



October 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 August 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 August 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**  
**Aug-20**

**SCHEDULE 1**

	(1) Actual Per Books	(2) FPSC Adjustments	(3) FPSC Adjusted	(4) Pro Forma Adjustments	(5) Pro Forma Adjusted
<b>I. AVERAGE RATE OF RETURN (Jurisdictional)</b>					
Net Operating Income	\$895,438,047 (a)	(\$20,885,959) (b)	\$874,552,088	(\$69,747,113)	\$804,804,975
Average Rate Base	\$15,209,787,506	(\$1,378,209,750)	\$13,831,577,756	\$0	\$13,831,577,756
Average Rate of Return	5.89%		6.32%		5.82%
<b>I. YEAR END RATE OF RETURN (Jurisdictional)</b>					
Net Operating Income	\$883,640,516	(\$9,088,428)	\$874,552,088		
Average Rate Base	\$15,836,855,435	(\$1,319,515,836)	\$14,517,339,599		
Average Rate of Return	5.58%		6.02%		

(a) INCLUDES AFUDC EARNINGS

(b) INCLUDES REVERSAL OF AFUDC EARNINGS

<b>III. REQUIRED RATES OF RETURN</b>	Average Capital Structure	End of Period Capital Structure
FPSC Adjusted Basis		
Low Point	5.82%	5.85%
Mid Point	6.24%	6.28%
High Point	6.66%	6.72%
Pro Forma Adjusted Basis		
Low Point	5.82%	5.85%
Mid Point	6.24%	6.28%
High Point	6.66%	6.72%

**IV. FINANCIAL INTEGRITY INDICATORS**

A. T.I.E. with AFUDC	4.03	(System Per Books Basis)
B. T.I.E without AFUDC	3.99	(System Per Books Basis)
C. AFUDC to Net Income	1.75%	(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	47.52%	(FPSC Adjusted Basis)
ST Debt to Total Investor Funds	1.62%	(FPSC Adjusted Basis)
F. Return on Common Equity	10.70%	(FPSC Adjusted Basis)
	9.49%	(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*

10/15/2020

**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
<b>System Per Books</b>	<b>\$20,121,182,972</b>	<b>\$5,771,538,823</b>	<b>\$14,349,644,149</b>	<b>\$135,451,207</b>	<b>\$1,033,244,866</b>	<b>\$15,518,340,222</b>	<b>\$1,332,732,128</b>	<b>\$16,851,072,350</b>
<b>Regulatory Base - Retail</b>	<b>\$18,252,598,149</b>	<b>\$5,322,206,770</b>	<b>\$12,930,391,379</b>	<b>\$118,915,757</b>	<b>\$857,475,717</b>	<b>\$13,906,782,853</b>	<b>\$1,303,004,653</b>	<b>\$15,209,787,506</b>
<b>FPSC Adjustments</b>								
ARO	(24,856,844)	(21,964,311)	(2,892,533)			(2,892,533)	(20,521,952)	(23,414,485)
ECCR	(20,264,617)	(16,609,769)	(3,654,848)			(3,654,848)	(19,932,903)	(23,587,751)
ECRC	(253,380,911)	(28,757,781)	(224,623,130)		(7,428,265)	(232,051,394)	(4,770,571)	(236,821,966)
FUEL	(6,283,104)	(6,132,630)	(150,474)			(150,474)	(97,237,008)	(97,387,482)
CCR							(121,330,895)	(121,330,895)
NUCLEAR							(2,700,141)	(2,700,141)
Over\Under Recovery-Clauses							(26,163,847)	(26,163,847)
Derivatives							1,448,388	1,448,388
Investments Earning a Return							(226,239,062)	(226,239,062)
Jobbing Accounts							860,720	860,720
Non-Regulated and Miscellaneous	(43,785,432)	(36,913,638)	(6,871,794)	(87,379,077)		(94,250,871)	42,952,218	(51,298,653)
CWIP - AFUDC					(205,413,289)	(205,413,289)		(205,413,289)
Capital & Operating Leases	(650,550,614)	(175,080,557)	(475,470,057)			(475,470,057)	454,070,324	(21,399,732)
Storm							(344,761,555)	(344,761,555)
<b>Total FPSC Adjustments</b>	<b>(999,121,522)</b>	<b>(285,458,686)</b>	<b>(713,662,835)</b>	<b>(87,379,077)</b>	<b>(212,841,553)</b>	<b>(1,013,883,466)</b>	<b>(364,326,284)</b>	<b>(1,378,209,750)</b>
<b>FPSC Adjusted</b>	<b>\$17,253,476,627</b>	<b>\$5,036,748,083</b>	<b>\$12,216,728,544</b>	<b>\$31,536,679</b>	<b>\$644,634,164</b>	<b>\$12,892,899,387</b>	<b>\$938,678,369</b>	<b>\$13,831,577,756</b>

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

Schedule 2  
Page 2 of 3

	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
<b>System Per Books</b>	<b>5,009,072,450</b>	<b>1,799,022,530</b>	<b>1,037,304,662</b>	<b>648,179,369</b>	<b>373,576,880</b>	<b>15,715,799</b>	<b>142,293,009</b>		<b>4,016,092,250</b>	<b>992,980,200</b>
<b>Regulatory Base - Retail</b>	<b>4,690,700,059</b>	<b>1,709,299,761</b>	<b>998,224,432</b>	<b>599,719,657</b>	<b>360,102,490</b>	<b>13,896,090</b>	<b>125,817,114</b>		<b>3,807,059,544</b>	<b>883,640,516</b>
<b>FPSC Adjustments</b>										
ECCR	(115,036,553)		(110,176,584)	(3,491,054)		(335,683)			(114,003,321)	(1,033,232)
ECRC	(38,857,063)		(17,967,516)	(2,388,957)	(829,577)	(4,333,254)			(25,519,304)	(13,337,759)
FUEL	(1,313,537,589)	(1,299,186,380)	(943,265)	(6,551,340)		(1,681,364)			(1,308,362,349)	(5,175,239)
CCR	(402,221,619)	(394,654,906)	(291,611)	(6,517,692)		(185,731)			(401,649,940)	(571,679)
NUCLEAR	(14,214,991)			(14,212,918)		(508)			(14,213,426)	(1,564)
Non-Regulated and Miscellaneous				(210,646)		51,654			(158,992)	158,992
Coporate Aircraft Allocation			(2,656,884)			651,516			(2,005,367)	2,005,367
Franchise Fee & Gross Receipts	(226,587,592)				(228,627,075)	500,119			(228,126,957)	1,539,365
Gain/Loss on Disposition & Other						62,566		(255,142)	(192,577)	192,577
Inst./Promotional Advertising			(1,092,717)			267,954			(824,763)	824,763
Miscellaneous Interest Expense			84,936			(20,828)			64,108	(64,108)
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						(10,263,587)			(10,263,587)	10,263,587
Directors & Officers Premium			(1,030,156)			252,613			(777,543)	777,543
Interest Synchronization - FPSC						4,778,500			4,778,500	(4,778,500)
Storm	(89,583,957)		(89,582,275)			(412)			(89,582,687)	(1,269)
<b>Total FPSC Adjustments</b>	<b>(2,200,039,362)</b>	<b>(1,693,841,287)</b>	<b>(223,805,426)</b>	<b>(33,372,607)</b>	<b>(229,456,652)</b>	<b>(10,219,821)</b>		<b>(255,142)</b>	<b>(2,190,950,935)</b>	<b>(9,088,428)</b>
<b>FPSC Adjusted</b>	<b>2,490,660,697</b>	<b>15,458,474</b>	<b>774,419,006</b>	<b>566,347,050</b>	<b>130,645,838</b>	<b>3,676,269</b>	<b>125,817,114</b>	<b>(255,142)</b>	<b>1,616,108,609</b>	<b>874,552,088</b>
<b>Pro Forma Adjustments</b>										
Weather Normalization	(92,406,989)					(22,659,875)			(22,659,875)	(69,747,113)
<b>Total Pro Forma Adjustments</b>	<b>(92,406,989)</b>					<b>(22,659,875)</b>			<b>(22,659,875)</b>	<b>(69,747,113)</b>
<b>Pro Forma Adjusted</b>	<b>2,398,253,709</b>	<b>15,458,474</b>	<b>774,419,006</b>	<b>566,347,050</b>	<b>130,645,838</b>	<b>(18,983,606)</b>	<b>125,817,114</b>	<b>(255,142)</b>	<b>1,593,448,734</b>	<b>804,804,975</b>
<b>Current Month</b>										
System Per Books	519,051,310	182,551,177	88,929,809	54,890,649	36,134,479	34,164,990	(4,411,499)		392,259,606	126,791,704
FPSC Adjusted	259,547,986		55,596,428	49,299,412	11,966,072	2,725,036	24,672,848	(21,262)	144,238,534	115,309,452

- (a) The addition of earnings from AFUDC charges would increase the System NOI by 14,215,841 pretax  
(b) The addition of earnings from AFUDC charges would increase the Jurisdictional NOI by 11,797,531 pretax

**DUKE ENERGY FLORIDA**  
**Average Rate of Return - Adjustment**  
**Aug-20**

Notes	Rate Base Adjustments	P=ProForma F=FPSC	System	Retail
	ARO	F	(23,414,485)	(23,414,485)
	ECCR	F	(23,853,530)	(23,587,751)
	ECRC	F	(256,283,453)	(236,821,966)
	FUEL	F	(97,399,008)	(97,387,482)
	CCR	F	(121,330,895)	(121,330,895)
	NUCLEAR	F	(2,700,141)	(2,700,141)
	Over/Under Recovery-Clauses	F	(26,163,847)	(26,163,847)
	Derivatives	F	1,448,388	1,448,388
	Investments Earning a Return	F	(226,239,062)	(226,239,062)
	Jobbing Accounts	F	860,720	860,720
	Non-Regulated and Miscellaneous	F	(57,991,736)	(51,298,653)
(1)	CWIP - AFUDC	F	(253,001,933)	(205,413,289)
(2)	Capital Lease - EPIS	F	(522,777,880)	(475,470,057)
(2)	Capital Lease - Working Capital	F	487,090,167	454,070,324
	Storm	F	(344,761,555)	(344,761,555)
	<b>Total</b>		<b>(1,466,518,251)</b>	<b>(1,378,209,750)</b>

Notes	Income Statement Adjustments (to NOI)	P=ProForma F=FPSC	System		Retail	
			Amount	Income Tax Effect	Amount	Income Tax Effect
	ECCR	F	(1,115,047)	273,430	(1,368,915)	335,683
	ECRC	F	(15,685,050)	3,846,260	(17,671,013)	4,333,254
	FUEL	F	(7,216,513)	1,769,620	(6,856,603)	1,681,364
	CCR	F	(757,410)	185,731	(757,410)	185,731
	NUCLEAR	F	(2,073)	508	(2,073)	508
	Non-Regulated and Miscellaneous	F	1,926,182	(472,335)	210,646	(51,654)
(2)	Coporate Aircraft Allocation	F	2,850,091	(698,894)	2,656,884	(651,516)
(1)	Franchise Fee & Gross Receipts	F	2,039,484	(500,119)	2,039,484	(500,119)
(1)	Gain/Loss on Disposition & Other	F	274,686	(67,358)	255,142	(62,566)
(1)	Inst./Promotional Advertising	F	1,172,179	(287,440)	1,092,717	(267,954)
(1)	Miscellaneous Interest Expense	F	(91,112)	22,342	(84,936)	20,828
(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		11,398,381		10,263,587
(2)	Directors & Officers Premium	F	1,105,068	(270,983)	1,030,156	(252,613)
(1)	Interest Synchronization - FPSC	F		(5,018,518)		(4,778,500)
	Storm	F	(1,682)	412	(1,682)	412
	<b>Total</b>		<b>(15,340,981)</b>	<b>10,141,750</b>	<b>(19,308,248)</b>	<b>10,219,821</b>

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
<b>System Per Books</b>	<b>\$20,888,682,186</b>	<b>\$5,864,025,521</b>	<b>\$15,024,656,665</b>	<b>\$135,779,946</b>	<b>\$1,083,495,821</b>	<b>\$16,243,932,432</b>	<b>\$1,332,811,175</b>	<b>\$17,576,743,606</b>
Regulatory Base - Retail	\$18,928,182,510	\$5,407,389,336	\$13,520,793,174	\$119,140,170	\$893,917,438	\$14,533,850,782	\$1,303,004,653	\$15,836,855,435
<b>FPSC Adjustments</b>								
ARO	(26,854,825)	(46,679,079)	19,824,254			19,824,254	(20,521,952)	(697,698)
ECCR	(17,440,616)	(15,651,373)	(1,789,243)			(1,789,243)	(19,932,903)	(21,722,146)
ECRC	(254,848,737)	(31,736,153)	(223,112,584)		(8,840,963)	(231,953,546)	(4,770,571)	(236,724,117)
FUEL	(4,129,844)	(4,080,940)	(48,904)			(48,904)	(97,237,008)	(97,285,912)
CCR							(121,330,895)	(121,330,895)
NUCLEAR							(2,700,141)	(2,700,141)
Over\Under Recovery-Clauses							(26,163,847)	(26,163,847)
Derivatives							1,448,388	1,448,388
Investments Earning a Return							(226,239,062)	(226,239,062)
Jobbing Accounts							860,720	860,720
Non-Regulated and Miscellaneous	(43,839,986)	(37,589,240)	(6,250,746)	(87,379,077)		(93,629,824)	42,952,218	(50,677,606)
CWIP - AFUDC					(211,058,482)	(211,058,482)		(211,058,482)
Capital Lease	(650,539,121)	(214,005,315)	(436,533,806)			(436,533,806)	454,070,324	17,536,518
Storm							(344,761,555)	(344,761,555)
<b>Total FPSC Adjustments</b>	<b>(997,653,128)</b>	<b>(349,742,099)</b>	<b>(647,911,029)</b>	<b>(87,379,077)</b>	<b>(219,899,445)</b>	<b>(955,189,551)</b>	<b>(364,326,284)</b>	<b>(1,319,515,836)</b>
<b>FPSC Adjusted</b>	<b>17,930,529,382</b>	<b>5,057,647,237</b>	<b>12,872,882,145</b>	<b>31,761,092</b>	<b>674,017,993</b>	<b>13,578,661,230</b>	<b>938,678,369</b>	<b>14,517,339,599</b>

	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
<b>System Per Books</b>	<b>5,009,072,450</b>	<b>1,799,022,530</b>	<b>1,037,304,662</b>	<b>648,179,369</b>	<b>373,576,880</b>	<b>15,715,799</b>	<b>142,293,009</b>		<b>4,016,092,250</b>	<b>992,980,200</b>
<b>Regulatory Base - Retail</b>	<b>4,690,700,059</b>	<b>1,709,299,761</b>	<b>998,224,432</b>	<b>599,719,657</b>	<b>360,102,490</b>	<b>13,896,090</b>	<b>125,817,114</b>		<b>3,807,059,544</b>	<b>883,640,516</b>
<b>FPSC Adjustments</b>										
ECCR	(115,036,553)		(110,176,584)	(3,491,054)		(335,683)			(114,003,321)	(1,033,232)
ECRC	(38,857,063)		(17,967,516)	(2,388,957)	(829,577)	(4,333,254)			(25,519,304)	(13,337,759)
FUEL	(1,313,537,589)	(1,299,186,380)	(943,265)	(6,551,340)		(1,681,364)			(1,308,362,349)	(5,175,239)
CCR	(402,221,619)	(394,654,906)	(291,611)	(6,517,692)		(185,731)			(401,649,940)	(571,679)
NUCLEAR	(14,214,991)			(14,212,918)		(508)			(14,213,426)	(1,564)
Non-Regulated and Miscellaneous				(210,646)		51,654			(158,992)	158,992
Coporate Aircraft Allocation			(2,656,884)			651,516			(2,005,367)	2,005,367
Franchise Fee & Gross Receipts	(226,587,592)				(228,627,075)	500,119			(228,126,957)	1,539,365
Gain/Loss on Disposition & Other						62,566		(255,142)	(192,577)	192,577
Inst./Promotional Advertising			(1,092,717)			267,954			(824,763)	824,763
Miscellaneous Interest Expense			84,936			(20,828)			64,108	(64,108)
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						(10,263,587)			(10,263,587)	10,263,587
Directors & Officers Premium			(1,030,156)			252,613			(777,543)	777,543
Interest Synchronization - FPSC						4,778,500			4,778,500	(4,778,500)
Storm	(89,583,957)		(89,582,275)			(412)			(89,582,687)	(1,269)
<b>Total FPSC Adjustments</b>	<b>(2,200,039,362)</b>	<b>(1,693,841,287)</b>	<b>(223,805,426)</b>	<b>(33,372,607)</b>	<b>(229,456,652)</b>	<b>(10,219,821)</b>		<b>(255,142)</b>	<b>(2,190,950,935)</b>	<b>(9,088,428)</b>
<b>FPSC Adjusted</b>	<b>2,490,660,697</b>	<b>15,458,474</b>	<b>774,419,006</b>	<b>566,347,050</b>	<b>130,645,838</b>	<b>3,676,269</b>	<b>125,817,114</b>	<b>(255,142)</b>	<b>1,616,108,609</b>	<b>874,552,088</b>

(a) The addition of earnings from AFUDC charges would increase the System NOI by 14,215,841 pretax  
(b) The addition of earnings from AFUDC charges would increase the Jurisdictional NOI by 11,797,531 pretax

Notes	Rate Base Adjustments	P=ProForma F=FPSC	System	Retail
	ARO	F	(697,698)	(697,698)
	ECCR	F	(21,852,259)	(21,722,146)
	ECRC	F	(256,164,036)	(236,724,117)
	FUEL	F	(97,289,658)	(97,285,912)
	CCR	F	(121,330,895)	(121,330,895)
	NUCLEAR	F	(2,700,141)	(2,700,141)
	Over/Under Recovery-Clauses	F	(26,163,847)	(26,163,847)
	Derivatives	F	1,448,388	1,448,388
	Investments Earning a Return	F	(226,239,062)	(226,239,062)
	Jobbing Accounts	F	860,720	860,720
	Non-Regulated and Miscellaneous	F	(57,370,688)	(50,677,606)
(1)	CWIP - AFUDC	F	(276,054,331)	(211,058,482)
(2)	Capital Lease - EPIS	F	(483,840,794)	(436,533,806)
(2)	Capital Lease - Working Capital	F	487,090,167	454,070,324
	Storm	F	(344,761,555)	(344,761,555)
	<b>Total</b>		<b>(1,425,065,691)</b>	<b>(1,319,515,836)</b>

Notes	Income Statement Adjustments (to NOI)	P=ProForma F=FPSC	System		Retail	
			Amount	Income Tax Effect	Amount	Income Tax Effect
	ECCR	F	(1,115,047)	273,430	(1,368,915)	335,683
	ECRC	F	(15,685,050)	3,846,260	(17,671,013)	4,333,254
	FUEL	F	(7,216,513)	1,769,620	(6,856,603)	1,681,364
	CCR	F	(757,410)	185,731	(757,410)	185,731
	NUCLEAR	F	(2,073)	508	(2,073)	508
	Non-Regulated and Miscellaneous	F	1,926,182	(472,335)	210,646	(51,654)
(2)	Coporate Aircraft Allocation	F	2,850,091	(698,894)	2,656,884	(651,516)
(1)	Franchise Fee & Gross Receipts	F	2,039,484	(500,119)	2,039,484	(500,119)
(1)	Gain/Loss on Disposition & Other	F	274,686	(67,358)	255,142	(62,566)
(1)	Inst./Promotional Advertising	F	1,172,179	(287,440)	1,092,717	(267,954)
(1)	Miscellaneous Interest Expense	F	(91,112)	22,342	(84,936)	20,828
(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		11,398,381		10,263,587
(2)	Directors & Officers Premium	F	1,105,068	(270,983)	1,030,156	(252,613)
(1)	Interest Synchronization - FPSC	F		(5,018,518)		(4,778,500)
	Storm	F	(1,682)	412	(1,682)	412
	<b>Total</b>		<b>(15,340,981)</b>	<b>10,141,750</b>	<b>(19,308,248)</b>	<b>10,219,821</b>

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  
Aug-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	6,909,321,048	6,228,268,227	(443,799,203)	(13,212,882)	5,771,256,142	41.73%	9.50%	3.96%	10.50%	4.38%	11.50%	4.80%
Long Term Debt	6,442,209,486	5,807,199,923	(413,795,714)		5,393,404,209	38.99%	4.52%	1.76%	4.52%	1.76%	4.52%	1.76%
Short Term Debt *	242,190,828	218,318,042	(15,556,391)	(18,456,442)	184,305,209	1.33%	1.62%	0.02%	1.62%	0.02%	1.62%	0.02%
Customer Deposits												
Active	198,204,988	198,204,988	(14,123,222)		184,081,766	1.33%	2.44%	0.03%	2.44%	0.03%	2.44%	0.03%
Inactive	1,935,789	1,935,789	(137,936)		1,797,853	0.01%						
Investment Tax Credits **	93,688,709	84,453,799	(6,017,809)		78,435,990	0.57%	7.09%	0.04%	7.61%	0.04%	8.13%	0.05%
Deferred Income Taxes	2,963,521,500	2,671,406,738	(190,352,781)	(262,757,370)	2,218,296,586	16.04%						
<b>Total</b>	<b>16,851,072,349</b>	<b>15,209,787,506</b>	<b>(1,083,783,056)</b>	<b>(294,426,695)</b>	<b>13,831,577,756</b>	<b>100.00%</b>		<b>5.82%</b>		<b>6.24%</b>		<b>6.66%</b>
* 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	7,333,662,147	6,631,914,992	(418,155,937)	(13,091,550)	6,200,667,505	42.71%	9.50%	4.06%	10.50%	4.48%	11.50%	4.91%
Long Term Debt	6,766,562,534	6,119,080,293	(385,820,651)		5,733,259,642	39.49%	4.32%	1.71%	4.32%	1.71%	4.32%	1.71%
Short Term Debt *	108,630,000	98,235,358	(6,193,942)	(49,966,011)	42,075,405	0.29%	0.36%	0.00%	0.36%	0.00%	0.36%	0.00%
Customer Deposits												
Active	194,886,557	194,886,557	(12,288,000)		182,598,557	1.26%	2.33%	0.03%	2.33%	0.03%	2.33%	0.03%
Inactive	1,500,951	1,500,951	(94,638)		1,406,313	0.01%						
Investment Tax Credits **	144,977,569	131,104,882	(8,266,434)		122,838,448	0.85%	7.01%	0.06%	7.53%	0.06%	8.05%	0.07%
Deferred Income Taxes	2,941,610,730	2,660,132,402	(167,726,842)	(257,911,832)	2,234,493,729	15.39%						
<b>Total</b>	<b>17,491,830,488</b>	<b>15,836,855,435</b>	<b>(998,546,444)</b>	<b>(320,969,392)</b>	<b>14,517,339,599</b>	<b>100.00%</b>		<b>5.85%</b>		<b>6.28%</b>		<b>6.72%</b>

\* 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	6,909,321,048	6,228,268,227	(443,799,203)	(13,212,882)	5,771,256,142	41.73%	9.50%	3.96%	10.50%	4.38%	11.50%	4.80%
Long Term Debt	6,442,209,486	5,807,199,923	(413,795,714)		5,393,404,209	38.99%	4.52%	1.76%	4.52%	1.76%	4.52%	1.76%
Short Term Debt *	242,190,828	218,318,042	(15,556,391)	(18,456,442)	184,305,209	1.33%	1.62%	0.02%	1.62%	0.02%	1.62%	0.02%
Customer Deposits												
Active	198,204,988	198,204,988	(14,123,222)		184,081,766	1.33%	2.44%	0.03%	2.44%	0.03%	2.44%	0.03%
Inactive	1,935,789	1,935,789	(137,936)		1,797,853	0.01%						
Investment Tax Credits **	93,688,709	84,453,799	(6,017,809)		78,435,990	0.57%	7.09%	0.04%	7.61%	0.04%	8.13%	0.05%
Deferred Income Taxes	2,963,521,500	2,671,406,738	(190,352,781)	(262,757,370)	2,218,296,586	16.04%						
<b>Total</b>	<b>16,851,072,349</b>	<b>15,209,787,506</b>	<b>(1,083,783,056)</b>	<b>(294,426,695)</b>	<b>13,831,577,756</b>	<b>100.00%</b>		<b>5.82%</b>		<b>6.24%</b>		<b>6.66%</b>
* Daily Weighted Average												
** Cost Rates Calculated Per IRS Ruling												

DUKE ENERGY FLORIDA  
End of Period - Capital Structure  
FPSC Adjusted Basis  
Aug-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	7,333,662,147	6,631,914,992	(418,155,937)	(13,091,550)	6,200,667,505	42.71%	9.50%	4.06%	10.50%	4.48%	11.50%	4.91%
Long Term Debt	6,766,562,534	6,119,080,293	(385,820,651)		5,733,259,642	39.49%	4.32%	1.71%	4.32%	1.71%	4.32%	1.71%
Short Term Debt *	108,630,000	98,235,358	(6,193,942)	(49,966,011)	42,075,405	0.29%	0.36%	0.00%	0.36%	0.00%	0.36%	0.00%
Customer Deposits												
Active	194,886,557	194,886,557	(12,288,000)		182,598,557	1.26%	2.33%	0.03%	2.33%	0.03%	2.33%	0.03%
Inactive	1,500,951	1,500,951	(94,638)		1,406,313	0.01%						
Investment Tax Credits **	144,977,569	131,104,882	(8,266,434)		122,838,448	0.85%	7.01%	0.06%	7.53%	0.06%	8.05%	0.07%
Deferred Income Taxes	2,941,610,730	2,660,132,402	(167,726,842)	(257,911,832)	2,234,493,729	15.39%						
<b>Total</b>	<b>17,491,830,488</b>	<b>15,836,855,435</b>	<b>(998,546,444)</b>	<b>(320,969,392)</b>	<b>14,517,339,599</b>	<b>100.00%</b>		<b>5.85%</b>		<b>6.28%</b>		<b>6.72%</b>

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

**A. TIMES INTEREST EARNED WITH AFUDC**

EARNINGS BEFORE INTEREST	\$ 1,057,010,489
AFUDC - DEBT	\$ 4,026,349
INCOME TAXES	175,793,669
TOTAL	<u>\$ 1,236,830,507</u>
INTEREST CHARGES (before deducting AFUDC-Debt)	\$ 306,557,700
TIE WITH AFUDC	<u><u>4.03</u></u>

**B. TIMES INTEREST EARNED WITHOUT AFUDC**

EARNINGS BEFORE INTEREST	\$ 1,057,010,489
AFUDC - EQUITY	(10,189,492)
INCOME TAXES	175,793,669
TOTAL	<u>\$ 1,222,614,666</u>
INTEREST CHARGES (before deducting AFUDC-Debt & CR3 reg asset carrying charge)	\$ 306,557,700
TIE WITHOUT AFUDC	<u><u>3.99</u></u>

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

AFUDC DEBT	\$ 4,026,349
X (1- INCOME TAX RATE)	0.75478
SUBTOTAL	<u>\$ 3,039,015</u>
AFUDC -EQUITY	\$ 10,189,492
TOTAL	<u>\$ 13,228,507</u>
NET INCOME AVAILABLE FOR COMMON STOCKHOLDERS	\$ 754,431,346
PERCENT AFUDC TO AVAILABLE NET INCOME	<u><u>1.75%</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)	\$ 1,987,349,212
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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	\$ 5,771,256,142
Long Term Debt	\$ 5,393,404,209
Short Term Debt	\$ 184,305,209
TOTAL	<u>\$ 11,348,965,560</u>

% LONG TERM DEBT TO TOTAL **47.52%**  
% SHORT TERM DEBT TO TOTAL **1.62%**

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

	Pro Forma	FPSC
FPSC AVERAGE		
EARNED RATE OF RETURN	<u>5.82%</u>	<u>6.32%</u>
LESS RETAIL WEIGHTED AVERAGE COST RATES FOR:		
LONG TERM DEBT	1.76%	1.76%
SHORT TERM DEBT	0.02%	0.02%
CUSTOMER DEPOSITS	0.03%	0.03%
DEFERRED INCOME TAXES		
INVESTMENT TAX CREDITS	0.04%	0.04%
DEFERRED INCOME TAX (FAS 109)		
SUBTOTAL	<u>1.86%</u>	<u>1.86%</u>
TOTAL	<u>3.96%</u>	<u>4.46%</u>
DIVIDED BY COMMON EQUITY RATIO	<u>41.73%</u>	<u>41.73%</u>
JURISDICTIONAL RETURN ON COMMON EQUITY	<u><u>9.49%</u></u>	<u><u>10.70%</u></u>