



November 13, 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 September 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 September 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 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**  
**Sep-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	\$906,442,875 (a)	(\$22,829,199) (b)	\$883,613,676	(\$62,445,337)	\$821,168,340
Average Rate Base	\$15,301,843,935	(\$1,346,989,312)	\$13,954,854,623	\$0	\$13,954,854,623
Average Rate of Return	5.92%		6.33%		5.88%
<b>I. YEAR END RATE OF RETURN (Jurisdictional)</b>					
Net Operating Income	\$894,208,621	(\$10,594,945)	\$883,613,676		
Average Rate Base	\$15,923,643,391	(\$1,330,214,431)	\$14,593,428,960		
Average Rate of Return	5.62%		6.05%		

(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%	5.90%
Mid Point	6.24%	6.33%
High Point	6.66%	6.77%
Pro Forma Adjusted Basis		
Low Point	5.82%	5.90%
Mid Point	6.24%	6.33%
High Point	6.66%	6.77%

**IV. FINANCIAL INTEGRITY INDICATORS**

A. T.I.E. with AFUDC	3.98	(System Per Books Basis)
B. T.I.E without AFUDC	3.93	(System Per Books Basis)
C. AFUDC to Net Income	1.87%	(System Per Books Basis)
D. Internally Generated Funds	77.61%	(System Per Books Basis)
E. STD/LTD to Total Investor Funds		
LT Debt-Fixed to Total Investor Funds	47.61%	(FPSC Adjusted Basis)
ST Debt to Total Investor Funds	1.46%	(FPSC Adjusted Basis)
F. Return on Common Equity	10.71%	(FPSC Adjusted Basis)
	9.64%	(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*

11/13/2020

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>\$20,241,823,575</b>	<b>\$5,787,074,149</b>	<b>\$14,454,749,426</b>	<b>\$135,540,782</b>	<b>\$1,051,422,579</b>	<b>\$15,641,712,787</b>	<b>\$1,325,414,647</b>	<b>\$16,967,127,434</b>
<b>Regulatory Base - Retail</b>	<b>\$18,350,590,152</b>	<b>\$5,335,351,462</b>	<b>\$13,015,238,690</b>	<b>\$118,978,840</b>	<b>\$873,367,366</b>	<b>\$14,007,584,896</b>	<b>\$1,294,259,039</b>	<b>\$15,301,843,935</b>
<b>FPSC Adjustments</b>								
ARO	(25,668,236)	(27,646,727)	1,978,491			1,978,491	(22,052,284)	(20,073,793)
ECCR	(20,007,268)	(16,643,080)	(3,364,188)			(3,364,188)	(19,694,339)	(23,058,527)
ECRC	(242,336,965)	(27,395,558)	(214,941,408)		(7,820,579)	(222,761,987)	(4,829,246)	(227,591,233)
FUEL	(5,979,021)	(5,858,206)	(120,816)			(120,816)	(96,939,610)	(97,060,426)
CCR							(120,787,754)	(120,787,754)
NUCLEAR							(1,619,256)	(1,619,256)
Over\Under Recovery-Clauses							(14,425,629)	(14,425,629)
Derivatives							645,297	645,297
Investments Earning a Return							(229,607,457)	(229,607,457)
Jobbing Accounts							901,677	901,677
Non-Regulated and Miscellaneous	(43,835,587)	(37,026,238)	(6,809,349)	(87,379,077)		(94,188,426)	42,746,299	(51,442,127)
CWIP - AFUDC					(214,016,728)	(214,016,728)		(214,016,728)
Capital & Operating Leases	(647,753,308)	(178,543,007)	(469,210,301)			(469,210,301)	447,646,670	(21,563,630)
Storm							(327,289,725)	(327,289,725)
<b>Total FPSC Adjustments</b>	<b>(985,580,385)</b>	<b>(293,112,815)</b>	<b>(692,467,570)</b>	<b>(87,379,077)</b>	<b>(221,837,307)</b>	<b>(1,001,683,955)</b>	<b>(345,305,358)</b>	<b>(1,346,989,312)</b>
<b>FPSC Adjusted</b>	<b>\$17,365,009,767</b>	<b>\$5,042,238,647</b>	<b>\$12,322,771,120</b>	<b>\$31,599,762</b>	<b>\$651,530,059</b>	<b>\$13,005,900,942</b>	<b>\$948,953,681</b>	<b>\$13,954,854,623</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 Disp. & Other	Total Operating Expenses	Net Operating Income
<b>System Per Books</b>	<b>4,995,432,226</b>	<b>1,774,991,909</b>	<b>1,040,957,469</b>	<b>649,968,314</b>	<b>371,533,404</b>	<b>131,208,789</b>	<b>29,560,358</b>		<b>3,998,220,244</b>	<b>997,211,982</b>
<b>Regulatory Base - Retail</b>	<b>4,683,698,819</b>	<b>1,683,177,466</b>	<b>1,003,357,198</b>	<b>600,797,899</b>	<b>358,361,601</b>	<b>117,356,494</b>	<b>26,439,540</b>		<b>3,789,490,198</b>	<b>894,208,621</b>
<b>FPSC Adjustments</b>										
ECCR	(116,519,620)		(111,934,138)	(3,452,156)		(277,912)			(115,664,206)	(855,414)
ECRC	(36,267,172)		(17,493,235)	(119,623)	(795,721)	(4,379,252)			(22,787,832)	(13,479,341)
FUEL	(1,286,203,953)	(1,269,856,395)	(923,879)	(6,551,340)		(2,175,659)			(1,279,507,273)	(6,696,680)
CCR	(404,121,702)	(397,273,872)	(292,979)	(6,517,692)		(9,112)			(404,093,655)	(28,047)
NUCLEAR	(10,616,192)			(10,632,186)		3,922			(10,628,264)	12,072
Non-Regulated and Miscellaneous				460,692		(112,970)			347,722	(347,722)
Coporate Aircraft Allocation			(2,688,085)			659,167			(2,028,918)	2,028,918
Franchise Fee & Gross Receipts	(226,343,874)				(228,077,041)	425,004			(227,652,037)	1,308,162
Gain/Loss on Disposition & Other						62,566		(255,142)	(192,577)	192,577
Inst./Promotional Advertising			(1,204,081)			295,262			(908,818)	908,818
Miscellaneous Interest Expense			323,356			(79,293)			244,063	(244,063)
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						(10,115,127)			(10,115,127)	10,115,127
Directors & Officers Premium			(1,030,831)			252,779			(778,053)	778,053
Interest Synchronization - FPSC						4,398,879			4,398,879	(4,398,879)
Storm	(106,778,752)		(106,777,089)			(408)			(106,777,497)	(1,256)
<b>Total FPSC Adjustments</b>	<b>(2,186,851,267)</b>	<b>(1,667,130,267)</b>	<b>(242,170,315)</b>	<b>(26,812,306)</b>	<b>(228,872,762)</b>	<b>(11,015,531)</b>		<b>(255,142)</b>	<b>(2,176,256,322)</b>	<b>(10,594,945)</b>
<b>FPSC Adjusted</b>	<b>2,496,847,552</b>	<b>16,047,199</b>	<b>761,186,884</b>	<b>573,985,593</b>	<b>129,488,839</b>	<b>106,340,964</b>	<b>26,439,540</b>	<b>(255,142)</b>	<b>1,613,233,876</b>	<b>883,613,676</b>
<b>Pro Forma Adjustments</b>										
Weather Normalization	(82,732,965)					(20,287,629)			(20,287,629)	(62,445,337)
<b>Total Pro Forma Adjustments</b>	<b>(82,732,965)</b>					<b>(20,287,629)</b>			<b>(20,287,629)</b>	<b>(62,445,337)</b>
<b>Pro Forma Adjusted</b>	<b>2,414,114,586</b>	<b>16,047,199</b>	<b>761,186,884</b>	<b>573,985,593</b>	<b>129,488,839</b>	<b>86,053,335</b>	<b>26,439,540</b>	<b>(255,142)</b>	<b>1,592,946,247</b>	<b>821,168,340</b>
<b>Current Month</b>										
System Per Books	485,332,833	183,098,245	90,569,541	55,866,791	35,221,079	29,120,944	(14,471,710)		379,404,889	105,927,944
FPSC Adjusted	234,962,861	616,687	56,847,424	51,031,745	11,102,762	11,704,325	2,636,897	(21,262)	133,918,578	101,044,283

(a) The addition of earnings from AFUDC charges would increase the System NOI by 14,728,477 pretax  
(b) The addition of earnings from AFUDC charges would increase the Jurisdictional NOI by 12,234,254 pretax

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

Notes	Rate Base Adjustments	P=ProForma F=FPSC	System	Retail
	ARO	F	(20,073,793)	(20,073,793)
	ECCR	F	(23,303,170)	(23,058,527)
	ECRC	F	(256,373,280)	(227,591,233)
	FUEL	F	(97,069,680)	(97,060,426)
	CCR	F	(120,787,754)	(120,787,754)
	NUCLEAR	F	(1,619,256)	(1,619,256)
	Over/Under Recovery-Clauses	F	(14,425,629)	(14,425,629)
	Derivatives	F	645,297	645,297
	Investments Earning a Return	F	(229,607,457)	(229,607,457)
	Jobbing Accounts	F	901,677	901,677
	Non-Regulated and Miscellaneous	F	(58,135,217)	(51,442,127)
(1)	CWIP - AFUDC	F	(264,667,422)	(214,016,728)
(2)	Capital Lease - EPIS	F	(516,314,705)	(469,210,301)
(2)	Capital Lease - Working Capital	F	480,199,387	447,646,670
	Storm	F	(327,289,725)	(327,289,725)
	<b>Total</b>		<b>(1,447,920,728)</b>	<b>(1,346,989,312)</b>

Notes	Income Statement Adjustments (to NOI)	P=ProForma F=FPSC	System		Retail	
			Amount	Income Tax Effect	Amount	Income Tax Effect
	ECCR	F	(882,287)	216,353	(1,133,326)	277,912
	ECRC	F	(15,935,867)	3,907,765	(17,858,592)	4,379,252
	FUEL	F	(9,356,310)	2,294,338	(8,872,339)	2,175,659
	CCR	F	(37,159)	9,112	(37,159)	9,112
	NUCLEAR	F	15,994	(3,922)	15,994	(3,922)
	Non-Regulated and Miscellaneous	F	1,254,239	(307,562)	(460,692)	112,970
(2)	Coporate Aircraft Allocation	F	2,883,562	(707,102)	2,688,085	(659,167)
(1)	Franchise Fee & Gross Receipts	F	1,733,166	(425,004)	1,733,166	(425,004)
(1)	Gain/Loss on Disposition & Other	F	274,686	(67,358)	255,142	(62,566)
(1)	Inst./Promotional Advertising	F	1,291,641	(316,734)	1,204,081	(295,262)
(1)	Miscellaneous Interest Expense	F	(346,870)	85,059	(323,356)	79,293
(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		11,230,506		10,115,127
(2)	Directors & Officers Premium	F	1,105,793	(271,161)	1,030,831	(252,779)
(1)	Interest Synchronization - FPSC	F		(4,670,051)		(4,398,879)
	Storm	F	(1,664)	408	(1,664)	408
	<b>Total</b>		<b>(17,840,861)</b>	<b>10,935,359</b>	<b>(21,610,475)</b>	<b>11,015,531</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>\$20,910,042,095</b>	<b>\$5,862,872,513</b>	<b>\$15,047,169,582</b>	<b>\$135,779,946</b>	<b>\$1,160,357,366</b>	<b>\$16,343,306,894</b>	<b>\$1,325,415,082</b>	<b>\$17,668,721,977</b>
Regulatory Base - Retail	\$18,948,512,904	\$5,402,233,341	\$13,546,279,563	\$119,140,170	\$963,964,619	\$14,629,384,352	\$1,294,259,039	\$15,923,643,391
<b>FPSC Adjustments</b>								
ARO	(33,126,137)	(38,097,213)	4,971,077			4,971,077	(22,052,284)	(17,081,207)
ECCR	(17,398,353)	(15,865,459)	(1,532,894)			(1,532,894)	(19,694,339)	(21,227,232)
ECRC	(243,650,664)	(30,138,686)	(213,511,978)		(8,840,963)	(222,352,941)	(4,829,246)	(227,182,187)
FUEL	(4,129,844)	(4,119,236)	(10,607)			(10,607)	(96,939,610)	(96,950,218)
CCR							(120,787,754)	(120,787,754)
NUCLEAR							(1,619,256)	(1,619,256)
Over\Under Recovery-Clauses							(14,425,629)	(14,425,629)
Derivatives							645,297	645,297
Investments Earning a Return							(229,607,457)	(229,607,457)
Jobbing Accounts							901,677	901,677
Non-Regulated and Miscellaneous	(43,839,986)	(37,701,840)	(6,138,146)	(87,379,077)		(93,517,223)	42,746,299	(50,770,924)
CWIP - AFUDC					(239,927,017)	(239,927,017)		(239,927,017)
Capital Lease	(614,184,674)	(181,645,206)	(432,539,468)			(432,539,468)	447,646,670	15,107,202
Storm							(327,289,725)	(327,289,725)
<b>Total FPSC Adjustments</b>	<b>(956,329,657)</b>	<b>(307,567,640)</b>	<b>(648,762,016)</b>	<b>(87,379,077)</b>	<b>(248,767,980)</b>	<b>(984,909,073)</b>	<b>(345,305,358)</b>	<b>(1,330,214,431)</b>
<b>FPSC Adjusted</b>	<b>17,992,183,248</b>	<b>5,094,665,701</b>	<b>12,897,517,547</b>	<b>31,761,092</b>	<b>715,196,640</b>	<b>13,644,475,279</b>	<b>948,953,681</b>	<b>14,593,428,960</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>	4,995,432,226	1,774,991,909	1,040,957,469	649,968,314	371,533,404	131,208,789	29,560,358		3,998,220,244	997,211,982
<b>Regulatory Base - Retail</b>	4,683,698,819	1,683,177,466	1,003,357,198	600,797,899	358,361,601	117,356,494	26,439,540		3,789,490,198	894,208,621
<b>FPSC Adjustments</b>										
ECCR	(116,519,620)		(111,934,138)	(3,452,156)		(277,912)		(115,664,206)		(855,414)
ECRC	(36,267,172)		(17,493,235)	(119,623)	(795,721)	(4,379,252)		(22,787,832)		(13,479,341)
FUEL	(1,286,203,953)	(1,269,856,395)	(923,879)	(6,551,340)		(2,175,659)		(1,279,507,273)		(6,696,680)
CCR	(404,121,702)	(397,273,872)	(292,979)	(6,517,692)		(9,112)		(404,093,655)		(28,047)
NUCLEAR	(10,616,192)			(10,632,186)		3,922		(10,628,264)		12,072
Non-Regulated and Miscellaneous				460,692		(112,970)		347,722		(347,722)
Coporate Aircraft Allocation			(2,688,085)			659,167		(2,028,918)		2,028,918
Franchise Fee & Gross Receipts	(226,343,874)				(228,077,041)	425,004		(227,652,037)		1,308,162
Gain/Loss on Disposition & Other						62,566	(255,142)	(192,577)		192,577
Inst./Promotional Advertising			(1,204,081)			295,262		(908,818)		908,818
Miscellaneous Interest Expense			323,356			(79,293)		244,063		(244,063)
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						(10,115,127)		(10,115,127)		10,115,127
Directors & Officers Premium			(1,030,831)			252,779		(778,053)		778,053
Interest Synchronization - FPSC						4,398,879		4,398,879		(4,398,879)
Storm	(106,778,752)		(106,777,089)			(408)		(106,777,497)		(1,256)
<b>Total FPSC Adjustments</b>	<b>(2,186,851,267)</b>	<b>(1,667,130,267)</b>	<b>(242,170,315)</b>	<b>(26,812,306)</b>	<b>(228,872,762)</b>	<b>(11,015,531)</b>		<b>(255,142)</b>	<b>(2,176,256,322)</b>	<b>(10,594,945)</b>
<b>FPSC Adjusted</b>	<b>2,496,847,552</b>	<b>16,047,199</b>	<b>761,186,884</b>	<b>573,985,593</b>	<b>129,488,839</b>	<b>106,340,964</b>	<b>26,439,540</b>	<b>(255,142)</b>	<b>1,613,233,876</b>	<b>883,613,676</b>

(a) The addition of earnings from AFUDC charges would increase the System NOI by 14,728,477 pretax  
(b) The addition of earnings from AFUDC charges would increase the Jurisdictional NOI by 12,234,254 pretax

Notes	Rate Base Adjustments	P=ProForma F=FPSC	System	Retail
	ARO	F	(17,081,207)	(17,081,207)
	ECCR	F	(21,338,704)	(21,227,232)
	ECRC	F	(255,704,544)	(227,182,187)
	FUEL	F	(96,951,030)	(96,950,218)
	CCR	F	(120,787,754)	(120,787,754)
	NUCLEAR	F	(1,619,256)	(1,619,256)
	Over/Under Recovery-Clauses	F	(14,425,629)	(14,425,629)
	Derivatives	F	645,297	645,297
	Investments Earning a Return	F	(229,607,457)	(229,607,457)
	Jobbing Accounts	F	901,677	901,677
	Non-Regulated and Miscellaneous	F	(57,464,014)	(50,770,924)
(1)	CWIP - AFUDC	F	(309,740,482)	(239,927,017)
(2)	Capital Lease - EPIS	F	(477,202,772)	(432,539,468)
(2)	Capital Lease - Working Capital	F	480,199,387	447,646,670
	Storm	F	(327,289,725)	(327,289,725)
	<b>Total</b>		<b>(1,447,466,215)</b>	<b>(1,330,214,431)</b>

Notes	Income Statement Adjustments (to NOI)	P=ProForma F=FPSC	System		Retail	
			Amount	Income Tax Effect	Amount	Income Tax Effect
	ECCR	F	(882,287)	216,353	(1,133,326)	277,912
	ECRC	F	(15,935,867)	3,907,765	(17,858,592)	4,379,252
	FUEL	F	(9,356,310)	2,294,338	(8,872,339)	2,175,659
	CCR	F	(37,159)	9,112	(37,159)	9,112
	NUCLEAR	F	15,994	(3,922)	15,994	(3,922)
	Non-Regulated and Miscellaneous	F	1,254,239	(307,562)	(460,692)	112,970
(2)	Coporate Aircraft Allocation	F	2,883,562	(707,102)	2,688,085	(659,167)
(1)	Franchise Fee & Gross Receipts	F	1,733,166	(425,004)	1,733,166	(425,004)
(1)	Gain/Loss on Disposition & Other	F	274,686	(67,358)	255,142	(62,566)
(1)	Inst./Promotional Advertising	F	1,291,641	(316,734)	1,204,081	(295,262)
(1)	Miscellaneous Interest Expense	F	(346,870)	85,059	(323,356)	79,293
(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		11,230,506		10,115,127
(2)	Directors & Officers Premium	F	1,105,793	(271,161)	1,030,831	(252,779)
(1)	Interest Synchronization - FPSC	F		(4,670,051)		(4,398,879)
	Storm	F	(1,664)	408	(1,664)	408
	<b>Total</b>		<b>(17,840,861)</b>	<b>10,935,359</b>	<b>(21,610,475)</b>	<b>11,015,531</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  
Sep-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	6,973,738,855	6,281,128,828	(432,394,626)	(13,211,769)	5,835,522,434	41.82%	9.50%	3.97%	10.50%	4.39%	11.50%	4.81%
Long Term Debt	6,504,358,182	5,858,365,583	(403,291,488)		5,455,074,094	39.09%	4.49%	1.76%	4.49%	1.76%	4.49%	1.76%
Short Term Debt *	221,750,059	199,726,534	(13,749,229)	(18,946,243)	167,031,061	1.20%	1.54%	0.02%	1.54%	0.02%	1.54%	0.02%
Customer Deposits												
Active	197,853,591	197,853,591	(13,620,295)		184,233,296	1.32%	2.46%	0.03%	2.46%	0.03%	2.46%	0.03%
Inactive	1,898,545	1,898,545	(130,696)		1,767,848	0.01%						
Investment Tax Credits **	101,699,112	91,598,673	(6,305,678)		85,292,995	0.61%	7.08%	0.04%	7.60%	0.05%	8.11%	0.05%
Deferred Income Taxes	2,965,829,091	2,671,272,182	(183,891,107)	(261,448,180)	2,225,932,894	15.95%						
<b>Total</b>	<b>16,967,127,435</b>	<b>15,301,843,935</b>	<b>(1,053,383,120)</b>	<b>(293,606,193)</b>	<b>13,954,854,623</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	7,411,196,758	6,729,032,359	(433,137,991)	(13,108,667)	6,282,785,701	43.05%	9.50%	4.09%	10.50%	4.52%	11.50%	4.95%
Long Term Debt	6,767,148,299	6,144,265,409	(395,497,396)		5,748,768,013	39.39%	4.31%	1.70%	4.31%	1.70%	4.31%	1.70%
Short Term Debt *	65,952,000	59,881,441	(3,854,481)	(41,521,413)	14,505,547	0.10%	15.42%	0.02%	15.42%	0.02%	15.42%	0.02%
Customer Deposits												
Active	194,728,421	194,728,421	(12,534,384)		182,194,037	1.25%	2.58%	0.03%	2.58%	0.03%	2.58%	0.03%
Inactive	1,623,067	1,623,067	(104,474)		1,518,593	0.01%						
Investment Tax Credits **	145,829,017	132,406,169	(8,522,792)		123,883,377	0.85%	7.02%	0.06%	7.54%	0.06%	8.07%	0.07%
Deferred Income Taxes	2,931,540,482	2,661,706,525	(171,330,164)	(250,602,668)	2,239,773,693	15.35%						
<b>Total</b>	<b>17,518,018,044</b>	<b>15,923,643,391</b>	<b>(1,024,981,682)</b>	<b>(305,232,748)</b>	<b>14,593,428,960</b>	<b>100.00%</b>		<b>5.90%</b>		<b>6.33%</b>		<b>6.77%</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	6,973,738,855	6,281,128,828	(432,394,626)	(13,211,769)	5,835,522,434	41.82%	9.50%	3.97%	10.50%	4.39%	11.50%	4.81%
Long Term Debt	6,504,358,182	5,858,365,583	(403,291,488)		5,455,074,094	39.09%	4.49%	1.76%	4.49%	1.76%	4.49%	1.76%
Short Term Debt *	221,750,059	199,726,534	(13,749,229)	(18,946,243)	167,031,061	1.20%	1.54%	0.02%	1.54%	0.02%	1.54%	0.02%
Customer Deposits												
Active	197,853,591	197,853,591	(13,620,295)		184,233,296	1.32%	2.46%	0.03%	2.46%	0.03%	2.46%	0.03%
Inactive	1,898,545	1,898,545	(130,696)		1,767,848	0.01%						
Investment Tax Credits **	101,699,112	91,598,673	(6,305,678)		85,292,995	0.61%	7.08%	0.04%	7.60%	0.05%	8.11%	0.05%
Deferred Income Taxes	2,965,829,091	2,671,272,182	(183,891,107)	(261,448,180)	2,225,932,894	15.95%						
<b>Total</b>	<b>16,967,127,435</b>	<b>15,301,843,935</b>	<b>(1,053,383,120)</b>	<b>(293,606,193)</b>	<b>13,954,854,623</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  
Sep-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	7,411,196,758	6,729,032,359	(433,137,991)	(13,108,667)	6,282,785,701	43.05%	9.50%	4.09%	10.50%	4.52%	11.50%	4.95%
Long Term Debt	6,767,148,299	6,144,265,409	(395,497,396)		5,748,768,013	39.39%	4.31%	1.70%	4.31%	1.70%	4.31%	1.70%
Short Term Debt *	65,952,000	59,881,441	(3,854,481)	(41,521,413)	14,505,547	0.10%	15.42%	0.02%	15.42%	0.02%	15.42%	0.02%
Customer Deposits												
Active	194,728,421	194,728,421	(12,534,384)		182,194,037	1.25%	2.58%	0.03%	2.58%	0.03%	2.58%	0.03%
Inactive	1,623,067	1,623,067	(104,474)		1,518,593	0.01%						
Investment Tax Credits **	145,829,017	132,406,169	(8,522,792)		123,883,377	0.85%	7.02%	0.06%	7.54%	0.06%	8.07%	0.07%
Deferred Income Taxes	2,931,540,482	2,661,706,525	(171,330,164)	(250,602,668)	2,239,773,693	15.35%						
<b>Total</b>	<b>17,518,018,044</b>	<b>15,923,643,391</b>	<b>(1,024,981,682)</b>	<b>(305,232,748)</b>	<b>14,593,428,960</b>	<b>100.00%</b>		<b>5.90%</b>		<b>6.33%</b>		<b>6.77%</b>
* Daily Weighted Average ** Cost Rates Calculated Per IRS Ruling												

**A. TIMES INTEREST EARNED WITH AFUDC**

EARNINGS BEFORE INTEREST	\$ 1,036,793,825
AFUDC - DEBT	\$ 4,175,281
INCOME TAXES	179,913,988
TOTAL	<u>\$ 1,220,883,095</u>
INTEREST CHARGES (before deducting AFUDC-Debt)	\$ 306,558,411
TIE WITH AFUDC	<u><u>3.98</u></u>

**B. TIMES INTEREST EARNED WITHOUT AFUDC**

EARNINGS BEFORE INTEREST	\$ 1,036,793,825
AFUDC - EQUITY	(10,553,196)
INCOME TAXES	179,913,988
TOTAL	<u>\$ 1,206,154,618</u>
INTEREST CHARGES (before deducting AFUDC-Debt & CR3 reg asset carrying charge)	\$ 306,558,411
TIE WITHOUT AFUDC	<u><u>3.93</u></u>

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

AFUDC DEBT	\$ 4,175,281
X (1- INCOME TAX RATE)	0.75478
SUBTOTAL	<u>\$ 3,151,426</u>
AFUDC -EQUITY	\$ 10,553,196
TOTAL	<u>\$ 13,704,622</u>
NET INCOME AVAILABLE FOR COMMON STOCKHOLDERS	<u>\$ 734,300,720</u>
PERCENT AFUDC TO AVAILABLE NET INCOME	<u><u>1.87%</u></u>

**D. PERCENT INTERNALLY GENERATED FUNDS\***

NET INCOME	\$ 734,300,720
COMMON DIVIDENDS	-
AFUDC (EQUITY)	(10,553,195)
DEPRECIATION & AMORTIZATION	924,314,930
DEFERRED INCOME TAXES	35,387,075
INVESTMENT TAX CREDITS	-
OTHER - INC NUCLEAR DECOMMISSIONING	(220,435,285)
OTHER FUNDS - INCLUDING CHANGE IN WORKING CAPITAL	112,979,235
TOTAL FUNDS PROVIDED	<u><u>\$ 1,575,993,480</u></u>

CONSTRUCTION EXPENDITURES (EXCLUDING AFUDC EQUITY & DEBT)	<u>\$ 2,030,531,510</u>
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PERCENTAGE INTERNALLY GENERATED FUNDS **77.61%**  
\*As of September 2020 (updated quarterly)

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

Common Equity	\$ 5,835,522,434
Long Term Debt	\$ 5,455,074,094
Short Term Debt	\$ 167,031,061
TOTAL	<u><u>\$ 11,457,627,589</u></u>
% LONG TERM DEBT TO TOTAL	<b>47.61%</b>
% SHORT TERM DEBT TO TOTAL	<b>1.46%</b>

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

	Pro Forma	FPSC
FPSC AVERAGE		
EARNED RATE OF RETURN	<u>5.88%</u>	<u>6.33%</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	0.05%	0.05%
DEFERRED INCOME TAX (FAS 109)		
SUBTOTAL	<u>1.85%</u>	<u>1.85%</u>
TOTAL	<u>4.03%</u>	<u>4.48%</u>
DIVIDED BY COMMON EQUITY RATIO	<u>41.82%</u>	<u>41.82%</u>
JURISDICTIONAL RETURN ON COMMON EQUITY	<u><u>9.64%</u></u>	<u><u>10.71%</u></u>