



February 14, 2020

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, LLC's Earnings Surveillance Report for the twelve months ended December 31, 2019.

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, 2019. The demand-related separation factors used for the jurisdictional amounts were from Order No. PSC-2017-0451-AS-EU.

The report also includes the AFUDC Rate Computation Report provided annually in compliance with the FPSC Rule 25-6.0141(6), the Commercial/Industrial Rider Report provided annually in compliance with Order No. PSC-14-0197-PAA-EI, and the Summary of Osprey 2017 Outage O&M and Deferral Costs in compliance with Order No. PSC-2016-0521-TRF-EI.

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

Sincerely,

A handwritten signature in black ink, appearing to read "Christopher King".

Christopher King, Senior Rates & Regulatory Strategy Analyst
Signing For: Marcia Olivier, Director Rates & Regulatory Planning

Attachment

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

DUKE ENERGY FLORIDA
RATE OF RETURN REPORT SUMMARY
Dec-19

SCHEDULE 1

	(1) Actual Per Books	(2) FPSC Adjustments	(3) FPSC Adjusted	(4) Pro Forma Adjustments	(5) Pro Forma Adjusted
I. AVERAGE RATE OF RETURN (Jurisdictional)					
Net Operating Income	\$857,245,757 (a)	(\$21,510,452) (b)	\$835,735,305	(\$15,426,372)	\$820,308,932
Average Rate Base	\$14,427,391,145	(\$1,375,774,624)	\$13,051,616,521	\$0	\$13,051,616,521
Average Rate of Return	5.94%		6.40%		6.29%
I. YEAR END RATE OF RETURN (Jurisdictional)					
Net Operating Income	\$850,139,681	(\$14,404,377)	\$835,735,305		
Average Rate Base	\$15,187,759,739	(\$1,525,890,666)	\$13,661,869,072		
Average Rate of Return	5.60%		6.12%		

(a) INCLUDES AFUDC EARNINGS

(b) INCLUDES REVERSAL OF AFUDC EARNINGS

III. REQUIRED RATES OF RETURN	Average Capital Structure	End of Period Capital Structure
FPSC Adjusted Basis		
Low Point	5.85%	5.84%
Mid Point	6.27%	6.26%
High Point	6.68%	6.69%
Pro Forma Adjusted Basis		
Low Point	5.85%	5.84%
Mid Point	6.27%	6.26%
High Point	6.68%	6.69%

IV. FINANCIAL INTEGRITY INDICATORS

A. T.I.E. with AFUDC	3.76	(System Per Books Basis)
B. T.I.E without AFUDC	3.74	(System Per Books Basis)
C. AFUDC to Net Income	1.16%	(System Per Books Basis)
D. Internally Generated Funds	69.21%	(System Per Books Basis)
E. STD/LTD to Total Investor Funds		
LT Debt-Fixed to Total Investor Funds	47.75%	(FPSC Adjusted Basis)
ST Debt to Total Investor Funds	1.70%	(FPSC Adjusted Basis)
F. Return on Common Equity	10.83%	(FPSC Adjusted Basis)
	10.55%	(Pro Forma Adjusted Basis)
G. Current Allowed AFUDC Rate	6.46%	Docket 20190069-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



Christopher King, Senior Rates & Regulatory Strategy Analyst
Signing For: Marcia Olivier, Director Rates & Regulatory Planning

2/14/2020

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
System Per Books	\$19,004,096,212	\$5,572,343,381	\$13,431,752,831	\$133,438,048	\$923,016,466	\$14,488,207,346	\$1,453,652,092	\$15,941,859,438
Regulatory Base - Retail	\$17,259,963,762	\$5,138,638,844	\$12,121,324,918	\$117,226,754	\$757,921,606	\$12,996,473,277	\$1,430,917,867	\$14,427,391,145
FPSC Adjustments								
ARO	(22,308,467)	(19,746,044)	(2,562,424)			(2,562,424)	(14,761,290)	(17,323,713)
ECCR	(22,829,189)	(16,589,873)	(6,239,316)			(6,239,316)	(20,632,657)	(26,871,973)
ECRC	(241,003,547)	(24,802,388)	(216,201,158)		(14,532,352)	(230,733,510)	(4,252,558)	(234,986,069)
FUEL	(8,082,918)	(7,825,377)	(257,541)			(257,541)	(103,497,060)	(103,754,601)
CCR							(120,704,193)	(120,704,193)
NUCLEAR							(21,090,111)	(21,090,111)
Over\Under Recovery-Clauses							(134,772,044)	(134,772,044)
Derivatives							3,503,164	3,503,164
Investments Earning a Return							(200,987,127)	(200,987,127)
Jobbing Accounts							197,864	197,864
Non-Regulated and Miscellaneous	(44,477,580)	(36,005,034)	(8,472,547)	(87,379,077)		(95,851,624)	44,927,533	(50,924,090)
CWIP - AFUDC					(117,961,139)	(117,961,139)		(117,961,139)
Imputed Off Balance Sheet Obligations							47,132,283	47,132,283
Capital Lease	(548,027,858)	(68,268,360)	(479,759,498)			(479,759,498)	468,847,239	(10,912,259)
Storm							(386,320,616)	(386,320,616)
Total FPSC Adjustments	(886,729,559)	(173,237,076)	(713,492,483)	(87,379,077)	(132,493,491)	(933,365,051)	(442,409,573)	(1,375,774,624)
FPSC Adjusted	\$16,373,234,203	\$4,965,401,768	\$11,407,832,435	\$29,847,677	\$625,428,115	\$12,063,108,227	\$988,508,294	\$13,051,616,521

DUKE ENERGY FLORIDA
Average Rate of Return - Income Statement
Dec-19

	Operating Revenues	Fuel & Net Interchange	O&M Other	Depr & Amort	Taxes Other than Income	Income Taxes Current	Deferred Income Tax (Net)	Gain/Loss on Disp. & Other	Total Operating Expenses	Net Operating Income
System Per Books	5,088,725,458	2,012,155,693	973,447,665	648,194,818	390,140,482	(41,723,961)	179,017,700		4,161,232,395	927,493,062
Regulatory Base - Retail	4,792,965,248	1,910,036,311	929,834,494	603,052,882	376,113,778	(53,049,976)	176,838,077		3,942,825,567	850,139,681
FPSC Adjustments										
ECCR	(104,375,287)		(98,849,041)	(3,874,854)		(418,545)			(103,142,440)	(1,232,847)
ECRC	(55,456,774)		(24,841,141)	(10,868,798)	(1,437,682)	(4,640,455)			(41,788,076)	(13,668,698)
FUEL	(1,554,377,846)	(1,540,916,328)	(1,115,629)	(6,551,340)		(1,468,628)			(1,550,051,926)	(4,325,920)
CCR	(383,829,448)	(369,119,983)	(276,357)	(5,974,551)		(2,143,821)			(377,514,712)	(6,314,736)
NUCLEAR	(43,813,337)		(119,912)	(43,519,983)		(43,959)			(43,683,854)	(129,483)
Non-Regulated and Miscellaneous				(227,898)		57,761			(170,137)	170,137
Coporate Aircraft Allocation			(2,407,270)			610,122			(1,797,147)	1,797,147
Franchise Fee & Gross Receipts	(231,786,526)		(166,886)			(58,703,998)			(58,870,884)	(172,915,642)
Franchise Fees & Gross Rec Tax - TOI					(235,781,982)	59,758,943			(176,023,038)	176,023,038
Gain/Loss on Disposition & Other						64,196		(253,287)	(189,091)	189,091
Inst./Promotional Advertising			(916,113)			232,189			(683,924)	683,924
Miscellaneous Interest Expense			85,675			(21,714)			63,961	(63,961)
Remove Assoc/Organization Dues			(92,050)			23,330			(68,720)	68,720
Remove Economic Development			(57,299)			14,522			(42,777)	42,777
Parent Debt Adjustment						(11,182,398)			(11,182,398)	11,182,398
Directors & Officers Premium			(1,024,752)			259,723			(765,029)	765,029
Interest Synchronization - FPSC						6,675,352			6,675,352	(6,675,352)
Total FPSC Adjustments	(2,373,639,217)	(1,910,036,311)	(129,780,774)	(71,017,424)	(237,219,663)	(10,927,380)		(253,287)	(2,359,234,840)	(14,404,377)
FPSC Adjusted	2,419,326,031		800,053,720	532,035,458	138,894,115	(63,977,356)	176,838,077	(253,287)	1,583,590,726	835,735,305
Pro Forma Adjustments										
Weather Normalization	(20,663,549)					(5,237,176)			(5,237,176)	(15,426,372)
Total Pro Forma Adjustments	(20,663,549)					(5,237,176)			(5,237,176)	(15,426,372)
Pro Forma Adjusted	2,398,662,482		800,053,720	532,035,458	138,894,115	(69,214,533)	176,838,077	(253,287)	1,578,353,550	820,308,932
Current Month										
System Per Books	356,830,211	134,965,835	102,292,961	57,420,046	36,493,576	(40,148,290)	35,456,800		326,480,928	30,349,283
FPSC Adjusted	172,115,812		89,750,250	46,864,958	13,683,829	(23,040)	98,855	(21,262)	150,353,590	21,762,222

(a) The addition of earnings from AFUDC charges would increase the System NOI by 8,653,962 pretax
(b) The addition of earnings from AFUDC charges would increase the Jurisdictional NOI by 7,106,075 pretax

DUKE ENERGY FLORIDA
Average Rate of Return - Adjustment
Dec-19

Notes	Rate Base Adjustments	P=ProForma F=FPSC	System	Retail
	ARO	F	(17,323,713)	(17,323,713)
	ECCR	F	(26,871,973)	(26,871,973)
	ECRC	F	(253,827,077)	(234,986,069)
	FUEL	F	(103,774,329)	(103,754,601)
	CCR	F	(120,704,193)	(120,704,193)
	NUCLEAR	F	(21,090,111)	(21,090,111)
	Over\Under Recovery-Clauses	F	(134,772,044)	(134,772,044)
	Derivatives	F	3,503,164	3,503,164
	Investments Earning a Return	F	(200,987,127)	(200,987,127)
	Jobbing Accounts	F	197,864	197,864
	Non-Regulated and Miscellaneous	F	(57,617,336)	(50,924,090)
(1)	CWIP - AFUDC	F	(145,296,974)	(117,961,139)
(3)	Imputed Off Balance Sheet Obligations	F	50,742,621	47,132,283
(2)	Capital Lease - EPIS	F	(519,611,900)	(479,759,498)
(2)	Capital Lease - Working Capital	F	502,941,654	468,847,239
	Storm	F	(386,320,616)	(386,320,616)
	Total		(1,430,812,091)	(1,375,774,624)

Notes	Income Statement Adjustments (to NOI)	P=ProForma F=FPSC	System		Retail	
			Amount	Income Tax Effect	Amount	Income Tax Effect
	ECCR	F	(1,651,392)	418,545	(1,651,392)	418,545
	ECRC	F	(15,684,495)	3,975,235	(18,309,153)	4,640,455
	FUEL	F	(6,104,352)	1,547,148	(5,794,548)	1,468,628
	CCR	F	(8,458,557)	2,143,821	(8,458,557)	2,143,821
	NUCLEAR	F	(173,442)	43,959	(173,442)	43,959
	Non-Regulated and Miscellaneous	F	227,898	(57,761)	227,898	(57,761)
(2)	Coporate Aircraft Allocation	F	2,582,325	(654,490)	2,407,270	(610,122)
(1)	Franchise Fee & Gross Receipts	F	(231,619,640)	58,703,998	(231,619,640)	58,703,998
(1)	Franchise Fees & Gross Rec Tax - TOI	F	235,781,982	(59,758,943)	235,781,982	(59,758,943)
(1)	Gain/Loss on Disposition & Other	F	272,689	(69,113)	253,287	(64,196)
(1)	Inst./Promotional Advertising	F	982,733	(249,074)	916,113	(232,189)
(1)	Miscellaneous Interest Expense	F	(91,905)	23,293	(85,675)	21,714
(1)	Remove Assoc/Organization Dues	F	98,744	(25,027)	92,050	(23,330)
(4)	Remove Economic Development	F	61,466	(15,579)	57,299	(14,522)
(2)	Parent Debt Adjustment	F		12,377,257		11,182,398
(2)	Directors & Officers Premium	F	1,099,272	(278,610)	1,024,752	(259,723)
(1)	Interest Synchronization - FPSC	F		(6,955,038)		(6,675,352)
	Total		(22,676,675)	11,169,623	(25,331,757)	10,927,380

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
(4) Rule 25-6.0426 Recovery of Econ Dev Expenses

	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
System Per Books	\$19,859,880,136	\$5,711,655,343	\$14,148,224,793	\$135,974,616	\$1,032,580,981	\$15,316,780,389	\$1,453,642,882	\$16,770,423,272
Regulatory Base - Retail	\$18,048,491,989	\$5,273,402,817	\$12,775,089,172	\$118,320,091	\$863,432,608	\$13,756,841,871	\$1,430,917,867	\$15,187,759,739
FPSC Adjustments								
ARO	(26,982,766)	(22,749,602)	(4,233,164)			(4,233,164)	(14,761,290)	(18,994,454)
ECCR	(22,300,806)	(17,810,133)	(4,490,674)			(4,490,674)	(20,632,657)	(25,123,331)
ECRC	(253,101,138)	(27,569,515)	(225,531,624)		(7,541,006)	(233,072,629)	(4,252,558)	(237,325,188)
FUEL	(8,082,918)	(7,891,222)	(191,696)			(191,696)	(103,497,060)	(103,688,756)
CCR							(120,704,193)	(120,704,193)
NUCLEAR							(21,090,111)	(21,090,111)
Over\Under Recovery-Clauses							(134,772,044)	(134,772,044)
Derivatives							3,503,164	3,503,164
Investments Earning a Return							(200,987,127)	(200,987,127)
Jobbing Accounts							197,864	197,864
Non-Regulated and Miscellaneous	(43,847,050)	(36,688,437)	(7,158,612)	(87,379,077)		(94,537,690)	44,927,533	(49,610,156)
CWIP - AFUDC					(258,490,078)	(258,490,078)		(258,490,078)
Imputed Off Balance Sheet Obligations							47,132,283	47,132,283
Capital Lease	(650,556,433)	(162,091,270)	(488,465,163)			(488,465,163)	468,847,239	(19,617,924)
Storm							(386,320,616)	(386,320,616)
Total FPSC Adjustments	(1,004,871,111)	(274,800,179)	(730,070,933)	(87,379,077)	(266,031,084)	(1,083,481,093)	(442,409,573)	(1,525,890,666)
FPSC Adjusted	17,043,620,878	4,998,602,638	12,045,018,240	30,941,014	597,401,525	12,673,360,778	988,508,294	13,661,869,072

	Operating Revenues	Fuel & Net Interchange	O&M Other	Depr & Amort	Taxes Other than Income	Income Taxes Current	Deferred Income Tax (Net)	Gain/Loss on Disposition & Other	Total Operating Expenses	Net Operating Income
System Per Books	5,088,725,458	2,012,155,693	973,447,665	648,194,818	390,140,482	(41,723,961)	179,017,700		4,161,232,395	927,493,062
Regulatory Base - Retail	4,792,965,248	1,910,036,311	929,834,494	603,052,882	376,113,778	(53,049,976)	176,838,077		3,942,825,567	850,139,681
FPSC Adjustments										
ECCR	(104,375,287)		(98,849,041)	(3,874,854)		(418,545)			(103,142,440)	(1,232,847)
ECRC	(55,456,774)		(24,841,141)	(10,868,798)	(1,437,682)	(4,640,455)			(41,788,076)	(13,668,698)
FUEL	(1,554,377,846)	(1,540,916,328)	(1,115,629)	(6,551,340)		(1,468,628)			(1,550,051,926)	(4,325,920)
CCR	(383,829,448)	(369,119,983)	(276,357)	(5,974,551)		(2,143,821)			(377,514,712)	(6,314,736)
NUCLEAR	(43,813,337)		(119,912)	(43,519,983)		(43,959)			(43,683,854)	(129,483)
Non-Regulated and Miscellaneous				(227,898)		57,761			(170,137)	170,137
Coporate Aircraft Allocation			(2,407,270)			610,122			(1,797,147)	1,797,147
Franchise Fee & Gross Receipts	(231,786,526)		(166,886)			(58,703,998)			(58,870,884)	(172,915,642)
Franchise Fees & Gross Rec Tax - TOI					(235,781,982)	59,758,943			(176,023,038)	176,023,038
Gain/Loss on Disposition & Other						64,196	(253,287)		(189,091)	189,091
Inst./Promotional Advertising			(916,113)			232,189			(683,924)	683,924
Miscellaneous Interest Expense			85,675			(21,714)			63,961	(63,961)
Remove Assoc/Organization Dues			(92,050)			23,330			(68,720)	68,720
Remove Economic Development			(57,299)			14,522			(42,777)	42,777
Parent Debt Adjustment						(11,182,398)			(11,182,398)	11,182,398
Directors & Officers Premium			(1,024,752)			259,723			(765,029)	765,029
Interest Synchronization - FPSC						6,675,352			6,675,352	(6,675,352)
Total FPSC Adjustments	(2,373,639,217)	(1,910,036,311)	(129,780,774)	(71,017,424)	(237,219,663)	(10,927,380)		(253,287)	(2,359,234,840)	(14,404,377)
FPSC Adjusted	2,419,326,031		800,053,720	532,035,458	138,894,115	(63,977,356)	176,838,077	(253,287)	1,583,590,726	835,735,305

(a) The addition of earnings from AFUDC charges would increase the System NOI by 8,653,962 pretax
(b) The addition of earnings from AFUDC charges would increase the Jurisdictional NOI by 7,106,075 pretax

Notes	Rate Base Adjustments	P=ProForma F=FPSC	System	Retail
	ARO	F	(18,994,454)	(18,994,454)
	ECCR	F	(25,123,331)	(25,123,331)
	ECRC	F	(256,336,585)	(237,325,188)
	FUEL	F	(103,703,440)	(103,688,756)
	CCR	F	(120,704,193)	(120,704,193)
	NUCLEAR	F	(21,090,111)	(21,090,111)
	Over\Under Recovery-Clauses	F	(134,772,044)	(134,772,044)
	Derivatives	F	3,503,164	3,503,164
	Investments Earning a Return	F	(200,987,127)	(200,987,127)
	Jobbing Accounts	F	197,864	197,864
	Non-Regulated and Miscellaneous	F	(56,303,402)	(49,610,156)
	CWIP - AFUDC	F	(302,037,995)	(258,490,078)
	Imputed Off Balance Sheet Obligations	F	50,742,621	47,132,283
(3)	Capital Lease - EPIS	F	(535,773,410)	(488,465,163)
(2)	Capital Lease - Working Capital	F	502,941,654	468,847,239
(2)	Storm	F	(386,320,616)	(386,320,616)
	Total		(1,604,761,405)	(1,525,890,666)

Notes	Income Statement Adjustments (to NOI)	P=ProForma F=FPSC	System		Retail	
			Amount	Income Tax Effect	Amount	Income Tax Effect
	ECCR	F	(1,651,392)	418,545	(1,651,392)	418,545
	ECRC	F	(15,684,495)	3,975,235	(18,309,153)	4,640,455
	FUEL	F	(6,104,352)	1,547,148	(5,794,548)	1,468,628
	CCR	F	(8,458,557)	2,143,821	(8,458,557)	2,143,821
	NUCLEAR	F	(173,442)	43,959	(173,442)	43,959
	Non-Regulated and Miscellaneous	F	227,898	(57,761)	227,898	(57,761)
(2)	Corporate Aircraft Allocation	F	2,582,325	(654,490)	2,407,270	(610,122)
(1)	Franchise Fee & Gross Receipts	F	(231,619,640)	58,703,998	(231,619,640)	58,703,998
(1)	Franchise Fees & Gross Rec Tax - TOI	F	235,781,982	(59,758,943)	235,781,982	(59,758,943)
(1)	Gain/Loss on Disposition & Other	F	272,689	(69,113)	253,287	(64,196)
(1)	Inst./Promotional Advertising	F	982,733	(249,074)	916,113	(232,189)
(1)	Miscellaneous Interest Expense	F	(91,905)	23,293	(85,675)	21,714
(1)	Remove Assoc/Organization Dues	F	98,744	(25,027)	92,050	(23,330)
	Remove Economic Development	F	61,466	(15,579)	57,299	(14,522)
(2)	Parent Debt Adjustment	F		12,377,257		11,182,398
(2)	Directors & Officers Premium	F	1,099,272	(278,610)	1,024,752	(259,723)
(1)	Interest Synchronization - FPSC	F		(6,955,038)		(6,675,352)
	Total		(22,676,675)	11,169,623	(25,331,757)	10,927,380

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

DUKE ENERGY FLORIDA
Average - Capital Structure
Pro Forma Adjusted Basis
Dec-19

	System Per Books	Retail Per Books	Pro Rata Adjustments	Specific Adjustments	Adjusted Retail	Cap Ratio	Low-Point		Mid-Point		High-Point	
							Cost Rate	Weighted Cost	Cost Rate	Weighted Cost	Cost Rate	Weighted Cost
Common Equity	6,424,935,129	5,806,769,571	(442,760,836)	31,696,756	5,395,705,492	41.34%	9.50%	3.93%	10.50%	4.34%	11.50%	4.75%
Long Term Debt	6,106,304,323	5,518,795,353	(420,803,067)		5,097,992,287	39.06%	4.67%	1.82%	4.67%	1.82%	4.67%	1.82%
Short Term Debt *	250,617,905	226,505,077	(17,270,804)	(27,233,641)	182,000,632	1.39%	3.29%	0.05%	3.29%	0.05%	3.29%	0.05%
Customer Deposits												
Active	199,182,384	199,182,384	(15,187,473)		183,994,911	1.41%	2.43%	0.03%	2.43%	0.03%	2.43%	0.03%
Inactive	1,973,922	1,973,922	(150,510)		1,823,412	0.01%						
Investment Tax Credits **	45,365,237	41,000,488	(3,126,250)		37,874,239	0.29%	7.15%	0.02%	7.67%	0.02%	8.18%	0.02%
Deferred Income Taxes	2,913,480,538	2,633,164,350	(200,776,358)	(280,162,442)	2,152,225,550	16.49%						
Total	15,941,859,438	14,427,391,145	(1,100,075,297)	(275,699,327)	13,051,616,521	100.00%		5.85%		6.27%		6.68%
* Daily Weighted Average ** Cost Rates Calculated Per IRS Ruling												

DUKE ENERGY FLORIDA
End of Period - Capital Structure
Pro Forma Adjusted Basis
Dec-19

	System Per Books	Retail Per Books	Pro Rata Adjustments	Specific Adjustments	Adjusted Retail	Cap Ratio	Low-Point		Mid-Point		High-Point	
							Cost Rate	Weighted Cost	Cost Rate	Weighted Cost	Cost Rate	Weighted Cost
Common Equity	6,782,678,247	6,184,818,128	(463,288,650)	(13,493,436)	5,708,036,042	41.78%	9.50%	3.97%	10.50%	4.39%	11.50%	4.80%
Long Term Debt	6,767,509,962	6,170,986,853	(462,252,585)		5,708,734,268	41.79%	4.21%	1.76%	4.21%	1.76%	4.21%	1.76%
Short Term Debt *	(172,722,964)	(157,498,274)	11,797,786	(101,435,268)	(247,135,756)	(1.81%)	(2.55%)	0.05%	(2.55%)	0.05%	(2.55%)	0.05%
Customer Deposits												
Active	199,531,258	199,531,258	(14,946,368)		184,584,890	1.35%	2.43%	0.03%	2.43%	0.03%	2.43%	0.03%
Inactive	1,679,562	1,679,562	(125,812)		1,553,750	0.01%						
Investment Tax Credits **	86,867,569	79,210,615	(5,933,461)		73,277,153	0.54%	6.86%	0.04%	7.35%	0.04%	7.85%	0.04%
Deferred Income Taxes	2,970,902,185	2,709,031,598	(202,926,516)	(273,286,358)	2,232,818,724	16.34%						
Total	16,636,445,817	15,187,759,739	(1,137,675,605)	(388,215,061)	13,661,869,072	100.00%		5.84%		6.26%		6.69%
* Daily Weighted Average ** Cost Rates Calculated Per IRS Ruling												

	System Per Books	Retail Per Books	Pro Rata Adjustments	Specific Adjustments	Adjusted Retail	Cap Ratio	Low-Point		Mid-Point		High-Point	
							Cost Rate	Weighted Cost	Cost Rate	Weighted Cost	Cost Rate	Weighted Cost
Common Equity	6,424,935,129	5,806,769,571	(442,760,836)	31,696,756	5,395,705,492	41.34%	9.50%	3.93%	10.50%	4.34%	11.50%	4.75%
Long Term Debt	6,106,304,323	5,518,795,353	(420,803,067)		5,097,992,287	39.06%	4.67%	1.82%	4.67%	1.82%	4.67%	1.82%
Short Term Debt *	250,617,905	226,505,077	(17,270,804)	(27,233,641)	182,000,632	1.39%	3.29%	0.05%	3.29%	0.05%	3.29%	0.05%
Customer Deposits												
Active	199,182,384	199,182,384	(15,187,473)		183,994,911	1.41%	2.43%	0.03%	2.43%	0.03%	2.43%	0.03%
Inactive	1,973,922	1,973,922	(150,510)		1,823,412	0.01%						
Investment Tax Credits **	45,365,237	41,000,488	(3,126,250)		37,874,239	0.29%	7.15%	0.02%	7.67%	0.02%	8.18%	0.02%
Deferred Income Taxes	2,913,480,538	2,633,164,350	(200,776,358)	(280,162,442)	2,152,225,550	16.49%						
Total	15,941,859,438	14,427,391,145	(1,100,075,297)	(275,699,327)	13,051,616,521	100.00%		5.85%		6.27%		6.68%
* Daily Weighted Average												
** Cost Rates Calculated Per IRS Ruling												

DUKE ENERGY FLORIDA
End of Period - Capital Structure
FPSC Adjusted Basis
Dec-19

	System Per Books	Retail Per Books	Pro Rata Adjustments	Specific Adjustments	Adjusted Retail	Cap Ratio	Low-Point		Mid-Point		High-Point	
							Cost Rate	Weighted Cost	Cost Rate	Weighted Cost	Cost Rate	Weighted Cost
Common Equity	6,782,678,247	6,184,818,128	(463,288,650)	(13,493,436)	5,708,036,042	41.78%	9.50%	3.97%	10.50%	4.39%	11.50%	4.80%
Long Term Debt	6,767,509,962	6,170,986,853	(462,252,585)		5,708,734,268	41.79%	4.21%	1.76%	4.21%	1.76%	4.21%	1.76%
Short Term Debt *	(172,722,964)	(157,498,274)	11,797,786	(101,435,268)	(247,135,756)	(1.81%)	(2.55%)	0.05%	(2.55%)	0.05%	(2.55%)	0.05%
Customer Deposits												
Active	199,531,258	199,531,258	(14,946,368)		184,584,890	1.35%	2.43%	0.03%	2.43%	0.03%	2.43%	0.03%
Inactive	1,679,562	1,679,562	(125,812)		1,553,750	0.01%						
Investment Tax Credits **	86,867,569	79,210,615	(5,933,461)		73,277,153	0.54%	6.86%	0.04%	7.35%	0.04%	7.85%	0.04%
Deferred Income Taxes	2,970,902,185	2,709,031,598	(202,926,516)	(273,286,358)	2,232,818,724	16.34%						
Total	16,636,445,817	15,187,759,739	(1,137,675,605)	(388,215,061)	13,661,869,072	100.00%		5.84%		6.26%		6.69%

* Daily Weighted Average

** Cost Rates Calculated Per IRS Ruling

A. TIMES INTEREST EARNED WITH AFUDC

EARNINGS BEFORE INTEREST	\$	996,355,891
AFUDC - DEBT	\$	2,500,273
INCOME TAXES		155,380,203
TOTAL	\$	1,154,236,367
INTEREST CHARGES (before deducting AFUDC-Debt)	\$	306,637,803
TIE WITH AFUDC		3.76

B. TIMES INTEREST EARNED WITHOUT AFUDC

EARNINGS BEFORE INTEREST	\$	996,355,891
AFUDC - EQUITY		(6,153,688)
INCOME TAXES		155,380,203
TOTAL	\$	1,145,582,406
INTEREST CHARGES (before deducting AFUDC-Debt & CR3 reg asset carrying charge)	\$	306,637,803
TIE WITHOUT AFUDC		3.74

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

AFUDC DEBT	\$	2,500,273
X (1- INCOME TAX RATE)		0.74655
SUBTOTAL	\$	1,866,579
AFUDC -EQUITY	\$	6,153,688
TOTAL	\$	8,020,267
NET INCOME AVAILABLE FOR COMMON STOCKHOLDERS	\$	691,990,904
PERCENT AFUDC TO AVAILABLE NET INCOME		1.16%

D. PERCENT INTERNALLY GENERATED FUNDS*

NET INCOME	\$	691,990,904
COMMON DIVIDENDS		-
AFUDC (EQUITY)		(6,153,688)
DEPRECIATION & AMORTIZATION		815,470,830
DEFERRED INCOME TAXES		180,024,839
INVESTMENT TAX CREDITS		-
OTHER - INC NUCLEAR DECOMMISSIONING		69,641,924
OTHER FUNDS - INCLUDING CHANGE IN WORKING CAPITAL		(474,504,803)
TOTAL FUNDS PROVIDED	\$	1,276,470,006

CONSTRUCTION EXPENDITURES (EXCLUDING AFUDC EQUITY & DEBT)	\$	1,844,278,343
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PERCENTAGE INTERNALLY GENERATED FUNDS **69.21%**
*As of December 2019 (updated quarterly)

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

Common Equity	\$	5,395,705,492
Long Term Debt	\$	5,097,992,287
Short Term Debt	\$	182,000,632
TOTAL	\$	10,675,698,410

% LONG TERM DEBT TO TOTAL **47.75%**
% SHORT TERM DEBT TO TOTAL **1.70%**

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

	Pro Forma	FPSC
FPSC AVERAGE		
EARNED RATE OF RETURN	6.29%	6.40%
LESS RETAIL WEIGHTED AVERAGE COST RATES FOR:		
LONG TERM DEBT	1.82%	1.82%
SHORT TERM DEBT	0.05%	0.05%
CUSTOMER DEPOSITS	0.03%	0.03%
DEFERRED INCOME TAXES		
INVESTMENT TAX CREDITS	0.02%	0.02%
DEFERRED INCOME TAX (FAS 109)		
SUBTOTAL	1.92%	1.92%
TOTAL	4.36%	4.48%
DIVIDED BY COMMON EQUITY RATIO	41.34%	41.34%
JURISDICTIONAL RETURN ON COMMON EQUITY	10.55%	10.83%

DUKE ENERGY FLORIDA
AFUDC Rate Computation Report
Calculation of Jurisdictional Capital Structure
Dec-19

Schedule A & B
(Combined)

		13 Month Average Unadjusted Balance - System	Jurisdictional Allocation Percentage	13 Month Average Unadjusted Balance - Retail	Pro Rata FPSC Adjustments - Retail	Specific Adjustments - Retail	Adjusted Average Balance - Retail	Ratio	Cost Rate	AFUDC Weighted Average Cost of Capital
Common Equity	(1)	\$6,424,935,129	90.38%	\$5,806,769,571	(\$442,760,836)	\$31,696,756	\$5,395,705,492	41.3413%	10.50%	4.34%
Long Term Debt	(2)	\$6,106,304,323	90.38%	\$5,518,795,353	(\$420,803,067)	0	\$5,097,992,287	39.0602%	4.21%	1.64%
Short Term Debt	(3)	\$250,617,905	90.38%	\$226,505,077	(\$17,270,804)	(27,233,641)	\$182,000,632	1.3945%	3.29%	0.05%
Customer Deposits										
Active	(4)	\$199,182,384	100.00%	\$199,182,384	(\$15,187,473)	0	\$183,994,911	1.4097%	2.43%	0.03%
Inactive	(4)	\$1,973,922	100.00%	\$1,973,922	(\$150,510)	0	\$1,823,412	0.0140%	0.00%	0.00%
Investment Tax Credits	(5)	\$45,365,237	90.38%	\$41,000,488	(\$3,126,250)	0	\$37,874,239	0.2902%	0.00%	0.00%
Deferred Income Taxes	(4)	\$2,913,480,538	90.38%	\$2,633,164,350	(\$200,776,358)	(280,162,442)	\$2,152,225,550	16.4901%	0.00%	0.00%
Total		\$15,941,859,438	90.50%	\$14,427,391,145	(\$1,100,075,297)	(\$275,699,327)	\$13,051,616,521	100.00%		6.07%

Footnotes:

- (1) Common Equity cost rate is mid-point authorized in Docket No. 20170183
- (2) Cost rates are year end.
- (3) Balances and cost rates are daily weighted average for 13 months.
- (4) Balances and cost rates are 13 month average.
- (5) ITC credits assigned a zero-cost rate



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

Date: 1/16/20

Year Represented

2019
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

DUKE ENERGY FLORIDA
Summary of Osprey 2019 Outage O&M and Deferral Amortization

	Actual Costs
Osprey 2019 Outage O&M	1,235,295
Osprey Outage Deferral Amortization*	<u>3,500,000</u>
Net 2019 O&M Costs	4,735,295

* Per Order No. PSC-2016-0521-TRF-EI, the outage deferral balance was fully amortized by the end of 2019.