



February 16, 2015

Mr. Bart Fletcher  
Public Utility Supervisor  
Surveillance Section  
Division of Accounting and Finance  
Florida Public Service Commission  
2540 Shumard Oak Boulevard  
Tallahassee, FL 32399-0820

Dear Mr. Fletcher:

Pursuant to Commission Rule 25-6.1352, enclosed please find Duke Energy Florida, Inc.'s Earnings Surveillance Report for the twelve months ended December 31, 2014.

The report includes the Company's actual rate of return computed on an end-of-period rate base, the Company's adjusted rate of return computed on an average rate base, the Company's end-of-period required rates of return, and certain financial integrity indicators for the twelve months ended December 31, 2014. The separation factors used for the jurisdictional amounts were developed from the cost of service prepared in compliance with the Stipulation & Settlement Agreement, Order No. PSC-13-0598-FOF-EI.

The report also includes Schedule 6, the CR3 Regulatory Asset Value provided quarterly (Docket 130208-EI), Schedule A and B, the AFUDC Rate Computation Report provided annually in compliance with the FPSC Rule 25-6.0141(6), and the Commercial/Industrial Service Rider Report provided annually in compliance with Order No. PSC-14-0197-PAA-EI.

If you have any questions, please feel free to contact me at (727) 820-5653.

Sincerely,

A handwritten signature in cursive script that reads "Marcia Olivier".

Marcia Olivier  
Director Rates & Regulatory Planning

dc  
Attachment  
xc: Mr. J. R. Kelly, Office of the Public Counsel

**DUKE ENERGY FLORIDA  
RATE OF RETURN REPORT SUMMARY  
DECEMBER 2014**

**SCHEDULE 1**

	(1) Actual Per Books	(2) FPSC Adjustments	(3) FPSC Adjusted	(4) Pro Forma Adjustments	(5) Pro Forma Adjusted
<b>I. AVERAGE RATE OF RETURN (Jurisdictional)</b>					
Net Operating Income	\$ 641,857,683 (a)	\$ (39,199,081) (b)	\$ 602,658,602	\$ 6,925,043	\$ 609,583,645
Average Rate Base	\$ 10,528,576,555	\$ (1,223,081,489)	\$ 9,305,495,066	\$ -	\$ 9,305,495,066
Average Rate of Return	6.10%		6.48%		6.55%
<b>I. YEAR END RATE OF RETURN (Jurisdictional)</b>					
Net Operating Income	\$ 640,737,545	\$ (38,078,943)	\$ 602,658,602		
Average Rate Base	\$ 10,712,499,406	\$ (1,155,777,128)	\$ 9,556,722,278		
Average Rate of Return	5.98%		6.31%		
(a) INCLUDES AFUDC EARNINGS					
(b) INCLUDES REVERSAL OF AFUDC EARNINGS					

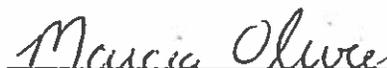
<b>III. REQUIRED RATES OF RETURN</b>	Average Capital Structure	End of Period Capital Structure
<b>FPSC Adjusted Basis</b>		
Low Point	6.54%	6.47%
Mid Point	7.02%	6.95%
High Point	7.49%	7.42%
<b>Pro Forma Adjusted Basis</b>		
Low Point	6.54%	6.47%
Mid Point	7.02%	6.95%
High Point	7.49%	7.42%

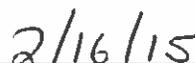
**IV. FINANCIAL INTEGRITY INDICATORS**

A. T.I.E. with AFUDC	4.35	(System Per Books Basis)
B. T.I.E. without AFUDC	4.34	(System Per Books Basis)
C. AFUDC to Net Income	0.24%	(System Per Books Basis)
D. Internally Generated Funds	116.65%	(System Per Books Basis)
<b>E. STD/LTD to Total Investor Funds</b>		
LT Debt-Fixed to Total Investor Funds	43.58%	(FPSC Adjusted Basis)
ST Debt to Total Investor Funds	2.05%	(FPSC Adjusted Basis)
<b>F. Return on Common Equity</b>		
	9.36%	(FPSC Adjusted Basis)
	9.52%	(Pro Forma Adjusted Basis)
G. Current Allowed AFUDC Rate	7.44%	Docket 100134-EI Order PSC-10-0258-PCO-EI

I am aware that Section 837-06, Florida Statutes, provides:

Whoever knowingly makes a false statement in writing with the intent to mislead a public servant in the performance of his official duty shall be guilty of a misdemeanor of the second degree, punishable as provided in s. 775.082, s. 775.083, or s. 775-084

  
Marcia Olivier, Director Rates & Regulatory Planning

  
Date

	Plant in Service	Accum Depr & Amort	Net Plant in Service	Future Use & Appd Unrecov Plant	Const Work in Progress	Net Utility Plant	Working Capital	Total Average Rate Base
<b>System Per Books</b>	<b>\$13,725,385,300</b>	<b>\$5,059,790,053</b>	<b>\$8,665,595,247</b>	<b>\$120,957,861</b>	<b>\$282,470,218</b>	<b>\$9,069,023,326</b>	<b>\$2,466,056,742</b>	<b>\$11,535,080,067</b>
<b>Regulatory Base - Retail</b>	<b>\$12,456,163,567</b>	<b>\$4,690,069,768</b>	<b>\$7,766,093,798</b>	<b>\$104,853,531</b>	<b>\$245,110,561</b>	<b>\$8,116,057,891</b>	<b>\$2,412,518,664</b>	<b>\$10,528,576,555</b>
<b>FPSC Adjustments</b>								
ARO	(17,457,860)	(29,667,436)	12,209,576			12,209,576	(11,588,582)	620,994
ECCR	(38,652,021)	(4,208,194)	(34,443,827)		(7,898,944)	(42,342,771)	7,890,783	(34,451,988)
ECRC	(200,227,573)	(13,555,435)	(186,672,138)		(11,872,991)	(198,545,129)	(10,890,966)	(209,436,095)
FUEL	(28,969,382)	(28,101,298)	(868,085)			(868,085)	129,828,708	128,960,623
CCR							(38,392,021)	(38,392,021)
NUCLEAR					(24,225,359)	(24,225,359)	(369,242,707)	(393,468,066)
CR3 Removal							(1,285,873,417)	(1,285,873,417)
Derivatives							(5,360,126)	(5,360,126)
Employee Related							(869,115)	(869,115)
Investments Earning a Return							(143,473,493)	(143,473,493)
Jobbing Accounts							(1,263,743)	(1,263,743)
Non-Regulated and Miscellaneous	(30,244,239)	(46,607,680)	16,363,441			16,363,441	12,608,461	28,971,902
Rate Case Regulatory Asset							0	0
Retention Accounts							3,264,388	3,264,388
CWIP - AFUDC					(41,237,400)	(41,237,400)		(41,237,400)
Imputed Off Balance Sheet Obligations							770,059,377	770,059,377
Capital Lease	(162,960,714)		(162,960,714)			(162,960,714)	161,827,406	(1,133,308)
<b>Total FPSC Adjustments</b>	<b>(478,511,788)</b>	<b>(122,140,042)</b>	<b>(356,371,746)</b>		<b>(85,234,694)</b>	<b>(441,606,440)</b>	<b>(781,475,048)</b>	<b>(1,223,081,489)</b>
<b>FPSC Adjusted</b>	<b>\$11,977,651,778</b>	<b>\$4,567,929,726</b>	<b>\$7,409,722,052</b>	<b>\$104,853,531</b>	<b>\$159,875,867</b>	<b>\$7,674,451,451</b>	<b>\$1,631,043,616</b>	<b>\$9,305,495,066</b>

	Operating Revenues	Fuel & Net Interchange	O&M Other	Depr & Amort	Taxes Other than Income	Income Taxes Current	Deferred Income Tax (Net)	Investment Tax Credit (Net)	Gain/Loss on Disposition & Other	Total Operating Expenses	Net Operating Income
<b>System Per Books (a)</b>	<b>\$4,940,419,434</b>	<b>\$2,153,043,021</b>	<b>\$836,177,669</b>	<b>\$544,355,792</b>	<b>\$341,700,656</b>	<b>(155,557,713)</b>	<b>\$483,863,397</b>	<b>(1,307,000)</b>		<b>\$4,202,275,822</b>	<b>\$738,143,611</b>
<b>Regulatory Base - Retail (b)</b>	<b>\$4,633,243,484</b>	<b>\$2,073,105,139</b>	<b>\$799,843,112</b>	<b>\$513,030,338</b>	<b>\$329,574,472</b>	<b>(131,788,438)</b>	<b>\$409,928,896</b>	<b>(1,187,579)</b>		<b>\$3,992,505,938</b>	<b>\$640,737,545</b>
<b>FPSC Adjustments</b>											
ECCR	(130,133,346)		(111,286,936)	(4,070,773)		(5,699,702)				(121,057,411)	(9,075,935)
ECRC	(85,689,707)		(54,082,812)	(13,785,000)	(974,985)	(6,498,695)				(75,341,493)	(10,348,214)
FUEL	(1,746,920,591)	(1,728,955,152)	(1,084,678)			(6,511,753)				(1,736,551,583)	(10,369,007)
CCR	(332,142,611)	(331,919,680)	(222,931)			(0)				(332,142,611)	(0)
NUCLEAR	(174,226,557)		(119,820)	(160,018,365)		(5,434,589)				(165,572,775)	(8,653,782)
CORPORATE AIRCRAFT ALLOCATION			(2,815,609)			1,086,121				(1,729,488)	1,729,488
FRANCHISE FEE & GROSS RECEIPTS	(211,520,370)					(81,593,983)				(81,593,983)	(129,926,387)
FRANCHISE FEES & GROSS REC TAX - TOI					(207,013,726)	79,855,545				(127,158,181)	127,158,181
GAIN/LOSS ON DISPOSITION & OTHER						175,118		(453,969)		(278,850)	278,850
INST./PROMOTIONAL ADVERTISING			(1,050,186)			405,109				(645,077)	645,077
INTEREST ON TAX DEFICIENCY			139,166			(53,683)				85,483	(85,483)
MISCELLANEOUS INTEREST EXPENSE			(44,397)			17,126				(27,271)	27,271
REMOVE ASSOC/ORGANIZATION DUES			(36,975)			14,263				(22,712)	22,712
PARENT DEBT ADJUSTMENT						(9,146,890)				(9,146,890)	9,146,890
DIRECTORS & OFFICERS PREMIUM			(1,498,479)			578,038				(920,441)	920,441
INTEREST SYNCHRONIZATION - FPSC						9,549,046				9,549,046	(9,549,046)
<b>Total FPSC Adjustments</b>	<b>(2,680,633,181)</b>	<b>(2,060,874,832)</b>	<b>(172,103,659)</b>	<b>(177,874,138)</b>	<b>(207,988,711)</b>	<b>(23,258,929)</b>			<b>(453,969)</b>	<b>(2,642,554,237)</b>	<b>(38,078,943)</b>
<b>FPSC Adjusted</b>	<b>1,952,610,303</b>	<b>12,230,307</b>	<b>627,739,453</b>	<b>335,156,199</b>	<b>121,585,761</b>	<b>(155,047,367)</b>	<b>409,928,896</b>	<b>(1,187,579)</b>	<b>(453,969)</b>	<b>1,349,951,701</b>	<b>602,658,602</b>
<b>Pro Forma Adjustments</b>											
Weather Normalization	11,273,981					4,348,938				4,348,938	6,925,043
<b>Total Pro Forma Adjustments</b>	<b>11,273,981</b>					<b>4,348,938</b>				<b>4,348,938</b>	<b>6,925,043</b>
<b>Pro Forma Adjusted</b>	<b>\$1,963,884,284</b>	<b>\$12,230,307</b>	<b>\$627,739,453</b>	<b>\$335,156,199</b>	<b>\$121,585,761</b>	<b>(150,698,428)</b>	<b>409,928,896</b>	<b>(1,187,579)</b>	<b>(453,969)</b>	<b>\$1,354,300,639</b>	<b>\$609,583,645</b>
<b>Current Month</b>											
System Per Books	<b>\$358,039,559</b>	<b>\$155,447,651</b>	<b>\$94,279,735</b>	<b>\$45,292,845</b>	<b>\$23,288,956</b>	<b>(175,104,185)</b>	<b>182,890,117</b>	<b>(108,917)</b>		<b>\$325,986,202</b>	<b>\$32,053,357</b>
FPSC Adjusted	<b>\$146,029,809</b>		<b>\$76,157,591</b>	<b>\$28,434,625</b>	<b>\$7,243,493</b>	<b>(209,622,549)</b>	<b>218,943,325</b>	<b>(98,965)</b>	<b>(28,438)</b>	<b>\$121,029,082</b>	<b>\$25,000,727</b>
							1,290,869	pretax			
							1,120,138	pretax			

Notes	Rate Base Adjustments	P=ProForma F=FPSC	System	Retail
	ARO	F	620,994	620,994
	ECCR	F	(34,451,988)	(34,451,988)
	ECRC	F	(248,982,050)	(209,436,095)
	FUEL	F	128,894,128	128,960,623
	CCR	F	(38,392,021)	(38,392,021)
	NUCLEAR	F	(395,228,344)	(393,468,066)
	CR3 Removal	F	(1,285,873,417)	(1,285,873,417)
	Derivatives	F	(5,175,247)	(5,360,126)
	Employee Related	F	(868,782)	(869,115)
	Investments Earning a Return	F	(150,253,965)	(143,473,493)
	Jobbing Accounts	F	(1,418,453)	(1,263,743)
	Non-Regulated and Miscellaneous	F	30,028,122	28,971,902
	Rate Case Regulatory Asset	F	0	0
	Retention Accounts	F	3,664,023	3,264,388
(1)	CWIP - AFUDC	F	(45,338,862)	(41,237,400)
(3)	Imputed Off Balance Sheet Obligations	F	829,046,000	770,059,377
(2)	Capital Lease - EPIS	F	(174,811,162)	(162,960,714)
(2)	Capital Lease - Working Capital	F	173,595,441	161,827,406
	<b>Total</b>		<b>(1,214,945,584)</b>	<b>(1,223,081,489)</b>

Notes	Income Statement Adjustments (to NOI)	P=ProForma F=FPSC	System		Retail	
			Amount	Income Tax Effect	Amount	Income Tax Effect
	ECCR	F	(14,772,674)	5,698,559	(14,775,637)	5,699,702
	ECRC	F	(16,145,748)	6,228,222	(16,846,909)	6,498,695
	FUEL	F	(16,880,761)	6,511,753	(16,880,761)	6,511,753
	CCR	F				
	NUCLEAR	F	(14,079,868)	5,431,309	(14,088,372)	5,434,589
(2)	CORPORATE AIRCRAFT ALLOCATION	F	3,020,360	(1,165,104)	2,815,609	(1,086,121)
(1)	FRANCHISE FEE & GROSS RECEIPTS	F	(211,520,370)	81,593,983	(211,520,370)	81,593,983
(1)	FRANCHISE FEES & GROSS REC TAX - TOI	F	207,013,726	(79,855,545)	207,013,726	(79,855,545)
(1)	GAIN/LOSS ON DISPOSITION & OTHER	F	488,743	(188,533)	453,969	(175,118)
(1)	INST./PROMOTIONAL ADVERTISING	F	1,126,555	(434,569)	1,050,186	(405,109)
(1)	INTEREST ON TAX DEFICIENCY	F	(149,286)	57,587	(139,166)	53,683
(1)	MISCELLANEOUS INTEREST EXPENSE	F	47,626	(18,372)	44,397	(17,126)
(1)	REMOVE ASSOC/ORGANIZATION DUES	F	39,664	(15,300)	36,975	(14,263)
(2)	PARENT DEBT ADJUSTMENT	F		10,091,561		9,146,890
(2)	DIRECTORS & OFFICERS PREMIUM	F	1,607,448	(620,073)	1,498,479	(578,038)
(1)	INTEREST SYNCHRONIZATION - FPSC	F		(9,549,046)		(9,549,046)
	<b>Total</b>		<b>(60,204,585)</b>	<b>23,766,434</b>	<b>(61,337,872)</b>	<b>23,258,929</b>

Notes: (1) Docket No. 910890-EI, Order No. PSC 92-0208-FOF-EI  
(2) Docket No. 090079-EI, Order No. PSC 10-0131-FOF-EI  
(3) Docket No. 130208-EI, Order No. PSC 13-0598-FOF-EI

	Plant in Service	Accum Depr & Amort	Net Plant in Service	Future Use & Appd Unrecov Plant	Const Work in Progress	Net Utility Plant	Working Capital	Total Period End Rate Base
<b>System Per Books</b>	<b>14,004,757,586</b>	<b>5,149,077,765</b>	<b>8,855,679,820</b>	<b>121,654,015</b>	<b>306,268,545</b>	<b>9,283,602,381</b>	<b>2,466,056,742</b>	<b>11,749,659,122</b>
<b>Regulatory Base - Retail</b>	<b>12,695,587,030</b>	<b>4,771,385,395</b>	<b>7,924,201,634</b>	<b>105,457,000</b>	<b>270,322,108</b>	<b>8,299,980,742</b>	<b>2,412,518,664</b>	<b>10,712,499,406</b>
<b>FPSC Adjustments</b>								
ARO	(20,823,344)	(31,831,109)	11,007,764			11,007,764	(11,588,582)	(580,817)
ECCR	(40,168,025)	(6,134,709)	(34,033,316)		(7,377,805)	(41,411,121)	7,890,783	(33,520,338)
ECRC	(123,868,352)	(6,281,936)	(117,586,416)		(5,081,529)	(122,667,945)	(10,890,966)	(133,558,911)
FUEL	(28,969,382)	(28,103,295)	(866,088)			(866,088)	129,828,708	128,962,620
CCR							(38,392,021)	(38,392,021)
NUCLEAR					98,998	98,998	(369,242,707)	(369,143,710)
CR3 Removal							(1,285,873,417)	(1,285,873,417)
Derivatives							(5,360,126)	(5,360,126)
Employee Related							(869,115)	(869,115)
Investments Earning a Return							(143,473,493)	(143,473,493)
Jobbing Accounts							(1,263,743)	(1,263,743)
Non-Regulated and Miscellaneous	(30,256,272)	(47,470,274)	17,214,003			17,214,003	12,608,461	29,822,463
Rate Case Regulatory Asset							0	0
Retention Accounts							3,264,388	3,264,388
CWIP - AFUDC					(79,726,082)	(79,726,082)		(79,726,082)
Imputed Off Balance Sheet Obligations							770,059,377	770,059,377
Capital Lease	(157,951,608)		(157,951,608)			(157,951,608)	161,827,406	3,875,798
<b>Total FPSC Adjustments</b>	<b>(402,036,984)</b>	<b>(119,821,323)</b>	<b>(282,215,660)</b>		<b>(92,086,419)</b>	<b>(374,302,079)</b>	<b>(781,475,048)</b>	<b>(1,155,777,128)</b>
<b>FPSC Adjusted</b>	<b>12,293,550,046</b>	<b>4,651,564,072</b>	<b>7,641,985,974</b>	<b>105,457,000</b>	<b>178,235,689</b>	<b>7,925,678,663</b>	<b>1,631,043,616</b>	<b>9,556,722,278</b>



Notes	Rate Base Adjustments	P=ProForma F=FPSC	System	Retail
	ARO	F	(580,817)	(580,817)
	ECCR	F	(33,520,338)	(33,520,338)
	ECRC	F	(172,074,346)	(133,558,911)
	FUEL	F	128,896,278	128,962,620
	CCR	F	(38,392,021)	(38,392,021)
	NUCLEAR	F	(369,136,126)	(369,143,710)
	CR3 Removal	F	(1,285,873,417)	(1,285,873,417)
	Derivatives	F	(5,175,247)	(5,360,126)
	Employee Related	F	(868,782)	(869,115)
	Investments Earning a Return	F	(150,253,965)	(143,473,493)
	Jobbing Accounts	F	(1,418,453)	(1,263,743)
	Non-Regulated and Miscellaneous	F	30,913,646	29,822,463
	Rate Case Regulatory Asset	F	0	0
	Retention Accounts	F	3,664,023	3,264,388
(1)	CWIP - AFUDC	F	(85,074,525)	(79,726,082)
(3)	Imputed Off Balance Sheet Obligations	F	829,046,000	770,059,377
(2)	Capital Lease - EPIS	F	(169,437,796)	(157,951,608)
(2)	Capital Lease - Working Capital	F	173,595,441	161,827,406
	<b>Total</b>		<b>(1,145,690,447)</b>	<b>(1,155,777,128)</b>

Notes	Income Statement Adjustments (to NOI)	P=ProForma F=FPSC	System		Retail	
			Amount	Income Tax Effect	Amount	Income Tax Effect
	ECCR	F	(14,772,674)	5,698,559	(14,775,637)	5,699,702
	ECRC	F	(16,145,748)	6,228,222	(16,846,909)	6,498,695
	FUEL	F	(16,880,761)	6,511,753	(16,880,761)	6,511,753
	CCR	F				
	NUCLEAR	F	(14,079,868)	5,431,309	(14,088,372)	5,434,589
(2)	CORPORATE AIRCRAFT ALLOCATION	F	3,020,360	(1,165,104)	2,815,609	(1,086,121)
(1)	FRANCHISE FEE & GROSS RECEIPTS	F	(211,520,370)	81,593,983	(211,520,370)	81,593,983
(1)	FRANCHISE FEES & GROSS REC TAX - TOI	F	207,013,726	(79,855,545)	207,013,726	(79,855,545)
(1)	GAIN/LOSS ON DISPOSITION & OTHER	F	488,743	(188,533)	453,969	(175,118)
(1)	INST./PROMOTIONAL ADVERTISING	F	1,126,555	(434,569)	1,050,186	(405,109)
(1)	INTEREST ON TAX DEFICIENCY	F	(149,286)	57,587	(139,166)	53,683
(1)	MISCELLANEOUS INTEREST EXPENSE	F	47,626	(18,372)	44,397	(17,126)
(1)	REMOVE ASSOC/ORGANIZATION DUES	F	39,664	(15,300)	36,975	(14,263)
(2)	PARENT DEBT ADJUSTMENT	F		10,091,561		9,146,890
(2)	DIRECTORS & OFFICERS PREMIUM	F	1,607,448	(620,073)	1,498,479	(578,038)
(1)	INTEREST SYNCHRONIZATION - FPSC	F		(9,549,046)		(9,549,046)
	<b>Total</b>		<b>(60,204,585)</b>	<b>23,766,434</b>	<b>(61,337,872)</b>	<b>23,258,929</b>

Notes: (1) Docket No. 910890-EI, Order No. PSC 92-0208-FOF-EI  
(2) Docket No. 090079-EI, Order No. PSC 10-0131-FOF-EI  
(3) Docket No. 130208-EI, Order No. PSC 13-0598-FOF-EI









**A. TIMES INTEREST EARNED WITH AFUDC**

EARNINGS BEFORE INTEREST	\$ 751,882,555
AFUDC - DEBT	\$ 937,043
INCOME TAXES	\$ 348,749,860
TOTAL	\$ 1,101,569,459
INTEREST CHARGES (before deducting AFUDC-Debt & CR3 reg asset carrying charge)	\$ 253,237,571
TIE WITH AFUDC	<u>4.35</u>

**B. TIMES INTEREST EARNED WITHOUT AFUDC**

EARNINGS BEFORE INTEREST	\$ 751,882,555
AFUDC - EQUITY	(353,825)
INCOME TAXES	348,749,860
TOTAL	\$ 1,100,278,590
INTEREST CHARGES (before deducting AFUDC-Debt & CR3 reg asset carrying charge)	\$ 253,237,571
TIE WITHOUT AFUDC	<u>4.34</u>

**C. PERCENT AFUDC TO NET INCOME AVAILABLE  
FOR COMMON SHAREHOLDERS**

AFUDC DEBT	\$ 937,043
LESS: DIT	-
SUBTOTAL	\$ 937,043
AFUDC -EQUITY	\$ 353,825
TOTAL	\$ 1,290,869
NET INCOME AVAILABLE FOR COMMON STOCKHOLDERS	\$ 547,534,194
PERCENT AFUDC TO AVAILABLE NET INCOME	<u>0.24%</u>

**D. PERCENT INTERNALLY GENERATED FUNDS\***

NET INCOME	\$ 547,533,936
COMMON DIVIDENDS	\$ (125,000,000)
AFUDC (EQUITY)	\$ (353,825)
DEPRECIATION & AMORTIZATION	\$ 550,068,281
DEFERRED INCOME TAXES	\$ 401,535,430
INVESTMENT TAX CREDITS	\$ (1,307,000)
DEFERRED FUEL NET	\$ -
OTHER - INC NUCLEAR DECOMMISSIONING	\$ (87,436,783)
OTHER FUNDS - INCLUDING CHANGE IN WORKING CAPITAL	(469,341,708)
TOTAL FUNDS PROVIDED	<u>\$ 815,698,331</u>
CONSTRUCTION EXPENDITURES (EXCLUDING AFUDC EQUITY & DEBT)	<u>\$ 699,245,634</u>
PERCENTAGE INTERNALLY GENERATED FUNDS	<b>116.65%</b>

\*Updated quarterly as of December 2014

**E. SHORT TERM DEBT/LONG TERM DEBT AS A  
PERCENT OF TOTAL INVESTOR CAPITAL**

Common Equity	\$ 4,424,277,904
Preferred Stock	\$ -
Long Term Debt	\$ 3,546,156,634
Short Term Debt	\$ 166,978,617
TOTAL	<u>\$ 8,137,413,155</u>
% LONG TERM DEBT TO TOTAL	<b>43.58%</b>
% SHORT TERM DEBT TO TOTAL	<b>2.05%</b>

**F. FPSC ADJUSTED AVERAGE  
JURISDICTIONAL AND PROFORMA  
RETURN ON COMMON EQUITY**

	Pro Forma	FPSC
FPSC AVERAGE		
EARNED RATE OF RETURN	6.55%	6.48%
LESS RETAIL WEIGHTED AVERAGE COST RATES FOR:		
LONG TERM DEBT	1.96%	1.96%
SHORT TERM DEBT	0.02%	0.02%
CUSTOMER DEPOSITS	0.04%	0.04%
DEFERRED INCOME TAXES		
INVESTMENT TAX CREDITS		
DEFERRED INCOME TAX (FAS 109)		
SUBTOTAL	<u>2.02%</u>	<u>2.02%</u>
TOTAL	4.53%	4.45%
DIVIDED BY COMMON EQUITY RATIO	<u>47.54%</u>	<u>47.54%</u>
JURISDICTIONAL RETURN ON COMMON EQUITY	<u>9.52%</u>	<u>9.36%</u>

DUKE ENERGY FLORIDA  
Earnings Surveillance Report  
CR3 Regulatory Asset Value  
December 2014  
(In Millions)

Schedule 6

Line No.	Pre or Post Retirement Component Classification	category	Subject to Cap	Dry Cask Storage	Total Regulatory Asset
1					
2	Electric Plant In Service	a	846		846
3	Less Accumulated Depreciation	b	431		431
4	Net plant balance	fallout	415		415
5	Write-Down	b	(295)		(295)
6	Construction Work In Progress (CWIP)				
7	Steam Generator Replacement (SGR) Project	a	360		360
8	Delam Repair Project	b	167		167
9	License Amendment Request (LAR)	b	20		20
10	Dry Cask Storage	d		33	33
11	Fukushima	d	2		2
12	Building Stabilization Project	c	23		23
13	Other - CWIP	d	52		52
14	Nuclear Fuel Inventories	a	256		256
15	Nuclear Materials and Supplies Inventories	a	52		52
16	Deferred expenses	e	96		96
17	Cumulative AFUDC (6.00%)	fallout	121	5	126
18	Cost of Removal Reg Asset - CR3 Portion (Order No. PSC 10-0398-S-EI)	b	108		108
19	Total CR3 Regulatory Asset	fallout	1,377	38	1,415

category

- a The Intervenor Parties fully and forever waive, release, discharge and otherwise extinguish any and all of their rights to contest DEF's right to recover these costs except that the Intervenor Parties retain the right to challenge whether DEF took reasonable and prudent actions to minimize the future CR3 Regulatory Asset value after February 5, 2013 and to sell or otherwise salvage assets after February 5, 2013 that would otherwise be included in the CR3 Regulatory Asset.
- b The Intervenor Parties fully and forever waive, release, discharge and otherwise extinguish any and all of their rights to contest DEF's right to recover these costs.
- c The Intervenor Parties fully and forever waive, release, discharge and otherwise extinguish any and all of their rights to contest DEF's right to recover costs incurred by the Company before February 5, 2013. The Intervenor Parties retain the right to challenge the prudence of any costs incurred after and applicable to the period after February 5, 2013 that are submitted for recovery by the Company.
- d The Intervenor Parties retain the right to challenge the prudence of any costs submitted for recovery by the Company.
- e The Intervenor Parties retain the right to verify that the Company has complied with paragraph 5b of the Revised and Restated Settlement Agreement.

Note Reference Docket No. 130208-EI, Order No. PSC-13-0598-FOF-EI, Settlement Exhibit 10.





## Commercial / Industrial Service Rider (CISR) Annual Report

Date: 1/8/15

Year Represented

2014  
Year to date

CISR Applications Received	0
Number of CISR applications cancelled by customer prior to quote	0
Number of CISR applications in process	0
Number of CISR applications rejected	0
Number of CISR applications accepted and prices quoted	0
Number of CISR quotes awaiting decision by customers	0
Number of CISR quotes rejected by customers	0
Number of Contract Service Agreements ("CSAs") in negotiation	0
Number of CSAs executed	0

**For all CSAs executed during the year:**

Customer	Description / Justification	Rates & Charges	Contract Period