Exhibit: (TGF - 5)

COMPANY:
Duke Energy Florida

DOCKET NO.:
140009-EI

For Year Ended 12/31/2014

Line No.	Description	(A) System Projection	(B) System Estimated/Actual	(C) Variance Amount	(D) Explanation
	Allocated or Assigned Other Exit / Wind-Down Expenditures				
1	Accounting	$116,206	$93,570	($22,636)	Minor variance from estimated amount.
2	Corporate Planning	197,310	82,437	(114,873)	Minor variance from estimated amount.
3	Legal	150,000	75,000	(75,000)	Minor variance from estimated amount.
4	Total	$463,516	$251,007	($212,509)	

Note:
System Projection from May 1, 2013 Filing in Docket No. 130009-EI.

DUKE ENERGY FLORIDA
Average Rate of Return - Capital Structure
FPSC Adjusted Basis
December 2012

Appendix C
Witness: Thomas G. Foster
Docket No. 140009-EI
Exhibit: (TGF - 5)
(Page 2 of 2)

							Low Point		Mid Point		High Point	
	System Per Books	**Specific Adjustments**	**Pro Rata Adjustments**	**System Adjusted**	**FPSC Adjusted Retail**	**Ratio**	**Cost Rate**	**Weighted Cost**	**Cost Rate**	**Weighted Cost**	**Cost Rate**	**Weighted Cost**
Common Equity	$4,767,157,537	657,669,241	($813,779,810)	$4,611,046,968	$3,753,238,636	46.36%	9.50%	4.40%	10.50%	4.87%	11.50%	5.33%
Preferred Stock	33,496,700		(5,024,850)	28,471,850	23,175,138	0.29%	4.51%	0.01%	4.51%	0.01%	4.51%	0.01%
Long Term Debt - Fixed	4,491,809,896	0	(673,817,682)	3,817,992,215	3,107,718,483	38.39%	5.78%	2.22%	5.78%	2.22%	5.78%	2.22%
Short Term Debt *	232,034,133	(51,903,909)	(27,021,386)	153,108,838	124,625,494	1.54%	0.60%	0.01%	0.60%	0.01%	0.60%	0.01%
Customer Deposits												
Active	214,453,652		(32,170,253)	182,283,398	182,283,398	2.25%	5.36%	0.12%	5.36%	0.12%	5.36%	0.12%
Inactive	1,280,766		(192,128)	1,088,638	1,088,638	0.01%						
Investment Tax Credit												
Post '70 Total	3,450,862		(517,665)	2,933,197								
Equity **					1,309,719	0.02%	9.58%	0.00%	10.59%	0.00%	11.59%	0.00%
Debt **					1,077,805	0.01%	5.85%	0.00%	5.85%	0.00%	5.85%	0.00%
Deferred Income Taxes	1,365,618,849	155,326,427	(228,157,434)	1,292,787,842	1,052,286,240	13.00%						
FAS 109 DIT - Net	(218,650,949)		32,799,891	(185,851,058)	(151,276,570)	-1.87%						
Total	**$10,890,651,446**	**$761,091,759**	**($1,747,881,316)**	**$9,903,861,889**	**$8,095,526,982**	**100.00%**		**6.76%**		**7.23%**		**7.69%**

Equity	4.88%
Debt	2.35%
Total	7.23%

* Daily Weighted Average
**Cost Rates Calculated Per IRS Ruling

CRYSTAL RIVER UNIT 3 UPRATE
Actual Estimated Filing: Construction Category - Description of Monthly Cost Additions

EXPLANATION: Provide a description of the major tasks performed within the Construction category for the year.
List generation expenses separate from transmission in the same order appearing on 2014 Detail Schedule.

Appendix D
Witness: M. Delowery
Docket No. 140009-EI
Exhibit: (TGF - 5)
(Page 1 of 2)

COMPANY:
Duke Energy Florida

DOCKET NO.:
140009-EI

For Year Ended 12/31/2014

Line No.	Major Task & Description for amounts on 2014 Detail Schedule	Description
	Generation:	
1	EPU Construction & Wind-Down Costs	Spend performed in accordance to Rule 25-6.0423(7).
2	Sale or Salvage of Assets	Net Value received in accordance with Duke Policy IA-90 regarding Disposition of Assets
3	Disposition	Net Value received in accordance with Duke Policy IA-90 regarding Disposition of Assets
4	License Application	Detailed on-site characterization for geological and environmental analysis, NRC Review fees, transmission deliverability analysis, etc.
5	Real Estate Acquisition	Land, Survey, Legal fees and commissions.
6	Project Management	Management oversight of construction, including, but not limited to engineering, quality assurance, field support and contract services.
7	Permanent Staff/Training	Obtain and train qualified staff by Fuel Load date.
8	Site Preparation	Design and construction of plant site preparations to support fabrication and construction. Remedial work for plant foundation and foundation substrata.
9	Permitting	Obtain required permits for new plant (i.e. site certificetion permits, environmental permits, etc.)
10	On-Site Construction Facilities	Includes the installation of warehouses necessary during construction (electrical shop, carpenter shops, etc.), construction power and lighting.
11	Power Block Engineering, Procurement, etc.	The cost of constructing and procuring the nuclear power block (reactor vessel, containment vessel, cooling towers, etc.)
12	Non-Power Block Engineering, Procurement, etc.	Site permanent structures and facilities outside the Power Block, including structural, electrical, mechanical, civil and security items. (Admin building, Training center, Security towers, Switchyard, Roads, Railroad, Barge facility, etc.)
	Transmission:	
	N/A	

CRYSTAL RIVER UNIT 3 UPRATE
Estimated / Actual Filing: Construction Category - Variance in Additions and Expenditures

EXPLANATION: Provide variance explanations comparing the annual system total expenditures shown on 2014 Detail Schedule with the expenditures provided to the Commission on 2014 Projection Detail schedule. List the Generation expenses separate from Transmission in the same order appearing on 2014 Detail Schedule.

COMPANY:
Duke Energy Florida

Appendix D
Witness: M. Delowery
Docket No. 140009-EI
Exhibit: (TGF - 5)
(Page 2 of 2)

DOCKET NO.:
140009-EI

For Year Ended 12/31/2014

Line No.	Construction Major Task & Description for amounts on 2013 Detail Schedule	(A) System Projection	(B) System Estimated /Actual	(C) Variance Amount	(D) Explanation
	Generation:				
1	EPU Wind-Down Costs (1)	$244,080	$460,822	$216,742	Primarily related to additional demobilization expenses in 2014 for EPU equipment asset integrity management work for hurricane preparation.
2	Sale or Salvage of Assets	0	0	0	
3	Disposition	0	0	0	
4	Total Generation Costs	$244,080	$460,822	$216,742	
	Transmission:				
	N/A				

Note:
(1):Approximately $2.6M adjustment to correct schedule presentation line in 2014 Detail Line. 1a and 2a in April 2014 (no impact to revenue requirements).
This amount represents expenses incurred and cash paid in a previous period that did not have an offsetting accrual adjustment.

System Projection from May 1, 2013 Filing in Docket No. 130009-EI.

CRYSTAL RIVER UNIT 3 UPRATE
True-Up Filing: Summary of Contracts Executed Over $1 Million

REDACTED

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide a list of contracts executed in excess of $1 million including, a description of the work, the dollar value and term of the contract, the method of vendor selection, the identity and affiliation of the vendor, and current status of the contract.

Appendix E
Witness: M. Delowery
Docket No. 140009-EI
Exhibit: (TGF - 5)

COMPANY:
Duke Energy Florida

DOCKET NO.:
140009-EI

All Contracts listed below have been closed as of 12/31/2013. No new contracts over $1 million were signed after December 31, 2013.

For Year Ended 12/31/2015

Line No.	(A) Contract No.	(B) Status of Contract	(C) Current Term of Contract	(D) Original Amount	(E) Amount Expended as of Prior Year End (2012)	(F) Amount Expended in Current Year (2013)	(G) Estimate of Final Contract Amount	(H) Name of Contractor	(I) Vendor Affiliation	(J) Method of Selection & Document ID	(K) Nature and Scope of Work
1	101659 WA 84	CLOSED	[redacted]					AREVA - NP	Direct	Sole Source - Original Equipment Manufacture	EPU NSSS Engineering, Fuel Eng, and LAR Support for CR3
2	101659 WA 93	CLOSED	[redacted]					AREVA - NP	Direct	RFP KS12007	EPU BOP -provide Engineering Services for CR3 Secondary Systems Uprate
3	145569 WA 50	CLOSED	[redacted]					Siemens	Direct	RFP	CR3 turbine retrofit for EPU including supply of all equipment and installation.
4	101659 WA 84, Amd 7	CLOSED	[redacted]					AREVA - NP	Direct	Sole Source - Original Equipment Manufacture; continuation of work.	R17 EC packages including LPI cross-tie, Atmo Dump Valves, and Emergency Feed Pump-2.
5	101659 WA 84, Amd 8	CLOSED	[redacted]					AREVA - NP	Direct	Sole Source - Original Equipment Manufacture; continuation of work.	R17 EC packages including spent fuel, LPI X-tie modification, large transient testing, and LAR activities.
6	101659 WA 93, Amd 9	CLOSED	[redacted]					AREVA - NP	Direct	RFP KS12007; continuation of work	R17 EC packages for BOP including Feedwater Heater 2A/2B, Deaerator, and Main Steam System.
7	433059	CLOSED	[redacted]					EvapTech	Direct	RFP SF6-2008	CR3 Cooling Tower Construction
8	359323 WA14	CLOSED	[redacted]					Flowserve	Direct	SF12-2009	Condensate pumps and motor replacement
9	359323 WA16	CLOSED	[redacted]					Flowserve	Direct	RFP	Install small and large bore LPI valves
10	506636	CLOSED	[redacted]					Sulzer	Direct	RFP	Design, manufacture, assemble, test, and ship two (2) main feedwater pumps (FWP 2A/2B)
11	488945	CLOSED	[redacted]					Sulzer	Direct	RFP SF10-2009	Design, manufacture, assemble, and ship two (2) feedwater booster pumps (FWP 1A/1B)
12	505119	CLOSED	[redacted]					SPX	Direct	RFP SF01-2010	Install two (2) feedwater heat exchangers FWHE 2A/2B
13	145569 WA 50, Amd 7	CLOSED	[redacted]					Siemens	Direct	RFP; continuation of work	Amended and restated WA-50 for LP turbines, HP turbines, R16 outage EWA's, LD's, additional support, and updated testing and monitoring plans
14	101659 WA 84, Amd 9	CLOSED	[redacted]					AREVA - NP	Direct	Sole Source - Original Equipment Manufacture; continuation of work.	R17 EC packages; continuation of work.
15	101659-93, Amd 11	CLOSED	[redacted]					AREVA - NP	Direct	RFP KS12007; continuation of work	R17 EC packages; continuation of BOP work.

CRYSTAL RIVER UNIT 3 UPRATE
True-Up Filing: Summary of Contracts Executed Over $1 Million

REDACTED

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide a list of contracts executed in excess of $1 million including, a description of the work, the dollar value and term of the contract, the method of vendor selection, the identity and affiliation of the vendor, and current status of the contract.

Appendix E
Witness: M. Delowery
Docket No. 140009-EI
Exhibit: (TGF - 5)

COMPANY:
Duke Energy Florida

DOCKET NO.:
140009-EI

All Contracts listed below have been closed as of 12/31/2013. No new contracts over $1 million were signed after December 31, 2013.

For Year Ended 12/31/2015

	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)
Line No.	Contract No.	Status of Contract	Current Term of Contract	Original Amount	Amount Expended as of Prior Year End (2012)	Amount Expended in Current Year (2013)	Estimate of Final Contract Amount	Name of Contractor	Vendor Affiliation	Method of Selection & Document ID	Nature and Scope of Work
16	590696	CLOSED	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	SPX	Direct	RFP	FWHE 3A/3B
17	545831-01	CLOSED	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	Curtiss Wright/Scientech	Direct	RFP	Inadequate Core Cooling Modification System
18	101659-84, Amd 11	CLOSED	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	AREVA - NP	Direct	Sole Source - Original Equipment Manufacture; continuation of work.	Continuation of R17 engineering work for 2011-12
19	101659-93, Amd 13	CLOSED	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	AREVA - NP	Direct	RFP KS12007; continuation of work	Continuation of R17 engineering work for 2011-12
20	101659-93, Amd 14	CLOSED	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	AREVA - NP	Direct	RFP KS12007; continuation of work	Continuation of R17 engineering work for 2011-12
21	101659-84, Amd 13	CLOSED	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	AREVA - NP	Direct	Sole Source - Original Equipment Manufacture; continuation of work.	Continuation of R17 engineering work for 2011-12
22	101659-84, Amd 14	CLOSED	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	AREVA - NP	Direct	Sole Source - Original Equipment Manufacture; continuation of work.	Continuation of R17 engineering work for 2012-13
23	101659-84, Amd 15	CLOSED	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	AREVA - NP	Direct	Sole Source - Original Equipment Manufacture; continuation of work.	Continuation of R17 engineering work for 2012-13

Note: As a result of closing the above contracts, the AREVA-NP and SIEMENS Contracts with Amendments above show aggregated spend and final Contract amount on the original Contract (Lines 1-3).

CR3 Uprate Unrecovered Investment Amortization Schedule
Exclusive of Prior Period Carrying Cost (Over)/Under Impacts, Adjustments, & Other Exit / Wind-Down Activity

Appendix F
Witness: Thomas G. Foster
Docket No. 140009-EI
Exhibit: (TGF - 5)

From PSC Filed Exhibits		2013	2014 (a)	2015 (b)	2016 (b)	2017 (b)	2018 (b)	2019 (c)
Line 3a	**Project Investment**	$ 279,911,057	$ 292,081,140	$ 292,721,191	$ 292,875,449	$ 292,875,449	$ 292,875,449	$ 292,875,449
Line 3b	**Transferred to Base Rates**	(29,985,613)	(29,995,096)	(29,995,096)	(29,995,096)	(29,995,096)	(29,995,096)	(29,995,096)
	Beginning Balance -- NCRC	$ 249,925,444	$ 262,086,044	$ 262,726,095	$ 262,880,353	$ 262,880,353	$ 262,880,353	$ 262,880,353
Line 3c	Prior Period Exit Cost Recovery	0	0	(640,051)	(794,309)	(794,309)	(794,309)	(794,309)
Line 3d for 2014 & 2015	Prior Period Amortization Recovery	0	0	(44,202,846)	(87,883,854)	(131,564,861)	(175,245,868)	(218,926,876)
	Beginning Balance to be Recovered	$ 249,925,444	$ 262,086,044	$ 217,883,198	$ 174,202,190	$ 130,521,183	$ 86,840,176	$ 43,159,168
Line 3a	Exit Cost / Wind -Down Additions (d)	12,170,084	640,051	154,258	0	0	0	0
Line 3b	Transfers to Base Rates	(9,483)	0	0	0	0	0	0
Line 3d for 2014 & 2015	Period Amortization	0	44,202,846	43,681,007	43,681,007	43,681,007	43,681,007	43,159,168
	Period Capital Recovery (calculated)	0	(44,842,897)	(43,835,265)	(43,681,007)	(43,681,007)	(43,681,007)	(43,159,168)
	Ending Balance (calculated)	$ 262,086,044	$ 217,883,198	$ 174,202,190	$ 130,521,183	$ 86,840,176	$ 43,159,168	$ -

2013 (3G), 2014 & 2015 (3h)	**Ending Balance (as shown on Exhibits incl. O/U)**	$ 260,788,581	$ 218,007,859	$ 174,202,190

End of Period Carrying Cost (Over)/Under Impacts, Adjustments, & Other Exit / Wind-Down Activities, are not included in Amortizotion or Capital Recovery - shown for illustrative purposes only

2013(3d & 7), 2014(3e&3g)	(Over/Under)	(1,297,463)	124,661	-
Line 3e for 2014 & 2015	(Over/Under) Shown in Exhibit TGF-5	(1,289,590)	29,497	-
	Variance	7,873	(95,164)	
Appendix A	Adjustments in Exhibit TGF-5	7,873	(95,164)	
		0	(0)	

Note (a):
TGF-6 Filed May 1, 2013

	For 2014 Rates
Estimated YE 2013 Balance	$ 265,009,070
Estimated 2014 Wind-down Costs	208,008
Total Amount to be Amortized	265,217,078
Annual Amortization (2014)	$ **44,202,846**

Note (b):
TGF-3 Filed March 1, 2014

	YE 2013 - Actual
Additions for the Period	$ 292,081,140
Less: Transferred to Plant-in-Service	29,995,096
2013 Actual EB Investment to Amortize	262,086,044
Annual Amortization (2015-2018)	$ **43,681,007**

Note (c):
TGF-5 Filed May 1, 2014 (noted in Appendix A)

Annual Amortization (2019)	$ **43,159,168**
Amount of True-Up for 2019	$ **(521,839)**

Note (d):
Although likely, anticipated Other wind-down / exit costs and future credits for disposition of any CR3 Uprate Asset were not contemplated in this schedule.

CERTIFICATE OF SERVICE

I HEREBY CERTIFY a true and correct copy of the foregoing has been filed via Web Based Electronic Filing and has been furnished to counsel and parties of record as indicated below via electronic mail this 1st day of May, 2014.

/s/ *Blaise N. Gamba*
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