



May 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 March 31, 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 March 31, 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 black ink 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
Mar-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	\$869,677,345 (a)	(\$21,392,906) (b)	\$848,284,439	(\$13,848,773)	\$834,435,665
Average Rate Base	\$14,731,487,546	(\$1,426,534,167)	\$13,304,953,379	\$0	\$13,304,953,379
Average Rate of Return	5.90%		6.38%		6.27%
I. YEAR END RATE OF RETURN (Jurisdictional)					
Net Operating Income	\$859,295,492	(\$11,011,053)	\$848,284,439		
Average Rate Base	\$15,414,884,630	(\$1,462,655,829)	\$13,952,228,801		
Average Rate of Return	5.57%		6.08%		

(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	5.84%	5.84%
Mid Point	6.25%	6.26%
High Point	6.67%	6.67%
Pro Forma Adjusted Basis		
Low Point	5.84%	5.84%
Mid Point	6.25%	6.26%
High Point	6.67%	6.67%

IV. FINANCIAL INTEGRITY INDICATORS

A. T.I.E. with AFUDC	3.84	(System Per Books Basis)
B. T.I.E. without AFUDC	3.80	(System Per Books Basis)
C. AFUDC to Net Income	1.64%	(System Per Books Basis)
D. Internally Generated Funds	82.82%	(System Per Books Basis)
E. STD/LTD to Total Investor Funds		
LT Debt-Fixed to Total Investor Funds	47.68%	(FPSC Adjusted Basis)
ST Debt to Total Investor Funds	1.87%	(FPSC Adjusted Basis)
F. Return on Common Equity	10.80%	(FPSC Adjusted Basis)
	10.55%	(Pro Forma Adjusted Basis)
G. Current Allowed AFUDC Rate	6.07%	Docket 20200062-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

Marcia Olivier, Director Rates & Regulatory Planning

5/14/2020

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	\$19,425,125,941	\$5,636,695,260	\$13,788,430,681	\$134,414,946	\$966,969,043	\$14,889,814,670	\$1,393,964,383	\$16,283,779,053
Regulatory Base - Retail	\$17,643,187,371	\$5,199,494,632	\$12,443,692,740	\$118,053,795	\$799,253,675	\$13,361,000,210	\$1,370,487,336	\$14,731,487,546
FPSC Adjustments								
ARO	(23,295,417)	(21,276,987)	(2,018,430)			(2,018,430)	(16,462,246)	(18,480,677)
ECCR	(22,256,363)	(16,850,124)	(5,406,239)			(5,406,239)	(20,728,297)	(26,134,536)
ECRC	(253,074,848)	(26,349,449)	(226,725,400)		(5,111,452)	(231,836,852)	(4,226,431)	(236,063,282)
FUEL	(7,639,135)	(7,411,381)	(227,753)			(227,753)	(98,253,494)	(98,481,248)
CCR							(124,046,600)	(124,046,600)
NUCLEAR							(12,163,884)	(12,163,884)
Over\Under Recovery-Clauses							(93,328,507)	(93,328,507)
Derivatives							3,249,644	3,249,644
Employee Related								
Investments Earning a Return							(209,604,616)	(209,604,616)
Jobbing Accounts							553,633	553,633
Non-Regulated and Miscellaneous	(44,090,865)	(36,349,794)	(7,741,071)	(87,379,077)		(95,120,148)	44,258,029	(50,862,119)
CWIP - AFUDC					(164,541,621)	(164,541,621)		(164,541,621)
Imputed Off Balance Sheet Obligations								
Capital Lease	(607,200,208)	(107,486,677)	(499,713,532)			(499,713,532)	485,017,693	(14,695,838)
Storm							(381,934,514)	(381,934,514)
Total FPSC Adjustments	(957,556,837)	(215,724,412)	(741,832,425)	(87,379,077)	(169,653,073)	(998,864,575)	(427,669,591)	(1,426,534,167)
FPSC Adjusted	\$16,685,630,535	\$4,983,770,220	\$11,701,860,315	\$30,674,717	\$629,600,602	\$12,362,135,634	\$942,817,745	\$13,304,953,379

	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	5,079,847,396	1,960,053,908	985,398,863	648,342,887	384,868,703	(17,587,863)	163,623,503		4,124,700,000	955,147,397
Regulatory Base - Retail	4,775,735,849	1,865,796,277	946,078,797	602,388,169	371,149,059	(15,780,419)	146,808,475		3,916,440,357	859,295,492
FPSC Adjustments										
ECCR	(107,333,007)		(102,396,466)	(3,803,942)		(277,734)			(106,478,142)	(854,865)
ECRC	(50,116,396)		(22,670,755)	(8,586,469)	(1,449,287)	(4,269,221)			(36,975,731)	(13,140,665)
FUEL	(1,500,391,596)	(1,487,165,352)	(1,076,332)	(6,551,340)		(1,372,872)			(1,496,165,896)	(4,225,700)
CCR	(390,469,414)	(378,630,925)	(281,138)	(6,517,692)		(1,235,816)			(386,665,571)	(3,803,843)
NUCLEAR	(32,545,630)		(183,081)	(32,391,601)		7,124			(32,567,558)	21,927
Non-Regulated and Miscellaneous				(227,898)		55,885			(172,013)	172,013
Coporate Aircraft Allocation			(2,500,875)			613,260			(1,887,615)	1,887,615
Franchise Fee & Gross Receipts	(229,783,943)		(165,444)			(56,306,635)			(56,472,079)	(173,311,864)
Franchise Fees & Gross Rec Tax - TOI					(233,051,905)	57,148,569			(175,903,336)	175,903,336
Gain/Loss on Disposition & Other						62,566		(255,142)	(192,577)	192,577
Inst./Promotional Advertising			(1,001,632)			245,618			(756,014)	756,014
Miscellaneous Interest Expense			85,832			(21,048)			64,784	(64,784)
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						(10,677,419)			(10,677,419)	10,677,419
Directors & Officers Premium			(1,026,778)			251,785			(774,994)	774,994
Interest Synchronization - FPSC						6,106,767			6,106,767	(6,106,767)
Storm	(12,016,715)		(12,015,140)			(386)			(12,015,526)	(1,189)
Total FPSC Adjustments	(2,322,656,702)	(1,865,796,277)	(143,381,163)	(58,078,942)	(234,501,192)	(9,632,933)		(255,142)	(2,311,645,649)	(11,011,053)
FPSC Adjusted	2,453,079,147		802,697,634	544,309,227	136,647,866	(25,413,352)	146,808,475	(255,142)	1,604,794,708	848,284,439
Pro Forma Adjustments										
Weather Normalization	(18,348,049)					(4,499,276)			(4,499,276)	(13,848,773)
Total Pro Forma Adjustments	(18,348,049)					(4,499,276)			(4,499,276)	(13,848,773)
Pro Forma Adjusted	2,434,731,098		802,697,634	544,309,227	136,647,866	(29,912,627)	146,808,475	(255,142)	1,600,295,433	834,435,665
Current Month										
System Per Books	381,207,313	124,644,191	83,824,686	53,297,424	30,347,119	(31,520,410)	42,347,756		302,940,767	78,266,546
FPSC Adjusted	193,096,279		58,746,693	49,004,464	12,872,412	(1,036,301)	9,640,925	(21,262)	129,206,931	63,889,348

(a) The addition of earnings from AFUDC charges would increase the System NOI by 12,560,381 pretax
(b) The addition of earnings from AFUDC charges would increase the Jurisdictional NOI by 10,381,853 pretax

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

Schedule 2
Page 3 of 3

Notes	Rate Base Adjustments	P=ProForma F=FPSC	System	Retail
	ARO	F	(18,480,677)	(18,480,677)
	ECCR	F	(26,134,536)	(26,134,536)
	ECRC	F	(254,897,475)	(236,063,282)
	FUEL	F	(98,498,694)	(98,481,248)
	CCR	F	(123,908,375)	(124,046,600)
	NUCLEAR	F	(12,163,884)	(12,163,884)
	Over/Under Recovery-Clauses	F	(93,328,507)	(93,328,507)
	Derivatives	F	3,249,644	3,249,644
	Investments Earning a Return	F	(209,604,616)	(209,604,616)
	Jobbing Accounts	F	553,633	553,633
	Non-Regulated and Miscellaneous	F	(57,555,365)	(50,862,119)
(1)	CWIP - AFUDC	F	(199,089,263)	(164,541,621)
(2)	Capital Lease - EPIS	F	(543,868,928)	(499,713,532)
(2)	Capital Lease - Working Capital	F	520,288,018	485,017,693
	Storm	F	(381,934,514)	(381,934,514)
	Total		(1,495,373,540)	(1,426,534,167)

Notes	Income Statement Adjustments (to NOI)	P=ProForma F=FPSC	System		Retail	
			Amount	Income Tax Effect	Amount	Income Tax Effect
	ECCR	F	(1,132,599)	277,734	(1,132,599)	277,734
	ECRC	F	(15,031,844)	3,686,082	(17,409,886)	4,269,221
	FUEL	F	(5,881,405)	1,442,227	(5,598,572)	1,372,872
	CCR	F	(5,039,659)	1,235,816	(5,039,659)	1,235,816
	NUCLEAR	F	29,051	(7,124)	29,051	(7,124)
	Non-Regulated and Miscellaneous	F	227,898	(55,885)	227,898	(55,885)
(2)	Corporate Aircraft Allocation	F	2,682,738	(657,856)	2,500,875	(613,260)
(1)	Franchise Fee & Gross Receipts	F	(229,618,499)	56,306,635	(229,618,499)	56,306,635
(1)	Franchise Fees & Gross Rec Tax - TOI	F	233,051,905	(57,148,569)	233,051,905	(57,148,569)
(1)	Gain/Loss on Disposition & Other	F	274,686	(67,358)	255,142	(62,566)
(1)	Inst./Promotional Advertising	F	1,074,470	(263,480)	1,001,632	(245,618)
(1)	Miscellaneous Interest Expense	F	(92,074)	22,578	(85,832)	21,048
(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		11,818,255		10,677,419
(2)	Directors & Officers Premium	F	1,101,445	(270,094)	1,026,778	(251,785)
(1)	Interest Synchronization - FPSC	F		(6,367,385)		(6,106,767)
	Storm	F	(1,575)	386	(1,575)	386
	Total		(18,195,245)	9,912,675	(20,643,986)	9,632,933

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	\$20,305,418,891	\$5,808,580,979	\$14,496,837,913	\$135,779,946	\$1,013,852,526	\$15,646,470,385	\$1,393,702,282	\$17,040,172,667
Regulatory Base - Retail	\$18,448,615,663	\$5,367,251,494	\$13,081,364,170	\$119,140,170	\$843,892,955	\$14,044,397,294	\$1,370,487,336	\$15,414,884,630
FPSC Adjustments								
ARO	(26,854,825)	(22,940,108)	(3,914,717)			(3,914,717)	(16,462,246)	(20,376,963)
ECCR	(22,266,305)	(18,724,428)	(3,541,877)			(3,541,877)	(20,728,297)	(24,270,174)
ECRC	(253,076,775)	(29,545,339)	(223,531,435)		(9,354,226)	(232,885,662)	(4,226,431)	(237,112,092)
FUEL	(5,198,328)	(5,097,547)	(100,780)			(100,780)	(98,253,494)	(98,354,275)
CCR							(124,046,600)	(124,046,600)
NUCLEAR							(12,163,884)	(12,163,884)
Over\Under Recovery-Clauses							(93,328,507)	(93,328,507)
Derivatives							3,249,644	3,249,644
Investments Earning a Return							(209,604,616)	(209,604,616)
Jobbing Accounts							553,633	553,633
Non-Regulated and Miscellaneous	(43,846,335)	(37,026,238)	(6,820,097)	(87,379,077)		(94,199,174)	44,258,029	(49,941,145)
CWIP - AFUDC					(231,177,222)	(231,177,222)		(231,177,222)
Capital Lease	(650,556,433)	(181,389,628)	(469,166,806)			(469,166,806)	485,017,693	15,850,888
Storm							(381,934,514)	(381,934,514)
Total FPSC Adjustments	(1,001,799,000)	(294,723,288)	(707,075,712)	(87,379,077)	(240,531,448)	(1,034,986,238)	(427,669,591)	(1,462,655,829)
FPSC Adjusted	17,446,816,663	5,072,528,206	12,374,288,457	31,761,092	603,361,507	13,009,411,056	942,817,745	13,952,228,801

	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	5,079,847,396	1,960,053,908	985,398,863	648,342,887	384,868,703	(17,587,863)	163,623,503		4,124,700,000	955,147,397
Regulatory Base - Retail	4,775,735,849	1,865,796,277	946,078,797	602,388,169	371,149,059	(15,780,419)	146,808,475		3,916,440,357	859,295,492
FPSC Adjustments										
ECCR	(107,333,007)		(102,396,466)	(3,803,942)		(277,734)			(106,478,142)	(854,865)
ECRC	(50,116,396)		(22,670,755)	(8,586,469)	(1,449,287)	(4,269,221)			(36,975,731)	(13,140,665)
FUEL	(1,500,391,596)	(1,487,165,352)	(1,076,332)	(6,551,340)		(1,372,872)			(1,496,165,896)	(4,225,700)
CCR	(390,469,414)	(378,630,925)	(281,138)	(6,517,692)		(1,235,816)			(386,665,571)	(3,803,843)
NUCLEAR	(32,545,630)		(183,081)	(32,391,601)		7,124			(32,567,558)	21,927
Non-Regulated and Miscellaneous				(227,898)		55,885			(172,013)	172,013
Coporate Aircraft Allocation			(2,500,875)			613,260			(1,887,615)	1,887,615
Franchise Fee & Gross Receipts	(229,783,943)		(165,444)			(56,306,635)			(56,472,079)	(173,311,864)
Franchise Fees & Gross Rec Tax - TOI					(233,051,905)	57,148,569			(175,903,336)	175,903,336
Gain/Loss on Disposition & Other						62,566		(255,142)	(192,577)	192,577
Inst./Promotional Advertising			(1,001,632)			245,618			(756,014)	756,014
Miscellaneous Interest Expense			85,832			(21,048)			64,784	(64,784)
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						(10,677,419)			(10,677,419)	10,677,419
Directors & Officers Premium			(1,026,778)			251,785			(774,994)	774,994
Interest Synchronization - FPSC						6,106,767			6,106,767	(6,106,767)
Storm	(12,016,715)		(12,015,140)			(386)			(12,015,526)	(1,189)
Total FPSC Adjustments	(2,322,656,702)	(1,865,796,277)	(143,381,163)	(58,078,942)	(234,501,192)	(9,632,933)		(255,142)	(2,311,645,649)	(11,011,053)
FPSC Adjusted	2,453,079,147		802,697,634	544,309,227	136,647,866	(25,413,352)	146,808,475	(255,142)	1,604,794,708	848,284,439

(a) The addition of earnings from AFUDC charges would increase the System NOI by 12,560,381 pretax
(b) The addition of earnings from AFUDC charges would increase the Jurisdictional NOI by 10,381,853 pretax

Notes	Rate Base Adjustments	P=ProForma F=FPSC	System	Retail
	ARO	F	(20,376,963)	(20,376,963)
	ECCR	F	(24,270,174)	(24,270,174)
	ECRC	F	(256,042,757)	(237,112,092)
	FUEL	F	(98,361,994)	(98,354,275)
	CCR	F	(123,908,375)	(124,046,600)
	NUCLEAR	F	(12,163,884)	(12,163,884)
	Over/Under Recovery-Clauses	F	(93,328,507)	(93,328,507)
	Derivatives	F	3,249,644	3,249,644
	Investments Earning a Return	F	(209,604,616)	(209,604,616)
	Jobbing Accounts	F	553,633	553,633
	Non-Regulated and Miscellaneous	F	(56,634,391)	(49,941,145)
(1)	CWIP - AFUDC	F	(284,159,251)	(231,177,222)
(2)	Capital Lease - EPIS	F	(516,475,052)	(469,166,806)
(2)	Capital Lease - Working Capital	F	520,288,018	485,017,693
	Storm	F	(381,934,514)	(381,934,514)
	Total		(1,553,169,186)	(1,462,655,829)

Notes	Income Statement Adjustments (to NOI)	P=ProForma F=FPSC	System		Retail	
			Amount	Income Tax Effect	Amount	Income Tax Effect
	ECCR	F	(1,132,599)	277,734	(1,132,599)	277,734
	ECRC	F	(15,031,844)	3,686,082	(17,409,886)	4,269,221
	FUEL	F	(5,881,405)	1,442,227	(5,598,572)	1,372,872
	CCR	F	(5,039,659)	1,235,816	(5,039,659)	1,235,816
	NUCLEAR	F	29,051	(7,124)	29,051	(7,124)
	Non-Regulated and Miscellaneous	F	227,898	(55,885)	227,898	(55,885)
(2)	Coporate Aircraft Allocation	F	2,682,738	(657,856)	2,500,875	(613,260)
(1)	Franchise Fee & Gross Receipts	F	(229,618,499)	56,306,635	(229,618,499)	56,306,635
(1)	Franchise Fees & Gross Rec Tax - TOI	F	233,051,905	(57,148,569)	233,051,905	(57,148,569)
(1)	Gain/Loss on Disposition & Other	F	274,686	(67,358)	255,142	(62,566)
(1)	Inst./Promotional Advertising	F	1,074,470	(263,480)	1,001,632	(245,618)
(1)	Miscellaneous Interest Expense	F	(92,074)	22,578	(85,832)	21,048
(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		11,818,255		10,677,419
(2)	Directors & Officers Premium	F	1,101,445	(270,094)	1,026,778	(251,785)
(1)	Interest Synchronization - FPSC	F		(6,367,385)		(6,106,767)
	Storm	F	(1,575)	386	(1,575)	386
	Total		(18,195,245)	9,912,675	(20,643,986)	9,632,933

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
Mar-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	6,595,128,747	5,958,560,674	(451,756,347)	(13,696,890)	5,493,107,437	41.29%	9.50%	3.92%	10.50%	4.34%	11.50%	4.75%
Long Term Debt	6,218,941,297	5,618,683,192	(425,988,076)		5,192,695,117	39.03%	4.64%	1.81%	4.64%	1.81%	4.64%	1.81%
Short Term Debt *	267,372,136	241,565,124	(18,314,587)	(19,145,706)	204,104,831	1.53%	2.73%	0.04%	2.73%	0.04%	2.73%	0.04%
Customer Deposits												
Active	199,382,623	199,382,623	(15,116,464)		184,266,159	1.38%	2.43%	0.03%	2.43%	0.03%	2.43%	0.03%
Inactive	1,965,072	1,965,072	(148,985)		1,816,087	0.01%						
Investment Tax Credits **	58,153,174	52,540,174	(3,983,404)		48,556,770	0.36%	7.14%	0.03%	7.65%	0.03%	8.17%	0.03%
Deferred Income Taxes	2,942,836,005	2,658,790,686	(201,579,817)	(276,803,891)	2,180,406,978	16.39%						
Total	16,283,779,053	14,731,487,546	(1,116,887,679)	(309,646,487)	13,304,953,379	100.00%		5.84%		6.25%		6.67%

* 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	6,914,768,481	6,250,708,642	(474,755,579)	(13,269,626)	5,762,683,438	41.30%	9.50%	3.92%	10.50%	4.34%	11.50%	4.75%
Long Term Debt	6,518,707,092	5,892,683,012	(447,562,715)		5,445,120,296	39.03%	4.57%	1.78%	4.57%	1.78%	4.57%	1.78%
Short Term Debt *	305,213,000	275,901,867	(20,955,376)	(8,935,402)	246,011,089	1.76%	2.78%	0.05%	2.78%	0.05%	2.78%	0.05%
Customer Deposits												
Active	198,968,183	198,968,183	(15,112,087)		183,856,096	1.32%	2.45%	0.03%	2.45%	0.03%	2.45%	0.03%
Inactive	1,797,716	1,797,716	(136,541)		1,661,175	0.01%						
Investment Tax Credits **	118,547,569	107,162,852	(8,139,263)		99,023,589	0.71%	7.10%	0.05%	7.62%	0.05%	8.13%	0.06%
Deferred Income Taxes	2,973,192,965	2,687,662,358	(204,134,086)	(269,655,154)	2,213,873,118	15.87%						
Total	17,031,195,005	15,414,884,630	(1,170,795,648)	(291,860,182)	13,952,228,801	100.00%		5.84%		6.26%		6.67%

* 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	6,595,128,747	5,958,560,674	(451,756,347)	(13,696,890)	5,493,107,437	41.29%	9.50%	3.92%	10.50%	4.34%	11.50%	4.75%
Long Term Debt	6,218,941,297	5,618,683,192	(425,988,076)		5,192,695,117	39.03%	4.64%	1.81%	4.64%	1.81%	4.64%	1.81%
Short Term Debt *	267,372,136	241,565,124	(18,314,587)	(19,145,706)	204,104,831	1.53%	2.73%	0.04%	2.73%	0.04%	2.73%	0.04%
Customer Deposits												
Active	199,382,623	199,382,623	(15,116,464)		184,266,159	1.38%	2.43%	0.03%	2.43%	0.03%	2.43%	0.03%
Inactive	1,965,072	1,965,072	(148,985)		1,816,087	0.01%						
Investment Tax Credits **	58,153,174	52,540,174	(3,983,404)		48,556,770	0.36%	7.14%	0.03%	7.65%	0.03%	8.17%	0.03%
Deferred Income Taxes	2,942,836,005	2,658,790,686	(201,579,817)	(276,803,891)	2,180,406,978	16.39%						
Total	16,283,779,053	14,731,487,546	(1,116,887,679)	(309,646,487)	13,304,953,379	100.00%		5.84%		6.25%		6.67%
* Daily Weighted Average												
** Cost Rates Calculated Per IRS Ruling												

DUKE ENERGY FLORIDA
End of Period - Capital Structure
FPSC Adjusted Basis
Mar-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	6,914,768,481	6,250,708,642	(474,755,579)	(13,269,626)	5,762,683,438	41.30%	9.50%	3.92%	10.50%	4.34%	11.50%	4.75%
Long Term Debt	6,518,707,092	5,892,683,012	(447,562,715)		5,445,120,296	39.03%	4.57%	1.78%	4.57%	1.78%	4.57%	1.78%
Short Term Debt *	305,213,000	275,901,867	(20,955,376)	(8,935,402)	246,011,089	1.76%	2.78%	0.05%	2.78%	0.05%	2.78%	0.05%
Customer Deposits												
Active	198,968,183	198,968,183	(15,112,087)		183,856,096	1.32%	2.45%	0.03%	2.45%	0.03%	2.45%	0.03%
Inactive	1,797,716	1,797,716	(136,541)		1,661,175	0.01%						
Investment Tax Credits **	118,547,569	107,162,852	(8,139,263)		99,023,589	0.71%	7.10%	0.05%	7.62%	0.05%	8.13%	0.06%
Deferred Income Taxes	2,973,192,965	2,687,662,358	(204,134,086)	(269,655,154)	2,213,873,118	15.87%						
Total	17,031,195,005	15,414,884,630	(1,170,795,648)	(291,860,182)	13,952,228,801	100.00%		5.84%		6.26%		6.67%

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

A. TIMES INTEREST EARNED WITH AFUDC

EARNINGS BEFORE INTEREST	\$ 1,021,190,423
AFUDC - DEBT	\$ 3,519,481
INCOME TAXES	162,837,149
TOTAL	<u>\$ 1,187,547,053</u>
INTEREST CHARGES (before deducting AFUDC-Debt)	\$ 309,288,233
TIE WITH AFUDC	<u><u>3.84</u></u>

B. TIMES INTEREST EARNED WITHOUT AFUDC

EARNINGS BEFORE INTEREST	\$ 1,021,190,423
AFUDC - EQUITY	(9,040,900)
INCOME TAXES	162,837,149
TOTAL	<u>\$ 1,174,986,672</u>
INTEREST CHARGES (before deducting AFUDC-Debt & CR3 reg asset carrying charge)	\$ 309,288,233
TIE WITHOUT AFUDC	<u><u>3.80</u></u>

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

AFUDC DEBT	\$ 3,519,481
X (1- INCOME TAX RATE)	0.75478
SUBTOTAL	<u>\$ 2,656,440</u>
AFUDC -EQUITY	\$ 9,040,900
TOTAL	<u>\$ 11,697,340</u>
NET INCOME AVAILABLE FOR COMMON STOCKHOLDERS	<u>\$ 715,292,423</u>
PERCENT AFUDC TO AVAILABLE NET INCOME	<u><u>1.64%</u></u>

D. PERCENT INTERNALLY GENERATED FUNDS*

NET INCOME	\$ 715,292,423
COMMON DIVIDENDS	-
AFUDC (EQUITY)	(9,040,900)
DEPRECIATION & AMORTIZATION	827,774,851
DEFERRED INCOME TAXES	168,469,466
INVESTMENT TAX CREDITS	-
OTHER - INC NUCLEAR DECOMMISSIONING	30,005,082
OTHER FUNDS - INCLUDING CHANGE IN WORKING CAPITAL	(135,321,668)
TOTAL FUNDS PROVIDED	<u>\$ 1,597,179,254</u>

CONSTRUCTION EXPENDITURES (EXCLUDING AFUDC EQUITY & DEBT)	<u>\$ 1,928,573,236</u>
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PERCENTAGE INTERNALLY GENERATED FUNDS **82.82%**
*As of March 2020 (updated quarterly)

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

Common Equity	\$ 5,493,107,437
Long Term Debt	\$ 5,192,695,117
Short Term Debt	\$ 204,104,831
TOTAL	<u>\$ 10,889,907,385</u>
% LONG TERM DEBT TO TOTAL	47.68%
% SHORT TERM DEBT TO TOTAL	1.87%

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

	Pro Forma	FPSC
FPSC AVERAGE		
EARNED RATE OF RETURN	<u>6.27%</u>	<u>6.38%</u>
LESS RETAIL WEIGHTED AVERAGE COST RATES FOR:		
LONG TERM DEBT	1.81%	1.81%
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>4.36%</u>	<u>4.46%</u>
DIVIDED BY COMMON EQUITY RATIO	<u>41.29%</u>	<u>41.29%</u>
JURISDICTIONAL RETURN ON COMMON EQUITY	<u><u>10.55%</u></u>	<u><u>10.80%</u></u>