



September 15, 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 July 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 July 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. Richard Gentry, Office of the Public Counsel

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

SCHEDULE 1

	(1) Actual Per Books	(2) FPSC Adjustments	(3) FPSC Adjusted	(4) Pro Forma Adjustments	(5) Pro Forma Adjusted
<u>I. AVERAGE RATE OF RETURN (Jurisdictional)</u>					
Net Operating Income	\$975,999,761 (a)	(\$45,836,445) (b)	\$930,163,316	(\$49,675,493)	\$880,487,823
Average Rate Base	\$16,103,523,232	(\$1,221,636,850)	\$14,881,886,383	\$0	\$14,881,886,383
Average Rate of Return	6.06%		6.25%		5.92%
<u>I. YEAR END RATE OF RETURN (Jurisdictional)</u>					
Net Operating Income	\$959,133,783	(\$28,970,466)	\$930,163,316		
Average Rate Base	\$16,708,147,079	(\$1,272,396,063)	\$15,435,751,016		
Average Rate of Return	5.74%		6.03%		

(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	5.87%	5.88%
Mid Point	6.31%	6.33%
High Point	6.75%	6.77%
Pro Forma Adjusted Basis		
Low Point	5.87%	5.88%
Mid Point	6.31%	6.33%
High Point	6.75%	6.77%

IV. FINANCIAL INTEGRITY INDICATORS

A. T.I.E. with AFUDC	4.21	(System Per Books Basis)
B. T.I.E. without AFUDC	4.14	(System Per Books Basis)
C. AFUDC to Net Income	2.43%	(System Per Books Basis)
D. Internally Generated Funds	100.06%	(System Per Books Basis)
E. STD/LTD to Total Investor Funds		
LT Debt-Fixed to Total Investor Funds	46.67%	(FPSC Adjusted Basis)
ST Debt to Total Investor Funds	0.96%	(FPSC Adjusted Basis)
F. Return on Common Equity		
	10.36%	(FPSC Adjusted Basis)
	9.59%	(Pro Forma Adjusted Basis)
G. Current Allowed AFUDC Rate	6.18%	Docket 20210046-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 Oliver

09/15/2021

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	\$21,410,707,307	\$5,981,140,864	\$15,429,566,443	\$136,053,375	\$1,230,715,932	\$16,796,335,750	\$1,093,137,841	\$17,889,473,591
Regulatory Base - Retail	\$19,398,725,486	\$5,511,101,914	\$13,887,623,572	\$121,095,708	\$1,029,498,374	\$15,038,217,654	\$1,065,305,578	\$16,103,523,232
FPSC Adjustments								
ARO	(36,261,985)	(52,536,904)	16,274,919			16,274,919	(38,023,269)	(21,748,350)
ECCR	(8,178,159)	(7,216,364)	(961,794)			(961,794)	(16,181,118)	(17,142,913)
ECRC	(253,552,916)	(44,247,293)	(209,305,622)		(11,479,349)	(220,784,971)	(5,847,688)	(226,632,659)
FUEL	(4,129,844)	(4,141,761)	11,917			11,917	(92,239,021)	(92,227,104)
CCR							(115,356,344)	(115,356,344)
Storm Protection Plan	(182,356)	(106)	(182,251)		(2,613,364)	(2,795,615)		(2,795,615)
Over\Under Recovery-Clauses							(18,239,498)	(18,239,498)
Investments Earning a Return							(242,515,469)	(242,515,469)
Jobbing Accounts							1,190,341	1,190,341
Non-Regulated and Miscellaneous	(41,449,957)	(23,875,285)	(17,574,672)	(87,633,618)	(2,391,939)	(107,600,229)	40,015,067	(67,585,162)
CWIP - AFUDC					(296,180,849)	(296,180,849)		(296,180,849)
Capital & Operating Leases	(619,669,459)	(206,274,876)	(413,394,583)			(413,394,583)	390,735,341	(22,659,242)
Storm							(99,743,986)	(99,743,986)
Total FPSC Adjustments	(963,424,674)	(338,292,588)	(625,132,086)	(87,633,618)	(312,665,501)	(1,025,431,205)	(196,205,645)	(1,221,636,850)
FPSC Adjusted	\$18,435,300,812	\$5,172,809,326	\$13,262,491,486	\$33,462,091	\$716,832,873	\$14,012,786,450	\$869,099,933	\$14,881,886,383

	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	5,114,652,515	1,764,472,573	1,017,224,756	720,741,333	383,388,847	71,523,820	117,639,976		4,074,991,305	1,039,661,210
Regulatory Base - Retail	4,785,042,766	1,639,877,275	973,240,632	668,109,119	368,429,822	66,641,854	109,610,281		3,825,908,983	959,133,783
FPSC Adjustments										
ECCR	(121,029,941)		(117,926,370)	(1,408,724)		(415,607)			(119,750,702)	(1,279,240)
ECRC	(35,151,950)		(17,642,885)	3,292,321	(978,411)	(4,860,954)			(20,189,928)	(14,962,021)
FUEL	(1,259,645,365)	(1,241,452,512)	(907,660)	(6,551,340)		(2,632,136)			(1,251,543,648)	(8,101,717)
CCR	(458,098,734)	(397,822,241)	(329,831)	(53,529,943)		(1,573,496)			(453,255,512)	(4,843,222)
Storm Protection Plan	(5,612,045)		(2,300,184)	(2,835,682)	(3,723)	(115,855)			(5,255,444)	(356,601)
Non-Regulated and Miscellaneous				1,275,370		(312,744)			962,626	(962,626)
Corporate Aircraft Allocation			(2,801,567)			686,995			(2,114,572)	2,114,572
Franchise Fee & Gross Receipts	(231,042,706)				(221,184,736)	(2,417,354)			(223,602,090)	(7,440,616)
Gain/Loss on Disposition & Other						57,533		(234,621)	(177,088)	177,088
Inst./Promotional Advertising			(1,963,738)			481,544			(1,482,194)	1,482,194
Miscellaneous Interest Expense			1,229,482			(301,491)			927,991	(927,991)
Remove Assoc/Organization Dues			(94,476)			23,167			(71,309)	71,309
Remove Economic Development			(53,100)			13,021			(40,079)	40,079
Parent Debt Adjustment						(7,571,270)			(7,571,270)	7,571,270
Directors & Officers Premium			(1,079,488)			264,710			(814,778)	814,778
Interest Synchronization - FPSC						2,367,721			2,367,721	(2,367,721)
Storm	(75,140,053)		(75,140,053)						(75,140,053)	
Total FPSC Adjustments	(2,185,720,793)	(1,639,274,752)	(219,009,870)	(59,757,998)	(222,166,870)	(16,306,216)		(234,621)	(2,156,750,327)	(28,970,466)
FPSC Adjusted	2,599,321,973	602,523	754,230,762	608,351,121	146,262,952	50,335,638	109,610,281	(234,621)	1,669,158,656	930,163,316
Pro Forma Adjustments										
Weather Normalization	(65,814,376)					(16,138,883)			(16,138,883)	(49,675,493)
Total Pro Forma Adjustments	(65,814,376)					(16,138,883)			(16,138,883)	(49,675,493)
Pro Forma Adjusted	2,533,507,596	602,523	754,230,762	608,351,121	146,262,952	34,196,755	109,610,281	(234,621)	1,653,019,774	880,487,823
Current Month										
System Per Books	507,455,594	170,556,977	77,131,874	65,132,771	36,643,907	34,253,118	(4,646,133)		379,072,513	128,383,081
FPSC Adjusted	266,360,620		59,182,446	52,445,118	13,558,650	10,029,124	16,495,566	(50,756)	151,660,149	114,700,470

A) The addition of earnings from AFUDC would increase:

Pre-Tax System NOI by: 20,162,469
Pre-Tax Jurisdictional NOI by 16,865,979

B) Economic Development costs related to the period are:

Total Company: 1,139,224
Jurisdictional: 1,061,996

DUKE ENERGY FLORIDA
Average Rate of Return - Adjustment
Jul-21

Schedule 2
Page 3 of 3

Notes	Rate Base Adjustments	P=ProForma F=FPSC	System	Retail
	ARO	F	(21,748,350)	(21,748,350)
	ECCR	F	(17,212,854)	(17,142,913)
	ECRC	F	(246,166,966)	(226,632,659)
	FUEL	F	(92,226,191)	(92,227,104)
	CCR	F	(115,356,344)	(115,356,344)
	Storm Protection Plan	F	(3,112,170)	(2,795,615)
	Over/Under Recovery-Clauses	F	(18,239,498)	(18,239,498)
	Investments Earning a Return	F	(242,515,469)	(242,515,469)
	Jobbing Accounts	F	1,257,135	1,190,341
	Non-Regulated and Miscellaneous	F	(74,297,789)	(67,585,162)
(1)	CWIP - AFUDC	F	(368,385,613)	(296,180,849)
(2)	Capital & Operating Leases - EPIS	F	(458,456,739)	(413,394,583)
(2)	Capital & Operating Leases - Working Capital	F	419,149,485	390,735,341
	Storm	F	(99,743,986)	(99,743,986)
	Total		(1,337,055,350)	(1,221,636,850)

Notes	Income Statement Adjustments (to NOI)	P=ProForma F=FPSC	System		Retail	
			Amount	Income Tax Effect	Amount	Income Tax Effect
	ECCR	F	(1,592,405)	390,487	(1,694,847)	415,607
	ECRC	F	(18,258,309)	4,477,270	(19,822,976)	4,860,954
	FUEL	F	(11,549,394)	2,832,122	(10,733,853)	2,632,136
	CCR	F	(6,416,718)	1,573,496	(6,416,718)	1,573,496
	Storm Protection Plan	F	(472,456)	115,855	(472,456)	115,855
	Non-Regulated and Miscellaneous	F	126,680	(31,064)	(1,275,370)	312,744
(2)	Corporate Aircraft Allocation	F	3,005,296	(736,953)	2,801,567	(686,995)
(1)	Franchise Fee & Gross Receipts	F	(9,857,970)	2,417,354	(9,857,970)	2,417,354
(1)	Gain/Loss on Disposition & Other	F	252,593	(61,940)	234,621	(57,533)
(1)	Inst./Promotional Advertising	F	2,106,540	(516,562)	1,963,738	(481,544)
(1)	Miscellaneous Interest Expense	F	(1,318,890)	323,416	(1,229,482)	301,491
(1)	Remove Assoc/Organization Dues	F	101,347	(24,852)	94,476	(23,167)
(3)	Remove Economic Development	F	56,961	(13,968)	53,100	(13,021)
(2)	Parent Debt Adjustment	F		8,421,198		7,571,270
(2)	Directors & Officers Premium	F	1,157,988	(283,960)	1,079,488	(264,710)
(1)	Interest Synchronization - FPSC	F		(2,543,266)		(2,367,721)
	Total		(42,658,738)	16,338,632	(45,276,682)	16,306,216

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	\$22,209,893,996	\$6,135,082,431	\$16,074,811,565	\$135,929,975	\$1,270,865,636	\$17,481,607,176	\$1,093,122,868	\$18,574,730,043
Regulatory Base - Retail	\$20,095,648,843	\$5,652,198,692	\$14,443,450,151	\$121,239,222	\$1,078,152,128	\$15,642,841,501	\$1,065,305,578	\$16,708,147,079
FPSC Adjustments								
ARO	(39,248,601)	(60,962,199)	21,713,598			21,713,598	(38,023,269)	(16,309,671)
ECCR	(642,572)	(82,170)	(560,402)			(560,402)	(16,181,118)	(16,741,520)
ECRC	(253,477,966)	(54,523,498)	(198,954,468)		(14,182,428)	(213,136,896)	(5,847,688)	(218,984,584)
FUEL	(4,129,844)	(4,170,304)	40,461			40,461	(92,239,021)	(92,198,561)
CCR							(115,356,344)	(115,356,344)
Storm Protection Plan	(861,654)	(3,897)	(857,757)		(6,201,922)	(7,059,678)		(7,059,678)
Over\Under Recovery-Clauses							(18,239,498)	(18,239,498)
Investments Earning a Return							(242,515,469)	(242,515,469)
Jobbing Accounts							1,190,341	1,190,341
Non-Regulated and Miscellaneous	(41,974,796)	(15,548,623)	(26,426,173)	(87,746,747)	(1,118,448)	(115,291,368)	40,015,067	(75,276,301)
CWIP - AFUDC					(377,511,522)	(377,511,522)		(377,511,522)
Capital & Operating Leases	(614,050,322)	(229,665,711)	(384,384,611)			(384,384,611)	390,735,341	6,350,730
Storm							(99,743,986)	(99,743,986)
Total FPSC Adjustments	(954,385,754)	(364,956,402)	(589,429,352)	(87,746,747)	(399,014,319)	(1,076,190,419)	(196,205,645)	(1,272,396,063)
FPSC Adjusted	19,141,263,089	5,287,242,291	13,854,020,799	33,492,476	679,137,808	14,566,651,083	869,099,933	15,435,751,016

	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	5,114,652,515	1,764,472,573	1,017,224,756	720,741,333	383,388,847	71,523,820	117,639,976		4,074,991,305	1,039,661,210
Regulatory Base - Retail	4,785,042,766	1,639,877,275	973,240,632	668,109,119	368,429,822	66,641,854	109,610,281		3,825,908,983	959,133,783
FPSC Adjustments										
ECCR	(121,029,941)		(117,926,370)	(1,408,724)		(415,607)			(119,750,702)	(1,279,240)
ECRC	(35,151,950)		(17,642,885)	3,292,321	(978,411)	(4,860,954)			(20,189,928)	(14,962,021)
FUEL	(1,259,645,365)	(1,241,452,512)	(907,660)	(6,551,340)		(2,632,136)			(1,251,543,648)	(8,101,717)
CCR	(458,098,734)	(397,822,241)	(329,831)	(53,529,943)		(1,573,496)			(453,255,512)	(4,843,222)
Storm Protection Plan	(5,612,045)		(2,300,184)	(2,835,682)	(3,723)	(115,855)			(5,255,444)	(356,601)
Non-Regulated and Miscellaneous				1,275,370		(312,744)			962,626	(962,626)
Corporate Aircraft Allocation			(2,801,567)			686,995			(2,114,572)	2,114,572
Franchise Fee & Gross Receipts	(231,042,706)				(221,184,736)	(2,417,354)			(223,602,090)	(7,440,616)
Gain/Loss on Disposition & Other						57,533		(234,621)	(177,088)	177,088
Inst./Promotional Advertising			(1,963,738)			481,544			(1,482,194)	1,482,194
Miscellaneous Interest Expense			1,229,482			(301,491)			927,991	(927,991)
Remove Assoc/Organization Dues			(94,476)			23,167			(71,309)	71,309
Remove Economic Development			(53,100)			13,021			(40,079)	40,079
Parent Debt Adjustment						(7,571,270)			(7,571,270)	7,571,270
Directors & Officers Premium			(1,079,488)			264,710			(814,778)	814,778
Interest Synchronization - FPSC						2,367,721			2,367,721	(2,367,721)
Storm	(75,140,053)		(75,140,053)						(75,140,053)	
Total FPSC Adjustments	(2,185,720,793)	(1,639,274,752)	(219,009,870)	(59,757,998)	(222,166,870)	(16,306,216)		(234,621)	(2,156,750,327)	(28,970,466)
FPSC Adjusted	2,599,321,973	602,523	754,230,762	608,351,121	146,262,952	50,335,638	109,610,281	(234,621)	1,669,158,656	930,163,316

A) The addition of earnings from AFUDC would increase:

Pre-Tax System NOI by: 20,162,469
Pre-Tax Jurisdictional NOI by: 16,865,979

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

Notes	Rate Base Adjustments	P=ProForma F=FPSC	System	Retail
	ARO	F	(16,309,671)	(16,309,671)
	ECCR	F	(16,782,273)	(16,741,520)
	ECRC	F	(237,893,744)	(218,984,584)
	FUEL	F	(92,195,461)	(92,198,561)
	CCR	F	(115,356,344)	(115,356,344)
	Storm Protection Plan	F	(7,885,988)	(7,059,678)
	Over/Under Recovery-Clauses	F	(18,239,498)	(18,239,498)
	Investments Earning a Return	F	(242,515,469)	(242,515,469)
	Jobbing Accounts	F	1,257,135	1,190,341
	Non-Regulated and Miscellaneous	F	(81,997,594)	(75,276,301)
(1)	CWIP - AFUDC	F	(447,287,027)	(377,511,522)
(2)	Capital & Operating Leases - EPIS	F	(429,038,146)	(384,384,611)
(2)	Capital & Operating Leases - Working Capital	F	419,149,485	390,735,341
	Storm	F	(99,743,986)	(99,743,986)
	Total		(1,384,838,580)	(1,272,396,063)

Notes	Income Statement Adjustments (to NOI)	P=ProForma F=FPSC	System		Retail	
			Amount	Income Tax Effect	Amount	Income Tax Effect
	ECCR	F	(1,592,405)	390,487	(1,694,847)	415,607
	ECRC	F	(18,258,309)	4,477,270	(19,822,976)	4,860,954
	FUEL	F	(11,549,394)	2,832,122	(10,733,853)	2,632,136
	CCR	F	(6,416,718)	1,573,496	(6,416,718)	1,573,496
	Storm Protection Plan	F	(472,456)	115,855	(472,456)	115,855
	Non-Regulated and Miscellaneous	F	126,680	(31,064)	(1,275,370)	312,744
(2)	Corporate Aircraft Allocation	F	3,005,296	(736,953)	2,801,567	(686,995)
(1)	Franchise Fee & Gross Receipts	F	(9,857,970)	2,417,354	(9,857,970)	2,417,354
(1)	Gain/Loss on Disposition & Other	F	252,593	(61,940)	234,621	(57,533)
(1)	Inst./Promotional Advertising	F	2,106,540	(516,562)	1,963,738	(481,544)
(1)	Miscellaneous Interest Expense	F	(1,318,890)	323,416	(1,229,482)	301,491
(1)	Remove Assoc/Organization Dues	F	101,347	(24,852)	94,476	(23,167)
(3)	Remove Economic Development	F	56,961	(13,968)	53,100	(13,021)
(2)	Parent Debt Adjustment	F		8,421,198		7,571,270
(2)	Directors & Officers Premium	F	1,157,988	(283,960)	1,079,488	(264,710)
(1)	Interest Synchronization - FPSC	F		(2,543,266)		(2,367,721)
	Total		(42,658,738)	16,338,632	(45,276,682)	16,306,216

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

	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	7,608,590,814	6,840,677,268	(387,316,746)	(12,755,853)	6,440,604,669	43.28%	9.50%	4.11%	10.50%	4.54%	11.50%	4.98%
Long Term Debt	6,768,039,272	6,084,960,215	(344,528,311)		5,740,431,904	38.57%	4.31%	1.66%	4.31%	1.66%	4.31%	1.66%
Short Term Debt *	198,487,969	178,455,140	(10,104,067)	(49,995,580)	118,355,493	0.80%	0.20%	0.00%	0.20%	0.00%	0.20%	0.00%
Customer Deposits												
Active	192,268,619	192,268,619	(10,886,182)		181,382,437	1.22%	2.45%	0.03%	2.45%	0.03%	2.45%	0.03%
Inactive	1,768,330	1,768,330	(100,122)		1,668,208	0.01%						
Investment Tax Credits **	169,582,640	152,467,144	(8,632,636)		143,834,508	0.97%	7.05%	0.07%	7.58%	0.07%	8.11%	0.08%
Deferred Income Taxes	2,950,735,947	2,652,926,516	(150,207,768)	(247,109,583)	2,255,609,164	15.16%						
Total	17,889,473,591	16,103,523,232	(911,775,833)	(309,861,017)	14,881,886,383	100.00%		5.87%		6.31%		6.75%

* Daily Weighted Average

** Cost Rates Calculated Per IRS Ruling

DUKE ENERGY FLORIDA
End of Period - Capital Structure
Pro Forma Adjusted Basis
Jul-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	7,999,871,406	7,188,760,282	(404,032,277)	(11,882,897)	6,772,845,108	43.88%	9.50%	4.17%	10.50%	4.61%	11.50%	5.05%
Long Term Debt	6,772,166,105	6,085,532,661	(342,027,209)		5,743,505,452	37.21%	4.30%	1.60%	4.30%	1.60%	4.30%	1.60%
Short Term Debt *	391,120,000	351,464,140	(19,753,456)	(76,094,425)	255,616,259	1.66%	0.17%	0.00%	0.17%	0.00%	0.17%	0.00%
Customer Deposits												
Active	191,119,516	191,119,516	(10,741,554)		180,377,963	1.17%	2.39%	0.03%	2.39%	0.03%	2.39%	0.03%
Inactive	1,507,258	1,507,258	(84,713)		1,422,545	0.01%						
Investment Tax Credits **	207,929,017	186,846,985	(10,501,423)		176,345,562	1.14%	7.12%	0.08%	7.66%	0.09%	8.20%	0.09%
Deferred Income Taxes	3,007,887,516	2,702,916,237	(151,912,897)	(245,365,214)	2,305,638,126	14.94%						
Total	18,571,600,818	16,708,147,079	(939,053,528)	(333,342,536)	15,435,751,016	100.00%		5.88%		6.33%		6.77%

* Daily Weighted Average

** Cost Rates Calculated Per IRS Ruling

DUKE ENERGY FLORIDA
Average - Capital Structure
FPSC Adjusted Basis
Jul-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	7,608,590,814	6,840,677,268	(387,316,746)	(12,755,853)	6,440,604,669	43.28%	9.50%	4.11%	10.50%	4.54%	11.50%	4.98%
Long Term Debt	6,768,039,272	6,084,960,215	(344,528,311)		5,740,431,904	38.57%	4.31%	1.66%	4.31%	1.66%	4.31%	1.66%
Short Term Debt *	198,487,969	178,455,140	(10,104,067)	(49,995,580)	118,355,493	0.80%	0.20%	0.00%	0.20%	0.00%	0.20%	0.00%
Customer Deposits												
Active	192,268,619	192,268,619	(10,886,182)		181,382,437	1.22%	2.45%	0.03%	2.45%	0.03%	2.45%	0.03%
Inactive	1,768,330	1,768,330	(100,122)		1,668,208	0.01%						
Investment Tax Credits **	169,582,640	152,467,144	(8,632,636)		143,834,508	0.97%	7.05%	0.07%	7.58%	0.07%	8.11%	0.08%
Deferred Income Taxes	2,950,735,947	2,652,926,516	(150,207,768)	(247,109,583)	2,255,609,164	15.16%						
Total	17,889,473,591	16,103,523,232	(911,775,833)	(309,861,017)	14,881,886,383	100.00%		5.87%		6.31%		6.75%
* Daily Weighted Average												
** Cost Rates Calculated Per IRS Ruling												

DUKE ENERGY FLORIDA
End of Period - Capital Structure
FPSC Adjusted Basis
Jul-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	7,999,871,406	7,188,760,282	(404,032,277)	(11,882,897)	6,772,845,108	43.88%	9.50%	4.17%	10.50%	4.61%	11.50%	5.05%
Long Term Debt	6,772,166,105	6,085,532,661	(342,027,209)		5,743,505,452	37.21%	4.30%	1.60%	4.30%	1.60%	4.30%	1.60%
Short Term Debt *	391,120,000	351,464,140	(19,753,456)	(76,094,425)	255,616,259	1.66%	0.17%	0.00%	0.17%	0.00%	0.17%	0.00%
Customer Deposits												
Active	191,119,516	191,119,516	(10,741,554)		180,377,963	1.17%	2.39%	0.03%	2.39%	0.03%	2.39%	0.03%
Inactive	1,507,258	1,507,258	(84,713)		1,422,545	0.01%						
Investment Tax Credits **	207,929,017	186,846,985	(10,501,423)		176,345,562	1.14%	7.12%	0.08%	7.66%	0.09%	8.20%	0.09%
Deferred Income Taxes	3,007,887,516	2,702,916,237	(151,912,897)	(245,365,214)	2,305,638,126	14.94%						
Total	18,571,600,818	16,708,147,079	(939,053,528)	(333,342,536)	15,435,751,016	100.00%		5.88%		6.33%		6.77%
* Daily Weighted Average ** Cost Rates Calculated Per IRS Ruling												

A. TIMES INTEREST EARNED WITH AFUDC

EARNINGS BEFORE INTEREST	\$	1,069,896,606
AFUDC - DEBT	\$	5,696,387
INCOME TAXES		198,325,190
TOTAL	\$	1,273,918,183
INTEREST CHARGES (before deducting AFUDC-Debt)	\$	302,888,805
TIE WITH AFUDC		<u>4.21</u>

B. TIMES INTEREST EARNED WITHOUT AFUDC

EARNINGS BEFORE INTEREST	\$	1,069,896,606
AFUDC - EQUITY		(14,466,082)
INCOME TAXES		198,325,190
TOTAL	\$	1,253,755,715
INTEREST CHARGES (before deducting AFUDC-Debt & CR3 reg asset carrying charge)	\$	302,888,805
TIE WITHOUT AFUDC		<u>4.14</u>

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

AFUDC DEBT	\$	5,696,387
X (1- INCOME TAX RATE)		0.75478
SUBTOTAL	\$	4,299,529
AFUDC -EQUITY	\$	14,466,082
TOTAL	\$	18,765,611
NET INCOME AVAILABLE FOR COMMON STOCKHOLDERS	\$	772,505,349
PERCENT AFUDC TO AVAILABLE NET INCOME		<u>2.43%</u>

D. PERCENT INTERNALLY GENERATED FUNDS*

NET INCOME	\$	767,847,714
COMMON DIVIDENDS		-
AFUDC (EQUITY)		(13,910,712)
DEPRECIATION & AMORTIZATION		976,190,451
DEFERRED INCOME TAXES		119,181,204
INVESTMENT TAX CREDITS		-
OTHER - INC NUCLEAR DECOMMISSIONING		24,863,196
OTHER FUNDS - INCLUDING CHANGE IN WORKING CAPITAL		(106,543,505)
TOTAL FUNDS PROVIDED	\$	<u>1,767,628,348</u>

CONSTRUCTION EXPENDITURES (EXCLUDING AFUDC EQUITY & DEBT)	\$	1,766,503,313
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PERCENTAGE INTERNALLY GENERATED FUNDS **100.06%**

*As of June 2021 (updated quarterly)

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

Common Equity	\$	6,440,604,669
Long Term Debt	\$	5,740,431,904
Short Term Debt	\$	118,355,493
TOTAL	\$	<u>12,299,392,066</u>
% LONG TERM DEBT TO TOTAL		46.67%
% SHORT TERM DEBT TO TOTAL		0.96%

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

	Pro Forma	FPSC
FPSC AVERAGE		
EARNED RATE OF RETURN	<u>5.92%</u>	<u>6.25%</u>
LESS RETAIL WEIGHTED AVERAGE COST RATES FOR:		
LONG TERM DEBT	1.66%	1.66%
SHORT TERM DEBT	0.00%	0.00%
CUSTOMER DEPOSITS	0.03%	0.03%
DEFERRED INCOME TAXES		
INVESTMENT TAX CREDITS	0.07%	0.07%
DEFERRED INCOME TAX (FAS 109)		
SUBTOTAL	<u>1.77%</u>	<u>1.77%</u>
TOTAL	4.15%	4.48%
DIVIDED BY COMMON EQUITY RATIO	<u>43.28%</u>	<u>43.28%</u>
JURISDICTIONAL RETURN ON COMMON EQUITY	<u>9.59%</u>	<u>10.36%</u>