



April 15, 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 February 29, 2020.

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 February 29, 2020. The demand-related separation factors used for the jurisdictional amounts were from Order No. PSC-2017-0451-AS-EU.

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

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

DUKE ENERGY FLORIDA
RATE OF RETURN REPORT SUMMARY
Feb-20

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	\$856,873,888 (a)	(\$23,164,300) (b)	\$833,709,588	(\$2,031,030)	\$831,678,558
Average Rate Base	\$14,629,858,490	(\$1,432,993,827)	\$13,196,864,663	\$0	\$13,196,864,663
Average Rate of Return	5.86%		6.32%		6.30%
I. YEAR END RATE OF RETURN (Jurisdictional)					
Net Operating Income	\$847,736,311	(\$14,026,722)	\$833,709,588		
Average Rate Base	\$15,321,976,719	(\$1,564,145,135)	\$13,757,831,584		
Average Rate of Return	5.53%		6.06%		

(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	5.83%	5.80%
Mid Point	6.25%	6.21%
High Point	6.66%	6.62%
Pro Forma Adjusted Basis		
Low Point	5.83%	5.80%
Mid Point	6.25%	6.21%
High Point	6.66%	6.62%

IV. FINANCIAL INTEGRITY INDICATORS

A. T.I.E. with AFUDC	3.78	(System Per Books Basis)
B. T.I.E without AFUDC	3.74	(System Per Books Basis)
C. AFUDC to Net Income	1.47%	(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	47.74%	(FPSC Adjusted Basis)
ST Debt to Total Investor Funds	1.90%	(FPSC Adjusted Basis)
F. Return on Common Equity	10.67%	(FPSC Adjusted Basis)
	10.64%	(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


 Marcia Olivier, Director Rates & Regulatory Planning

04/15/2020
 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	\$19,290,748,105	\$5,612,188,016	\$13,678,560,089	\$133,830,569	\$951,328,303	\$14,763,718,960	\$1,404,367,670	\$16,168,086,630
Regulatory Base - Retail	\$17,521,254,578	\$5,176,179,323	\$12,345,075,254	\$117,591,362	\$784,691,505	\$13,247,358,121	\$1,382,500,369	\$14,629,858,490
FPSC Adjustments								
ARO	(22,966,434)	(19,972,822)	(2,993,612)			(2,993,612)	(15,965,298)	(18,958,910)
ECCR	(22,290,203)	(16,608,141)	(5,682,061)			(5,682,061)	(20,724,722)	(26,406,784)
ECRC	(253,092,040)	(25,866,466)	(227,225,574)		(4,526,428)	(231,752,002)	(4,265,660)	(236,017,662)
FUEL	(7,861,026)	(7,621,197)	(239,829)			(239,829)	(98,163,330)	(98,403,159)
CCR							(124,589,741)	(124,589,741)
NUCLEAR							(14,868,622)	(14,868,622)
Over/Under Recovery-Clauses							(107,898,745)	(107,898,745)
Derivatives							3,334,151	3,334,151
Employee Related								
Investments Earning a Return							(206,672,366)	(206,672,366)
Jobbing Accounts							431,772	431,772
Non-Regulated and Miscellaneous	(44,223,781)	(36,235,648)	(7,988,133)	(87,379,077)		(95,367,210)	44,479,696	(50,887,514)
CWIP - AFUDC					(152,407,560)	(152,407,560)		(152,407,560)
Imputed Off Balance Sheet Obligations								
Capital Lease	(598,289,125)	(94,302,969)	(503,986,156)			(503,986,156)	490,725,177	(13,260,979)
Storm							(386,387,707)	(386,387,707)
Total FPSC Adjustments	(948,722,609)	(200,607,244)	(748,115,365)	(87,379,077)	(156,933,988)	(992,428,430)	(440,565,397)	(1,432,993,827)
FPSC Adjusted	\$16,572,531,969	\$4,975,572,079	\$11,596,959,890	\$30,212,284	\$627,757,517	\$12,254,929,691	\$941,934,972	\$13,196,864,663

	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	5,053,997,765	1,972,798,362	972,900,007	646,232,140	385,231,016	(2,027,665)	143,051,933		4,118,185,793	935,811,972
Regulatory Base - Retail	4,755,236,765	1,873,741,127	933,911,716	600,580,229	371,445,553	(1,837,839)	129,659,668		3,907,500,455	847,736,311
FPSC Adjustments										
ECCR	(106,050,841)		(101,372,555)	(3,809,689)		(212,996)			(105,395,239)	(655,602)
ECRC	(51,881,051)		(23,965,877)	(8,662,724)	(1,450,655)	(4,365,324)			(38,444,580)	(13,436,471)
FUEL	(1,515,166,072)	(1,501,864,610)	(1,087,984)	(6,551,340)		(1,388,459)			(1,510,892,393)	(4,273,679)
CCR	(387,250,393)	(371,876,517)	(278,820)	(6,517,692)		(2,103,326)			(380,776,355)	(6,474,038)
NUCLEAR	(36,279,088)		(187,691)	(36,082,342)		(2,220)			(36,272,254)	(6,834)
Non-Regulated and Miscellaneous				(227,898)		55,885			(172,013)	172,013
Coporate Aircraft Allocation			(2,469,673)			605,609			(1,864,064)	1,864,064
Franchise Fee & Gross Receipts	(229,609,785)		(165,319)			(56,263,959)			(56,429,278)	(173,180,507)
Franchise Fees & Gross Rec Tax - TOI					(233,017,258)	57,140,073			(175,877,185)	175,877,185
Gain/Loss on Disposition & Other						62,566		(255,142)	(192,577)	192,577
Inst./Promotional Advertising			(982,295)			240,877			(741,419)	741,419
Miscellaneous Interest Expense			86,665			(21,252)			65,413	(65,413)
Remove Assoc/Organization Dues			(92,050)			22,572			(69,478)	69,478
Remove Economic Development			(57,305)			14,052			(43,252)	43,252
Parent Debt Adjustment						(10,758,693)			(10,758,693)	10,758,693
Directors & Officers Premium			(1,026,103)			251,619			(774,484)	774,484
Interest Synchronization - FPSC						6,427,343			6,427,343	(6,427,343)
Total FPSC Adjustments	(2,326,237,230)	(1,873,741,127)	(131,599,007)	(61,851,685)	(234,467,913)	(10,295,634)		(255,142)	(2,312,210,508)	(14,026,722)
FPSC Adjusted	2,428,999,535		802,312,709	538,728,544	136,977,641	(12,133,473)	129,659,668	(255,142)	1,595,289,947	833,709,588
Pro Forma Adjustments										
Weather Normalization	(2,690,883)					(659,854)			(659,854)	(2,031,030)
Total Pro Forma Adjustments	(2,690,883)					(659,854)			(659,854)	(2,031,030)
Pro Forma Adjusted	2,426,308,652		802,312,709	538,728,544	136,977,641	(12,793,326)	129,659,668	(255,142)	1,594,630,093	831,678,558
Current Month										
System Per Books	323,573,258	117,770,675	69,172,212	52,430,816	28,509,511	9,953,340	(4,427,878)		273,408,676	50,164,582
FPSC Adjusted	160,788,416		56,484,077	47,556,790	12,563,657	(12,342)	870,706	(21,262)	117,441,627	43,346,789

(a) The addition of earnings from AFUDC charges would increase the System NOI by 11,078,030 pretax
(b) The addition of earnings from AFUDC charges would increase the Jurisdictional NOI by 9,137,578 pretax

DUKE ENERGY FLORIDA
Average Rate of Return - Adjustment
Feb-20

Notes	Rate Base Adjustments	P=ProForma F=FPSC	System	Retail
	ARO	F	(18,958,910)	(18,958,910)
	ECCR	F	(26,406,784)	(26,406,784)
	ECRC	F	(254,613,242)	(236,017,662)
	FUEL	F	(98,421,530)	(98,403,159)
	CCR	F	(124,589,741)	(124,589,741)
	NUCLEAR	F	(14,868,622)	(14,868,622)
	Over/Under Recovery-Clauses	F	(107,898,745)	(107,898,745)
	Derivatives	F	3,334,151	3,334,151
	Investments Earning a Return	F	(206,672,366)	(206,672,366)
	Jobbing Accounts	F	431,772	431,772
	Non-Regulated and Miscellaneous	F	(57,580,760)	(50,887,514)
(1)	CWIP - AFUDC	F	(184,456,881)	(152,407,560)
(2)	Capital Lease - EPIS	F	(547,493,542)	(503,986,156)
(2)	Capital Lease - Working Capital	F	526,410,548	490,725,177
	Storm	F	(386,387,707)	(386,387,707)
	Total		(1,498,172,359)	(1,432,993,827)

Notes	Income Statement Adjustments (to NOI)	P=ProForma F=FPSC	System		Retail	
			Amount	Income Tax Effect	Amount	Income Tax Effect
	ECCR	F	(868,598)	212,996	(868,598)	212,996
	ECRC	F	(15,360,261)	3,766,615	(17,801,795)	4,365,324
	FUEL	F	(5,961,473)	1,461,862	(5,662,138)	1,388,459
	CCR	F	(8,577,364)	2,103,326	(8,577,364)	2,103,326
	NUCLEAR	F	(9,055)	2,220	(9,055)	2,220
	Non-Regulated and Miscellaneous	F	227,898	(55,885)	227,898	(55,885)
(2)	Coporate Aircraft Allocation	F	2,649,267	(649,648)	2,469,673	(605,609)
(1)	Franchise Fee & Gross Receipts	F	(229,444,466)	56,263,959	(229,444,466)	56,263,959
(1)	Franchise Fees & Gross Rec Tax - TOI	F	233,017,258	(57,140,073)	233,017,258	(57,140,073)
(1)	Gain/Loss on Disposition & Other	F	274,686	(67,358)	255,142	(62,566)
(1)	Inst./Promotional Advertising	F	1,053,728	(258,393)	982,295	(240,877)
(1)	Miscellaneous Interest Expense	F	(92,967)	22,797	(86,665)	21,252
(1)	Remove Assoc/Organization Dues	F	98,744	(24,214)	92,050	(22,572)
(3)	Remove Economic Development	F	61,472	(15,074)	57,305	(14,052)
(2)	Parent Debt Adjustment	F		11,905,675		10,758,693
(2)	Directors & Officers Premium	F	1,100,721	(269,917)	1,026,103	(251,619)
(1)	Interest Synchronization - FPSC	F		(6,700,547)		(6,427,343)
	Total		(21,830,410)	10,558,341	(24,322,356)	10,295,634

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) 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	\$20,078,088,081	\$5,785,301,817	\$14,292,786,263	\$135,779,946	\$1,094,338,765	\$15,522,904,974	\$1,404,165,588	\$16,927,070,562
Regulatory Base - Retail	\$18,244,868,080	\$5,341,136,489	\$12,903,731,591	\$118,320,091	\$917,424,668	\$13,939,476,350	\$1,382,500,369	\$15,321,976,719
FPSC Adjustments								
ARO	(26,854,825)	(22,060,334)	(4,794,491)			(4,794,491)	(15,965,298)	(20,759,789)
ECCR	(22,269,000)	(18,409,210)	(3,859,791)			(3,859,791)	(20,724,722)	(24,584,513)
ECRC	(253,274,054)	(29,107,974)	(224,166,080)		(8,879,920)	(233,046,001)	(4,265,660)	(237,311,661)
FUEL	(5,198,328)	(5,087,311)	(111,016)			(111,016)	(98,163,330)	(98,274,346)
CCR							(124,589,741)	(124,589,741)
NUCLEAR							(14,868,622)	(14,868,622)
Over\Under Recovery-Clauses							(107,898,745)	(107,898,745)
Derivatives							3,334,151	3,334,151
Investments Earning a Return							(206,672,366)	(206,672,366)
Jobbing Accounts							431,772	431,772
Non-Regulated and Miscellaneous	(43,839,363)	(36,913,638)	(6,925,725)	(87,379,077)		(94,304,802)	44,479,696	(49,825,107)
CWIP - AFUDC					(311,846,680)	(311,846,680)		(311,846,680)
Capital Lease	(650,556,433)	(174,939,476)	(475,616,957)			(475,616,957)	490,725,177	15,108,220
Storm							(386,387,707)	(386,387,707)
Total FPSC Adjustments	(1,001,992,003)	(286,517,943)	(715,474,060)	(87,379,077)	(320,726,600)	(1,123,579,738)	(440,565,397)	(1,564,145,135)
FPSC Adjusted	17,242,876,077	5,054,618,546	12,188,257,531	30,941,014	596,698,068	12,815,896,612	941,934,972	13,757,831,584

	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	5,053,997,765	1,972,798,362	972,900,007	646,232,140	385,231,016	(2,027,665)	143,051,933		4,118,185,793	935,811,972
Regulatory Base - Retail	4,755,236,765	1,873,741,127	933,911,716	600,580,229	371,445,553	(1,837,839)	129,659,668		3,907,500,455	847,736,311
FPSC Adjustments										
ECCR	(106,050,841)		(101,372,555)	(3,809,689)		(212,996)			(105,395,239)	(655,602)
ECRC	(51,881,051)		(23,965,877)	(8,662,724)	(1,450,655)	(4,365,324)			(38,444,580)	(13,436,471)
FUEL	(1,515,166,072)	(1,501,864,610)	(1,087,984)	(6,551,340)		(1,388,459)			(1,510,892,393)	(4,273,679)
CCR	(387,250,393)	(371,876,517)	(278,820)	(6,517,692)		(2,103,326)			(380,776,355)	(6,474,038)
NUCLEAR	(36,279,088)		(187,691)	(36,082,342)		(2,220)			(36,272,254)	(6,834)
Non-Regulated and Miscellaneous				(227,898)		55,885			(172,013)	172,013
Coporate Aircraft Allocation			(2,469,673)			605,609			(1,864,064)	1,864,064
Franchise Fee & Gross Receipts	(229,609,785)		(165,319)			(56,263,959)			(56,429,278)	(173,180,507)
Franchise Fees & Gross Rec Tax - TOI					(233,017,258)	57,140,073			(175,877,185)	175,877,185
Gain/Loss on Disposition & Other						62,566		(255,142)	(192,577)	192,577
Inst./Promotional Advertising			(982,295)			240,877			(741,419)	741,419
Miscellaneous Interest Expense			86,665			(21,252)			65,413	(65,413)
Remove Assoc/Organization Dues			(92,050)			22,572			(69,478)	69,478
Remove Economic Development			(57,305)			14,052			(43,252)	43,252
Parent Debt Adjustment						(10,758,693)			(10,758,693)	10,758,693
Directors & Officers Premium			(1,026,103)			251,619			(774,484)	774,484
Interest Synchronization - FPSC						6,427,343			6,427,343	(6,427,343)
Total FPSC Adjustments	(2,326,237,230)	(1,873,741,127)	(131,599,007)	(61,851,685)	(234,467,913)	(10,295,634)		(255,142)	(2,312,210,508)	(14,026,722)
FPSC Adjusted	2,428,999,535		802,312,709	538,728,544	136,977,641	(12,133,473)	129,659,668	(255,142)	1,595,289,947	833,709,588

(a) The addition of earnings from AFUDC charges would increase the System NOI by
(b) The addition of earnings from AFUDC charges would increase the Jurisdictional NOI by

11,078,030 pretax
9,137,578 pretax

Notes	Rate Base Adjustments	P=ProForma F=FPSC	System	Retail
	ARO	F	(20,759,789)	(20,759,789)
	ECCR	F	(24,584,513)	(24,584,513)
	ECRC	F	(256,028,597)	(237,311,661)
	FUEL	F	(98,282,850)	(98,274,346)
	CCR	F	(124,589,741)	(124,589,741)
	NUCLEAR	F	(14,868,622)	(14,868,622)
	Over/Under Recovery-Clauses	F	(107,898,745)	(107,898,745)
	Derivatives	F	3,334,151	3,334,151
	Investments Earning a Return	F	(206,672,366)	(206,672,366)
	Jobbing Accounts	F	431,772	431,772
	Non-Regulated and Miscellaneous	F	(56,518,352)	(49,825,107)
(1)	CWIP - AFUDC	F	(364,018,408)	(311,846,680)
(2)	Capital Lease - EPIS	F	(522,925,204)	(475,616,957)
(2)	Capital Lease - Working Capital	F	526,410,548	490,725,177
	Storm	F	(386,387,707)	(386,387,707)
	Total		(1,653,358,424)	(1,564,145,135)

Notes	Income Statement Adjustments (to NOI)	P=ProForma F=FPSC	System		Retail	
			Amount	Income Tax Effect	Amount	Income Tax Effect
	ECCR	F	(868,598)	212,996	(868,598)	212,996
	ECRC	F	(15,360,261)	3,766,615	(17,801,795)	4,365,324
	FUEL	F	(5,961,473)	1,461,862	(5,662,138)	1,388,459
	CCR	F	(8,577,364)	2,103,326	(8,577,364)	2,103,326
	NUCLEAR	F	(9,055)	2,220	(9,055)	2,220
	Non-Regulated and Miscellaneous	F	227,898	(55,885)	227,898	(55,885)
(2)	Coporate Aircraft Allocation	F	2,649,267	(649,648)	2,469,673	(605,609)
(1)	Franchise Fee & Gross Receipts	F	(229,444,466)	56,263,959	(229,444,466)	56,263,959
(1)	Franchise Fees & Gross Rec Tax - TOI	F	233,017,258	(57,140,073)	233,017,258	(57,140,073)
(1)	Gain/Loss on Disposition & Other	F	274,686	(67,358)	255,142	(62,566)
(1)	Inst./Promotional Advertising	F	1,053,728	(258,393)	982,295	(240,877)
(1)	Miscellaneous Interest Expense	F	(92,967)	22,797	(86,665)	21,252
(1)	Remove Assoc/Organization Dues	F	98,744	(24,214)	92,050	(22,572)
(3)	Remove Economic Development	F	61,472	(15,074)	57,305	(14,052)
(2)	Parent Debt Adjustment	F		11,905,675		10,758,693
(2)	Directors & Officers Premium	F	1,100,721	(269,917)	1,026,103	(251,619)
(1)	Interest Synchronization - FPSC	F		(6,700,547)		(6,427,343)
	Total		(21,830,410)	10,558,341	(24,322,356)	10,295,634

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) Rule 25-6.0426 Recovery of Econ Dev Expenses

DUKE ENERGY FLORIDA
Average - Capital Structure
Pro Forma Adjusted Basis
Feb-20

	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	6,536,657,482	5,906,920,287	(455,406,116)	(13,856,609)	5,437,657,562	41.20%	9.50%	3.91%	10.50%	4.33%	11.50%	4.74%
Long Term Debt	6,181,423,872	5,585,909,645	(430,657,143)		5,155,252,501	39.06%	4.65%	1.82%	4.65%	1.82%	4.65%	1.82%
Short Term Debt *	262,323,521	237,051,449	(18,275,967)	(13,251,481)	205,524,001	1.56%	2.79%	0.04%	2.79%	0.04%	2.79%	0.04%
Customer Deposits												
Active	199,352,151	199,352,151	(15,369,462)		183,982,688	1.39%	2.39%	0.03%	2.39%	0.03%	2.39%	0.03%
Inactive	1,962,046	1,962,046	(151,268)		1,810,778	0.01%						
Investment Tax Credits **	52,265,913	47,230,650	(3,641,344)		43,589,306	0.33%	7.14%	0.02%	7.65%	0.03%	8.17%	0.03%
Deferred Income Taxes	2,934,101,646	2,651,432,263	(204,417,600)	(277,966,836)	2,169,047,826	16.44%						
Total	16,168,086,630	14,629,858,490	(1,127,918,901)	(305,074,926)	13,196,864,663	100.00%		5.83%		6.25%		6.66%
* 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	6,853,165,120	6,199,057,344	(523,718,209)	(13,307,457)	5,662,031,678	41.15%	9.50%	3.91%	10.50%	4.32%	11.50%	4.73%
Long Term Debt	6,518,638,273	5,896,459,775	(498,153,700)		5,398,306,075	39.24%	4.58%	1.80%	4.58%	1.80%	4.58%	1.80%
Short Term Debt *	295,855,000	267,616,799	(22,609,210)	16,916,250	261,923,838	1.90%	1.07%	0.02%	1.07%	0.02%	1.07%	0.02%
Customer Deposits												
Active	199,147,656	199,147,656	(16,824,696)		182,322,960	1.33%	2.37%	0.03%	2.37%	0.03%	2.37%	0.03%
Inactive	1,758,419	1,758,419	(148,557)		1,609,862	0.01%						
Investment Tax Credits **	86,867,569	78,576,399	(6,638,411)		71,937,988	0.52%	7.10%	0.04%	7.61%	0.04%	8.12%	0.04%
Deferred Income Taxes	2,962,079,187	2,679,360,327	(226,361,802)	(273,299,343)	2,179,699,183	15.84%						
Total	16,917,511,225	15,321,976,719	(1,294,454,584)	(269,690,550)	13,757,831,584	100.00%		5.80%		6.21%		6.62%

* 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	6,536,657,482	5,906,920,287	(455,406,116)	(13,856,609)	5,437,657,562	41.20%	9.50%	3.91%	10.50%	4.33%	11.50%	4.74%
Long Term Debt	6,181,423,872	5,585,909,645	(430,657,143)		5,155,252,501	39.06%	4.65%	1.82%	4.65%	1.82%	4.65%	1.82%
Short Term Debt *	262,323,521	237,051,449	(18,275,967)	(13,251,481)	205,524,001	1.56%	2.79%	0.04%	2.79%	0.04%	2.79%	0.04%
Customer Deposits												
Active	199,352,151	199,352,151	(15,369,462)		183,982,688	1.39%	2.39%	0.03%	2.39%	0.03%	2.39%	0.03%
Inactive	1,962,046	1,962,046	(151,268)		1,810,778	0.01%						
Investment Tax Credits **	52,265,913	47,230,650	(3,641,344)		43,589,306	0.33%	7.14%	0.02%	7.65%	0.03%	8.17%	0.03%
Deferred Income Taxes	2,934,101,646	2,651,432,263	(204,417,600)	(277,966,836)	2,169,047,826	16.44%						
Total	16,168,086,630	14,629,858,490	(1,127,918,901)	(305,074,926)	13,196,864,663	100.00%		5.83%		6.25%		6.66%
* Daily Weighted Average												
** Cost Rates Calculated Per IRS Ruling												

DUKE ENERGY FLORIDA
End of Period - Capital Structure
FPSC Adjusted Basis
Feb-20

	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	6,853,165,120	6,199,057,344	(523,718,209)	(13,307,457)	5,662,031,678	41.15%	9.50%	3.91%	10.50%	4.32%	11.50%	4.73%
Long Term Debt	6,518,638,273	5,896,459,775	(498,153,700)		5,398,306,075	39.24%	4.58%	1.80%	4.58%	1.80%	4.58%	1.80%
Short Term Debt *	295,855,000	267,616,799	(22,609,210)	16,916,250	261,923,838	1.90%	1.07%	0.02%	1.07%	0.02%	1.07%	0.02%
Customer Deposits												
Active	199,147,656	199,147,656	(16,824,696)		182,322,960	1.33%	2.37%	0.03%	2.37%	0.03%	2.37%	0.03%
Inactive	1,758,419	1,758,419	(148,557)		1,609,862	0.01%						
Investment Tax Credits **	86,867,569	78,576,399	(6,638,411)		71,937,988	0.52%	7.10%	0.04%	7.61%	0.04%	8.12%	0.04%
Deferred Income Taxes	2,962,079,187	2,679,360,327	(226,361,802)	(273,299,343)	2,179,699,183	15.84%						
Total	16,917,511,225	15,321,976,719	(1,294,454,584)	(269,690,550)	13,757,831,584	100.00%		5.80%		6.21%		6.62%

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

A. TIMES INTEREST EARNED WITH AFUDC

EARNINGS BEFORE INTEREST	\$	1,006,007,814
AFUDC - DEBT	\$	3,130,559
INCOME TAXES		157,968,801
TOTAL	\$	1,167,107,174
INTEREST CHARGES (before deducting AFUDC-Debt)	\$	308,968,400
TIE WITH AFUDC		<u>3.78</u>

B. TIMES INTEREST EARNED WITHOUT AFUDC

EARNINGS BEFORE INTEREST	\$	1,006,007,814
AFUDC - EQUITY		(7,947,472)
INCOME TAXES		157,968,801
TOTAL	\$	1,156,029,143
INTEREST CHARGES (before deducting AFUDC-Debt & CR3 reg asset carrying charge)	\$	308,968,400
TIE WITHOUT AFUDC		<u>3.74</u>

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

AFUDC DEBT	\$	3,130,559
X (1- INCOME TAX RATE)		0.75478
SUBTOTAL	\$	2,362,889
AFUDC -EQUITY	\$	7,947,472
TOTAL	\$	10,310,360
NET INCOME AVAILABLE FOR COMMON STOCKHOLDERS	\$	699,864,847
PERCENT AFUDC TO AVAILABLE NET INCOME		<u>1.47%</u>

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	\$	<u>1,276,470,006</u>

CONSTRUCTION EXPENDITURES (EXCLUDING AFUDC EQUITY & DEBT)	\$	1,844,278,343
--	----	---------------

PERCENTAGE INTERNALLY GENERATED FUNDS *As of December 2019 (updated quarterly)		69.21%
---	--	---------------

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

Common Equity	\$	5,437,657,562
Long Term Debt	\$	5,155,252,501
Short Term Debt	\$	205,524,001
TOTAL	\$	<u>10,798,434,064</u>

% LONG TERM DEBT TO TOTAL	47.74%
% SHORT TERM DEBT TO TOTAL	1.90%

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

	Pro Forma	FPSC
FPSC AVERAGE		
EARNED RATE OF RETURN	<u>6.30%</u>	<u>6.32%</u>
LESS RETAIL WEIGHTED AVERAGE COST RATES FOR:		
LONG TERM DEBT	1.82%	1.82%
SHORT TERM DEBT	0.04%	0.04%
CUSTOMER DEPOSITS	0.03%	0.03%
DEFERRED INCOME TAXES		
INVESTMENT TAX CREDITS	0.03%	0.03%
DEFERRED INCOME TAX (FAS 109)		
SUBTOTAL	<u>1.92%</u>	<u>1.92%</u>
TOTAL	<u>4.38%</u>	<u>4.40%</u>
DIVIDED BY COMMON EQUITY RATIO	<u>41.20%</u>	<u>41.20%</u>
JURISDICTIONAL RETURN ON COMMON EQUITY	<u>10.64%</u>	<u>10.67%</u>