

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Application for authority to issue and sell securities during 12 months ending December 31, 2026, by Duke Energy Florida, LLC.

DOCKET NO. 20250115-EI
ORDER NO. PSC-2025-0434-FOF-EI
ISSUED: November 24, 2025

The following Commissioners participated in the disposition of this matter:

MIKE LA ROSA, Chairman
ART GRAHAM
GARY F. CLARK
ANDREW GILES FAY
GABRIELLA PASSIDOMO SMITH

FINAL ORDER GRANTING DUKE ENERGY FLORIDA, LLC
AUTHORITY TO ISSUE AND SELL SECURITIES

BY THE COMMISSION:

Duke Energy Florida, LLC (DEF or Company) filed an application with this Florida Public Service Commission ("Commission") on September 16, 2025, pursuant to Section 366.04, Florida Statutes (F.S.), and Chapter 25-8, Florida Administrative Code (F.A.C.), for authority to issue and/or sell securities for the twelve-month fiscal period ending December 31, 2026.

Notice of Duke Energy Florida, LLC's application was given in the Florida Administrative Register on October 24, 2025. A final hearing took place on November 4, 2025.

I. Proposed Transactions

Duke Energy Florida, LLC, requests authority from this Commission to issue, sell or otherwise incur during 2026 up to \$1,500,000,000 of any combination of equity securities and long-term debt securities and other long-term obligations (exclusive of bank loans issued under the Company's long-term credit facilities as mentioned below). Additionally, the Company requests authority to issue, sell or otherwise incur during 2026 and 2027 up to \$2,500,000,000 outstanding at any time of short-term debt securities and other obligations, which amount shall be in addition to and in excess of the amount the Company is authorized to issue pursuant to Section 366.04, F.S., which permits the Company to issue short-term securities aggregating to not more than five percent of the par value of the Company's other outstanding securities. Short-term borrowings under this authority would most likely consist of borrowings under the utility money pool and/or master credit facility in which DEF is a participant along with the other utility subsidiaries of Duke Energy Corporation, or through direct, pre-payable bank loans.

In furtherance of this request for authority pursuant to Section 366.04, F.S., the Company submitted information in the manner and form described in Chapter 25-8, F.A.C., including the required Exhibits. In Order No. PSC-13-0193-PAA-EI issued May 6, 2013, the Commission required DEF to submit a Risk Management Plan for its interest rate derivative agreements with its annual petition to issue securities.

The Company currently holds \$109 million in pollution control or solid waste disposal bonds issued by Citrus County, Florida, which were originally offered and sold to the public. Citrus County loaned the proceeds of such sale to the Company in return for its obligation to pay interest and principal upon the bonds. The Company may choose to resell such bonds to the public in the future prior to their maturity. From time to time, the Company has redeemed certain outstanding first mortgage bonds and shares of its cumulative preferred stock, but such bonds and shares are canceled upon redemption or reacquisition.

From time to time, the Company issues first mortgage bonds that are secured by the lien of its Indenture, dated as of January 1, 1944 with The Bank of New York Mellon (formerly JPMorgan Chase Bank, N.A.) as successor trustee, as supplemented by supplemental indentures (the "Mortgage"). The Mortgage constitutes a first mortgage lien, subject only to permitted encumbrances and liens, on substantially all of the fixed properties owned by the Company except miscellaneous properties that are specifically excepted. After-acquired property is covered by the lien of the Mortgage, subject to existing liens at the time such property is acquired.

All of the Company's outstanding LLC membership interests are owned by the Company's parent, Florida Progress Corporation. The Company has no other equity or debt owned by affiliated corporations.

The Company seeks authority to issue and sell and/or exchange equity securities and issue, sell, exchange and/or assume short-term or long-term debt securities and/or to assume liabilities or obligations as guarantor, endorser or surety during the period covered by the Application. The Company ultimately may issue any combination of the types of securities described below, subject to the aggregate dollar limitations requested in this Application. The kind and the nature of the securities that the Company seeks authority to issue and sell during 2026 (and 2027 with respect to short-term debt securities and obligations) are equity securities and short-term and long-term debt securities and other obligations, including, but not limited to, borrowings from banks that are participants in credit facilities the Company may establish from time to time, uncommitted bank facilities, and affiliate loans which are available through the utility money pool. The Company also seeks authority to enter into interest rate derivative contracts intended to reduce financial risk, and/or costs associated with its existing and future debt obligations.

The equity securities that the Company may issue include newly issued classes of LLC membership interests or warrants, options or rights to acquire such securities, or other equity securities, with such terms and conditions, and relative rights and preferences as are deemed

appropriate by the Company and permitted by its LLC agreement, as they may be amended from time to time.

Short-term debt securities and obligations may include loans from affiliates (via the moneypool or other means) and bank loans, credit agreements, or other forms of securities and debt obligations, with maturities of less than one year.

The long-term debt securities and obligations may take the form of first mortgage bonds, debentures, medium-term notes or other notes, loans from affiliates and bank loans, installment contracts, credit agreements, securitization of storm cost or other forms of securities and debt obligations, whether secured or unsecured, with maturities greater than one year. In addition, the Company may enter into options, rights, interest rate swaps, or other derivative instruments. The Company also may enter into installment purchase and security agreements, loan agreements, or other arrangements with political subdivisions of the State of Florida or pledge debt securities or issue guarantees in connection with such political subdivisions' issuance, for the ultimate benefit of the Company, of pollution control revenue bonds, solid waste disposal revenue bonds, industrial development revenue bonds, variable rate demand notes, or other "private activity bonds" with maturities ranging from one to forty years, or bond anticipation notes. Such obligations may or may not bear interest exempt from federal tax.

The Company also may enter into various agreements that provide financial or performance assurances to third parties. These agreements include guarantees, standby letters of credit, and surety bonds. Specific purposes of the agreements include supporting payments of trade payables, securing obligations under private activity bonds, securing performance under contracts and lease obligations, providing workers' compensation coverage, obtaining licenses, permits, and rights of way, and supporting other payments that are subject to contingencies.

The manner of issuance and sale of securities will be dependent upon the type of securities being offered, the type of transaction in which the securities are being issued and sold, and market conditions at the time of the issuance and sale. Securities may be issued through negotiated underwritten public offerings, public offerings at competitive biddings, private sales or sales through agents, and may be issued in both domestic and foreign markets. Credit agreements may be with banks or other lenders.

Contemplated to be included as long-term or short-term debt securities, as appropriate, are borrowings from banks and other lenders under the Company's credit facilities, as those may be entered into and amended from time to time. As of July 1, 2025 the Company has a \$1.15 billion borrowing sublimit under Duke Energy's approximately \$10.0 billion master credit facility with a group of banks. Duke Energy Florida's maximum borrowing sublimit under the master credit facility is \$1.65 billion, which provides liquidity and financial flexibility for DEF. Borrowings under the facility are available for general corporate purposes. The current five-year facility will expire on March 16, 2030.

The maximum principal amount of short-term securities and obligations proposed to be issued, sold, or otherwise incurred during 2026 and 2027 is \$2.5 billion outstanding at any time,

including bank loans or money pool borrowings, which amount shall be in addition to and in excess of the amount the Company is authorized to issue pursuant to Section 366.04, F.S., which permits the Company to issue short-term securities aggregating not more than five percent of the par value of the Company's other outstanding securities. The maximum principal amount of equity securities, long-term debt securities and other long-term obligations (exclusive of bank loans issued under the Company's long-term credit facilities as mentioned above) proposed to be issued, sold, or otherwise incurred during 2026 is \$1.5 billion.

In connection with this Application, the Company confirms that the capital raised pursuant to this Application will be used in connection with the regulated activities of the Company and not the unregulated activities of its unregulated affiliates.

The Company will file a consummation report with the Commission in compliance with Rule 25-8.009, F.A.C., within 90 days after the close of the 2026 calendar year to report any securities issued during that year and to report the interest rate hedging activities for the previous year per Order No. PSC-13-0193-PAA-EI.

The Company's current estimate of the potential range of interest rates for securities proposed to be issued by the Company is as follows:

1. 10-year to 30-year A- rated senior unsecured debt:	4.50% – 6.50%
2. 10-year to 30-year A rated first mortgage bonds:	4.25% – 6.25%
3. Borrowings through the Duke Energy utility money pool:	3.00% – 5.50%

The actual rates to be paid by the Company on securities issued will be determined by the market conditions at the time of issuance.

II. Purpose of Issuance

The net proceeds to be received from the sale of the additional securities will be added to the Company's general funds and may be used to provide additional electric facilities during 2026 pursuant to the Company's construction program, to repay maturing long-term debt or short-term debt, to refund, retire or redeem existing obligations, or for other corporate purposes.

The Company's construction program is developed from its long-range plan to determine needed capital investments. While the final 2026 construction budget is not yet available, the Company's most recently approved construction expenditures forecast for 2026, excluding Allowance for Funds Used During Construction, is approximately \$2.5 billion. These construction estimates are subject to periodic review and revision to adjust for changes in such factors as economic conditions, environmental requirements, regulatory matters and customer usage patterns.

III. Conclusion

Based on the reasons shown above, the Company submits that the proposed financings are consistent with proper performance by the Company of its service as a public utility, will enable and permit the Company to perform that service, are compatible with the public interest and are reasonably necessary and appropriate for such purposes.

Our approval of the proposed issuance and/or sale of securities does not indicate specific approval of any rates, terms, or conditions associated with the issuance. Such matters are properly reserved for our review within the context of a rate proceeding. Our approval of the issuance of securities constitutes approval only as to the legality of the issue. In approving the subject financing, we retain the right to disallow any of the costs incurred for ratemaking purposes.

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that the request of Duke Energy Florida, LLC for authority to issue and/or sell securities during the twelve months ending December 31, 2026, is hereby granted. It is further

ORDERED that Duke Energy Florida, LLC is authorized to issue, sell, or otherwise incur during 2026 up to \$1.5 billion of any combination of equity securities and long-term debt securities and other long-term obligations is hereby granted. It is further

ORDERED that Duke Energy Florida, LLC is authorized to issue, sell, or otherwise incur during 2025 and 2026 up to \$2.5 billion outstanding at any time of short-term debt securities and other obligations is hereby granted. It is further

ORDERED that Duke Energy Florida, LLC will file a Consummation Report in accordance with Rule 25-8.009, Florida Administrative Code, and Florida Public Service Commission Order No. PSC-13-0193-PAA-EI within 90 days after the close of the 2025 calendar year. It is further

ORDERED that this docket shall remain open to monitor the issuance and/or sale of securities until Duke Energy Florida, LLC submits and Commission staff has reviewed the Consummation Report, at which time it shall be closed administratively.

By ORDER of the Florida Public Service Commission this 24th day of November, 2025.



ADAM J. TEITZMAN
Commission Clerk
Florida Public Service Commission
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Copies furnished: A copy of this document is provided to the parties of record at the time of issuance and, if applicable, interested persons.

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NOTICE OF FURTHER PROCEEDINGS OR JUDICIAL REVIEW

The Florida Public Service Commission is required by Section 120.569(1), Florida Statutes, to notify parties of any administrative hearing or judicial review of Commission orders that is available under Sections 120.57 or 120.68, Florida Statutes, as well as the procedures and time limits that apply. This notice should not be construed to mean all requests for an administrative hearing or judicial review will be granted or result in the relief sought.

Any party adversely affected by the Commission's final action in this matter may request:

- 1) reconsideration of the decision by filing a motion for reconsideration with the Office of Commission Clerk, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, within fifteen (15) days of the issuance of this order in the form prescribed by Rule 25-22.060, Florida Administrative Code; or
- 2) judicial review by the Florida Supreme Court in the case of an electric, gas or telephone utility or the First District Court of Appeal in the case of a water and/or wastewater utility by filing a notice of appeal with the Office of Commission Clerk, and filing a copy of the notice of appeal and the filing fee with the appropriate court. This filing must be completed within thirty (30) days after the issuance of this order, pursuant to Rule 9.110, Florida Rules of Appellate Procedure. The notice of appeal must be in the form specified in Rule 9.900(a), Florida Rules of Appellate Procedure.