



August 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 June 30, 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 June 30, 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
Jun-20

SCHEDULE 1

	(1) Actual Per Books	(2) FPSC Adjustments	(3) FPSC Adjusted	(4) Pro Forma Adjustments	(5) Pro Forma Adjusted
<u>I. AVERAGE RATE OF RETURN (Jurisdictional)</u>					
Net Operating Income	\$872,131,130 (a)	(\$21,314,387) (b)	\$850,816,743	(\$54,434,754)	\$796,381,989
Average Rate Base	\$15,004,128,645	(\$1,397,018,170)	\$13,607,110,475	\$0	\$13,607,110,475
Average Rate of Return	5.81%		6.25%		5.85%
<u>I. YEAR END RATE OF RETURN (Jurisdictional)</u>					
Net Operating Income	\$861,224,837	(\$10,408,094)	\$850,816,743		
Average Rate Base	\$15,664,387,737	(\$1,336,177,800)	\$14,328,209,937		
Average Rate of Return	5.50%		5.94%		
(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	5.82%	5.72%
Mid Point	6.24%	6.14%
High Point	6.66%	6.56%
Pro Forma Adjusted Basis		
Low Point	5.82%	5.72%
Mid Point	6.24%	6.14%
High Point	6.66%	6.56%

IV. FINANCIAL INTEGRITY INDICATORS

A. T.I.E. with AFUDC	3.92	(System Per Books Basis)
B. T.I.E. without AFUDC	3.87	(System Per Books Basis)
C. AFUDC to Net Income	1.68%	(System Per Books Basis)
D. Internally Generated Funds	77.40%	(System Per Books Basis)
E. STD/LTD to Total Investor Funds		
LT Debt-Fixed to Total Investor Funds	47.33%	(FPSC Adjusted Basis)
ST Debt to Total Investor Funds	2.00%	(FPSC Adjusted Basis)
F. Return on Common Equity	10.53%	(FPSC Adjusted Basis)
	9.57%	(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, Director Rates & Regulatory Planning

08/14/2020

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	\$19,840,424,314	\$5,720,534,664	\$14,119,889,650	\$135,272,058	\$1,006,207,076	\$15,261,368,784	\$1,360,096,544	\$16,621,465,328
Regulatory Base - Retail	\$17,994,952,559	\$5,274,861,298	\$12,720,091,262	\$118,789,591	\$833,751,787	\$13,672,632,639	\$1,331,496,005	\$15,004,128,645
FPSC Adjustments								
ARO	(24,282,368)	(24,005,739)	(276,629)			(276,629)	(18,371,061)	(18,647,689)
ECCR	(20,690,155)	(16,443,632)	(4,246,523)			(4,246,523)	(20,390,371)	(24,636,893)
ECRC	(252,460,141)	(27,743,295)	(224,716,846)		(6,909,311)	(231,626,157)	(4,168,913)	(235,795,070)
FUEL	(6,891,269)	(6,700,054)	(191,214)			(191,214)	(97,737,703)	(97,928,917)
CCR							(122,417,177)	(122,417,177)
NUCLEAR							(5,673,721)	(5,673,721)
Over\Under Recovery-Clauses							(52,207,935)	(52,207,935)
Derivatives							3,054,570	3,054,570
Investments Earning a Return							(219,621,501)	(219,621,501)
Jobbing Accounts							771,673	771,673
Non-Regulated and Miscellaneous	(43,676,172)	(36,688,437)	(6,987,735)	(87,379,077)		(94,366,812)	43,480,708	(50,886,104)
CWIP - AFUDC					(190,485,726)	(190,485,726)		(190,485,726)
Capital & Operating Leases	(632,843,746)	(147,701,465)	(485,142,281)			(485,142,281)	466,740,851	(18,401,429)
Storm							(364,142,250)	(364,142,250)
Total FPSC Adjustments	(980,843,850)	(259,282,623)	(721,561,227)	(87,379,077)	(197,395,037)	(1,006,335,342)	(390,682,828)	(1,397,018,170)
FPSC Adjusted	\$17,014,108,709	\$5,015,578,675	\$11,998,530,035	\$31,410,513	\$636,356,750	\$12,666,297,298	\$940,813,177	\$13,607,110,475

	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	4,975,697,308	1,833,596,870	1,002,651,687	648,773,754	374,927,621	14,572,577	133,886,989		4,008,409,497	967,287,811
Regulatory Base - Retail	4,657,456,957	1,738,907,123	964,068,123	601,148,996	360,778,076	12,891,144	118,438,658		3,796,232,120	861,224,837
FPSC Adjustments										
ECCR	(111,126,307)		(106,309,465)	(3,543,304)		(312,295)			(110,165,063)	(961,244)
ECRC	(43,563,042)		(19,287,673)	(5,675,544)	(1,447,512)	(4,206,059)			(30,616,787)	(12,946,254)
FUEL	(1,352,351,419)	(1,336,992,234)	(970,624)	(6,551,340)		(1,921,829)			(1,346,436,027)	(5,915,392)
CCR	(394,705,920)	(386,491,760)	(286,199)	(6,517,692)		(345,823)			(393,641,475)	(1,064,445)
NUCLEAR	(21,479,915)		(92,458)	(21,429,385)		10,281			(21,511,561)	31,646
Non-Regulated and Miscellaneous				790,074		(193,741)			596,333	(596,333)
Coporate Aircraft Allocation			(2,594,480)			636,214			(1,958,266)	1,958,266
Franchise Fee & Gross Receipts	(224,843,923)		(161,888)			(55,096,124)			(55,258,012)	(169,585,911)
Franchise Fees & Gross Rec Tax - TOI					(227,222,386)	55,719,064			(171,503,321)	171,503,321
Gain/Loss on Disposition & Other						62,566		(255,142)	(192,577)	192,577
Inst./Promotional Advertising			(1,165,568)			285,819			(879,750)	879,750
Miscellaneous Interest Expense			94,164			(23,091)			71,073	(71,073)
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						(10,498,987)			(10,498,987)	10,498,987
Directors & Officers Premium			(1,028,805)			252,282			(776,523)	776,523
Interest Synchronization - FPSC						5,249,628			5,249,628	(5,249,628)
Storm	(54,568,974)		(54,606,582)			9,222			(54,597,360)	28,386
Total FPSC Adjustments	(2,202,639,500)	(1,723,483,994)	(186,558,932)	(42,927,191)	(228,669,897)	(10,336,250)			(255,142)	(2,192,231,407)
FPSC Adjusted	2,454,817,456	15,423,129	777,509,191	558,221,805	132,108,178	2,554,894	118,438,658	(255,142)	1,604,000,713	850,816,743
Pro Forma Adjustments										
Weather Normalization	(72,119,855)					(17,685,101)			(17,685,101)	(54,434,754)
Total Pro Forma Adjustments	(72,119,855)					(17,685,101)			(17,685,101)	(54,434,754)
Pro Forma Adjusted	2,382,697,602	15,423,129	777,509,191	558,221,805	132,108,178	(15,130,207)	118,438,658	(255,142)	1,586,315,612	796,381,989
Current Month										
System Per Books	465,550,340	176,869,872	87,365,309	57,066,650	33,294,296	2,900,379	12,245,898		369,742,404	95,807,936
FPSC Adjusted	234,883,562	15,423,129	57,775,361	51,134,235	11,841,696	1,335,662	12,271,527	(21,262)	149,760,348	85,123,214

(a) The addition of earnings from AFUDC charges would increase the System NOI by 13,162,179 pretax
(b) The addition of earnings from AFUDC charges would increase the Jurisdictional NOI by 10,906,294 pretax

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

Schedule 2
Page 3 of 3

Notes	Rate Base Adjustments	P=ProForma F=FPSC	System	Retail
	ARO	F	(18,647,689)	(18,647,689)
	ECCR	F	(24,945,699)	(24,636,893)
	ECRC	F	(255,418,006)	(235,795,070)
	FUEL	F	(97,943,565)	(97,928,917)
	CCR	F	(122,417,177)	(122,417,177)
	NUCLEAR	F	(5,673,721)	(5,673,721)
	Over/Under Recovery-Clauses	F	(52,207,935)	(52,207,935)
	Derivatives	F	3,054,570	3,054,570
	Investments Earning a Return	F	(219,621,501)	(219,621,501)
	Jobbing Accounts	F	771,673	771,673
	Non-Regulated and Miscellaneous	F	(57,579,350)	(50,886,104)
(1)	CWIP - AFUDC	F	(232,408,651)	(190,485,726)
(2)	Capital Lease - EPIS	F	(531,162,467)	(485,142,281)
(2)	Capital Lease - Working Capital	F	500,682,090	466,740,851
	Storm	F	(364,142,250)	(364,142,250)
	Total		(1,477,659,676)	(1,397,018,170)

Notes	Income Statement Adjustments (to NOI)	P=ProForma F=FPSC	System		Retail	
			Amount	Income Tax Effect	Amount	Income Tax Effect
	ECCR	F	(1,015,871)	249,110	(1,273,539)	312,295
	ECRC	F	(15,017,794)	3,682,636	(17,152,314)	4,206,059
	FUEL	F	(8,263,986)	2,026,480	(7,837,221)	1,921,829
	CCR	F	(1,410,268)	345,823	(1,410,268)	345,823
	NUCLEAR	F	41,927	(10,281)	41,927	(10,281)
	Non-Regulated and Miscellaneous	F	923,874	(226,551)	(790,074)	193,741
(2)	Corporate Aircraft Allocation	F	2,783,150	(682,479)	2,594,480	(636,214)
(1)	Franchise Fee & Gross Receipts	F	(224,682,035)	55,096,124	(224,682,035)	55,096,124
(1)	Franchise Fees & Gross Rec Tax - TOI	F	227,222,386	(55,719,064)	227,222,386	(55,719,064)
(1)	Gain/Loss on Disposition & Other	F	274,686	(67,358)	255,142	(62,566)
(1)	Inst./Promotional Advertising	F	1,250,328	(306,603)	1,165,568	(285,819)
(1)	Miscellaneous Interest Expense	F	(101,011)	24,770	(94,164)	23,091
(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		11,646,518		10,498,987
(2)	Directors & Officers Premium	F	1,103,619	(270,627)	1,028,805	(252,282)
(1)	Interest Synchronization - FPSC	F		(5,493,217)		(5,249,628)
	Storm	F	37,608	(9,222)	37,608	(9,222)
	Total		(16,693,172)	10,246,771	(20,744,343)	10,336,250

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	\$20,765,410,720	\$5,849,822,594	\$14,915,588,126	\$135,779,946	\$967,391,848	\$16,018,759,921	\$1,360,168,096	\$17,378,928,016
Regulatory Base - Retail	\$18,815,438,969	\$5,396,850,185	\$13,418,588,784	\$119,140,170	\$795,162,778	\$14,332,891,732	\$1,331,496,005	\$15,664,387,737
FPSC Adjustments								
ARO	(26,854,825)	(38,660,914)	11,806,089			11,806,089	(18,371,061)	(6,564,972)
ECCR	(20,350,534)	(18,103,772)	(2,246,762)			(2,246,762)	(20,390,371)	(22,637,133)
ECRC	(252,229,706)	(30,794,835)	(221,434,871)		(10,095,333)	(231,530,203)	(4,168,913)	(235,699,116)
FUEL	(4,129,844)	(4,067,564)	(62,279)			(62,279)	(97,737,703)	(97,799,982)
CCR							(122,417,177)	(122,417,177)
NUCLEAR							(5,673,721)	(5,673,721)
Over\Under Recovery-Clauses							(52,207,935)	(52,207,935)
Derivatives							3,054,570	3,054,570
Investments Earning a Return							(219,621,501)	(219,621,501)
Jobbing Accounts							771,673	771,673
Non-Regulated and Miscellaneous	(43,880,000)	(37,364,039)	(6,515,961)	(87,379,077)		(93,895,038)	43,480,708	(50,414,330)
CWIP - AFUDC					(179,879,114)	(179,879,114)		(179,879,114)
Capital Lease	(650,539,121)	(200,851,458)	(449,687,664)			(449,687,664)	466,740,851	17,053,188
Storm							(364,142,250)	(364,142,250)
Total FPSC Adjustments	(997,984,029)	(329,842,582)	(668,141,448)	(87,379,077)	(189,974,447)	(945,494,972)	(390,682,828)	(1,336,177,800)
FPSC Adjusted	17,817,454,939	5,067,007,603	12,750,447,336	31,761,092	605,188,332	13,387,396,760	940,813,177	14,328,209,937

	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	4,975,697,308	1,833,596,870	1,002,651,687	648,773,754	374,927,621	14,572,577	133,886,989		4,008,409,497	967,287,811
Regulatory Base - Retail	4,657,456,957	1,738,907,123	964,068,123	601,148,996	360,778,076	12,891,144	118,438,658		3,796,232,120	861,224,837
FPSC Adjustments										
ECCR	(111,126,307)		(106,309,465)	(3,543,304)		(312,295)			(110,165,063)	(961,244)
ECRC	(43,563,042)		(19,287,673)	(5,675,544)	(1,447,512)	(4,206,059)			(30,616,787)	(12,946,254)
FUEL	(1,352,351,419)	(1,336,992,234)	(970,624)	(6,551,340)		(1,921,829)			(1,346,436,027)	(5,915,392)
CCR	(394,705,920)	(386,491,760)	(286,199)	(6,517,692)		(345,823)			(393,641,475)	(1,064,445)
NUCLEAR	(21,479,915)		(92,458)	(21,429,385)		10,281			(21,511,561)	31,646
Non-Regulated and Miscellaneous				790,074		(193,741)			596,333	(596,333)
Coporate Aircraft Allocation			(2,594,480)			636,214			(1,958,266)	1,958,266
Franchise Fee & Gross Receipts	(224,843,923)		(161,888)			(55,096,124)			(55,258,012)	(169,585,911)
Franchise Fees & Gross Rec Tax - TOI					(227,222,386)	55,719,064			(171,503,321)	171,503,321
Gain/Loss on Disposition & Other						62,566		(255,142)	(192,577)	192,577
Inst./Promotional Advertising			(1,165,568)			285,819			(879,750)	879,750
Miscellaneous Interest Expense			94,164			(23,091)			71,073	(71,073)
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						(10,498,987)			(10,498,987)	10,498,987
Directors & Officers Premium			(1,028,805)			252,282			(776,523)	776,523
Interest Synchronization - FPSC						5,249,628			5,249,628	(5,249,628)
Storm	(54,568,974)		(54,606,582)			9,222			(54,597,360)	28,386
Total FPSC Adjustments	(2,202,639,500)	(1,723,483,994)	(186,558,932)	(42,927,191)	(228,669,897)	(10,336,250)		(255,142)	(2,192,231,407)	(10,408,094)
FPSC Adjusted	2,454,817,456	15,423,129	777,509,191	558,221,805	132,108,178	2,554,894	118,438,658	(255,142)	1,604,000,713	850,816,743

(a) The addition of earnings from AFUDC charges would increase the System NOI by 13,162,179 pretax
(b) The addition of earnings from AFUDC charges would increase the Jurisdictional NOI by 10,906,294 pretax

Notes	Rate Base Adjustments	P=ProForma F=FPSC	System	Retail
	ARO	F	(6,564,972)	(6,564,972)
	ECCR	F	(22,800,517)	(22,637,133)
	ECRC	F	(255,306,439)	(235,699,116)
	FUEL	F	(97,804,753)	(97,799,982)
	CCR	F	(122,417,177)	(122,417,177)
	NUCLEAR	F	(5,673,721)	(5,673,721)
	Over/Under Recovery-Clauses	F	(52,207,935)	(52,207,935)
	Derivatives	F	3,054,570	3,054,570
	Investments Earning a Return	F	(219,621,501)	(219,621,501)
	Jobbing Accounts	F	771,673	771,673
	Non-Regulated and Miscellaneous	F	(57,107,576)	(50,414,330)
(1)	CWIP - AFUDC	F	(235,354,633)	(179,879,114)
(2)	Capital Lease - EPIS	F	(496,994,651)	(449,687,664)
(2)	Capital Lease - Working Capital	F	500,682,090	466,740,851
	Storm	F	(364,142,250)	(364,142,250)
	Total		(1,431,487,791)	(1,336,177,800)

Notes	Income Statement Adjustments (to NOI)	P=ProForma F=FPSC	System		Retail	
			Amount	Income Tax Effect	Amount	Income Tax Effect
	ECCR	F	(1,015,871)	249,110	(1,273,539)	312,295
	ECRC	F	(15,017,794)	3,682,636	(17,152,314)	4,206,059
	FUEL	F	(8,263,986)	2,026,480	(7,837,221)	1,921,829
	CCR	F	(1,410,268)	345,823	(1,410,268)	345,823
	NUCLEAR	F	41,927	(10,281)	41,927	(10,281)
	Non-Regulated and Miscellaneous	F	923,874	(226,551)	(790,074)	193,741
(2)	Corporate Aircraft Allocation	F	2,783,150	(682,479)	2,594,480	(636,214)
(1)	Franchise Fee & Gross Receipts	F	(224,682,035)	55,096,124	(224,682,035)	55,096,124
(1)	Franchise Fees & Gross Rec Tax - TOI	F	227,222,386	(55,719,064)	227,222,386	(55,719,064)
(1)	Gain/Loss on Disposition & Other	F	274,686	(67,358)	255,142	(62,566)
(1)	Inst./Promotional Advertising	F	1,250,328	(306,603)	1,165,568	(285,819)
(1)	Miscellaneous Interest Expense	F	(101,011)	24,770	(94,164)	23,091
(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		11,646,518		10,498,987
(2)	Directors & Officers Premium	F	1,103,619	(270,627)	1,028,805	(252,282)
(1)	Interest Synchronization - FPSC	F		(5,493,217)		(5,249,628)
	Storm	F	37,608	(9,222)	37,608	(9,222)
	Total		(16,693,172)	10,246,771	(20,744,343)	10,336,250

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
Jun-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	6,778,672,644	6,111,010,031	(445,582,384)	(13,186,240)	5,652,241,408	41.54%	9.50%	3.95%	10.50%	4.36%	11.50%	4.78%
Long Term Debt	6,317,901,267	5,695,622,144	(415,294,506)		5,280,327,638	38.81%	4.58%	1.78%	4.58%	1.78%	4.58%	1.78%
Short Term Debt *	286,596,290	258,368,104	(18,838,829)	(16,184,650)	223,344,625	1.64%	1.85%	0.03%	1.85%	0.03%	1.85%	0.03%
Customer Deposits												
Active	198,931,496	198,931,496	(14,505,028)		184,426,469	1.36%	2.45%	0.03%	2.45%	0.03%	2.45%	0.03%
Inactive	1,970,941	1,970,941	(143,711)		1,827,230	0.01%						
Investment Tax Credits **	77,848,033	70,180,423	(5,117,184)		65,063,239	0.48%	7.12%	0.03%	7.64%	0.04%	8.16%	0.04%
Deferred Income Taxes	2,959,544,656	2,668,045,505	(194,539,703)	(273,625,937)	2,199,879,866	16.17%						
Total	16,621,465,328	15,004,128,645	(1,094,021,344)	(302,996,826)	13,607,110,475	100.00%		5.82%		6.24%		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	7,126,813,033	6,400,287,591	(464,736,142)	(13,107,424)	5,922,444,025	41.33%	9.50%	3.93%	10.50%	4.34%	11.50%	4.75%
Long Term Debt	6,767,708,344	6,077,790,947	(441,319,094)		5,636,471,854	39.34%	4.27%	1.68%	4.27%	1.68%	4.27%	1.68%
Short Term Debt *	231,794,000	208,164,330	(15,115,178)	80,939,978	273,989,130	1.91%	1.23%	0.02%	1.23%	0.02%	1.23%	0.02%
Customer Deposits												
Active	196,654,525	196,654,525	(14,279,431)		182,375,094	1.27%	2.39%	0.03%	2.39%	0.03%	2.39%	0.03%
Inactive	1,953,455	1,953,455	(141,844)		1,811,611	0.01%						
Investment Tax Credits **	144,977,569	130,198,187	(9,453,919)		120,744,267	0.84%	6.95%	0.06%	7.46%	0.06%	7.98%	0.07%
Deferred Income Taxes	2,950,077,058	2,649,338,702	(192,373,144)	(266,591,601)	2,190,373,956	15.29%						
Total	17,419,977,984	15,664,387,737	(1,137,418,753)	(198,759,047)	14,328,209,937	100.00%		5.72%		6.14%		6.56%

* 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	6,778,672,644	6,111,010,031	(445,582,384)	(13,186,240)	5,652,241,408	41.54%	9.50%	3.95%	10.50%	4.36%	11.50%	4.78%
Long Term Debt	6,317,901,267	5,695,622,144	(415,294,506)		5,280,327,638	38.81%	4.58%	1.78%	4.58%	1.78%	4.58%	1.78%
Short Term Debt *	286,596,290	258,368,104	(18,838,829)	(16,184,650)	223,344,625	1.64%	1.85%	0.03%	1.85%	0.03%	1.85%	0.03%
Customer Deposits												
Active	198,931,496	198,931,496	(14,505,028)		184,426,469	1.36%	2.45%	0.03%	2.45%	0.03%	2.45%	0.03%
Inactive	1,970,941	1,970,941	(143,711)		1,827,230	0.01%						
Investment Tax Credits **	77,848,033	70,180,423	(5,117,184)		65,063,239	0.48%	7.12%	0.03%	7.64%	0.04%	8.16%	0.04%
Deferred Income Taxes	2,959,544,656	2,668,045,505	(194,539,703)	(273,625,937)	2,199,879,866	16.17%						
Total	16,621,465,328	15,004,128,645	(1,094,021,344)	(302,996,826)	13,607,110,475	100.00%		5.82%		6.24%		6.66%
* Daily Weighted Average												
** Cost Rates Calculated Per IRS Ruling												

DUKE ENERGY FLORIDA
End of Period - Capital Structure
FPSC Adjusted Basis
Jun-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	7,126,813,033	6,400,287,591	(464,736,142)	(13,107,424)	5,922,444,025	41.33%	9.50%	3.93%	10.50%	4.34%	11.50%	4.75%
Long Term Debt	6,767,708,344	6,077,790,947	(441,319,094)		5,636,471,854	39.34%	4.27%	1.68%	4.27%	1.68%	4.27%	1.68%
Short Term Debt *	231,794,000	208,164,330	(15,115,178)	80,939,978	273,989,130	1.91%	1.23%	0.02%	1.23%	0.02%	1.23%	0.02%
Customer Deposits												
Active	196,654,525	196,654,525	(14,279,431)		182,375,094	1.27%	2.39%	0.03%	2.39%	0.03%	2.39%	0.03%
Inactive	1,953,455	1,953,455	(141,844)		1,811,611	0.01%						
Investment Tax Credits **	144,977,569	130,198,187	(9,453,919)		120,744,267	0.84%	6.95%	0.06%	7.46%	0.06%	7.98%	0.07%
Deferred Income Taxes	2,950,077,058	2,649,338,702	(192,373,144)	(266,591,601)	2,190,373,956	15.29%						
Total	17,419,977,984	15,664,387,737	(1,137,418,753)	(198,759,047)	14,328,209,937	100.00%		5.72%		6.14%		6.56%

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

A. TIMES INTEREST EARNED WITH AFUDC

EARNINGS BEFORE INTEREST	\$ 1,032,869,542
AFUDC - DEBT	\$ 3,721,064
INCOME TAXES	165,420,985
TOTAL	<u>\$ 1,202,011,591</u>
INTEREST CHARGES (before deducting AFUDC-Debt)	\$ 306,823,470
TIE WITH AFUDC	<u><u>3.92</u></u>

B. TIMES INTEREST EARNED WITHOUT AFUDC

EARNINGS BEFORE INTEREST	\$ 1,032,869,542
AFUDC - EQUITY	(9,441,115)
INCOME TAXES	165,420,985
TOTAL	<u>\$ 1,188,849,412</u>
INTEREST CHARGES (before deducting AFUDC-Debt & CR3 reg asset carrying charge)	\$ 306,823,470
TIE WITHOUT AFUDC	<u><u>3.87</u></u>

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

AFUDC DEBT	\$ 3,721,064
X (1- INCOME TAX RATE)	0.75478
SUBTOTAL	<u>\$ 2,808,591</u>
AFUDC -EQUITY	\$ 9,441,115
TOTAL	<u>\$ 12,249,706</u>
NET INCOME AVAILABLE FOR COMMON STOCKHOLDERS	<u>\$ 729,665,214</u>
PERCENT AFUDC TO AVAILABLE NET INCOME	<u><u>1.68%</u></u>

D. PERCENT INTERNALLY GENERATED FUNDS*

NET INCOME	\$ 729,665,214
COMMON DIVIDENDS	-
AFUDC (EQUITY)	(9,441,114)
DEPRECIATION & AMORTIZATION	871,644,114
DEFERRED INCOME TAXES	135,142,581
INVESTMENT TAX CREDITS	-
OTHER - INC NUCLEAR DECOMMISSIONING	(227,355,128)
OTHER FUNDS - INCLUDING CHANGE IN WORKING CAPITAL	38,457,164
TOTAL FUNDS PROVIDED	<u>\$ 1,538,112,830</u>

CONSTRUCTION EXPENDITURES (EXCLUDING AFUDC EQUITY & DEBT)	<u>\$ 1,987,349,212</u>
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PERCENTAGE INTERNALLY GENERATED FUNDS	77.40%
*As of June 2020 (updated quarterly)	

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

Common Equity	\$ 5,652,241,408
Long Term Debt	\$ 5,280,327,638
Short Term Debt	\$ 223,344,625
TOTAL	<u>\$ 11,155,913,671</u>
% LONG TERM DEBT TO TOTAL	47.33%
% SHORT TERM DEBT TO TOTAL	2.00%

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

	Pro Forma	FPSC
FPSC AVERAGE		
EARNED RATE OF RETURN	<u>5.85%</u>	<u>6.25%</u>
LESS RETAIL WEIGHTED AVERAGE COST RATES FOR:		
LONG TERM DEBT	1.78%	1.78%
SHORT TERM DEBT	0.03%	0.03%
CUSTOMER DEPOSITS	0.03%	0.03%
DEFERRED INCOME TAXES		
INVESTMENT TAX CREDITS	0.04%	0.04%
DEFERRED INCOME TAX (FAS 109)		
SUBTOTAL	<u>1.88%</u>	<u>1.88%</u>
TOTAL	<u>3.97%</u>	<u>4.37%</u>
DIVIDED BY COMMON EQUITY RATIO	<u>41.54%</u>	<u>41.54%</u>
JURISDICTIONAL RETURN ON COMMON EQUITY	<u><u>9.57%</u></u>	<u><u>10.53%</u></u>