



October 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 August 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 August 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
Aug-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	\$972,374,748 (a)	(\$45,497,945) (b)	\$926,876,802	(\$52,289,219)	\$874,587,584
Average Rate Base	\$16,180,077,253	(\$1,234,003,652)	\$14,946,073,601	\$0	\$14,946,073,601
Average Rate of Return	6.01%		6.20%		5.85%
<u>I. YEAR END RATE OF RETURN (Jurisdictional)</u>					
Net Operating Income	\$954,703,498	(\$27,826,696)	\$926,876,802		
Average Rate Base	\$16,748,631,327	(\$1,243,669,925)	\$15,504,961,403		
Average Rate of Return	5.70%		5.98%		

(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	5.88%	5.94%
Mid Point	6.32%	6.39%
High Point	6.76%	6.84%
Pro Forma Adjusted Basis		
Low Point	5.88%	5.94%
Mid Point	6.32%	6.39%
High Point	6.76%	6.84%

IV. FINANCIAL INTEGRITY INDICATORS

A. T.I.E. with AFUDC	4.20	(System Per Books Basis)
B. T.I.E. without AFUDC	4.13	(System Per Books Basis)
C. AFUDC to Net Income	2.54%	(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	46.30%	(FPSC Adjusted Basis)
ST Debt to Total Investor Funds	1.12%	(FPSC Adjusted Basis)
F. Return on Common Equity		
	10.22%	(FPSC Adjusted Basis)
	9.41%	(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

10/15/2021

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	\$21,530,750,193	\$6,005,032,562	\$15,525,717,631	\$136,079,889	\$1,242,828,581	\$16,904,626,101	\$1,073,194,291	\$17,977,820,393
Regulatory Base - Retail	\$19,501,802,183	\$5,532,399,331	\$13,969,402,852	\$121,265,442	\$1,043,270,474	\$15,133,938,768	\$1,046,138,485	\$16,180,077,253
FPSC Adjustments								
ARO	(37,215,352)	(54,256,236)	17,040,884			17,040,884	(39,840,230)	(22,799,346)
ECCR	(6,808,564)	(5,955,216)	(853,348)			(853,348)	(15,798,587)	(16,651,935)
ECRC	(253,268,986)	(45,844,871)	(207,424,115)		(11,965,807)	(219,389,922)	(6,007,151)	(225,397,073)
FUEL	(4,129,844)	(4,149,137)	19,293			19,293	(86,805,260)	(86,785,967)
CCR							(114,813,203)	(114,813,203)
Storm Protection Plan	(660,809)	(364)	(660,445)		(2,341,830)	(3,002,275)		(3,002,275)
Over\Under Recovery-Clauses							(33,440,503)	(33,440,503)
Investments Earning a Return							(243,852,964)	(243,852,964)
Jobbing Accounts							1,115,428	1,115,428
Non-Regulated and Miscellaneous	(41,497,917)	(22,197,737)	(19,300,181)	(87,633,618)	(2,263,632)	(109,197,430)	35,561,876	(73,635,555)
CWIP - AFUDC					(308,335,331)	(308,335,331)		(308,335,331)
Capital & Operating Leases	(616,862,628)	(208,367,895)	(408,494,733)			(408,494,733)	385,353,144	(23,141,589)
Storm							(83,263,340)	(83,263,340)
Total FPSC Adjustments	(960,444,101)	(340,771,456)	(619,672,645)	(87,633,618)	(324,906,601)	(1,032,212,863)	(201,790,789)	(1,234,003,652)
FPSC Adjusted	\$18,541,358,083	\$5,191,627,875	\$13,349,730,207	\$33,631,824	\$718,363,874	\$14,101,725,905	\$844,347,696	\$14,946,073,601

	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	5,097,499,423	1,755,592,425	1,005,125,290	730,124,386	383,769,473	69,824,375	117,405,341		4,061,841,290	1,035,658,133
Regulatory Base - Retail	4,759,841,050	1,624,507,958	960,413,373	677,265,138	368,670,581	64,995,169	109,285,332		3,805,137,551	954,703,498
FPSC Adjustments										
ECCR	(120,438,208)		(117,648,628)	(1,155,310)		(400,753)			(119,204,691)	(1,233,517)
ECRC	(35,787,708)		(17,959,361)	2,891,090	(971,592)	(4,842,531)			(20,882,394)	(14,905,314)
FUEL	(1,244,801,597)	(1,228,025,887)	(897,082)	(6,551,340)		(2,287,221)			(1,237,761,530)	(7,040,067)
CCR	(462,875,967)	(395,883,551)	(333,271)	(60,245,979)		(1,572,625)			(458,035,426)	(4,840,540)
Storm Protection Plan	(6,583,968)		(2,607,841)	(3,333,223)	(6,246)	(156,120)			(6,103,430)	(480,538)
Non-Regulated and Miscellaneous Coporate Aircraft Allocation			(2,804,407)	1,394,635		(341,990)			1,052,645	(1,052,645)
Franchise Fee & Gross Receipts	(229,748,985)				(220,160,358)	(2,351,306)			(222,511,664)	(7,237,321)
Gain/Loss on Disposition & Other						59,137	(241,159)		(182,022)	182,022
Inst./Promotional Advertising			(2,096,888)			514,195			(1,582,693)	1,582,693
Miscellaneous Interest Expense			1,226,697			(300,808)			925,889	(925,889)
Remove Assoc/Organization Dues			(94,823)			23,252			(71,571)	71,571
Remove Economic Development			(56,358)			13,820			(42,538)	42,538
Parent Debt Adjustment						(7,342,149)			(7,342,149)	7,342,149
Directors & Officers Premium			(1,086,149)			266,344			(819,806)	819,806
Interest Synchronization - FPSC						2,268,359			2,268,359	(2,268,359)
Storm	(59,559,480)		(59,559,480)						(59,559,480)	
Total FPSC Adjustments	(2,159,795,912)	(1,623,909,438)	(203,917,590)	(67,000,128)	(221,138,197)	(15,762,705)		(241,159)	(2,131,969,216)	(27,826,696)
FPSC Adjusted	2,600,045,138	598,519	756,495,783	610,265,010	147,532,385	49,232,465	109,285,332	(241,159)	1,673,168,335	926,876,802
Pro Forma Adjustments										
Weather Normalization	(69,277,265)					(16,988,046)			(16,988,046)	(52,289,219)
Total Pro Forma Adjustments	(69,277,265)					(16,988,046)			(16,988,046)	(52,289,219)
Pro Forma Adjusted	2,530,767,873	598,519	756,495,783	610,265,010	147,532,385	32,244,418	109,285,332	(241,159)	1,656,180,289	874,587,584
Current Month										
System Per Books	501,898,217	173,671,030	76,830,343	64,273,702	36,515,106	32,465,544	(4,646,133)		379,109,591	122,788,626
FPSC Adjusted	260,271,131		57,810,884	51,174,658	13,236,001	9,565,683	16,084,101	(27,800)	147,843,527	112,427,604

A) The addition of earnings from AFUDC would increase:

Pre-Tax System NOI by: 21,051,429
Pre-Tax Jurisdictional NOI by 17,671,250

B) Economic Development costs related to the period are:

Total Company: 1,209,128
Jurisdictional: 1,127,161

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

Notes	Rate Base Adjustments	P=ProForma F=FPSC	System	Retail
	ARO	F	(22,799,346)	(22,799,346)
	ECCR	F	(16,713,990)	(16,651,935)
	ECRC	F	(244,960,749)	(225,397,073)
	FUEL	F	(86,784,489)	(86,785,967)
	CCR	F	(114,813,203)	(114,813,203)
	Storm Protection Plan	F	(3,420,635)	(3,002,275)
	Over\Under Recovery-Clauses	F	(33,440,503)	(33,440,503)
	Investments Earning a Return	F	(243,852,964)	(243,852,964)
	Jobbing Accounts	F	1,178,797	1,115,428
	Non-Regulated and Miscellaneous	F	(80,348,182)	(73,635,555)
(1)	CWIP - AFUDC	F	(380,165,265)	(308,335,331)
(2)	Capital & Operating Leases - EPIS	F	(453,352,777)	(408,494,733)
(2)	Capital & Operating Leases - Working Capital	F	413,375,896	385,353,144
	Storm	F	(83,263,340)	(83,263,340)
	Total		(1,349,360,749)	(1,234,003,652)

Notes	Income Statement Adjustments (to NOI)	P=ProForma F=FPSC	System		Retail	
			Amount	Income Tax Effect	Amount	Income Tax Effect
	ECCR	F	(1,550,256)	380,151	(1,634,270)	400,753
	ECRC	F	(18,195,590)	4,461,890	(19,747,845)	4,842,531
	FUEL	F	(10,079,924)	2,471,781	(9,327,288)	2,287,221
	CCR	F	(6,413,165)	1,572,625	(6,413,165)	1,572,625
	Storm Protection Plan	F	(636,659)	156,120	(636,659)	156,120
	Non-Regulated and Miscellaneous	F	(37,094)	9,096	(1,394,635)	341,990
(2)	Coporate Aircraft Allocation	F	3,008,342	(737,700)	2,804,407	(687,692)
(1)	Franchise Fee & Gross Receipts	F	(9,588,626)	2,351,306	(9,588,626)	2,351,306
(1)	Gain/Loss on Disposition & Other	F	259,632	(63,666)	241,159	(59,137)
(1)	Inst./Promotional Advertising	F	2,249,373	(551,587)	2,096,888	(514,195)
(1)	Miscellaneous Interest Expense	F	(1,315,902)	322,683	(1,226,697)	300,808
(1)	Remove Assoc/Organization Dues	F	101,719	(24,943)	94,823	(23,252)
(3)	Remove Economic Development	F	60,456	(14,825)	56,358	(13,820)
(2)	Parent Debt Adjustment	F		8,167,814		7,342,149
(2)	Directors & Officers Premium	F	1,165,133	(285,712)	1,086,149	(266,344)
(1)	Interest Synchronization - FPSC	F		(2,426,456)		(2,268,359)
	Total		(40,972,561)	15,788,576	(43,589,401)	15,762,705

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	\$22,376,673,201	\$6,141,390,039	\$16,235,283,161	\$135,929,975	\$1,185,141,564	\$17,556,354,700	\$1,073,194,291	\$18,629,548,991
Regulatory Base - Retail	\$20,214,401,663	\$5,656,300,410	\$14,558,101,253	\$121,420,678	\$1,022,970,912	\$15,702,492,842	\$1,046,138,485	\$16,748,631,327
FPSC Adjustments								
ARO	(39,248,601)	(61,082,427)	21,833,827			21,833,827	(39,840,230)	(18,006,403)
ECCR	(709,790)	(91,920)	(617,869)			(617,869)	(15,798,587)	(16,416,456)
ECRC	(253,219,037)	(54,785,668)	(198,433,368)		(14,577,845)	(213,011,213)	(6,007,151)	(219,018,364)
FUEL	(4,129,844)	(4,170,722)	40,879			40,879	(86,805,260)	(86,764,381)
CCR							(114,813,203)	(114,813,203)
Storm Protection Plan	(4,253,918)	(11,156)	(4,242,762)		1,079,478	(3,163,284)		(3,163,284)
Over\Under Recovery-Clauses							(33,440,503)	(33,440,503)
Investments Earning a Return							(243,852,964)	(243,852,964)
Jobbing Accounts							1,115,428	1,115,428
Non-Regulated and Miscellaneous	(41,974,796)	(15,668,517)	(26,306,279)	(87,746,747)	(907,886)	(114,960,912)	35,561,876	(79,399,036)
CWIP - AFUDC					(352,567,539)	(352,567,539)		(352,567,539)
Capital & Operating Leases	(614,050,322)	(234,617,299)	(379,433,023)			(379,433,023)	385,353,144	5,920,121
Storm							(83,263,340)	(83,263,340)
Total FPSC Adjustments	(957,586,307)	(370,427,710)	(587,158,597)	(87,746,747)	(366,973,792)	(1,041,879,136)	(201,790,789)	(1,243,669,925)
FPSC Adjusted	19,256,815,356	5,285,872,700	13,970,942,656	33,673,931	655,997,120	14,660,613,707	844,347,696	15,504,961,403

	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	5,097,499,423	1,755,592,425	1,005,125,290	730,124,386	383,769,473	69,824,375	117,405,341		4,061,841,290	1,035,658,133
Regulatory Base - Retail	4,759,841,050	1,624,507,958	960,413,373	677,265,138	368,670,581	64,995,169	109,285,332		3,805,137,551	954,703,498
FPSC Adjustments										
ECCR	(120,438,208)		(117,648,628)	(1,155,310)		(400,753)			(119,204,691)	(1,233,517)
ECRC	(35,787,708)		(17,959,361)	2,891,090	(971,592)	(4,842,531)			(20,882,394)	(14,905,314)
FUEL	(1,244,801,597)	(1,228,025,887)	(897,082)	(6,551,340)		(2,287,221)			(1,237,761,530)	(7,040,067)
CCR	(462,875,967)	(395,883,551)	(333,271)	(60,245,979)		(1,572,625)			(458,035,426)	(4,840,540)
Storm Protection Plan	(6,583,968)		(2,607,841)	(3,333,223)	(6,246)	(156,120)			(6,103,430)	(480,538)
Non-Regulated and Miscellaneous				1,394,635		(341,990)			1,052,645	(1,052,645)
Coporate Aircraft Allocation			(2,804,407)			687,692			(2,116,715)	2,116,715
Franchise Fee & Gross Receipts	(229,748,985)				(220,160,358)	(2,351,306)			(222,511,664)	(7,237,321)
Gain/Loss on Disposition & Other						59,137		(241,159)	(182,022)	182,022
Inst./Promotional Advertising			(2,096,888)			514,195			(1,582,693)	1,582,693
Miscellaneous Interest Expense			1,226,697			(300,808)			925,889	(925,889)
Remove Assoc/Organization Dues			(94,823)			23,252			(71,571)	71,571
Remove Economic Development			(56,358)			13,820			(42,538)	42,538
Parent Debt Adjustment						(7,342,149)			(7,342,149)	7,342,149
Directors & Officers Premium			(1,086,149)			266,344			(819,806)	819,806
Interest Synchronization - FPSC						2,268,359			2,268,359	(2,268,359)
Storm	(59,559,480)		(59,559,480)						(59,559,480)	
Total FPSC Adjustments	(2,159,795,912)	(1,623,909,438)	(203,917,590)	(67,000,128)	(221,138,197)	(15,762,705)		(241,159)	(2,131,969,216)	(27,826,696)
FPSC Adjusted	2,600,045,138	598,519	756,495,783	610,265,010	147,532,385	49,232,465	109,285,332	(241,159)	1,673,168,335	926,876,802

A) The addition of earnings from AFUDC would increase:

Pre-Tax System NOI by: 21,051,429
Pre-Tax Jurisdictional NOI by: 17,671,250

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

Notes	Rate Base Adjustments	P=ProForma F=FPSC	System	Retail
	ARO	F	(18,006,403)	(18,006,403)
	ECCR	F	(16,461,387)	(16,416,456)
	ECRC	F	(238,024,599)	(219,018,364)
	FUEL	F	(86,761,250)	(86,764,381)
	CCR	F	(114,813,203)	(114,813,203)
	Storm Protection Plan	F	(4,476,599)	(3,163,284)
	Over/Under Recovery-Clauses	F	(33,440,503)	(33,440,503)
	Investments Earning a Return	F	(243,852,964)	(243,852,964)
	Jobbing Accounts	F	1,178,797	1,115,428
	Non-Regulated and Miscellaneous	F	(86,120,329)	(79,399,036)
(1)	CWIP - AFUDC	F	(408,050,470)	(352,567,539)
(2)	Capital & Operating Leases - EPIS	F	(424,086,558)	(379,433,023)
(2)	Capital & Operating Leases - Working Capital	F	413,375,896	385,353,144
	Storm	F	(83,263,340)	(83,263,340)
	Total		(1,342,802,912)	(1,243,669,925)

Notes	Income Statement Adjustments (to NOI)	P=ProForma F=FPSC	System		Retail	
			Amount	Income Tax Effect	Amount	Income Tax Effect
	ECCR	F	(1,550,256)	380,151	(1,634,270)	400,753
	ECRC	F	(18,195,590)	4,461,890	(19,747,845)	4,842,531
	FUEL	F	(10,079,924)	2,471,781	(9,327,288)	2,287,221
	CCR	F	(6,413,165)	1,572,625	(6,413,165)	1,572,625
	Storm Protection Plan	F	(636,659)	156,120	(636,659)	156,120
	Non-Regulated and Miscellaneous	F	(37,094)	9,096	(1,394,635)	341,990
(2)	Coporate Aircraft Allocation	F	3,008,342	(737,700)	2,804,407	(687,692)
(1)	Franchise Fee & Gross Receipts	F	(9,588,626)	2,351,306	(9,588,626)	2,351,306
(1)	Gain/Loss on Disposition & Other	F	259,632	(63,666)	241,159	(59,137)
(1)	Inst./Promotional Advertising	F	2,249,373	(551,587)	2,096,888	(514,195)
(1)	Miscellaneous Interest Expense	F	(1,315,902)	322,683	(1,226,697)	300,808
(1)	Remove Assoc/Organization Dues	F	101,719	(24,943)	94,823	(23,252)
(3)	Remove Economic Development	F	60,456	(14,825)	56,358	(13,820)
(2)	Parent Debt Adjustment	F		8,167,814		7,342,149
(2)	Directors & Officers Premium	F	1,165,133	(285,712)	1,086,149	(266,344)
(1)	Interest Synchronization - FPSC	F		(2,426,456)		(2,268,359)
	Total		(40,972,561)	15,788,576	(43,589,401)	15,762,705

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	7,675,632,013	6,899,726,030	(390,658,093)	(12,640,414)	6,496,427,523	43.47%	9.50%	4.13%	10.50%	4.56%	11.50%	5.00%
Long Term Debt	6,745,495,484	6,063,614,136	(343,317,971)		5,720,296,165	38.27%	4.32%	1.65%	4.32%	1.65%	4.32%	1.65%
Short Term Debt *	233,442,508	209,844,524	(11,881,263)	(59,113,660)	138,849,601	0.93%	0.19%	0.00%	0.19%	0.00%	0.19%	0.00%
Customer Deposits												
Active	191,955,687	191,955,687	(10,868,409)		181,087,279	1.21%	2.44%	0.03%	2.44%	0.03%	2.44%	0.03%
Inactive	1,732,221	1,732,221	(98,077)		1,634,144	0.01%						
Investment Tax Credits **	174,425,059	156,792,967	(8,877,518)		147,915,449	0.99%	7.07%	0.07%	7.61%	0.08%	8.14%	0.08%
Deferred Income Taxes	2,955,137,421	2,656,411,687	(150,404,338)	(246,143,909)	2,259,863,441	15.12%						
Total	17,977,820,393	16,180,077,253	(916,105,669)	(317,897,983)	14,946,073,601	100.00%		5.88%		6.32%		6.76%

* Daily Weighted Average

** Cost Rates Calculated Per IRS Ruling

DUKE ENERGY FLORIDA
End of Period - Capital Structure
Pro Forma Adjusted Basis
Aug-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	8,101,598,171	7,283,067,440	(354,595,928)	(11,656,503)	6,916,815,009	44.61%	9.50%	4.24%	10.50%	4.68%	11.50%	5.13%
Long Term Debt	6,472,969,602	5,818,984,495	(283,313,071)		5,535,671,424	35.70%	4.44%	1.58%	4.44%	1.58%	4.44%	1.58%
Short Term Debt *	630,653,000	566,936,083	(27,602,824)	(171,196,416)	368,136,842	2.37%	0.12%	0.00%	0.12%	0.00%	0.12%	0.00%
Customer Deposits												
Active	191,352,017	191,352,017	(9,316,493)		182,035,524	1.17%	2.29%	0.03%	2.29%	0.03%	2.29%	0.03%
Inactive	1,555,851	1,555,851	(75,751)		1,480,100	0.01%						
Investment Tax Credits **	207,929,017	186,921,274	(9,100,770)		177,820,504	1.15%	7.25%	0.08%	7.81%	0.09%	8.36%	0.10%
Deferred Income Taxes	3,003,241,383	2,699,814,169	(131,447,789)	(245,364,380)	2,323,002,000	14.98%						
Total	18,609,299,040	16,748,631,327	(815,452,625)	(428,217,300)	15,504,961,403	100.00%		5.94%		6.39%		6.84%

* 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	7,675,632,013	6,899,726,030	(390,658,093)	(12,640,414)	6,496,427,523	43.47%	9.50%	4.13%	10.50%	4.56%	11.50%	5.00%
Long Term Debt	6,745,495,484	6,063,614,136	(343,317,971)		5,720,296,165	38.27%	4.32%	1.65%	4.32%	1.65%	4.32%	1.65%
Short Term Debt *	233,442,508	209,844,524	(11,881,263)	(59,113,660)	138,849,601	0.93%	0.19%	0.00%	0.19%	0.00%	0.19%	0.00%
Customer Deposits												
Active	191,955,687	191,955,687	(10,868,409)		181,087,279	1.21%	2.44%	0.03%	2.44%	0.03%	2.44%	0.03%
Inactive	1,732,221	1,732,221	(98,077)		1,634,144	0.01%						
Investment Tax Credits **	174,425,059	156,792,967	(8,877,518)		147,915,449	0.99%	7.07%	0.07%	7.61%	0.08%	8.14%	0.08%
Deferred Income Taxes	2,955,137,421	2,656,411,687	(150,404,338)	(246,143,909)	2,259,863,441	15.12%						
Total	17,977,820,393	16,180,077,253	(916,105,669)	(317,897,983)	14,946,073,601	100.00%		5.88%		6.32%		6.76%
* Daily Weighted Average												
** Cost Rates Calculated Per IRS Ruling												

DUKE ENERGY FLORIDA
End of Period - Capital Structure
FPSC Adjusted Basis
Aug-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	8,101,598,171	7,283,067,440	(354,595,928)	(11,656,503)	6,916,815,009	44.61%	9.50%	4.24%	10.50%	4.68%	11.50%	5.13%
Long Term Debt	6,472,969,602	5,818,984,495	(283,313,071)		5,535,671,424	35.70%	4.44%	1.58%	4.44%	1.58%	4.44%	1.58%
Short Term Debt *	630,653,000	566,936,083	(27,602,824)	(171,196,416)	368,136,842	2.37%	0.12%	0.00%	0.12%	0.00%	0.12%	0.00%
Customer Deposits												
Active	191,352,017	191,352,017	(9,316,493)		182,035,524	1.17%	2.29%	0.03%	2.29%	0.03%	2.29%	0.03%
Inactive	1,555,851	1,555,851	(75,751)		1,480,100	0.01%						
Investment Tax Credits **	207,929,017	186,921,274	(9,100,770)		177,820,504	1.15%	7.25%	0.08%	7.81%	0.09%	8.36%	0.10%
Deferred Income Taxes	3,003,241,383	2,699,814,169	(131,447,789)	(245,364,380)	2,323,002,000	14.98%						
Total	18,609,299,040	16,748,631,327	(815,452,625)	(428,217,300)	15,504,961,403	100.00%		5.94%		6.39%		6.84%
* Daily Weighted Average												
** Cost Rates Calculated Per IRS Ruling												

A. TIMES INTEREST EARNED WITH AFUDC

EARNINGS BEFORE INTEREST	\$	1,066,946,515
AFUDC - DEBT	\$	5,943,252
INCOME TAXES		196,701,105
TOTAL	\$	1,269,590,873
INTEREST CHARGES (before deducting AFUDC-Debt)	\$	302,450,618
TIE WITH AFUDC		<u>4.20</u>

B. TIMES INTEREST EARNED WITHOUT AFUDC

EARNINGS BEFORE INTEREST	\$	1,066,946,515
AFUDC - EQUITY		(15,108,176)
INCOME TAXES		196,701,105
TOTAL	\$	1,248,539,444
INTEREST CHARGES (before deducting AFUDC-Debt & CR3 reg asset carrying charge)	\$	302,450,618
TIE WITHOUT AFUDC		<u>4.13</u>

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

AFUDC DEBT	\$	5,943,252
X (1- INCOME TAX RATE)		0.75478
SUBTOTAL	\$	4,485,859
AFUDC - EQUITY	\$	15,108,176
TOTAL	\$	19,594,035
NET INCOME AVAILABLE FOR COMMON STOCKHOLDERS	\$	770,275,835
PERCENT AFUDC TO AVAILABLE NET INCOME		<u>2.54%</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	\$	6,496,427,523
Long Term Debt	\$	5,720,296,165
Short Term Debt	\$	138,849,601
TOTAL	\$	<u>12,355,573,289</u>
% LONG TERM DEBT TO TOTAL	46.30%	
% SHORT TERM DEBT TO TOTAL	1.12%	

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

	Pro Forma	FPSC
FPSC AVERAGE		
EARNED RATE OF RETURN	<u>5.85%</u>	<u>6.20%</u>
LESS RETAIL WEIGHTED AVERAGE COST RATES FOR:		
LONG TERM DEBT	1.65%	1.65%
SHORT TERM DEBT	0.00%	0.00%
CUSTOMER DEPOSITS	0.03%	0.03%
DEFERRED INCOME TAXES		
INVESTMENT TAX CREDITS	0.08%	0.08%
DEFERRED INCOME TAX (FAS 109)		
SUBTOTAL	<u>1.76%</u>	<u>1.76%</u>
TOTAL	4.09%	4.44%
DIVIDED BY COMMON EQUITY RATIO	<u>43.47%</u>	<u>43.47%</u>
JURISDICTIONAL RETURN ON COMMON EQUITY	<u>9.41%</u>	<u>10.22%</u>