



November 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 September 30, 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 September 30, 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
Sep-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	\$963,740,719 (a)	(\$46,028,519) (b)	\$917,712,200	(\$49,243,123)	\$868,469,077
Average Rate Base	\$16,265,275,745	(\$1,251,514,528)	\$15,013,761,216	\$0	\$15,013,761,216
Average Rate of Return	5.93%		6.11%		5.78%
<u>I. YEAR END RATE OF RETURN (Jurisdictional)</u>					
Net Operating Income	\$945,333,853	(\$27,621,653)	\$917,712,200		
Average Rate Base	\$16,853,254,871	(\$1,292,715,517)	\$15,560,539,354		
Average Rate of Return	5.61%		5.90%		

(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%	5.85%
Mid Point	6.32%	6.30%
High Point	6.77%	6.75%
Pro Forma Adjusted Basis		
Low Point	5.88%	5.85%
Mid Point	6.32%	6.30%
High Point	6.77%	6.75%

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	2.64%	(System Per Books Basis)
D. Internally Generated Funds	94.66%	(System Per Books Basis)
E. STD/LTD to Total Investor Funds		
LT Debt-Fixed to Total Investor Funds	45.89%	(FPSC Adjusted Basis)
ST Debt to Total Investor Funds	1.38%	(FPSC Adjusted Basis)
F. Return on Common Equity		
	10.01%	(FPSC Adjusted Basis)
	9.26%	(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

11/15/2021

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	\$21,650,965,932	\$6,028,648,447	\$15,622,317,485	\$136,040,051	\$1,257,294,413	\$17,015,651,949	\$1,058,840,517	\$18,074,492,466
Regulatory Base - Retail	\$19,606,389,472	\$5,553,961,666	\$14,052,427,805	\$121,385,629	\$1,059,320,521	\$15,233,133,956	\$1,032,141,789	\$16,265,275,745
FPSC Adjustments								
ARO	(38,168,719)	(55,979,178)	17,810,459			17,810,459	(40,451,211)	(22,640,752)
ECCR	(5,521,578)	(4,759,085)	(762,493)			(762,493)	(15,398,762)	(16,161,255)
ECRC	(253,571,114)	(47,533,483)	(206,037,631)		(12,143,364)	(218,180,995)	(6,203,993)	(224,384,988)
FUEL	(4,129,844)	(4,156,074)	26,230			26,230	(86,259,315)	(86,233,085)
CCR							(114,270,062)	(114,270,062)
Storm Protection Plan	(1,012,928)	(360)	(1,012,567)		(2,574,615)	(3,587,182)		(3,587,182)
Over\Under Recovery-Clauses							(51,041,713)	(51,041,713)
Investments Earning a Return							(245,349,434)	(245,349,434)
Jobbing Accounts							1,038,089	1,038,089
Non-Regulated and Miscellaneous	(41,464,473)	(20,520,711)	(20,943,761)	(87,633,618)	(2,239,635)	(110,817,014)	36,055,407	(74,761,608)
CWIP - AFUDC					(322,419,258)	(322,419,258)		(322,419,258)
Capital & Operating Leases	(614,055,797)	(210,337,555)	(403,718,242)			(403,718,242)	380,311,652	(23,406,591)
Storm							(68,296,690)	(68,296,690)
Total FPSC Adjustments	(957,924,452)	(343,286,446)	(614,638,006)	(87,633,618)	(339,376,872)	(1,041,648,495)	(209,866,033)	(1,251,514,528)
FPSC Adjusted	\$18,648,465,020	\$5,210,675,220	\$13,437,789,800	\$33,752,012	\$719,943,649	\$14,191,485,461	\$822,275,756	\$15,013,761,216

	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	5,129,125,727	1,779,992,169	1,005,116,072	739,597,572	380,579,552	(25,365,766)	218,355,635		4,098,275,234	1,030,850,493
Regulatory Base - Retail	4,776,714,222	1,641,380,791	959,307,125	686,555,064	365,791,251	(23,441,056)	201,787,193		3,831,380,369	945,333,853
FPSC Adjustments										
ECCR	(120,963,455)		(119,492,543)	(908,711)		(133,765)			(120,535,018)	(428,437)
ECRC	(36,815,178)		(17,661,613)	1,496,504	(965,422)	(4,683,568)			(21,814,099)	(15,001,079)
FUEL	(1,260,649,840)	(1,243,894,831)	(908,601)	(6,551,340)		(2,211,576)			(1,253,566,348)	(7,083,493)
CCR	(472,193,882)	(397,485,960)	(339,980)	(66,962,015)		(1,762,092)			(466,550,047)	(5,643,835)
Storm Protection Plan	(7,659,579)		(4,405,330)	(2,411,693)	(9,541)	(198,199)			(7,024,764)	(634,815)
Non-Regulated and Miscellaneous				871,292		(207,307)			663,986	(663,986)
Coporate Aircraft Allocation			(2,807,246)			667,928			(2,139,318)	2,139,318
Franchise Fee & Gross Receipts	(231,390,057)				(221,988,777)	(2,236,847)			(224,225,623)	(7,164,434)
Gain/Loss on Disposition & Other						18,665		(78,446)	(59,781)	59,781
Inst./Promotional Advertising			(2,129,343)			506,635			(1,622,708)	1,622,708
Miscellaneous Interest Expense			1,004,181			(238,925)			765,256	(765,256)
Remove Assoc/Organization Dues			(95,170)			22,644			(72,526)	72,526
Remove Economic Development			(60,074)			14,293			(45,781)	45,781
Parent Debt Adjustment						(7,095,249)			(7,095,249)	7,095,249
Directors & Officers Premium			(1,092,810)			260,012			(832,798)	832,798
Interest Synchronization - FPSC						2,104,482			2,104,482	(2,104,482)
Storm	(44,199,873)		(44,199,873)						(44,199,873)	
Total FPSC Adjustments	(2,173,871,865)	(1,641,380,791)	(192,188,403)	(74,465,964)	(222,963,740)	(15,172,867)		(78,446)	(2,146,250,211)	(27,621,653)
FPSC Adjusted	2,602,842,357		767,118,722	612,089,100	142,827,511	(38,613,923)	201,787,193	(78,446)	1,685,130,157	917,712,200
Pro Forma Adjustments										
Weather Normalization	(64,617,585)					(15,374,462)			(15,374,462)	(49,243,123)
Total Pro Forma Adjustments	(64,617,585)					(15,374,462)			(15,374,462)	(49,243,123)
Pro Forma Adjusted	2,538,224,772		767,118,722	612,089,100	142,827,511	(53,988,385)	201,787,193	(78,446)	1,669,755,695	868,469,077
Current Month										
System Per Books	516,959,137	207,497,989	90,560,469	65,339,976	32,031,158	(66,069,197)	86,478,584		415,838,978	101,120,159
FPSC Adjusted	237,797,963		67,659,509	52,817,113	6,563,009	(2,471,035)	21,271,360	141,451	145,981,407	91,816,556

A) The addition of earnings from AFUDC would increase:

Pre-Tax System NOI by: 21,846,881
Pre-Tax Jurisdictional NOI by 18,406,866

B) Economic Development costs related to the period are:

Total Company: 1,288,859
Jurisdictional: 1,201,487

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

Notes	Rate Base Adjustments	P=ProForma F=FPSC	System	Retail
	ARO	F	(22,640,752)	(22,640,752)
	ECCR	F	(16,216,703)	(16,161,255)
	ECRC	F	(243,722,826)	(224,384,988)
	FUEL	F	(86,231,076)	(86,233,085)
	CCR	F	(114,270,062)	(114,270,062)
	Storm Protection Plan	F	(4,090,498)	(3,587,182)
	Over\Under Recovery-Clauses	F	(51,041,713)	(51,041,713)
	Investments Earning a Return	F	(245,349,434)	(245,349,434)
	Jobbing Accounts	F	1,097,808	1,038,089
	Non-Regulated and Miscellaneous	F	(81,474,221)	(74,761,608)
(1)	CWIP - AFUDC	F	(393,770,977)	(322,419,258)
(2)	Capital & Operating Leases - EPIS	F	(448,372,175)	(403,718,242)
(2)	Capital & Operating Leases - Working Capital	F	407,967,788	380,311,652
	Storm	F	(68,296,690)	(68,296,690)
	Total		(1,366,411,532)	(1,251,514,528)

Notes	Income Statement Adjustments (to NOI)	P=ProForma F=FPSC	System		Retail	
			Amount	Income Tax Effect	Amount	Income Tax Effect
	ECCR	F	(496,120)	118,042	(562,201)	133,765
	ECRC	F	(18,249,377)	4,342,074	(19,684,647)	4,683,568
	FUEL	F	(10,080,018)	2,398,339	(9,295,068)	2,211,576
	CCR	F	(7,405,927)	1,762,092	(7,405,927)	1,762,092
	Storm Protection Plan	F	(833,014)	198,199	(833,014)	198,199
	Non-Regulated and Miscellaneous	F	441,413	(105,025)	(871,292)	207,307
(2)	Coporate Aircraft Allocation	F	3,011,388	(716,500)	2,807,246	(667,928)
(1)	Franchise Fee & Gross Receipts	F	(9,401,281)	2,236,847	(9,401,281)	2,236,847
(1)	Gain/Loss on Disposition & Other	F	84,455	(20,094)	78,446	(18,665)
(1)	Inst./Promotional Advertising	F	2,284,188	(543,477)	2,129,343	(506,635)
(1)	Miscellaneous Interest Expense	F	(1,077,204)	256,299	(1,004,181)	238,925
(1)	Remove Assoc/Organization Dues	F	102,091	(24,290)	95,170	(22,644)
(3)	Remove Economic Development	F	64,443	(15,333)	60,074	(14,293)
(2)	Parent Debt Adjustment	F		7,893,934		7,095,249
(2)	Directors & Officers Premium	F	1,172,279	(278,920)	1,092,810	(260,012)
(1)	Interest Synchronization - FPSC	F		(2,237,411)		(2,104,482)
	Total		(40,382,683)	15,264,774	(42,794,521)	15,172,867

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	\$22,449,005,278	\$6,171,032,030	\$16,277,973,248	\$135,262,048	\$1,274,033,151	\$17,687,268,447	\$1,058,840,513	\$18,746,108,960
Regulatory Base - Retail	\$20,283,094,893	\$5,687,179,031	\$14,595,915,862	\$120,951,773	\$1,104,245,447	\$15,821,113,083	\$1,032,141,789	\$16,853,254,871
FPSC Adjustments								
ARO	(39,248,601)	(61,191,855)	21,943,254			21,943,254	(40,451,211)	(18,507,957)
ECCR	(709,790)	(101,670)	(608,119)			(608,119)	(15,398,762)	(16,006,881)
ECRC	(256,865,251)	(55,179,646)	(201,685,605)		(11,223,598)	(212,909,203)	(6,203,993)	(219,113,196)
FUEL	(4,129,844)	(4,171,122)	41,278			41,278	(86,259,315)	(86,218,037)
CCR							(114,270,062)	(114,270,062)
Storm Protection Plan	(4,577,535)	(22,257)	(4,555,278)		(3,140,057)	(7,695,335)		(7,695,335)
Over\Under Recovery-Clauses							(51,041,713)	(51,041,713)
Investments Earning a Return							(245,349,434)	(245,349,434)
Jobbing Accounts							1,038,089	1,038,089
Non-Regulated and Miscellaneous	(40,923,692)	(15,787,911)	(25,135,781)	(87,746,747)	(2,169,552)	(115,052,080)	36,055,407	(78,996,674)
CWIP - AFUDC					(394,129,848)	(394,129,848)		(394,129,848)
Capital & Operating Leases	(614,050,322)	(239,610,892)	(374,439,430)			(374,439,430)	380,311,652	5,872,222
Storm							(68,296,690)	(68,296,690)
Total FPSC Adjustments	(960,505,035)	(376,065,353)	(584,439,682)	(87,746,747)	(410,663,056)	(1,082,849,484)	(209,866,033)	(1,292,715,517)
FPSC Adjusted	19,322,589,859	5,311,113,678	14,011,476,181	33,205,027	693,582,391	14,738,263,599	822,275,756	15,560,539,354

	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	5,129,125,727	1,779,992,169	1,005,116,072	739,597,572	380,579,552	(25,365,766)	218,355,635		4,098,275,234	1,030,850,493
Regulatory Base - Retail	4,776,714,222	1,641,380,791	959,307,125	686,555,064	365,791,251	(23,441,056)	201,787,193		3,831,380,369	945,333,853
FPSC Adjustments										
ECCR	(120,963,455)		(119,492,543)	(908,711)		(133,765)			(120,535,018)	(428,437)
ECRC	(36,815,178)		(17,661,613)	1,496,504	(965,422)	(4,683,568)			(21,814,099)	(15,001,079)
FUEL	(1,260,649,840)	(1,243,894,831)	(908,601)	(6,551,340)		(2,211,576)			(1,253,566,348)	(7,083,493)
CCR	(472,193,882)	(397,485,960)	(339,980)	(66,962,015)		(1,762,092)			(466,550,047)	(5,643,835)
Storm Protection Plan	(7,659,579)		(4,405,330)	(2,411,693)	(9,541)	(198,199)			(7,024,764)	(634,815)
Non-Regulated and Miscellaneous				871,292		(207,307)			663,986	(663,986)
Coporate Aircraft Allocation			(2,807,246)			667,928			(2,139,318)	2,139,318
Franchise Fee & Gross Receipts	(231,390,057)				(221,988,777)	(2,236,847)			(224,225,623)	(7,164,434)
Gain/Loss on Disposition & Other						18,665		(78,446)	(59,781)	59,781
Inst./Promotional Advertising			(2,129,343)			506,635			(1,622,708)	1,622,708
Miscellaneous Interest Expense			1,004,181			(238,925)			765,256	(765,256)
Remove Assoc/Organization Dues			(95,170)			22,644			(72,526)	72,526
Remove Economic Development			(60,074)			14,293			(45,781)	45,781
Parent Debt Adjustment						(7,095,249)			(7,095,249)	7,095,249
Directors & Officers Premium			(1,092,810)			260,012			(832,798)	832,798
Interest Synchronization - FPSC						2,104,482			2,104,482	(2,104,482)
Storm	(44,199,873)		(44,199,873)						(44,199,873)	
Total FPSC Adjustments	(2,173,871,865)	(1,641,380,791)	(192,188,403)	(74,465,964)	(222,963,740)	(15,172,867)		(78,446)	(2,146,250,211)	(27,621,653)
FPSC Adjusted	2,602,842,357	1,641,380,791	767,118,722	612,089,100	142,827,511	(38,613,923)	201,787,193	(78,446)	1,685,130,157	917,712,200

A) The addition of earnings from AFUDC would increase:

Pre-Tax System NOI by: 21,846,881
Pre-Tax Jurisdictional NOI by: 18,406,866

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

Notes	Rate Base Adjustments	P=ProForma F=FPSC	System	Retail
	ARO	F	(18,507,957)	(18,507,957)
	ECCR	F	(16,051,104)	(16,006,881)
	ECRC	F	(237,979,290)	(219,113,196)
	FUEL	F	(86,214,875)	(86,218,037)
	CCR	F	(114,270,062)	(114,270,062)
	Storm Protection Plan	F	(8,847,269)	(7,695,335)
	Over/Under Recovery-Clauses	F	(51,041,713)	(51,041,713)
	Investments Earning a Return	F	(245,349,434)	(245,349,434)
	Jobbing Accounts	F	1,097,808	1,038,089
	Non-Regulated and Miscellaneous	F	(85,717,953)	(78,996,674)
(1)	CWIP - AFUDC	F	(452,928,585)	(394,129,848)
(2)	Capital & Operating Leases - EPIS	F	(419,092,964)	(374,439,430)
(2)	Capital & Operating Leases - Working Capital	F	407,967,788	380,311,652
	Storm	F	(68,296,690)	(68,296,690)
	Total		(1,395,232,300)	(1,292,715,517)

Notes	Income Statement Adjustments (to NOI)	P=ProForma F=FPSC	System		Retail	
			Amount	Income Tax Effect	Amount	Income Tax Effect
	ECCR	F	(496,120)	118,042	(562,201)	133,765
	ECRC	F	(18,249,377)	4,342,074	(19,684,647)	4,683,568
	FUEL	F	(10,080,018)	2,398,339	(9,295,068)	2,211,576
	CCR	F	(7,405,927)	1,762,092	(7,405,927)	1,762,092
	Storm Protection Plan	F	(833,014)	198,199	(833,014)	198,199
	Non-Regulated and Miscellaneous	F	441,413	(105,025)	(871,292)	207,307
(2)	Coporate Aircraft Allocation	F	3,011,388	(716,500)	2,807,246	(667,928)
(1)	Franchise Fee & Gross Receipts	F	(9,401,281)	2,236,847	(9,401,281)	2,236,847
(1)	Gain/Loss on Disposition & Other	F	84,455	(20,094)	78,446	(18,665)
(1)	Inst./Promotional Advertising	F	2,284,188	(543,477)	2,129,343	(506,635)
(1)	Miscellaneous Interest Expense	F	(1,077,204)	256,299	(1,004,181)	238,925
(1)	Remove Assoc/Organization Dues	F	102,091	(24,290)	95,170	(22,644)
(3)	Remove Economic Development	F	64,443	(15,333)	60,074	(14,293)
(2)	Parent Debt Adjustment	F		7,893,934		7,095,249
(2)	Directors & Officers Premium	F	1,172,279	(278,920)	1,092,810	(260,012)
(1)	Interest Synchronization - FPSC	F		(2,237,411)		(2,104,482)
	Total		(40,382,683)	15,264,774	(42,794,521)	15,172,867

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	7,740,760,673	6,957,547,432	(400,167,900)	(12,546,056)	6,544,833,476	43.59%	9.50%	4.14%	10.50%	4.58%	11.50%	5.01%
Long Term Debt	6,722,989,158	6,042,754,444	(347,552,982)		5,695,201,462	37.93%	4.32%	1.64%	4.32%	1.64%	4.32%	1.64%
Short Term Debt *	271,482,354	244,013,662	(14,034,606)	(58,580,475)	171,398,581	1.14%	0.18%	0.00%	0.18%	0.00%	0.18%	0.00%
Customer Deposits												
Active	191,651,322	191,651,322	(11,022,951)		180,628,371	1.20%	2.45%	0.03%	2.45%	0.03%	2.45%	0.03%
Inactive	1,741,957	1,741,957	(100,190)		1,641,767	0.01%						
Investment Tax Credits **	179,304,823	161,162,690	(9,269,378)		151,893,312	1.01%	7.09%	0.07%	7.62%	0.08%	8.16%	0.08%
Deferred Income Taxes	2,966,562,177	2,666,404,237	(153,359,987)	(244,880,004)	2,268,164,247	15.11%						
Total	18,074,492,466	16,265,275,745	(935,507,994)	(316,006,535)	15,013,761,216	100.00%		5.88%		6.32%		6.77%

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

DUKE ENERGY FLORIDA
End of Period - Capital Structure
Pro Forma Adjusted Basis
Sep-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	8,180,521,515	7,344,888,365	(434,589,868)	(11,789,757)	6,898,508,740	44.33%	9.50%	4.21%	10.50%	4.66%	11.50%	5.10%
Long Term Debt	6,473,980,309	5,812,668,857	(343,929,937)		5,468,738,920	35.14%	4.34%	1.53%	4.34%	1.53%	4.34%	1.53%
Short Term Debt *	603,148,000	541,536,957	(32,042,213)	(42,764,936)	466,729,808	3.00%	0.14%	0.00%	0.14%	0.00%	0.14%	0.00%
Customer Deposits												
Active	190,929,812	190,929,812	(11,297,130)		179,632,682	1.15%	2.62%	0.03%	2.62%	0.03%	2.62%	0.03%
Inactive	1,627,526	1,627,526	(96,299)		1,531,227	0.01%						
Investment Tax Credits **	208,414,505	187,125,144	(11,072,012)		176,053,132	1.13%	7.22%	0.08%	7.78%	0.09%	8.33%	0.09%
Deferred Income Taxes	3,090,132,561	2,774,478,210	(164,163,165)	(240,970,200)	2,369,344,845	15.23%						
Total	18,748,754,227	16,853,254,871	(997,190,624)	(295,524,893)	15,560,539,354	100.00%		5.85%		6.30%		6.75%

* 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	7,740,760,673	6,957,547,432	(400,167,900)	(12,546,056)	6,544,833,476	43.59%	9.50%	4.14%	10.50%	4.58%	11.50%	5.01%
Long Term Debt	6,722,989,158	6,042,754,444	(347,552,982)		5,695,201,462	37.93%	4.32%	1.64%	4.32%	1.64%	4.32%	1.64%
Short Term Debt *	271,482,354	244,013,662	(14,034,606)	(58,580,475)	171,398,581	1.14%	0.18%	0.00%	0.18%	0.00%	0.18%	0.00%
Customer Deposits												
Active	191,651,322	191,651,322	(11,022,951)		180,628,371	1.20%	2.45%	0.03%	2.45%	0.03%	2.45%	0.03%
Inactive	1,741,957	1,741,957	(100,190)		1,641,767	0.01%						
Investment Tax Credits **	179,304,823	161,162,690	(9,269,378)		151,893,312	1.01%	7.09%	0.07%	7.62%	0.08%	8.16%	0.08%
Deferred Income Taxes	2,966,562,177	2,666,404,237	(153,359,987)	(244,880,004)	2,268,164,247	15.11%						
Total	18,074,492,466	16,265,275,745	(935,507,994)	(316,006,535)	15,013,761,216	100.00%		5.88%		6.32%		6.77%
* Daily Weighted Average												
** Cost Rates Calculated Per IRS Ruling												

DUKE ENERGY FLORIDA
End of Period - Capital Structure
FPSC Adjusted Basis
Sep-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	8,180,521,515	7,344,888,365	(434,589,868)	(11,789,757)	6,898,508,740	44.33%	9.50%	4.21%	10.50%	4.66%	11.50%	5.10%
Long Term Debt	6,473,980,309	5,812,668,857	(343,929,937)		5,468,738,920	35.14%	4.34%	1.53%	4.34%	1.53%	4.34%	1.53%
Short Term Debt *	603,148,000	541,536,957	(32,042,213)	(42,764,936)	466,729,808	3.00%	0.14%	0.00%	0.14%	0.00%	0.14%	0.00%
Customer Deposits												
Active	190,929,812	190,929,812	(11,297,130)		179,632,682	1.15%	2.62%	0.03%	2.62%	0.03%	2.62%	0.03%
Inactive	1,627,526	1,627,526	(96,299)		1,531,227	0.01%						
Investment Tax Credits **	208,414,505	187,125,144	(11,072,012)		176,053,132	1.13%	7.22%	0.08%	7.78%	0.09%	8.33%	0.09%
Deferred Income Taxes	3,090,132,561	2,774,478,210	(164,163,165)	(240,970,200)	2,369,344,845	15.23%						
Total	18,748,754,227	16,853,254,871	(997,190,624)	(295,524,893)	15,560,539,354	100.00%		5.85%		6.30%		6.75%
* Daily Weighted Average ** Cost Rates Calculated Per IRS Ruling												

A. TIMES INTEREST EARNED WITH AFUDC

EARNINGS BEFORE INTEREST	\$	1,067,585,420
AFUDC - DEBT	\$	6,163,633
INCOME TAXES		194,806,996
TOTAL	\$	1,268,556,048
INTEREST CHARGES (before deducting AFUDC-Debt)	\$	301,306,932
TIE WITH AFUDC		<u>4.21</u>

B. TIMES INTEREST EARNED WITHOUT AFUDC

EARNINGS BEFORE INTEREST	\$	1,067,585,420
AFUDC - EQUITY		(15,683,248)
INCOME TAXES		194,806,996
TOTAL	\$	1,246,709,167
INTEREST CHARGES (before deducting AFUDC-Debt & CR3 reg asset carrying charge)	\$	301,306,932
TIE WITHOUT AFUDC		<u>4.14</u>

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

AFUDC DEBT	\$	6,163,633
X (1- INCOME TAX RATE)		0.76207
SUBTOTAL	\$	4,697,144
AFUDC -EQUITY	\$	15,683,248
TOTAL	\$	20,380,392
NET INCOME AVAILABLE FOR COMMON STOCKHOLDERS	\$	772,286,219
PERCENT AFUDC TO AVAILABLE NET INCOME		<u>2.64%</u>

D. PERCENT INTERNALLY GENERATED FUNDS*

NET INCOME	\$	772,286,219
COMMON DIVIDENDS		-
AFUDC (EQUITY)		(15,683,248)
DEPRECIATION & AMORTIZATION		959,194,358
DEFERRED INCOME TAXES		214,821,990
INVESTMENT TAX CREDITS		-
OTHER - INC NUCLEAR DECOMMISSIONING		18,208,042
OTHER FUNDS - INCLUDING CHANGE IN WORKING CAPITAL		(275,988,371)
TOTAL FUNDS PROVIDED	\$	<u>1,672,838,990</u>

CONSTRUCTION EXPENDITURES (EXCLUDING AFUDC EQUITY & DEBT)	\$	1,762,543,323
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PERCENTAGE INTERNALLY GENERATED FUNDS **94.91%**

*As of September 2021 (updated quarterly)

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

Common Equity	\$	6,544,833,476
Long Term Debt	\$	5,695,201,462
Short Term Debt	\$	171,398,581
TOTAL	\$	<u>12,411,433,519</u>

% LONG TERM DEBT TO TOTAL **45.89%**

% SHORT TERM DEBT TO TOTAL **1.38%**

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

	Pro Forma	FPSC
FPSC AVERAGE		
EARNED RATE OF RETURN	<u>5.78%</u>	<u>6.11%</u>
LESS RETAIL WEIGHTED AVERAGE COST RATES FOR:		
LONG TERM DEBT	1.64%	1.64%
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>1.75%</u>	<u>1.75%</u>
TOTAL	4.04%	4.37%
DIVIDED BY COMMON EQUITY RATIO	<u>43.59%</u>	<u>43.59%</u>
JURISDICTIONAL RETURN ON COMMON EQUITY	<u>9.26%</u>	<u>10.01%</u>