



July 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 May 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 May 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
May-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	\$879,002,677 (a)	(\$23,433,401) (b)	\$855,569,277	(\$37,864,970)	\$817,704,307
Average Rate Base	\$14,902,930,430	(\$1,433,518,237)	\$13,469,412,193	\$0	\$13,469,412,193
Average Rate of Return	5.90%		6.35%		6.07%
I. YEAR END RATE OF RETURN (Jurisdictional)					
Net Operating Income	\$867,354,280	(\$11,785,003)	\$855,569,277		
Average Rate Base	\$15,608,197,855	(\$1,365,504,951)	\$14,242,692,904		
Average Rate of Return	5.56%		6.01%		

(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%	5.75%
Mid Point	6.25%	6.17%
High Point	6.66%	6.59%
Pro Forma Adjusted Basis		
Low Point	5.83%	5.75%
Mid Point	6.25%	6.17%
High Point	6.66%	6.59%

IV. FINANCIAL INTEGRITY INDICATORS

A. T.I.E. with AFUDC	3.93	(System Per Books Basis)
B. T.I.E without AFUDC	3.88	(System Per Books Basis)
C. AFUDC to Net Income	1.78%	(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	47.30%	(FPSC Adjusted Basis)
ST Debt to Total Investor Funds	2.07%	(FPSC Adjusted Basis)
F. Return on Common Equity	10.75%	(FPSC Adjusted Basis)
	10.08%	(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

07/15/2020

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	\$19,697,367,266	\$5,692,865,636	\$14,004,501,630	\$134,986,354	\$997,443,074	\$15,136,931,059	\$1,366,446,705	\$16,503,377,764
Regulatory Base - Retail	\$17,866,603,725	\$5,248,350,931	\$12,618,252,794	\$118,544,325	\$825,929,667	\$13,562,726,786	\$1,340,203,644	\$14,902,930,430
FPSC Adjustments								
ARO	(23,953,384)	(22,304,558)	(1,648,827)			(1,648,827)	(16,661,297)	(18,310,124)
ECCR	(46,549,442)	(17,345,833)	(29,203,609)			(29,203,609)	(20,584,962)	(49,788,571)
ECRC	(252,725,361)	(27,288,813)	(225,436,547)		(6,312,099)	(231,748,646)	(4,194,300)	(235,942,946)
FUEL	(7,195,352)	(6,991,771)	(203,580)			(203,580)	(97,941,000)	(98,144,581)
CCR							(122,960,318)	(122,960,318)
NUCLEAR							(7,566,451)	(7,566,451)
Over\Under Recovery-Clauses							(64,840,380)	(64,840,380)
Derivatives							3,119,595	3,119,595
Employee Related								
Investments Earning a Return							(216,352,370)	(216,352,370)
Jobbing Accounts							723,583	723,583
Non-Regulated and Miscellaneous	(43,814,369)	(36,575,556)	(7,238,813)	(87,379,077)		(94,617,890)	43,754,683	(50,863,207)
CWIP - AFUDC					(183,718,916)	(183,718,916)		(183,718,916)
Imputed Off Balance Sheet Obligations								
Capital & Operating Leases	(624,208,253)	(134,185,110)	(490,023,143)			(490,023,143)	473,354,850	(16,668,293)
Storm							(372,205,257)	(372,205,257)
Total FPSC Adjustments	(998,446,161)	(244,691,642)	(753,754,519)	(87,379,077)	(190,031,015)	(1,031,164,611)	(402,353,626)	(1,433,518,237)
FPSC Adjusted	\$16,868,157,564	\$5,003,659,289	\$11,864,498,275	\$31,165,248	\$635,898,652	\$12,531,562,175	\$937,850,018	\$13,469,412,193

DUKE ENERGY FLORIDA
Average Rate of Return - Income Statement
May-20

Schedule 2
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	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	5,006,094,526	1,858,939,448	998,943,813	645,227,613	378,992,121	10,506,606	142,303,246		4,034,912,846	971,181,679
Regulatory Base - Retail	4,689,446,151	1,763,853,238	959,107,391	598,021,421	365,341,443	9,334,901	126,433,477		3,822,091,871	867,354,280
FPSC Adjustments										
ECCR	(110,485,536)		(105,619,554)	(3,804,701)		(260,246)			(109,684,500)	(801,036)
ECRC	(46,308,502)		(20,610,418)	(5,829,442)	(1,445,995)	(4,517,568)			(32,403,423)	(13,905,078)
FUEL	(1,389,821,808)	(1,374,775,319)	(997,309)	(6,551,340)		(1,838,607)			(1,384,162,575)	(5,659,233)
CCR	(398,227,695)	(389,077,918)	(286,724)	(6,517,692)		(575,125)			(396,457,460)	(1,770,235)
NUCLEAR	(25,146,043)		(97,908)	(25,065,122)		4,165			(25,158,864)	12,821
Non-Regulated and Miscellaneous				888,600		(217,901)			670,699	(670,699)
Coporate Aircraft Allocation			(2,563,278)			628,562			(1,934,716)	1,934,716
Franchise Fee & Gross Receipts	(226,786,098)		(163,286)			(55,572,038)			(55,735,324)	(171,050,774)
Franchise Fees & Gross Rec Tax - TOI					(229,780,386)	56,346,333			(173,434,054)	173,434,054
Gain/Loss on Disposition & Other						62,566		(255,142)	(192,577)	192,577
Inst./Promotional Advertising			(1,131,104)			277,367			(853,737)	853,737
Miscellaneous Interest Expense			83,503			(20,477)			63,027	(63,027)
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						(10,581,729)			(10,581,729)	10,581,729
Directors & Officers Premium			(1,028,129)			252,116			(776,013)	776,013
Interest Synchronization - FPSC						5,762,028			5,762,028	(5,762,028)
Storm	(39,227,933)		(39,226,251)			(412)			(39,226,663)	(1,269)
Total FPSC Adjustments	(2,236,003,615)	(1,763,853,238)	(171,789,811)	(46,879,697)	(231,226,382)	(10,214,342)		(255,142)	(2,224,218,611)	(11,785,003)
FPSC Adjusted	2,453,442,536		787,317,580	551,141,725	134,115,061	(879,441)	126,433,477	(255,142)	1,597,873,260	855,569,277
Pro Forma Adjustments										
Weather Normalization	(50,166,776)					(12,301,807)			(12,301,807)	(37,864,970)
Total Pro Forma Adjustments	(50,166,776)					(12,301,807)			(12,301,807)	(37,864,970)
Pro Forma Adjusted	2,403,275,760		787,317,580	551,141,725	134,115,061	(13,181,247)	126,433,477	(255,142)	1,585,571,453	817,704,307
Current Month										
System Per Books	349,943,975	63,705,077	77,548,442	52,562,274	27,125,977	27,210,988	(4,411,499)		243,741,260	106,202,715
FPSC Adjusted	217,246,693		51,183,446	47,496,959	12,127,062	1,280,461	17,342,779	(21,262)	129,409,445	87,837,248

(a) The addition of earnings from AFUDC charges would increase the System NOI by 14,067,316 pretax
(b) The addition of earnings from AFUDC charges would increase the Jurisdictional NOI by 11,648,397 pretax

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

Schedule 2
Page 3 of 3

Notes	Rate Base Adjustments	P=ProForma F=FPSC	System	Retail
	ARO	F	(18,310,124)	(18,310,124)
	ECCR	F	(51,557,280)	(49,788,571)
	ECRC	F	(255,285,228)	(235,942,946)
	FUEL	F	(98,160,175)	(98,144,581)
	CCR	F	(122,545,644)	(122,960,318)
	NUCLEAR	F	(7,566,451)	(7,566,451)
	Over/Under Recovery-Clauses	F	(64,840,380)	(64,840,380)
	Derivatives	F	3,119,595	3,119,595
	Investments Earning a Return	F	(216,352,370)	(216,352,370)
	Jobbing Accounts	F	723,583	723,583
	Non-Regulated and Miscellaneous	F	(57,556,453)	(50,863,207)
(1)	CWIP - AFUDC	F	(223,208,635)	(183,718,916)
(2)	Capital Lease - EPIS	F	(535,415,359)	(490,023,143)
(2)	Capital Lease - Working Capital	F	507,777,056	473,354,850
	Storm	F	(372,205,257)	(372,205,257)
	Total		(1,511,383,122)	(1,433,518,237)

Notes	Income Statement Adjustments (to NOI)	P=ProForma F=FPSC	System		Retail	
			Amount	Income Tax Effect	Amount	Income Tax Effect
	ECCR	F	(1,061,282)	260,246	(1,061,282)	260,246
	ECRC	F	(16,156,480)	3,961,863	(18,422,647)	4,517,568
	FUEL	F	(7,902,035)	1,937,723	(7,497,840)	1,838,607
	CCR	F	(2,345,361)	575,125	(2,345,361)	575,125
	NUCLEAR	F	16,986	(4,165)	16,986	(4,165)
	Non-Regulated and Miscellaneous	F	825,769	(202,494)	(888,600)	217,901
(2)	Corporate Aircraft Allocation	F	2,749,679	(674,271)	2,563,278	(628,562)
(1)	Franchise Fee & Gross Receipts	F	(226,622,812)	55,572,038	(226,622,812)	55,572,038
(1)	Franchise Fees & Gross Rec Tax - TOI	F	229,780,386	(56,346,333)	229,780,386	(56,346,333)
(1)	Gain/Loss on Disposition & Other	F	274,686	(67,358)	255,142	(62,566)
(1)	Inst./Promotional Advertising	F	1,213,357	(297,537)	1,131,104	(277,367)
(1)	Miscellaneous Interest Expense	F	(89,576)	21,966	(83,503)	20,477
(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		11,732,939		10,581,729
(2)	Directors & Officers Premium	F	1,102,895	(270,450)	1,028,129	(252,116)
(1)	Interest Synchronization - FPSC	F		(6,027,926)		(5,762,028)
	Storm	F	(1,682)	412	(1,682)	412
	Total		(18,055,253)	10,132,490	(21,999,345)	10,214,342

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	\$20,616,967,025	\$5,824,893,313	\$14,792,073,712	\$135,779,946	\$996,986,340	\$15,924,839,998	\$1,366,514,476	\$17,291,354,474
Regulatory Base - Retail	\$18,703,111,905	\$5,373,412,882	\$13,329,699,022	\$119,140,170	\$819,155,019	\$14,267,994,212	\$1,340,203,644	\$15,608,197,855
FPSC Adjustments								
ARO	(26,854,825)	(23,083,085)	(3,771,740)			(3,771,740)	(16,661,297)	(20,433,037)
ECCR	(43,220,819)	(17,642,283)	(25,578,536)			(25,578,536)	(20,584,962)	(46,163,498)
ECRC	(252,547,819)	(30,388,782)	(222,159,037)		(10,095,333)	(232,254,369)	(4,194,300)	(236,448,669)
FUEL	(5,198,328)	(5,124,976)	(73,351)			(73,351)	(97,941,000)	(98,014,352)
CCR							(122,960,318)	(122,960,318)
NUCLEAR							(7,566,451)	(7,566,451)
Over\Under Recovery-Clauses							(64,840,380)	(64,840,380)
Derivatives							3,119,595	3,119,595
Investments Earning a Return							(216,352,370)	(216,352,370)
Jobbing Accounts							723,583	723,583
Non-Regulated and Miscellaneous	(43,875,938)	(37,251,439)	(6,624,499)	(87,379,077)		(94,003,576)	43,754,683	(50,248,893)
CWIP - AFUDC					(151,280,107)	(151,280,107)		(151,280,107)
Capital Lease	(650,539,121)	(194,349,475)	(456,189,646)			(456,189,646)	473,354,850	17,165,204
Storm							(372,205,257)	(372,205,257)
Total FPSC Adjustments	(1,022,236,849)	(307,840,041)	(714,396,808)	(87,379,077)	(161,375,439)	(963,151,325)	(402,353,626)	(1,365,504,951)
FPSC Adjusted	17,680,875,056	5,065,572,842	12,615,302,214	31,761,092	657,779,580	13,304,842,887	937,850,018	14,242,692,904

	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	5,006,094,526	1,858,939,448	998,943,813	645,227,613	378,992,121	10,506,606	142,303,246		4,034,912,846	971,181,679
Regulatory Base - Retail	4,689,446,151	1,763,853,238	959,107,391	598,021,421	365,341,443	9,334,901	126,433,477		3,822,091,871	867,354,280
FPSC Adjustments										
ECCR	(110,485,536)		(105,619,554)	(3,804,701)		(260,246)			(109,684,500)	(801,036)
ECRC	(46,308,502)		(20,610,418)	(5,829,442)	(1,445,995)	(4,517,568)			(32,403,423)	(13,905,078)
FUEL	(1,389,821,808)	(1,374,775,319)	(997,309)	(6,551,340)		(1,838,607)			(1,384,162,575)	(5,659,233)
CCR	(398,227,695)	(389,077,918)	(286,724)	(6,517,692)		(575,125)			(396,457,460)	(1,770,235)
NUCLEAR	(25,146,043)		(97,908)	(25,065,122)		4,165			(25,158,864)	12,821
Non-Regulated and Miscellaneous				888,600		(217,901)			670,699	(670,699)
Coporate Aircraft Allocation			(2,563,278)			628,562			(1,934,716)	1,934,716
Franchise Fee & Gross Receipts	(226,786,098)		(163,286)			(55,572,038)			(55,735,324)	(171,050,774)
Franchise Fees & Gross Rec Tax - TOI					(229,780,386)	56,346,333			(173,434,054)	173,434,054
Gain/Loss on Disposition & Other						62,566		(255,142)	(192,577)	192,577
Inst./Promotional Advertising			(1,131,104)			277,367			(853,737)	853,737
Miscellaneous Interest Expense			83,503			(20,477)			63,027	(63,027)
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						(10,581,729)			(10,581,729)	10,581,729
Directors & Officers Premium			(1,028,129)			252,116			(776,013)	776,013
Interest Synchronization - FPSC						5,762,028			5,762,028	(5,762,028)
Storm	(39,227,933)		(39,226,251)			(412)			(39,226,663)	(1,269)
Total FPSC Adjustments	(2,236,003,615)	(1,763,853,238)	(171,789,811)	(46,879,697)	(231,226,382)	(10,214,342)		(255,142)	(2,224,218,611)	(11,785,003)
FPSC Adjusted	2,453,442,536		787,317,580	551,141,725	134,115,061	(879,441)	126,433,477	(255,142)	1,597,873,260	855,569,277

(a) The addition of earnings from AFUDC charges would increase the System NOI by 14,067,316 pretax
(b) The addition of earnings from AFUDC charges would increase the Jurisdictional NOI by 11,648,397 pretax

Notes	Rate Base Adjustments	P=ProForma F=FPSC	System	Retail
	ARO	F	(20,433,037)	(20,433,037)
	ECCR	F	(47,718,622)	(46,163,498)
	ECRC	F	(255,830,562)	(236,448,669)
	FUEL	F	(98,019,970)	(98,014,352)
	CCR	F	(122,545,644)	(122,960,318)
	NUCLEAR	F	(7,566,451)	(7,566,451)
	Over/Under Recovery-Clauses	F	(64,840,380)	(64,840,380)
	Derivatives	F	3,119,595	3,119,595
	Investments Earning a Return	F	(216,352,370)	(216,352,370)
	Jobbing Accounts	F	723,583	723,583
	Non-Regulated and Miscellaneous	F	(56,942,139)	(50,248,893)
(1)	CWIP - AFUDC	F	(198,856,337)	(151,280,107)
(2)	Capital Lease - EPIS	F	(503,496,634)	(456,189,646)
(2)	Capital Lease - Working Capital	F	507,777,056	473,354,850
	Storm	F	(372,205,257)	(372,205,257)
	Total		(1,453,187,169)	(1,365,504,951)

Notes	Income Statement Adjustments (to NOI)	P=ProForma F=FPSC	System		Retail	
			Amount	Income Tax Effect	Amount	Income Tax Effect
	ECCR	F	(1,061,282)	260,246	(1,061,282)	260,246
	ECRC	F	(16,156,480)	3,961,863	(18,422,647)	4,517,568
	FUEL	F	(7,902,035)	1,937,723	(7,497,840)	1,838,607
	CCR	F	(2,345,361)	575,125	(2,345,361)	575,125
	NUCLEAR	F	16,986	(4,165)	16,986	(4,165)
	Non-Regulated and Miscellaneous	F	825,769	(202,494)	(888,600)	217,901
(2)	Coporate Aircraft Allocation	F	2,749,679	(674,271)	2,563,278	(628,562)
(1)	Franchise Fee & Gross Receipts	F	(226,622,812)	55,572,038	(226,622,812)	55,572,038
(1)	Franchise Fees & Gross Rec Tax - TOI	F	229,780,386	(56,346,333)	229,780,386	(56,346,333)
(1)	Gain/Loss on Disposition & Other	F	274,686	(67,358)	255,142	(62,566)
(1)	Inst./Promotional Advertising	F	1,213,357	(297,537)	1,131,104	(277,367)
(1)	Miscellaneous Interest Expense	F	(89,576)	21,966	(83,503)	20,477
(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		11,732,939		10,581,729
(2)	Directors & Officers Premium	F	1,102,895	(270,450)	1,028,129	(252,116)
(1)	Interest Synchronization - FPSC	F		(6,027,926)		(5,762,028)
	Storm	F	(1,682)	412	(1,682)	412
	Total		(18,055,253)	10,132,490	(21,999,345)	10,214,342

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
May-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	6,716,267,325	6,056,907,388	(456,416,850)	(13,351,205)	5,587,139,333	41.48%	9.50%	3.94%	10.50%	4.36%	11.50%	4.77%
Long Term Debt	6,259,414,458	5,644,905,397	(425,370,535)		5,219,534,862	38.75%	4.62%	1.79%	4.62%	1.79%	4.62%	1.79%
Short Term Debt *	301,150,444	271,585,430	(20,465,257)	(22,399,123)	228,721,050	1.70%	2.10%	0.04%	2.10%	0.04%	2.10%	0.04%
Customer Deposits												
Active	199,186,565	199,186,565	(15,009,657)		184,176,907	1.37%	2.43%	0.03%	2.43%	0.03%	2.43%	0.03%
Inactive	1,969,099	1,969,099	(148,381)		1,820,718	0.01%						
Investment Tax Credits **	69,927,696	63,062,644	(4,752,071)		58,310,573	0.43%	7.14%	0.03%	7.66%	0.03%	8.18%	0.04%
Deferred Income Taxes	2,955,462,179	2,665,313,907	(200,844,111)	(274,761,048)	2,189,708,749	16.26%						
Total	16,503,377,764	14,902,930,430	(1,123,006,862)	(310,511,375)	13,469,412,193	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
Pro Forma Adjusted Basis
May-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	7,055,528,216	6,369,053,551	(417,383,057)	(13,206,995)	5,938,463,500	41.69%	9.50%	3.96%	10.50%	4.38%	11.50%	4.79%
Long Term Debt	6,269,818,391	5,659,790,148	(370,902,912)		5,288,887,236	37.13%	4.53%	1.68%	4.53%	1.68%	4.53%	1.68%
Short Term Debt *	661,308,000	596,965,378	(39,120,920)	(59,787,134)	498,057,323	3.50%	0.63%	0.02%	0.63%	0.02%	0.63%	0.02%
Customer Deposits												
Active	197,531,060	197,531,060	(12,944,799)		184,586,261	1.30%	2.49%	0.03%	2.49%	0.03%	2.49%	0.03%
Inactive	1,895,724	1,895,724	(124,232)		1,771,492	0.01%						
Investment Tax Credits **	118,547,569	107,013,364	(7,012,905)		100,000,460	0.70%	7.16%	0.05%	7.69%	0.05%	8.22%	0.06%
Deferred Income Taxes	2,964,369,967	2,675,948,630	(175,362,887)	(269,659,110)	2,230,926,634	15.66%						
Total	17,268,998,927	15,608,197,855	(1,022,851,712)	(342,653,239)	14,242,692,904	100.00%		5.75%		6.17%		6.59%

* 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	6,716,267,325	6,056,907,388	(456,416,850)	(13,351,205)	5,587,139,333	41.48%	9.50%	3.94%	10.50%	4.36%	11.50%	4.77%
Long Term Debt	6,259,414,458	5,644,905,397	(425,370,535)		5,219,534,862	38.75%	4.62%	1.79%	4.62%	1.79%	4.62%	1.79%
Short Term Debt *	301,150,444	271,585,430	(20,465,257)	(22,399,123)	228,721,050	1.70%	2.10%	0.04%	2.10%	0.04%	2.10%	0.04%
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Active	199,186,565	199,186,565	(15,009,657)		184,176,907	1.37%	2.43%	0.03%	2.43%	0.03%	2.43%	0.03%
Inactive	1,969,099	1,969,099	(148,381)		1,820,718	0.01%						
Investment Tax Credits **	69,927,696	63,062,644	(4,752,071)		58,310,573	0.43%	7.14%	0.03%	7.66%	0.03%	8.18%	0.04%
Deferred Income Taxes	2,955,462,179	2,665,313,907	(200,844,111)	(274,761,048)	2,189,708,749	16.26%						
Total	16,503,377,764	14,902,930,430	(1,123,006,862)	(310,511,375)	13,469,412,193	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
May-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	7,055,528,216	6,369,053,551	(417,383,057)	(13,206,995)	5,938,463,500	41.69%	9.50%	3.96%	10.50%	4.38%	11.50%	4.79%
Long Term Debt	6,269,818,391	5,659,790,148	(370,902,912)		5,288,887,236	37.13%	4.53%	1.68%	4.53%	1.68%	4.53%	1.68%
Short Term Debt *	661,308,000	596,965,378	(39,120,920)	(59,787,134)	498,057,323	3.50%	0.63%	0.02%	0.63%	0.02%	0.63%	0.02%
Customer Deposits												
Active	197,531,060	197,531,060	(12,944,799)		184,586,261	1.30%	2.49%	0.03%	2.49%	0.03%	2.49%	0.03%
Inactive	1,895,724	1,895,724	(124,232)		1,771,492	0.01%						
Investment Tax Credits **	118,547,569	107,013,364	(7,012,905)		100,000,460	0.70%	7.16%	0.05%	7.69%	0.05%	8.22%	0.06%
Deferred Income Taxes	2,964,369,967	2,675,948,630	(175,362,887)	(269,659,110)	2,230,926,634	15.66%						
Total	17,268,998,927	15,608,197,855	(1,022,851,712)	(342,653,239)	14,242,692,904	100.00%		5.75%		6.17%		6.59%
* Daily Weighted Average ** Cost Rates Calculated Per IRS Ruling												

A. TIMES INTEREST EARNED WITH AFUDC

EARNINGS BEFORE INTEREST	\$ 1,038,244,601
AFUDC - DEBT	\$ 4,045,648
INCOME TAXES	168,556,413
TOTAL	<u>\$ 1,210,846,661</u>
INTEREST CHARGES (before deducting AFUDC-Debt)	\$ 308,081,571
TIE WITH AFUDC	<u><u>3.93</u></u>

B. TIMES INTEREST EARNED WITHOUT AFUDC

EARNINGS BEFORE INTEREST	\$ 1,038,244,601
AFUDC - EQUITY	(10,021,667)
INCOME TAXES	168,556,413
TOTAL	<u>\$ 1,196,779,346</u>
INTEREST CHARGES (before deducting AFUDC-Debt & CR3 reg asset carrying charge)	\$ 308,081,571
TIE WITHOUT AFUDC	<u><u>3.88</u></u>

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

AFUDC DEBT	\$ 4,045,648
X (1- INCOME TAX RATE)	0.75478
SUBTOTAL	<u>\$ 3,053,582</u>
AFUDC -EQUITY	\$ 10,021,667
TOTAL	<u>\$ 13,075,249</u>
NET INCOME AVAILABLE FOR COMMON STOCKHOLDERS	<u>\$ 734,115,256</u>
PERCENT AFUDC TO AVAILABLE NET INCOME	<u><u>1.78%</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><u>\$ 1,597,179,254</u></u>

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

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

Common Equity	\$ 5,587,139,333
Long Term Debt	\$ 5,219,534,862
Short Term Debt	\$ 228,721,050
TOTAL	<u><u>\$ 11,035,395,245</u></u>
% LONG TERM DEBT TO TOTAL	47.30%
% SHORT TERM DEBT TO TOTAL	2.07%

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

	Pro Forma	FPSC
FPSC AVERAGE		
EARNED RATE OF RETURN	<u>6.07%</u>	<u>6.35%</u>
LESS RETAIL WEIGHTED AVERAGE COST RATES FOR:		
LONG TERM DEBT	1.79%	1.79%
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>1.89%</u>	<u>1.89%</u>
TOTAL	<u>4.18%</u>	<u>4.46%</u>
DIVIDED BY COMMON EQUITY RATIO	<u>41.48%</u>	<u>41.48%</u>
JURISDICTIONAL RETURN ON COMMON EQUITY	<u><u>10.08%</u></u>	<u><u>10.75%</u></u>