



March 12, 2021

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 January 31, 2021.

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 January 31, 2021. 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. Charles Rehwinkel, Office of the Public Counsel

**DUKE ENERGY FLORIDA**  
**RATE OF RETURN REPORT SUMMARY**  
**Jan-21**

**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	\$949,491,115 (a)	(\$33,914,234) (b)	\$915,576,881	(\$78,346,937)	\$837,229,944
Average Rate Base	\$15,650,062,363	(\$1,281,919,772)	\$14,368,142,591	\$0	\$14,368,142,591
Average Rate of Return	6.07%		6.37%		5.83%
<b>I. YEAR END RATE OF RETURN (Jurisdictional)</b>					
Net Operating Income	\$935,015,382	(\$19,438,501)	\$915,576,881		
Average Rate Base	\$16,247,306,389	(\$1,326,944,460)	\$14,920,361,929		
Average Rate of Return	5.75%		6.14%		
(a) INCLUDES AFUDC EARNINGS					
(b) INCLUDES REVERSAL OF AFUDC EARNINGS					

<b>III. REQUIRED RATES OF RETURN</b>	<b>Average Capital Structure</b>	<b>End of Period Capital Structure</b>
FPSC Adjusted Basis		
Low Point	5.84%	5.86%
Mid Point	6.27%	6.30%
High Point	6.69%	6.74%
Pro Forma Adjusted Basis		
Low Point	5.84%	5.86%
Mid Point	6.27%	6.30%
High Point	6.69%	6.74%

**IV. FINANCIAL INTEGRITY INDICATORS**

A. T.I.E. with AFUDC	4.18	(System Per Books Basis)
B. T.I.E. without AFUDC	4.13	(System Per Books Basis)
C. AFUDC to Net Income	2.10%	(System Per Books Basis)
D. Internally Generated Funds	96.20%	(System Per Books Basis)
E. STD/LTD to Total Investor Funds		
LT Debt-Fixed to Total Investor Funds	47.36%	(FPSC Adjusted Basis)
ST Debt to Total Investor Funds	1.17%	(FPSC Adjusted Basis)
F. Return on Common Equity	10.75%	(FPSC Adjusted Basis)
	9.47%	(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*

03/12/2021

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>\$20,715,402,632</b>	<b>\$5,857,811,500</b>	<b>\$14,857,591,132</b>	<b>\$135,794,921</b>	<b>\$1,127,290,369</b>	<b>\$16,120,676,421</b>	<b>\$1,236,100,258</b>	<b>\$17,356,776,680</b>
<b>Regulatory Base - Retail</b>	<b>\$18,792,411,329</b>	<b>\$5,403,463,299</b>	<b>\$13,388,948,030</b>	<b>\$119,983,325</b>	<b>\$935,562,073</b>	<b>\$14,444,493,428</b>	<b>\$1,205,568,936</b>	<b>\$15,650,062,363</b>
<b>FPSC Adjustments</b>								
ARO	(30,541,780)	(35,987,185)	5,445,405			5,445,405	(23,242,862)	(17,797,458)
ECCR	(18,221,565)	(15,989,571)	(2,231,995)			(2,231,995)	(18,502,685)	(20,734,679)
ECRC	(253,709,526)	(33,773,411)	(219,936,115)		(9,377,342)	(229,313,457)	(5,184,305)	(234,497,761)
FUEL	(4,762,691)	(4,708,524)	(54,167)			(54,167)	(95,424,710)	(95,478,877)
CCR							(118,615,190)	(118,615,190)
Storm Protection Plan					(250,322)	(250,322)		(250,322)
Investments Earning a Return							(236,780,583)	(236,780,583)
Jobbing Accounts							1,058,076	1,058,076
Non-Regulated and Miscellaneous	(43,895,091)	(33,889,030)	(10,006,062)	(87,746,747)		(97,752,808)	39,578,293	(58,174,515)
CWIP - AFUDC					(250,481,851)	(250,481,851)		(250,481,851)
Capital & Operating Leases	(636,516,058)	(191,119,437)	(445,396,621)			(445,396,621)	423,890,196	(21,506,424)
Storm							(228,660,186)	(228,660,186)
<b>Total FPSC Adjustments</b>	<b>(987,646,711)</b>	<b>(315,467,157)</b>	<b>(672,179,554)</b>	<b>(87,746,747)</b>	<b>(260,109,515)</b>	<b>(1,020,035,816)</b>	<b>(261,883,956)</b>	<b>(1,281,919,772)</b>
<b>FPSC Adjusted</b>	<b>\$17,804,764,617</b>	<b>\$5,087,996,141</b>	<b>\$12,716,768,476</b>	<b>\$32,236,578</b>	<b>\$675,452,558</b>	<b>\$13,424,457,612</b>	<b>\$943,684,980</b>	<b>\$14,368,142,591</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>5,067,852,412</b>	<b>1,746,156,644</b>	<b>1,058,197,922</b>	<b>659,089,238</b>	<b>383,986,883</b>	<b>163,373,172</b>	<b>20,746,593</b>		<b>4,031,550,452</b>	<b>1,036,301,961</b>
<b>Regulatory Base - Retail</b>	<b>4,740,918,468</b>	<b>1,642,871,735</b>	<b>1,018,369,941</b>	<b>608,807,580</b>	<b>369,691,973</b>	<b>147,495,507</b>	<b>18,666,350</b>		<b>3,805,903,086</b>	<b>935,015,382</b>
<b>FPSC Adjustments</b>										
ECCR	(121,597,946)		(117,375,897)	(3,202,866)		(249,922)			(120,828,685)	(769,262)
ECRC	(31,278,211)		(15,216,614)	3,911,357	(1,015,786)	(4,648,643)			(16,969,685)	(14,308,525)
FUEL	(1,232,567,195)	(1,215,088,137)	(886,250)	(6,551,340)		(2,462,351)			(1,224,988,078)	(7,579,117)
CCR	(424,754,249)	(411,928,864)	(305,823)	(6,517,692)		(1,471,768)			(420,224,147)	(4,530,103)
Storm Protection Plan	(732,742)		(1,046,420)	364,760		(12,526)			(694,186)	(38,555)
Non-Regulated and Miscellaneous				825,675		(202,471)			623,205	(623,205)
Coporate Aircraft Allocation			(2,784,530)			682,817			(2,101,713)	2,101,713
Franchise Fee & Gross Receipts	(229,057,944)				(228,032,248)	(251,519)			(228,283,767)	(774,177)
Gain/Loss on Disposition & Other						49,885		(203,433)	(153,547)	153,547
Inst./Promotional Advertising			(1,687,706)			413,856			(1,273,849)	1,273,849
Miscellaneous Interest Expense			1,284,711			(315,034)			969,676	(969,676)
Remove Assoc/Organization Dues			(92,050)			22,572			(69,478)	69,478
Remove Economic Development			(59,039)			14,477			(44,562)	44,562
Parent Debt Adjustment						(9,201,303)			(9,201,303)	9,201,303
Directors & Officers Premium			(1,039,519)			254,909			(784,610)	784,610
Interest Synchronization - FPSC						3,473,736			3,473,736	(3,473,736)
Storm	(147,429,013)		(147,427,413)			(392)			(147,427,805)	(1,207)
<b>Total FPSC Adjustments</b>	<b>(2,187,417,300)</b>	<b>(1,627,017,001)</b>	<b>(286,636,550)</b>	<b>(11,170,105)</b>	<b>(229,048,034)</b>	<b>(13,903,676)</b>		<b>(203,433)</b>	<b>(2,167,978,798)</b>	<b>(19,438,501)</b>
<b>FPSC Adjusted</b>	<b>2,553,501,169</b>	<b>15,854,734</b>	<b>731,733,392</b>	<b>597,637,475</b>	<b>140,643,939</b>	<b>133,591,831</b>	<b>18,666,350</b>	<b>(203,433)</b>	<b>1,637,924,288</b>	<b>915,576,881</b>
<b>Pro Forma Adjustments</b>										
Weather Normalization	(103,800,776)					(25,453,840)			(25,453,840)	(78,346,937)
<b>Total Pro Forma Adjustments</b>	<b>(103,800,776)</b>					<b>(25,453,840)</b>			<b>(25,453,840)</b>	<b>(78,346,937)</b>
<b>Pro Forma Adjusted</b>	<b>2,449,700,393</b>	<b>15,854,734</b>	<b>731,733,392</b>	<b>597,637,475</b>	<b>140,643,939</b>	<b>108,137,992</b>	<b>18,666,350</b>	<b>(203,433)</b>	<b>1,612,470,448</b>	<b>837,229,944</b>
<b>Current Month</b>										
System Per Books	362,343,683	125,008,674	75,531,228	61,352,489	33,142,878	10,487,238	(4,459,074)		301,063,434	61,280,249
FPSC Adjusted	183,708,693		60,724,221	56,075,553	12,632,748	7,160,000	909,241	(21,262)	137,480,501	46,228,192

A) The addition of earnings from AFUDC would increase:

Pre-Tax System NOI by: 17,442,299  
Pre-Tax Jurisdictional NOI by: 14,475,732

B) Economic Development costs related to the period are:

Total Company: (1,266,648)  
Jurisdictional: (1,180,782)

**DUKE ENERGY FLORIDA**  
**Average Rate of Return - Adjustment**  
**Jan-21**

Notes	Rate Base Adjustments	P=ProForma F=FPSC	System	Retail
	ARO	F	(17,797,458)	(17,797,458)
	ECCR	F	(20,896,989)	(20,734,679)
	ECRC	F	(253,859,564)	(234,497,761)
	FUEL	F	(95,483,026)	(95,478,877)
	CCR	F	(118,615,190)	(118,615,190)
	Storm Protection Plan	F	(261,956)	(250,322)
	Investments Earning a Return	F	(236,780,583)	(236,780,583)
	Jobbing Accounts	F	1,113,233	1,058,076
	Non-Regulated and Miscellaneous	F	(64,895,768)	(58,174,515)
(1)	CWIP - AFUDC	F	(315,298,731)	(250,481,851)
(2)	Capital & Operating Leases - EPIS	F	(491,683,856)	(445,396,621)
(2)	Capital & Operating Leases - Working Capital	F	454,715,350	423,890,196
	Storm	F	(228,660,186)	(228,660,186)
	<b>Total</b>		<b>(1,388,404,723)</b>	<b>(1,281,919,772)</b>

Notes	Income Statement Adjustments (to NOI)	P=ProForma F=FPSC	System		Retail	
			Amount	Income Tax Effect	Amount	Income Tax Effect
	ECCR	F	(786,273)	192,808	(1,019,184)	249,922
	ECRC	F	(17,154,433)	4,206,579	(18,957,168)	4,648,643
	FUEL	F	(10,672,760)	2,617,155	(10,041,468)	2,462,351
	CCR	F	(6,001,871)	1,471,768	(6,001,871)	1,471,768
	Storm Protection Plan	F	(51,081)	12,526	(51,081)	12,526
	Non-Regulated and Miscellaneous	F	794,370	(194,794)	(825,675)	202,471
(2)	Coporate Aircraft Allocation	F	2,987,020	(732,472)	2,784,530	(682,817)
(1)	Franchise Fee & Gross Receipts	F	(1,025,697)	251,519	(1,025,697)	251,519
(1)	Gain/Loss on Disposition & Other	F	219,016	(53,707)	203,433	(49,885)
(1)	Inst./Promotional Advertising	F	1,810,435	(443,952)	1,687,706	(413,856)
(1)	Miscellaneous Interest Expense	F	(1,378,135)	337,944	(1,284,711)	315,034
(1)	Remove Assoc/Organization Dues	F	98,744	(24,214)	92,050	(22,572)
(3)	Remove Economic Development	F	63,332	(15,530)	59,039	(14,477)
(2)	Parent Debt Adjustment	F		10,188,669		9,201,303
(2)	Directors & Officers Premium	F	1,115,113	(273,446)	1,039,519	(254,909)
(1)	Interest Synchronization - FPSC	F		(3,704,276)		(3,473,736)
	Storm	F	(1,599)	392	(1,599)	392
	<b>Total</b>		<b>(29,983,819)</b>	<b>13,836,971</b>	<b>(33,342,177)</b>	<b>13,903,676</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>\$21,345,892,913</b>	<b>\$5,993,847,715</b>	<b>\$15,352,045,198</b>	<b>\$135,779,946</b>	<b>\$1,296,016,769</b>	<b>\$16,783,841,913</b>	<b>\$1,236,100,258</b>	<b>\$18,019,942,171</b>
Regulatory Base - Retail	\$19,352,618,485	\$5,519,365,617	\$13,833,252,868	\$121,274,442	\$1,087,210,143	\$15,041,737,454	\$1,205,568,936	\$16,247,306,389
<b>FPSC Adjustments</b>								
ARO	(39,248,601)	(61,747,823)	22,499,222			22,499,222	(23,242,862)	(743,640)
ECCR	(12,300,534)	(11,701,941)	(598,593)			(598,593)	(18,502,685)	(19,101,278)
ECRC	(254,225,162)	(49,617,078)	(204,608,083)		(11,714,169)	(216,322,253)	(5,184,305)	(221,506,557)
FUEL	(4,129,844)	(4,152,266)	22,422			22,422	(95,424,710)	(95,402,288)
CCR							(118,615,190)	(118,615,190)
Storm Protection Plan					(2,415,716)	(2,415,716)		(2,415,716)
Investments Earning a Return							(236,780,583)	(236,780,583)
Jobbing Accounts							1,058,076	1,058,076
Non-Regulated and Miscellaneous	(44,132,323)	(14,835,082)	(29,297,240)	(87,746,747)		(117,043,987)	39,578,293	(77,465,694)
CWIP - AFUDC					(337,727,466)	(337,727,466)		(337,727,466)
Capital & Operating Leases	(614,039,793)	(200,565,658)	(413,474,135)			(413,474,135)	423,890,196	10,416,061
Storm							(228,660,186)	(228,660,186)
<b>Total FPSC Adjustments</b>	<b>(968,076,255)</b>	<b>(342,619,848)</b>	<b>(625,456,407)</b>	<b>(87,746,747)</b>	<b>(351,857,351)</b>	<b>(1,065,060,505)</b>	<b>(261,883,956)</b>	<b>(1,326,944,460)</b>
<b>FPSC Adjusted</b>	<b>18,384,542,230</b>	<b>5,176,745,768</b>	<b>13,207,796,462</b>	<b>33,527,695</b>	<b>735,352,792</b>	<b>13,976,676,949</b>	<b>943,684,980</b>	<b>14,920,361,929</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>	5,067,852,412	1,746,156,644	1,058,197,922	659,089,238	383,986,883	163,373,172	20,746,593		4,031,550,452	1,036,301,961
<b>Regulatory Base - Retail</b>	4,740,918,468	1,642,871,735	1,018,369,941	608,807,580	369,691,973	147,495,507	18,666,350		3,805,903,086	935,015,382
<b>FPSC Adjustments</b>										
ECCR	(121,597,946)		(117,375,897)	(3,202,866)		(249,922)			(120,828,685)	(769,262)
ECRC	(31,278,211)		(15,216,614)	3,911,357	(1,015,786)	(4,648,643)			(16,969,685)	(14,308,525)
FUEL	(1,232,567,195)	(1,215,088,137)	(886,250)	(6,551,340)		(2,462,351)			(1,224,988,078)	(7,579,117)
CCR	(424,754,249)	(411,928,864)	(305,823)	(6,517,692)		(1,471,768)			(420,224,147)	(4,530,103)
Storm Protection Plan	(732,742)		(1,046,420)	364,760		(12,526)			(694,186)	(38,555)
Non-Regulated and Miscellaneous				825,675		(202,471)			623,205	(623,205)
Coporate Aircraft Allocation			(2,784,530)			682,817			(2,101,713)	2,101,713
Franchise Fee & Gross Receipts	(229,057,944)				(228,032,248)	(251,519)			(228,283,767)	(774,177)
Gain/Loss on Disposition & Other						49,885		(203,433)	(153,547)	153,547
Inst./Promotional Advertising			(1,687,706)			413,856			(1,273,849)	1,273,849
Miscellaneous Interest Expense			1,284,711			(315,034)			969,676	(969,676)
Remove Assoc/Organization Dues			(92,050)			22,572			(69,478)	69,478
Remove Economic Development			(59,039)			14,477			(44,562)	44,562
Parent Debt Adjustment						(9,201,303)			(9,201,303)	9,201,303
Directors & Officers Premium			(1,039,519)			254,909			(784,610)	784,610
Interest Synchronization - FPSC						3,473,736			3,473,736	(3,473,736)
Storm	(147,429,013)		(147,427,413)			(392)			(147,427,805)	(1,207)
<b>Total FPSC Adjustments</b>	<b>(2,187,417,300)</b>	<b>(1,627,017,001)</b>	<b>(286,636,550)</b>	<b>(11,170,105)</b>	<b>(229,048,034)</b>	<b>(13,903,676)</b>		<b>(203,433)</b>	<b>(2,167,978,798)</b>	<b>(19,438,501)</b>
<b>FPSC Adjusted</b>	<b>2,553,501,169</b>	<b>15,854,734</b>	<b>731,733,392</b>	<b>597,637,475</b>	<b>140,643,939</b>	<b>133,591,831</b>	<b>18,666,350</b>	<b>(203,433)</b>	<b>1,637,924,288</b>	<b>915,576,881</b>

A) The addition of earnings from AFUDC would increase:

Pre-Tax System NOI by: 17,442,299  
Pre-Tax Jurisdictional NOI by: 14,475,732

DUKE ENERGY FLORIDA  
End of Period Rate of Return - Adjustment  
Jan-21

Notes	Rate Base Adjustments	P=ProForma F=FPSC	System	Retail
	ARO	F	(743,640)	(743,640)
	ECCR	F	(19,144,807)	(19,101,278)
	ECRC	F	(239,836,035)	(221,506,557)
	FUEL	F	(95,400,570)	(95,402,288)
	CCR	F	(118,615,190)	(118,615,190)
	Storm Protection Plan	F	(2,563,253)	(2,415,716)
	Investments Earning a Return	F	(236,780,583)	(236,780,583)
	Jobbing Accounts	F	1,113,233	1,058,076
	Non-Regulated and Miscellaneous	F	(84,186,946)	(77,465,694)
(1)	CWIP - AFUDC	F	(428,189,169)	(337,727,466)
(2)	Capital & Operating Leases - EPIS	F	(458,126,904)	(413,474,135)
(2)	Capital & Operating Leases - Working Capital	F	454,715,350	423,890,196
	Storm	F	(228,660,186)	(228,660,186)
	<b>Total</b>		<b>(1,456,418,700)</b>	<b>(1,326,944,460)</b>

Notes	Income Statement Adjustments (to NOI)	P=ProForma F=FPSC	System		Retail	
			Amount	Income Tax Effect	Amount	Income Tax Effect
	ECCR	F	(786,273)	192,808	(1,019,184)	249,922
	ECRC	F	(17,154,433)	4,206,579	(18,957,168)	4,648,643
	FUEL	F	(10,672,760)	2,617,155	(10,041,468)	2,462,351
	CCR	F	(6,001,871)	1,471,768	(6,001,871)	1,471,768
	Storm Protection Plan	F	(51,081)	12,526	(51,081)	12,526
	Non-Regulated and Miscellaneous	F	794,370	(194,794)	(825,675)	202,471
(2)	Coporate Aircraft Allocation	F	2,987,020	(732,472)	2,784,530	(682,817)
(1)	Franchise Fee & Gross Receipts	F	(1,025,697)	251,519	(1,025,697)	251,519
(1)	Gain/Loss on Disposition & Other	F	219,016	(53,707)	203,433	(49,885)
(1)	Inst./Promotional Advertising	F	1,810,435	(443,952)	1,687,706	(413,856)
(1)	Miscellaneous Interest Expense	F	(1,378,135)	337,944	(1,284,711)	315,034
(1)	Remove Assoc/Organization Dues	F	98,744	(24,214)	92,050	(22,572)
(3)	Remove Economic Development	F	63,332	(15,530)	59,039	(14,477)
(2)	Parent Debt Adjustment	F		10,188,669		9,201,303
(2)	Directors & Officers Premium	F	1,115,113	(273,446)	1,039,519	(254,909)
(1)	Interest Synchronization - FPSC	F		(3,704,276)		(3,473,736)
	Storm	F	(1,599)	392	(1,599)	392
	<b>Total</b>		<b>(29,983,819)</b>	<b>13,836,971</b>	<b>(33,342,177)</b>	<b>13,903,676</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  
Jan-21

	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	7,223,072,913	6,504,646,431	(401,011,945)	(13,117,085)	6,090,517,401	42.39%	9.50%	4.03%	10.50%	4.45%	11.50%	4.87%
Long Term Debt	6,633,526,552	5,973,737,954	(368,281,397)		5,605,456,557	39.01%	4.40%	1.71%	4.40%	1.71%	4.40%	1.71%
Short Term Debt *	221,577,585	199,538,875	(12,301,587)	(48,599,933)	138,637,355	0.96%	1.02%	0.01%	1.02%	0.01%	1.02%	0.01%
Customer Deposits												
Active	195,638,217	195,638,217	(12,061,111)		183,577,106	1.28%	2.46%	0.03%	2.46%	0.03%	2.46%	0.03%
Inactive	1,801,696	1,801,696	(111,075)		1,690,622	0.01%						
Investment Tax Credits **	130,265,818	117,309,225	(7,232,123)		110,077,103	0.77%	7.05%	0.05%	7.57%	0.06%	8.10%	0.06%
Deferred Income Taxes	2,950,893,899	2,657,389,964	(163,828,292)	(255,375,224)	2,238,186,447	15.58%						
<b>Total</b>	<b>17,356,776,680</b>	<b>15,650,062,363</b>	<b>(964,827,529)</b>	<b>(317,092,242)</b>	<b>14,368,142,591</b>	<b>100.00%</b>		<b>5.84%</b>		<b>6.27%</b>		<b>6.69%</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	7,607,970,392	6,912,880,547	(443,807,164)	(13,208,037)	6,455,865,346	43.27%	9.50%	4.11%	10.50%	4.54%	11.50%	4.98%
Long Term Debt	6,769,207,916	6,150,750,241	(394,878,373)		5,755,871,868	38.58%	4.31%	1.66%	4.31%	1.66%	4.31%	1.66%
Short Term Debt *	206,804,000	187,909,689	(12,063,808)	(25,766,004)	150,079,877	1.01%	0.25%	0.00%	0.25%	0.00%	0.25%	0.00%
Customer Deposits												
Active	191,324,193	191,324,193	(12,283,020)		179,041,173	1.20%	2.41%	0.03%	2.41%	0.03%	2.41%	0.03%
Inactive	1,892,955	1,892,955	(121,528)		1,771,427	0.01%						
Investment Tax Credits **	145,829,017	132,505,586	(8,506,863)		123,998,722	0.83%	7.05%	0.06%	7.58%	0.06%	8.11%	0.07%
Deferred Income Taxes	2,938,515,908	2,670,043,180	(171,416,862)	(244,892,802)	2,253,733,516	15.11%						
<b>Total</b>	<b>17,861,544,380</b>	<b>16,247,306,389</b>	<b>(1,043,077,618)</b>	<b>(283,866,843)</b>	<b>14,920,361,929</b>	<b>100.00%</b>		<b>5.86%</b>		<b>6.30%</b>		<b>6.74%</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
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Long Term Debt	6,633,526,552	5,973,737,954	(368,281,397)		5,605,456,557	39.01%	4.40%	1.71%	4.40%	1.71%	4.40%	1.71%
Short Term Debt *	221,577,585	199,538,875	(12,301,587)	(48,599,933)	138,637,355	0.96%	1.02%	0.01%	1.02%	0.01%	1.02%	0.01%
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Inactive	1,801,696	1,801,696	(111,075)		1,690,622	0.01%						
Investment Tax Credits **	130,265,818	117,309,225	(7,232,123)		110,077,103	0.77%	7.05%	0.05%	7.57%	0.06%	8.10%	0.06%
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<b>Total</b>	<b>17,356,776,680</b>	<b>15,650,062,363</b>	<b>(964,827,529)</b>	<b>(317,092,242)</b>	<b>14,368,142,591</b>	<b>100.00%</b>		<b>5.84%</b>		<b>6.27%</b>		<b>6.69%</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	
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Short Term Debt *	206,804,000	187,909,689	(12,063,808)	(25,766,004)	150,079,877	1.01%	0.25%	0.00%	0.25%	0.00%	0.25%	0.00%
Customer Deposits												
Active	191,324,193	191,324,193	(12,283,020)		179,041,173	1.20%	2.41%	0.03%	2.41%	0.03%	2.41%	0.03%
Inactive	1,892,955	1,892,955	(121,528)		1,771,427	0.01%						
Investment Tax Credits **	145,829,017	132,505,586	(8,506,863)		123,998,722	0.83%	7.05%	0.06%	7.58%	0.06%	8.11%	0.07%
Deferred Income Taxes	2,938,515,908	2,670,043,180	(171,416,862)	(244,892,802)	2,253,733,516	15.11%						
<b>Total</b>	<b>17,861,544,380</b>	<b>16,247,306,389</b>	<b>(1,043,077,618)</b>	<b>(283,866,843)</b>	<b>14,920,361,929</b>	<b>100.00%</b>		<b>5.86%</b>		<b>6.30%</b>		<b>6.74%</b>
* Daily Weighted Average ** Cost Rates Calculated Per IRS Ruling												

**A. TIMES INTEREST EARNED WITH AFUDC**

EARNINGS BEFORE INTEREST	\$ 1,071,780,149
AFUDC - DEBT	\$ 4,964,606
INCOME TAXES	198,696,783
TOTAL	<u>\$ 1,275,441,537</u>
INTEREST CHARGES (before deducting AFUDC-Debt)	\$ 304,809,146
TIE WITH AFUDC	<u><u>4.18</u></u>

**B. TIMES INTEREST EARNED WITHOUT AFUDC**

EARNINGS BEFORE INTEREST	\$ 1,071,780,149
AFUDC - EQUITY	(12,477,694)
INCOME TAXES	198,696,783
TOTAL	<u>\$ 1,257,999,238</u>
INTEREST CHARGES (before deducting AFUDC-Debt & CR3 reg asset carrying charge)	\$ 304,809,146
TIE WITHOUT AFUDC	<u><u>4.13</u></u>

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

AFUDC DEBT	\$ 4,964,606
X (1- INCOME TAX RATE)	0.75478
SUBTOTAL	<u>\$ 3,747,194</u>
AFUDC -EQUITY	\$ 12,477,694
TOTAL	<u>\$ 16,224,888</u>
NET INCOME AVAILABLE FOR COMMON STOCKHOLDERS	\$ 771,921,411
PERCENT AFUDC TO AVAILABLE NET INCOME	<u><u>2.10%</u></u>

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

NET INCOME	\$ 770,836,654
COMMON DIVIDENDS	-
AFUDC (EQUITY)	(12,077,036)
DEPRECIATION & AMORTIZATION	965,524,820
DEFERRED INCOME TAXES	26,805,268
INVESTMENT TAX CREDITS	-
OTHER - INC NUCLEAR DECOMMISSIONING	(226,317,245)
OTHER FUNDS - INCLUDING CHANGE IN WORKING CAPITAL	309,588,650
TOTAL FUNDS PROVIDED	<u>\$ 1,834,361,111</u>

CONSTRUCTION EXPENDITURES (EXCLUDING AFUDC EQUITY & DEBT)	\$ 1,906,744,719
PERCENTAGE INTERNALLY GENERATED FUNDS *As of December 2020 (updated quarterly)	<b>96.20%</b>

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

Common Equity	\$ 6,090,517,401
Long Term Debt	\$ 5,605,456,557
Short Term Debt	\$ 138,637,355
TOTAL	<u>\$ 11,834,611,314</u>
% LONG TERM DEBT TO TOTAL	<b>47.36%</b>
% SHORT TERM DEBT TO TOTAL	<b>1.17%</b>

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

	Pro Forma	FPSC
FPSC AVERAGE		
EARNED RATE OF RETURN	<u>5.83%</u>	<u>6.37%</u>
LESS RETAIL WEIGHTED AVERAGE COST RATES FOR:		
LONG TERM DEBT	1.71%	1.71%
SHORT TERM DEBT	0.01%	0.01%
CUSTOMER DEPOSITS	0.03%	0.03%
DEFERRED INCOME TAXES		
INVESTMENT TAX CREDITS	0.06%	0.06%
DEFERRED INCOME TAX (FAS 109)		
SUBTOTAL	<u>1.81%</u>	<u>1.81%</u>
TOTAL	<u>4.01%</u>	<u>4.56%</u>
DIVIDED BY COMMON EQUITY RATIO	<u>42.39%</u>	<u>42.39%</u>
JURISDICTIONAL RETURN ON COMMON EQUITY	<u><u>9.47%</u></u>	<u><u>10.75%</u></u>