



September 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 July 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 July 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 blue 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
Jul-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	\$890,571,494 (a)	(\$20,533,520) (b)	\$870,037,974	(\$65,994,608)	\$804,043,366
Average Rate Base	\$15,108,764,835	(\$1,384,723,273)	\$13,724,041,562	\$0	\$13,724,041,562
Average Rate of Return	5.89%		6.34%		5.86%
I. YEAR END RATE OF RETURN (Jurisdictional)					
Net Operating Income	\$879,230,583	(\$9,192,609)	\$870,037,974		
Average Rate Base	\$15,773,984,411	(\$1,329,956,827)	\$14,444,027,584		
Average Rate of Return	5.57%		6.02%		
(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%	5.81%
Mid Point	6.24%	6.24%
High Point	6.66%	6.66%
Pro Forma Adjusted Basis		
Low Point	5.82%	5.81%
Mid Point	6.24%	6.24%
High Point	6.66%	6.66%

IV. FINANCIAL INTEGRITY INDICATORS

A. T.I.E. with AFUDC	4.02	(System Per Books Basis)
B. T.I.E without AFUDC	3.97	(System Per Books Basis)
C. AFUDC to Net Income	1.69%	(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	47.42%	(FPSC Adjusted Basis)
ST Debt to Total Investor Funds	1.83%	(FPSC Adjusted Basis)
F. Return on Common Equity	10.75%	(FPSC Adjusted Basis)
	9.59%	(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

9/15/2020

Marcia Olivier, Director Rates & Regulatory Planning

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	\$19,982,937,368	\$5,744,807,326	\$14,238,130,042	\$135,361,633	\$1,016,119,750	\$15,389,611,425	\$1,344,990,413	\$16,734,601,838
Regulatory Base - Retail	\$18,128,406,713	\$5,296,676,151	\$12,831,730,562	\$118,852,674	\$842,440,286	\$13,793,023,521	\$1,315,741,313	\$15,108,764,835
FPSC Adjustments								
ARO	(24,569,606)	(25,225,969)	656,363			656,363	(19,223,207)	(18,566,845)
ECCR	(20,518,716)	(16,570,216)	(3,948,500)			(3,948,500)	(20,178,794)	(24,127,294)
ECRC	(252,625,171)	(28,257,995)	(224,367,176)		(7,496,015)	(231,863,191)	(4,162,962)	(236,026,153)
FUEL	(6,587,186)	(6,408,351)	(178,835)			(178,835)	(97,503,039)	(97,681,874)
CCR							(121,874,036)	(121,874,036)
NUCLEAR							(4,051,623)	(4,051,623)
Over\Under Recovery-Clauses							(39,029,690)	(39,029,690)
Derivatives							2,251,479	2,251,479
Investments Earning a Return							(222,903,989)	(222,903,989)
Jobbing Accounts							815,008	815,008
Non-Regulated and Miscellaneous	(43,734,968)	(36,801,038)	(6,933,930)	(87,379,077)		(94,313,008)	43,218,334	(51,094,674)
Rate Case Regulatory Asset							56,129	56,129
CWIP - AFUDC					(197,822,710)	(197,822,710)		(197,822,710)
Capital & Operating Leases	(641,594,361)	(161,333,051)	(480,261,310)			(480,261,310)	460,413,360	(19,847,950)
Storm							(354,819,051)	(354,819,051)
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)	(1,384,723,273)
FPSC Adjusted	\$17,147,562,862	\$5,037,393,528	\$12,110,169,334	\$31,473,596	\$645,045,249	\$12,786,688,180	\$925,058,485	\$13,724,041,562

DUKE ENERGY FLORIDA
Average Rate of Return - Income Statement
Jul-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	5,010,875,910	1,819,896,027	1,024,484,613	648,063,064	375,151,162	26,607,161	129,475,490		4,023,677,517	987,198,393
Regulatory Base - Retail	4,694,662,578	1,730,023,312	985,844,793	599,990,380	361,419,610	23,550,875	114,603,025		3,815,431,995	879,230,583
FPSC Adjustments										
ECCR	(113,397,171)		(108,449,689)	(3,523,137)		(349,275)			(112,322,101)	(1,075,070)
ECRC	(41,331,298)		(18,479,132)	(4,300,799)	(1,447,132)	(4,194,270)			(28,421,333)	(12,909,965)
FUEL	(1,336,837,523)	(1,322,824,039)	(959,748)	(6,551,340)		(1,594,506)			(1,331,929,633)	(4,907,890)
CCR	(399,674,380)	(391,732,820)	(289,777)	(6,517,692)		(278,100)			(398,818,389)	(855,991)
NUCLEAR	(17,836,231)		(88,901)	(17,811,984)		15,854			(17,885,031)	48,800
Non-Regulated and Miscellaneous				881,720		(216,214)			665,506	(665,506)
Coporate Aircraft Allocation			(2,625,682)			643,865			(1,981,817)	1,981,817
Franchise Fee & Gross Receipts	(226,297,550)		(162,934)		(228,700,666)	629,242			(228,234,358)	1,936,807
Gain/Loss on Disposition & Other						62,566		(255,142)	(192,577)	192,577
Inst./Promotional Advertising			(1,126,169)			276,157			(850,012)	850,012
Miscellaneous Interest Expense			86,437			(21,196)			65,241	(65,241)
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						(10,380,388)			(10,380,388)	10,380,388
Directors & Officers Premium			(1,029,480)			252,447			(777,033)	777,033
Interest Synchronization - FPSC						5,031,156			5,031,156	(5,031,156)
Storm	(72,347,087)		(72,397,495)			12,361			(72,385,134)	38,047
Total FPSC Adjustments	(2,207,721,240)	(1,714,556,859)	(205,671,924)	(37,823,232)	(230,147,798)	(10,073,676)		(255,142)	(2,198,528,631)	(9,192,609)
FPSC Adjusted	2,486,941,338	15,466,453	780,172,869	562,167,148	131,271,812	13,477,200	114,603,025	(255,142)	1,616,903,364	870,037,974
Pro Forma Adjustments										
Weather Normalization	(87,435,346)					(21,440,738)			(21,440,738)	(65,994,608)
Total Pro Forma Adjustments	(87,435,346)					(21,440,738)			(21,440,738)	(65,994,608)
Pro Forma Adjusted	2,399,505,992	15,466,453	780,172,869	562,167,148	131,271,812	(7,963,539)	114,603,025	(255,142)	1,595,462,626	804,043,366
Current Month										
System Per Books	529,187,574	185,756,872	96,120,417	54,165,216	37,650,623	33,939,710	(4,411,499)		403,221,340	125,966,233
FPSC Adjusted	265,179,237		61,733,852	48,585,093	12,192,802	4,673,574	22,742,498	(21,262)	149,906,556	115,272,681

(a) The addition of earnings from AFUDC charges would increase the System NOI by 13,678,980 pretax
(b) The addition of earnings from AFUDC charges would increase the Jurisdictional NOI by 11,340,911 pretax

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

Schedule 2
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Notes	Rate Base Adjustments	P=ProForma F=FPSC	System	Retail
	ARO	F	(18,566,845)	(18,566,845)
	ECCR	F	(24,414,428)	(24,127,294)
	ECRC	F	(255,503,901)	(236,026,153)
	FUEL	F	(97,695,573)	(97,681,874)
	CCR	F	(121,874,036)	(121,874,036)
	NUCLEAR	F	(4,051,623)	(4,051,623)
	Over/Under Recovery-Clauses	F	(39,029,690)	(39,029,690)
	Derivatives	F	2,251,479	2,251,479
	Investments Earning a Return	F	(222,903,989)	(222,903,989)
	Jobbing Accounts	F	815,008	815,008
	Non-Regulated and Miscellaneous	F	(57,787,748)	(51,094,674)
	Rate Case Regulatory Asset	F	56,129	56,129
(1)	CWIP - AFUDC	F	(242,475,844)	(197,822,710)
(2)	Capital Lease - EPIS	F	(526,917,838)	(480,261,310)
(2)	Capital Lease - Working Capital	F	493,894,466	460,413,360
	Storm	F	(354,819,051)	(354,819,051)
	Total		(1,469,023,484)	(1,384,723,273)

Notes	Income Statement Adjustments (to NOI)	P=ProForma F=FPSC	System		Retail	
			Amount	Income Tax Effect	Amount	Income Tax Effect
	ECCR	F	(1,168,144)	286,450	(1,424,345)	349,275
	ECRC	F	(15,046,622)	3,689,706	(17,104,235)	4,194,270
	FUEL	F	(6,840,188)	1,677,339	(6,502,396)	1,594,506
	CCR	F	(1,134,091)	278,100	(1,134,091)	278,100
	NUCLEAR	F	64,654	(15,854)	64,654	(15,854)
	Non-Regulated and Miscellaneous	F	833,379	(204,360)	(881,720)	216,214
(2)	Coporate Aircraft Allocation	F	2,816,621	(690,687)	2,625,682	(643,865)
(1)	Franchise Fee & Gross Receipts	F	2,566,049	(629,242)	2,566,049	(629,242)
(1)	Gain/Loss on Disposition & Other	F	274,686	(67,358)	255,142	(62,566)
(1)	Inst./Promotional Advertising	F	1,208,064	(296,239)	1,126,169	(276,157)
(1)	Miscellaneous Interest Expense	F	(92,723)	22,737	(86,437)	21,196
(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		11,514,956		10,380,388
(2)	Directors & Officers Premium	F	1,104,344	(270,805)	1,029,480	(252,447)
(1)	Interest Synchronization - FPSC	F		(5,276,132)		(5,031,156)
	Storm	F	50,408	(12,361)	50,408	(12,361)
	Total		(15,203,348)	9,966,961	(19,266,284)	10,073,676

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	\$20,818,691,554	\$5,830,797,962	\$14,987,893,591	\$135,779,946	\$1,025,101,249	\$16,148,774,786	\$1,345,065,749	\$17,493,840,536
Regulatory Base - Retail	\$18,875,230,006	\$5,378,253,622	\$13,496,976,383	\$119,140,170	\$842,126,545	\$14,458,243,098	\$1,315,741,313	\$15,773,984,411
FPSC Adjustments								
ARO	(26,854,825)	(38,731,101)	11,876,276			11,876,276	(19,223,207)	(7,346,931)
ECCR	(18,514,519)	(16,486,849)	(2,027,670)			(2,027,670)	(20,178,794)	(22,206,465)
ECRC	(252,392,462)	(31,267,909)	(221,124,552)		(10,095,333)	(231,219,885)	(4,162,962)	(235,382,847)
FUEL	(4,129,844)	(4,074,837)	(55,006)			(55,006)	(97,503,039)	(97,558,045)
CCR							(121,874,036)	(121,874,036)
NUCLEAR							(4,051,623)	(4,051,623)
Over\Under Recovery-Clauses							(39,029,690)	(39,029,690)
Derivatives							2,251,479	2,251,479
Investments Earning a Return							(222,903,989)	(222,903,989)
Jobbing Accounts							815,008	815,008
Non-Regulated and Miscellaneous	(43,927,182)	(37,476,639)	(6,450,543)	(87,379,077)		(93,829,620)	43,218,334	(50,611,286)
Rate Case Regulatory Asset							56,129	56,129
CWIP - AFUDC					(194,577,764)	(194,577,764)		(194,577,764)
Capital Lease	(650,539,121)	(207,408,046)	(443,131,075)			(443,131,075)	460,413,360	17,282,285
Storm							(354,819,051)	(354,819,051)
Total FPSC Adjustments	(996,357,952)	(335,445,381)	(660,912,571)	(87,379,077)	(204,673,097)	(952,964,745)	(376,992,082)	(1,329,956,827)
FPSC Adjusted	17,878,872,054	5,042,808,241	12,836,063,812	31,761,092	637,453,448	13,505,278,352	938,749,232	14,444,027,584

	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	5,010,875,910	1,819,896,027	1,024,484,613	648,063,064	375,151,162	26,607,161	129,475,490		4,023,677,517	987,198,393
Regulatory Base - Retail	4,694,662,578	1,730,023,312	985,844,793	599,990,380	361,419,610	23,550,875	114,603,025		3,815,431,995	879,230,583
FPSC Adjustments										
ECCR	(113,397,171)		(108,449,689)	(3,523,137)		(349,275)		(112,322,101)		(1,075,070)
ECRC	(41,331,298)		(18,479,132)	(4,300,799)	(1,447,132)	(4,194,270)		(28,421,333)		(12,909,965)
FUEL	(1,336,837,523)	(1,322,824,039)	(959,748)	(6,551,340)		(1,594,506)		(1,331,929,633)		(4,907,890)
CCR	(399,674,380)	(391,732,820)	(289,777)	(6,517,692)		(278,100)		(398,818,389)		(855,991)
NUCLEAR	(17,836,231)		(88,901)	(17,811,984)		15,854		(17,885,031)		48,800
Non-Regulated and Miscellaneous				881,720		(216,214)		665,506		(665,506)
Coporate Aircraft Allocation			(2,625,682)			643,865		(1,981,817)		1,981,817
Franchise Fee & Gross Receipts	(226,297,550)		(162,934)		(228,700,666)	629,242		(228,234,358)		1,936,807
Gain/Loss on Disposition & Other						62,566	(255,142)	(192,577)		192,577
Inst./Promotional Advertising			(1,126,169)			276,157		(850,012)		850,012
Miscellaneous Interest Expense			86,437			(21,196)		65,241		(65,241)
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						(10,380,388)		(10,380,388)		10,380,388
Directors & Officers Premium			(1,029,480)			252,447		(777,033)		777,033
Interest Synchronization - FPSC						5,031,156		5,031,156		(5,031,156)
Storm	(72,347,087)		(72,397,495)			12,361		(72,385,134)		38,047
Total FPSC Adjustments	(2,207,721,240)	(1,714,556,859)	(205,671,924)	(37,823,232)	(230,147,798)	(10,073,676)		(255,142)	(2,198,528,631)	(9,192,609)
FPSC Adjusted	2,486,941,338	15,466,453	780,172,869	562,167,148	131,271,812	13,477,200	114,603,025	(255,142)	1,616,903,364	870,037,974

(a) The addition of earnings from AFUDC charges would increase the System NOI by 13,678,980 pretax
(b) The addition of earnings from AFUDC charges would increase the Jurisdictional NOI by 11,340,911 pretax

Notes	Rate Base Adjustments	P=ProForma F=FPSC	System	Retail
	ARO	F	(7,346,931)	(7,346,931)
	ECCR	F	(22,353,916)	(22,206,465)
	ECRC	F	(254,801,192)	(235,382,847)
	FUEL	F	(97,562,259)	(97,558,045)
	CCR	F	(121,874,036)	(121,874,036)
	NUCLEAR	F	(4,051,623)	(4,051,623)
	Over/Under Recovery-Clauses	F	(39,029,690)	(39,029,690)
	Derivatives	F	2,251,479	2,251,479
	Investments Earning a Return	F	(222,903,989)	(222,903,989)
	Jobbing Accounts	F	815,008	815,008
	Non-Regulated and Miscellaneous	F	(57,304,361)	(50,611,286)
(1)	Rate Case Regulatory Asset	F	56,129	56,129
(1)	CWIP - AFUDC	F	(254,914,992)	(194,577,764)
(2)	Capital Lease - EPIS	F	(490,438,063)	(443,131,075)
(2)	Capital Lease - Working Capital	F	493,894,466	460,413,360
	Storm	F	(354,819,051)	(354,819,051)
	Total		(1,430,383,021)	(1,329,956,827)

Notes	Income Statement Adjustments (to NOI)	P=ProForma F=FPSC	System		Retail	
			Amount	Income Tax Effect	Amount	Income Tax Effect
	ECCR	F	(1,168,144)	286,450	(1,424,345)	349,275
	ECRC	F	(15,046,622)	3,689,706	(17,104,235)	4,194,270
	FUEL	F	(6,840,188)	1,677,339	(6,502,396)	1,594,506
	CCR	F	(1,134,091)	278,100	(1,134,091)	278,100
	NUCLEAR	F	64,654	(15,854)	64,654	(15,854)
	Non-Regulated and Miscellaneous	F	833,379	(204,360)	(881,720)	216,214
(2)	Corporate Aircraft Allocation	F	2,816,621	(690,687)	2,625,682	(643,865)
(1)	Franchise Fee & Gross Receipts	F	2,566,049	(629,242)	2,566,049	(629,242)
(1)	Gain/Loss on Disposition & Other	F	274,686	(67,358)	255,142	(62,566)
(1)	Inst./Promotional Advertising	F	1,208,064	(296,239)	1,126,169	(276,157)
(1)	Miscellaneous Interest Expense	F	(92,723)	22,737	(86,437)	21,196
(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		11,514,956		10,380,388
(2)	Directors & Officers Premium	F	1,104,344	(270,805)	1,029,480	(252,447)
(1)	Interest Synchronization - FPSC	F		(5,276,132)		(5,031,156)
	Storm	F	50,408	(12,361)	50,408	(12,361)
	Total		(15,203,348)	9,966,961	(19,266,284)	10,073,676

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
Jul-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	6,843,083,488	6,170,185,328	(446,364,809)	(13,206,243)	5,710,614,276	41.61%	9.50%	3.95%	10.50%	4.37%	11.50%	4.79%
Long Term Debt	6,380,058,773	5,752,691,034	(416,162,351)		5,336,528,683	38.88%	4.55%	1.77%	4.55%	1.77%	4.55%	1.77%
Short Term Debt *	263,446,290	237,540,932	(17,184,235)	(14,809,980)	205,546,717	1.50%	1.68%	0.03%	1.68%	0.03%	1.68%	0.03%
Customer Deposits												
Active	198,566,374	198,566,374	(14,364,729)		184,201,644	1.34%	2.44%	0.03%	2.44%	0.03%	2.44%	0.03%
Inactive	1,975,772	1,975,772	(142,932)		1,832,840	0.01%						
Investment Tax Credits **	85,768,371	77,334,545	(5,594,551)		71,739,993	0.52%	7.11%	0.04%	7.63%	0.04%	8.14%	0.04%
Deferred Income Taxes	2,961,702,771	2,670,470,851	(193,187,748)	(263,705,694)	2,213,577,408	16.13%						
Total	16,734,601,838	15,108,764,835	(1,093,001,355)	(291,721,918)	13,724,041,562	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	7,229,875,794	6,523,513,225	(416,095,913)	(13,176,504)	6,094,240,808	42.19%	9.50%	4.01%	10.50%	4.43%	11.50%	4.85%
Long Term Debt	6,766,038,846	6,104,993,384	(389,401,034)		5,715,592,350	39.57%	4.32%	1.71%	4.32%	1.71%	4.32%	1.71%
Short Term Debt *	176,244,000	159,024,871	(10,143,246)	(52,733,584)	96,148,041	0.67%	0.32%	0.00%	0.32%	0.00%	0.32%	0.00%
Customer Deposits												
Active	195,420,127	195,420,127	(12,464,682)		182,955,445	1.27%	2.39%	0.03%	2.39%	0.03%	2.39%	0.03%
Inactive	2,025,270	2,025,270	(129,180)		1,896,090	0.01%						
Investment Tax Credits **	144,977,569	130,813,186	(8,343,791)		122,469,395	0.85%	6.99%	0.06%	7.51%	0.06%	8.03%	0.07%
Deferred Income Taxes	2,946,022,229	2,658,194,348	(169,550,327)	(257,918,566)	2,230,725,454	15.44%						
Total	17,460,603,835	15,773,984,411	(1,006,128,173)	(323,828,654)	14,444,027,584	100.00%		5.81%		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	6,843,083,488	6,170,185,328	(446,364,809)	(13,206,243)	5,710,614,276	41.61%	9.50%	3.95%	10.50%	4.37%	11.50%	4.79%
Long Term Debt	6,380,058,773	5,752,691,034	(416,162,351)		5,336,528,683	38.88%	4.55%	1.77%	4.55%	1.77%	4.55%	1.77%
Short Term Debt *	263,446,290	237,540,932	(17,184,235)	(14,809,980)	205,546,717	1.50%	1.68%	0.03%	1.68%	0.03%	1.68%	0.03%
Customer Deposits												
Active	198,566,374	198,566,374	(14,364,729)		184,201,644	1.34%	2.44%	0.03%	2.44%	0.03%	2.44%	0.03%
Inactive	1,975,772	1,975,772	(142,932)		1,832,840	0.01%						
Investment Tax Credits **	85,768,371	77,334,545	(5,594,551)		71,739,993	0.52%	7.11%	0.04%	7.63%	0.04%	8.14%	0.04%
Deferred Income Taxes	2,961,702,771	2,670,470,851	(193,187,748)	(263,705,694)	2,213,577,408	16.13%						
Total	16,734,601,838	15,108,764,835	(1,093,001,355)	(291,721,918)	13,724,041,562	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
Jul-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	7,229,875,794	6,523,513,225	(416,095,913)	(13,176,504)	6,094,240,808	42.19%	9.50%	4.01%	10.50%	4.43%	11.50%	4.85%
Long Term Debt	6,766,038,846	6,104,993,384	(389,401,034)		5,715,592,350	39.57%	4.32%	1.71%	4.32%	1.71%	4.32%	1.71%
Short Term Debt *	176,244,000	159,024,871	(10,143,246)	(52,733,584)	96,148,041	0.67%	0.32%	0.00%	0.32%	0.00%	0.32%	0.00%
Customer Deposits												
Active	195,420,127	195,420,127	(12,464,682)		182,955,445	1.27%	2.39%	0.03%	2.39%	0.03%	2.39%	0.03%
Inactive	2,025,270	2,025,270	(129,180)		1,896,090	0.01%						
Investment Tax Credits **	144,977,569	130,813,186	(8,343,791)		122,469,395	0.85%	6.99%	0.06%	7.51%	0.06%	8.03%	0.07%
Deferred Income Taxes	2,946,022,229	2,658,194,348	(169,550,327)	(257,918,566)	2,230,725,454	15.44%						
Total	17,460,603,835	15,773,984,411	(1,006,128,173)	(323,828,654)	14,444,027,584	100.00%		5.81%		6.24%		6.66%

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

A. TIMES INTEREST EARNED WITH AFUDC

EARNINGS BEFORE INTEREST	\$ 1,055,434,416
AFUDC - DEBT	\$ 3,870,856
INCOME TAXES	172,860,049
TOTAL	<u>\$ 1,232,165,322</u>
INTEREST CHARGES (before deducting AFUDC-Debt)	\$ 306,556,951
TIE WITH AFUDC	<u><u>4.02</u></u>

B. TIMES INTEREST EARNED WITHOUT AFUDC

EARNINGS BEFORE INTEREST	\$ 1,055,434,416
AFUDC - EQUITY	(9,808,124)
INCOME TAXES	172,860,049
TOTAL	<u>\$ 1,218,486,342</u>
INTEREST CHARGES (before deducting AFUDC-Debt & CR3 reg asset carrying charge)	\$ 306,556,951
TIE WITHOUT AFUDC	<u><u>3.97</u></u>

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

AFUDC DEBT	\$ 3,870,856
X (1- INCOME TAX RATE)	0.75478
SUBTOTAL	<u>\$ 2,921,652</u>
AFUDC -EQUITY	\$ 9,808,124
TOTAL	<u>\$ 12,729,775</u>
NET INCOME AVAILABLE FOR COMMON STOCKHOLDERS	<u>\$ 752,686,866</u>
PERCENT AFUDC TO AVAILABLE NET INCOME	<u><u>1.69%</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><u>\$ 1,538,112,830</u></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	\$ 5,710,614,276
Long Term Debt	\$ 5,336,528,683
Short Term Debt	\$ 205,546,717
TOTAL	<u><u>\$ 11,252,689,676</u></u>
% LONG TERM DEBT TO TOTAL	47.42%
% SHORT TERM DEBT TO TOTAL	1.83%

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

	Pro Forma	FPSC
FPSC AVERAGE		
EARNED RATE OF RETURN	<u>5.86%</u>	<u>6.34%</u>
LESS RETAIL WEIGHTED AVERAGE COST RATES FOR:		
LONG TERM DEBT	1.77%	1.77%
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>1.87%</u>	<u>1.87%</u>
TOTAL	<u>3.99%</u>	<u>4.47%</u>
DIVIDED BY COMMON EQUITY RATIO	<u>41.61%</u>	<u>41.61%</u>
JURISDICTIONAL RETURN ON COMMON EQUITY	<u><u>9.59%</u></u>	<u><u>10.75%</u></u>