



July 14, 2023

Ms. Amber Norris  
Public Utility Supervisor  
Surveillance Section  
Division of Accounting and Finance  
Florida Public Service Commission  
2540 Shumard Oak Boulevard  
Tallahassee, FL 32399-0820

Dear Ms. Norris:

Pursuant to Commission Rule 25-6.1352, enclosed please find Duke Energy Florida, LLC's Earnings Surveillance Report for the twelve months ended May 31, 2023.

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 May 31, 2023. The separation factors used for the jurisdictional 2022 and 2023 months were from Order No. PSC-2021-0202A-AS-EI.

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**  
**May-23**

**SCHEDULE 1**

|  | (1)<br>Actual<br>Per Books | (2)<br>FPSC<br>Adjustments | (3)<br>FPSC<br>Adjusted | (4)<br>Pro Forma<br>Adjustments | (5)<br>Pro Forma<br>Adjusted |
|--|----------------------------|----------------------------|-------------------------|---------------------------------|------------------------------|
| <b>I. AVERAGE RATE OF RETURN (Jurisdictional)</b>  |                            |                            |                         |                                 |                              |
| Net Operating Income                               | \$1,165,425,941 (a)        | (\$50,474,793) (b)         | \$1,114,951,148         | (\$23,173,516)                  | \$1,091,777,632              |
| Average Rate Base                                  | \$19,686,559,455           | (\$2,512,216,969)          | \$17,174,342,486        | \$0                             | \$17,174,342,486             |
| Average Rate of Return                             | 5.92%                      |                            | 6.49%                   |                                 | 6.36%                        |
| <b>I. YEAR END RATE OF RETURN (Jurisdictional)</b> |                            |                            |                         |                                 |                              |
| Net Operating Income                               | \$1,150,042,832            | (\$35,091,684)             | \$1,114,951,148         |                                 |                              |
| Average Rate Base                                  | \$20,487,686,102           | (\$2,751,900,806)          | \$17,735,785,296        |                                 |                              |
| Average Rate of Return                             | 5.61%                      |                            | 6.29%                   |                                 |                              |
| (a) INCLUDES AFUDC EARNINGS                        |                            |                            |                         |                                 |                              |
| (b) INCLUDES REVERSAL OF AFUDC EARNINGS            |                            |                            |                         |                                 |                              |

| <b>III. REQUIRED RATES OF RETURN</b> | Average<br>Capital Structure | End of Period<br>Capital Structure |
|--------------------------------------|------------------------------|------------------------------------|
| FPSC Adjusted Basis                  |                              |                                    |
| Low Point                            | 5.85%                        | 5.91%                              |
| Mid Point                            | 6.29%                        | 6.36%                              |
| High Point                           | 6.74%                        | 6.81%                              |
| Pro Forma Adjusted Basis             |                              |                                    |
| Low Point                            | 5.85%                        | 5.91%                              |
| Mid Point                            | 6.29%                        | 6.36%                              |
| High Point                           | 6.74%                        | 6.81%                              |

**IV. FINANCIAL INTEGRITY INDICATORS**

|                                       |        |                             |
|---------------------------------------|--------|-----------------------------|
| A. T.I.E. with AFUDC                  | 3.88   | (System Per Books Basis)    |
| B. T.I.E without AFUDC                | 3.83   | (System Per Books Basis)    |
| C. AFUDC to Net Income                | 1.75%  | (System Per Books Basis)    |
| D. Internally Generated Funds         | 41.28% | (System Per Books Basis)    |
| E. STD/LTD to Total Investor Funds    |        |                             |
| LT Debt-Fixed to Total Investor Funds | 44.03% | (FPSC Adjusted Basis)       |
| ST Debt to Total Investor Funds       | 3.00%  | (FPSC Adjusted Basis)       |
| F. Return on Common Equity            | 10.55% | (FPSC Adjusted Basis)       |
|                                       | 10.24% | (Pro Forma Adjusted Basis)  |
| G. Current Allowed AFUDC Rate         | 6.26%  | Dockets 20210016 / 20220143 |

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*

7/14/2023

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>\$24,542,721,778</b> | <b>\$6,650,448,208</b> | <b>\$17,892,273,570</b> | <b>\$129,762,789</b>            | <b>\$1,593,597,623</b> | <b>\$19,615,633,982</b> | <b>\$2,014,957,856</b> | <b>\$21,630,591,838</b> |
| <b>Regulatory Base - Retail</b> | <b>\$22,383,053,495</b> | <b>\$6,183,111,658</b> | <b>\$16,199,941,837</b> | <b>\$115,831,839</b>            | <b>\$1,402,145,774</b> | <b>\$17,717,919,449</b> | <b>\$1,968,640,006</b> | <b>\$19,686,559,455</b> |
| <b>FPSC Adjustments</b>         |                         |                        |                         |                                 |                        |                         |                        |                         |
| ARO                             | (61,463,211)            | (61,561,950)           | 98,739                  |                                 |                        | 98,739                  | (20,536,969)           | (20,438,230)            |
| ECCR                            | (1,884,498)             | 98,572                 | (1,983,070)             |                                 |                        | (1,983,070)             | (8,849,572)            | (10,832,642)            |
| ECRC                            | (33,098,322)            | (4,075,214)            | (29,023,107)            |                                 |                        | (29,023,107)            | (8,451,548)            | (37,474,656)            |
| FUEL                            | (4,128,954)             | (4,262,945)            | 133,991                 |                                 |                        | 133,991                 | (75,153,804)           | (75,019,814)            |
| CCR                             |                         |                        |                         |                                 |                        |                         | (103,783,262)          | (103,783,262)           |
| SPPCRC                          | (169,780,845)           | (2,669,920)            | (167,110,925)           |                                 | (190,171,674)          | (357,282,599)           |                        | (357,282,599)           |
| Clause Under-Recovery           |                         |                        |                         |                                 |                        |                         | (1,067,581,806)        | (1,067,581,806)         |
| Derivatives                     |                         |                        |                         |                                 |                        |                         | 313,684                | 313,684                 |
| Investments Earning a Return    |                         |                        |                         |                                 |                        |                         | (310,757,183)          | (310,757,183)           |
| Jobbing Accounts                |                         |                        |                         |                                 |                        |                         | (120,948)              | (120,948)               |
| Non-Regulated and Miscellaneous | (42,646,860)            | (17,477,090)           | (25,169,770)            | (87,727,853)                    | (557,643)              | (113,455,267)           | 51,788,015             | (61,667,252)            |
| CWIP - AFUDC                    |                         |                        |                         |                                 | (265,496,251)          | (265,496,251)           |                        | (265,496,251)           |
| Capital & Operating Leases      | (637,035,749)           | (311,103,010)          | (325,932,739)           |                                 |                        | (325,932,739)           | 293,855,322            | (32,077,417)            |
| Storm Cost Recovery             |                         |                        |                         |                                 |                        |                         | (169,998,593)          | (169,998,593)           |
| <b>Total FPSC Adjustments</b>   | <b>(950,038,440)</b>    | <b>(401,051,558)</b>   | <b>(548,986,881)</b>    | <b>(87,727,853)</b>             | <b>(456,225,569)</b>   | <b>(1,092,940,303)</b>  | <b>(1,419,276,665)</b> | <b>(2,512,216,969)</b>  |
| <b>FPSC Adjusted</b>            | <b>\$21,433,015,055</b> | <b>\$5,782,060,100</b> | <b>\$15,650,954,955</b> | <b>\$28,103,985</b>             | <b>\$945,920,205</b>   | <b>\$16,624,979,146</b> | <b>\$549,363,340</b>   | <b>\$17,174,342,486</b> |

**DUKE ENERGY FLORIDA**  
**Average Rate of Return - Income Statement**  
**May-23**

|  | Operating Revenues     | Fuel & Net Interchange | O&M Other            | Depr & Amort        | Taxes Other than Income | Income Taxes Current | Deferred Income Tax (Net) | Investment Tax Credit (Net) | Gain/Loss on Disp. & Other | Total Operating Expenses | Net Operating Income |
|--|------------------------|------------------------|----------------------|---------------------|-------------------------|----------------------|---------------------------|-----------------------------|----------------------------|--------------------------|----------------------|
| <b>System Per Books</b>                  | <b>6,498,021,333</b>   | <b>2,782,410,480</b>   | <b>914,925,093</b>   | <b>865,393,084</b>  | <b>447,862,745</b>      | <b>(34,678,430)</b>  | <b>258,274,896</b>        | <b>(551,619)</b>            |                            | <b>5,233,636,249</b>     | <b>1,264,385,084</b> |
| <b>Regulatory Base - Retail</b>          | <b>5,926,890,921</b>   | <b>2,481,210,565</b>   | <b>873,671,190</b>   | <b>795,544,881</b>  | <b>432,707,167</b>      | <b>(10,788,069)</b>  | <b>205,053,973</b>        | <b>(551,619)</b>            |                            | <b>4,776,848,088</b>     | <b>1,150,042,832</b> |
| <b>FPSC Adjustments</b>                  |                        |                        |                      |                     |                         |                      |                           |                             |                            |                          |                      |
| ECCR                                     | (101,909,637)          |                        | (101,582,220)        | (359,987)           |                         | 8,255                |                           |                             |                            | (101,933,952)            | 24,315               |
| ECRC                                     | (9,921,789)            |                        | (7,048,821)          | 572,639             | (123,528)               | (841,981)            |                           |                             |                            | (7,441,691)              | (2,480,098)          |
| FUEL                                     | (2,105,466,728)        | (2,087,710,581)        |                      | (6,551,340)         |                         | (2,839,858)          |                           |                             |                            | (2,097,101,779)          | (8,364,949)          |
| CCR                                      | (423,262,489)          | (408,302,545)          |                      | (6,835,914)         |                         | 235,242              |                           |                             |                            | (414,903,217)            | (8,359,271)          |
| SPPCRC                                   | (110,153,710)          |                        | (65,487,886)         | (15,007,000)        | (872,393)               | (7,295,921)          |                           |                             |                            | (88,663,201)             | (21,490,510)         |
| Non-Regulated and Miscellaneous          |                        |                        |                      | (196,044)           |                         | 49,687               |                           |                             |                            | (146,357)                | 146,357              |
| Corporate Aircraft                       |                        |                        | (2,833,149)          |                     |                         | 718,062              |                           |                             |                            | (2,115,087)              | 2,115,087            |
| Revenue Tax                              | (293,587,706)          |                        | (4,294,137)          |                     | (281,786,328)           | (1,902,710)          |                           |                             |                            | (287,983,175)            | (5,604,532)          |
| Gain/Loss on Disposition & Other         |                        |                        |                      |                     |                         | 270,594              |                           | (1,067,644)                 |                            | (797,050)                | 797,050              |
| Promotional Advertising                  |                        |                        | (5,603,921)          |                     |                         | 1,420,314            |                           |                             |                            | (4,183,607)              | 4,183,607            |
| Miscellaneous Interest Expense           |                        |                        | 1,714,573            |                     |                         | (434,558)            |                           |                             |                            | 1,280,014                | (1,280,014)          |
| Organization Dues                        |                        |                        | (99,388)             |                     |                         | 25,190               |                           |                             |                            | (74,198)                 | 74,198               |
| Economic Development                     |                        |                        | (246,745)            |                     |                         | 62,538               |                           |                             |                            | (184,208)                | 184,208              |
| Parent Debt Adjustment                   |                        |                        |                      |                     |                         | (9,317,417)          |                           |                             |                            | (9,317,417)              | 9,317,417            |
| Directors & Officers Liability Insurance |                        |                        | (1,260,425)          |                     |                         | 319,455              |                           |                             |                            | (940,970)                | 940,970              |
| Interest Synchronization                 |                        |                        |                      |                     |                         | 16,331,982           |                           |                             |                            | 16,331,982               | (16,331,982)         |
| LTIP & SERP                              |                        |                        | (14,783,479)         |                     |                         | 3,746,873            |                           |                             |                            | (11,036,606)             | 11,036,606           |
| Storm Cost Recovery                      | (70,422,187)           |                        | (70,421,992)         |                     |                         | (49)                 |                           |                             |                            | (70,422,042)             | (145)                |
| <b>Total FPSC Adjustments</b>            | <b>(3,114,724,245)</b> | <b>(2,496,013,126)</b> | <b>(271,947,590)</b> | <b>(28,377,646)</b> | <b>(282,782,249)</b>    | <b>555,695</b>       |                           |                             | <b>(1,067,644)</b>         | <b>(3,079,632,561)</b>   | <b>(35,091,684)</b>  |
| <b>FPSC Adjusted</b>                     | <b>2,812,166,675</b>   | <b>(14,802,561)</b>    | <b>601,723,600</b>   | <b>767,167,235</b>  | <b>149,924,918</b>      | <b>(10,232,375)</b>  | <b>205,053,973</b>        | <b>(551,619)</b>            | <b>(1,067,644)</b>         | <b>1,697,215,528</b>     | <b>1,114,951,148</b> |
| <b>Pro Forma Adjustments</b>             |                        |                        |                      |                     |                         |                      |                           |                             |                            |                          |                      |
| Weather Normalization                    | (31,040,809)           |                        |                      |                     |                         | (7,867,293)          |                           |                             |                            | (7,867,293)              | (23,173,516)         |
| <b>Total Pro Forma Adjustments</b>       | <b>(31,040,809)</b>    |                        |                      |                     |                         | <b>(7,867,293)</b>   |                           |                             |                            | <b>(7,867,293)</b>       | <b>(23,173,516)</b>  |
| <b>Pro Forma Adjusted</b>                | <b>2,781,125,866</b>   | <b>(14,802,561)</b>    | <b>601,723,600</b>   | <b>767,167,235</b>  | <b>149,924,918</b>      | <b>(18,099,668)</b>  | <b>205,053,973</b>        | <b>(551,619)</b>            | <b>(1,067,644)</b>         | <b>1,689,348,234</b>     | <b>1,091,777,632</b> |
| <b>Current Month</b>                     |                        |                        |                      |                     |                         |                      |                           |                             |                            |                          |                      |
| System Per Books                         | <b>552,723,221</b>     | <b>214,527,480</b>     | <b>100,448,939</b>   | <b>77,974,203</b>   | <b>40,853,223</b>       | <b>17,179,807</b>    | <b>(1,987,434)</b>        |                             |                            | <b>448,996,218</b>       | <b>103,727,003</b>   |
| FPSC Adjusted                            | <b>237,620,477</b>     |                        | <b>44,468,159</b>    | <b>70,922,361</b>   | <b>15,412,641</b>       | <b>(824,276)</b>     | <b>19,665,006</b>         |                             | <b>(106,718)</b>           | <b>149,537,172</b>       | <b>88,083,305</b>    |

A) The addition of earnings from AFUDC would increase:

Pre-Tax System NOI by: 17,483,550  
Pre-Tax Jurisdictional NOI by: 15,383,109

B) Economic Development costs related to the period are:

Total Company: 5,293,768  
Jurisdictional: 5,123,255

| Notes | Rate Base Adjustments                        | P=ProForma F=FPSC | System                 | Retail                 |
|-------|--|-------------------|------------------------|------------------------|
|       | ARO  | F                 | (20,438,230)           | (20,438,230)           |
|       | ECCR   | F                 | (10,898,643)           | (10,832,642)           |
|       | ECRC   | F                 | (40,231,595)           | (37,474,656)           |
|       | FUEL   | F                 | (75,009,519)           | (75,019,814)           |
|       | CCR  | F                 | (103,783,262)          | (103,783,262)          |
|       | SPPCRC                                       | F                 | (399,122,758)          | (357,282,599)          |
|       | Clause Under-Recovery                        | F                 | (1,067,581,806)        | (1,067,581,806)        |
|       | Derivatives                                  | F                 | 313,684                | 313,684                |
|       | Investments Earning a Return                 | F                 | (310,757,183)          | (310,757,183)          |
|       | Jobbing Accounts                             | F                 | (120,948)              | (120,948)              |
|       | Non-Regulated and Miscellaneous              | F                 | (68,407,555)           | (61,667,252)           |
| (1)   | CWIP - AFUDC                                 | F                 | (346,106,038)          | (265,496,251)          |
| (2)   | Capital & Operating Leases - EPIS            | F                 | (347,134,571)          | (325,932,739)          |
| (2)   | Capital & Operating Leases - Working Capital | F                 | 303,635,419            | 293,855,322            |
|       | Storm Cost Recovery                          | F                 | (169,998,593)          | (169,998,593)          |
|       | <b>Total</b>                                 |                   | <b>(2,655,641,597)</b> | <b>(2,512,216,969)</b> |

| Notes | Income Statement Adjustments (to NOI)    | P=ProForma F=FPSC | System              |                   | Retail              |                   |
|-------|--|-------------------|---------------------|-------------------|---------------------|-------------------|
|       |  |                   | Amount              | Income Tax Effect | Amount              | Income Tax Effect |
|       | ECCR                                     | F                 | 47,019              | (11,917)          | 32,570              | (8,255)           |
|       | ECRC                                     | F                 | (3,134,712)         | 794,493           | (3,322,078)         | 841,981           |
|       | FUEL                                     | F                 | (12,564,984)        | 3,184,595         | (11,204,807)        | 2,839,858         |
|       | CCR                                      | F                 | (8,124,030)         | (235,242)         | (8,124,030)         | (235,242)         |
|       | SPPCRC                                   | F                 | (28,786,431)        | 7,295,921         | (28,786,431)        | 7,295,921         |
|       | Non-Regulated and Miscellaneous          | F                 | 196,044             | (49,687)          | 196,044             | (49,687)          |
| (2)   | Corporate Aircraft                       | F                 | 2,951,231           | (747,989)         | 2,833,149           | (718,062)         |
| (1)   | Revenue Tax                              | F                 | (7,507,242)         | 1,902,710         | (7,507,242)         | 1,902,710         |
| (1)   | Gain/Loss on Disposition & Other         | F                 | 1,122,568           | (284,515)         | 1,067,644           | (270,594)         |
| (1)   | Promotional Advertising                  | F                 | 5,845,612           | (1,481,570)       | 5,603,921           | (1,420,314)       |
| (1)   | Miscellaneous Interest Expense           | F                 | (1,787,072)         | 452,933           | (1,714,573)         | 434,558           |
| (1)   | Organization Dues                        | F                 | 103,557             | (26,246)          | 99,388              | (25,190)          |
| (3)   | Economic Development                     | F                 | 254,957             | (64,619)          | 246,745             | (62,538)          |
| (2)   | Parent Debt Adjustment                   | F                 |                     | 10,245,806        |                     | 9,317,417         |
| (2)   | Directors & Officers Liability Insurance | F                 | 1,313,236           | (332,840)         | 1,260,425           | (319,455)         |
| (1)   | Interest Synchronization                 | F                 |                     | (17,474,099)      |                     | (16,331,982)      |
| (4)   | LTIP & SERP                              | F                 | 15,399,515          | (3,903,007)       | 14,783,479          | (3,746,873)       |
|       | Storm Cost Recovery                      | F                 | (194)               | 49                | (194)               | 49                |
|       | <b>Total</b>                             |                   | <b>(34,670,925)</b> | <b>(735,224)</b>  | <b>(34,535,990)</b> | <b>(555,695)</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  
(4) Docket No. 20210016-EI, Order No. PSC-2021-0202-AS-EI

|                                 | 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>\$25,663,402,020</b> | <b>\$6,961,562,814</b> | <b>\$18,701,839,206</b> | <b>\$129,702,954</b>            | <b>\$1,651,712,455</b> | <b>\$20,483,254,615</b> | <b>\$2,014,957,838</b> | <b>\$22,498,212,454</b>    |
| Regulatory Base - Retail        | \$23,437,566,893        | \$6,481,594,392        | \$16,955,972,501        | \$115,771,913                   | \$1,447,301,682        | \$18,519,046,096        | \$1,968,640,006        | \$20,487,686,102           |
| <b>FPSC Adjustments</b>         |                         |                        |                         |                                 |                        |                         |                        |                            |
| ARO                             | (68,661,461)            | (60,362,731)           | (8,298,729)             |                                 |                        | (8,298,729)             | (20,536,969)           | (28,835,698)               |
| ECCR                            | (3,575,570)             | (491,920)              | (3,083,650)             |                                 |                        | (3,083,650)             | (8,849,572)            | (11,933,222)               |
| ECRC                            | (33,098,322)            | (4,540,452)            | (28,557,870)            |                                 |                        | (28,557,870)            | (8,451,548)            | (37,009,418)               |
| FUEL                            | (4,128,954)             | (4,262,921)            | 133,967                 |                                 |                        | 133,967                 | (75,153,804)           | (75,019,837)               |
| CCR                             |                         |                        |                         |                                 |                        |                         | (103,783,262)          | (103,783,262)              |
| SPPCRC                          | (268,528,926)           | (5,455,757)            | (263,073,169)           |                                 | (335,786,981)          | (598,860,150)           |                        | (598,860,150)              |
| Clause Under-Recovery           |                         |                        |                         |                                 |                        |                         | (1,067,581,806)        | (1,067,581,806)            |
| Derivatives                     |                         |                        |                         |                                 |                        |                         | 313,684                | 313,684                    |
| Investments Earning a Return    |                         |                        |                         |                                 |                        |                         | (310,757,183)          | (310,757,183)              |
| Jobbing Accounts                |                         |                        |                         |                                 |                        |                         | (120,948)              | (120,948)                  |
| Non-Regulated and Miscellaneous | (42,751,017)            | (18,145,054)           | (24,605,963)            | (87,727,853)                    | (674,085)              | (113,007,901)           | 51,788,015             | (61,219,886)               |
| CWIP - AFUDC                    |                         |                        |                         |                                 | (286,994,428)          | (286,994,428)           |                        | (286,994,428)              |
| Capital & Operating Leases      | (636,945,602)           | (342,990,222)          | (293,955,379)           |                                 |                        | (293,955,379)           | 293,855,322            | (100,057)                  |
| Storm Cost Recovery             |                         |                        |                         |                                 |                        |                         | (169,998,593)          | (169,998,593)              |
| <b>Total FPSC Adjustments</b>   | <b>(1,057,689,852)</b>  | <b>(436,249,058)</b>   | <b>(621,440,794)</b>    | <b>(87,727,853)</b>             | <b>(623,455,494)</b>   | <b>(1,332,624,140)</b>  | <b>(1,419,276,665)</b> | <b>(2,751,900,806)</b>     |
| <b>FPSC Adjusted</b>            | <b>22,379,877,042</b>   | <b>6,045,345,334</b>   | <b>16,334,531,708</b>   | <b>28,044,060</b>               | <b>823,846,189</b>     | <b>17,186,421,956</b>   | <b>549,363,340</b>     | <b>17,735,785,296</b>      |

|  | Operating Revenues     | Fuel & Net Interchange | O&M Other            | Depr & Amort        | Taxes Other than Income | Income Taxes Current | Deferred Income Tax (Net) | Investment Tax Credit (Net) | Gain/Loss on Disposition & Other | Total Operating Expenses | Net Operating Income |
|--|------------------------|------------------------|----------------------|---------------------|-------------------------|----------------------|---------------------------|-----------------------------|----------------------------------|--------------------------|----------------------|
| <b>System Per Books</b>                  | <b>6,498,021,333</b>   | <b>2,782,410,480</b>   | <b>914,925,093</b>   | <b>865,393,084</b>  | <b>447,862,745</b>      | <b>(34,678,430)</b>  | <b>258,274,896</b>        | <b>(551,619)</b>            |                                  | <b>5,233,636,249</b>     | <b>1,264,385,084</b> |
| <b>Regulatory Base - Retail</b>          | <b>5,926,890,921</b>   | <b>2,481,210,565</b>   | <b>873,671,190</b>   | <b>795,544,881</b>  | <b>432,707,167</b>      | <b>(10,788,069)</b>  | <b>205,053,973</b>        | <b>(551,619)</b>            |                                  | <b>4,776,848,088</b>     | <b>1,150,042,832</b> |
| <b>FPSC Adjustments</b>                  |                        |                        |                      |                     |                         |                      |                           |                             |                                  |                          |                      |
| ECCR                                     | (101,909,637)          |                        | (101,582,220)        | (359,987)           |                         | 8,255                |                           |                             |                                  | (101,933,952)            | 24,315               |
| ECRC                                     | (9,921,789)            |                        | (7,048,821)          | 572,639             | (123,528)               | (841,981)            |                           |                             |                                  | (7,441,691)              | (2,480,098)          |
| FUEL                                     | (2,105,466,728)        | (2,087,710,581)        |                      | (6,551,340)         |                         | (2,839,858)          |                           |                             |                                  | (2,097,101,779)          | (8,364,949)          |
| CCR                                      | (423,262,489)          | (408,302,545)          |                      | (6,835,914)         |                         | 235,242              |                           |                             |                                  | (414,903,217)            | (8,359,271)          |
| SPPCRC                                   | (110,153,710)          |                        | (65,487,886)         | (15,007,000)        | (872,393)               | (7,295,921)          |                           |                             |                                  | (88,663,201)             | (21,490,510)         |
| Non-Regulated and Miscellaneous          |                        |                        |                      | (196,044)           |                         | 49,687               |                           |                             |                                  | (146,357)                | 146,357              |
| Corporate Aircraft                       |                        |                        | (2,833,149)          |                     |                         | 718,062              |                           |                             |                                  | (2,115,087)              | 2,115,087            |
| Revenue Tax                              | (293,587,706)          |                        | (4,294,137)          |                     | (281,786,328)           | (1,902,710)          |                           |                             |                                  | (287,983,175)            | (5,604,532)          |
| Gain/Loss on Disposition & Other         |                        |                        |                      |                     |                         | 270,594              |                           | (1,067,644)                 |                                  | (797,050)                | 797,050              |
| Promotional Advertising                  |                        |                        | (5,603,921)          |                     |                         | 1,420,314            |                           |                             |                                  | (4,183,607)              | 4,183,607            |
| Miscellaneous Interest Expense           |                        |                        | 1,714,573            |                     |                         | (434,558)            |                           |                             |                                  | 1,280,014                | (1,280,014)          |
| Organization Dues                        |                        |                        | (99,388)             |                     |                         | 25,190               |                           |                             |                                  | (74,198)                 | 74,198               |
| Economic Development                     |                        |                        | (246,745)            |                     |                         | 62,538               |                           |                             |                                  | (184,208)                | 184,208              |
| Parent Debt Adjustment                   |                        |                        |                      |                     |                         | (9,317,417)          |                           |                             |                                  | (9,317,417)              | 9,317,417            |
| Directors & Officers Liability Insurance |                        |                        | (1,260,425)          |                     |                         | 319,455              |                           |                             |                                  | (940,970)                | 940,970              |
| Interest Synchronization                 |                        |                        |                      |                     |                         | 16,331,982           |                           |                             |                                  | 16,331,982               | (16,331,982)         |
| LTIP & SERP                              |                        |                        | (14,783,479)         |                     |                         | 3,746,873            |                           |                             |                                  | (11,036,606)             | 11,036,606           |
| Storm Cost Recovery                      | (70,422,187)           |                        | (70,421,992)         |                     |                         | (49)                 |                           |                             |                                  | (70,422,042)             | (145)                |
| <b>Total FPSC Adjustments</b>            | <b>(3,114,724,245)</b> | <b>(2,496,013,126)</b> | <b>(271,947,590)</b> | <b>(28,377,646)</b> | <b>(282,782,249)</b>    | <b>555,695</b>       |                           |                             | <b>(1,067,644)</b>               | <b>(3,079,632,561)</b>   | <b>(35,091,684)</b>  |
| <b>FPSC Adjusted</b>                     | <b>2,812,166,675</b>   | <b>(14,802,561)</b>    | <b>601,723,600</b>   | <b>767,167,235</b>  | <b>149,924,918</b>      | <b>(10,232,375)</b>  | <b>205,053,973</b>        | <b>(551,619)</b>            | <b>(1,067,644)</b>               | <b>1,697,215,528</b>     | <b>1,114,951,148</b> |

A) The addition of earnings from AFUDC would increase:

Pre-Tax System NOI by: 17,483,550  
Pre-Tax Jurisdictional NOI by: 15,383,109

| Notes | Rate Base Adjustments                        | P=ProForma F=FPSC | System                 | Retail                 |
|-------|--|-------------------|------------------------|------------------------|
|       | ARO  | F                 | (28,835,698)           | (28,835,698)           |
|       | ECCR   | F                 | (12,035,852)           | (11,933,222)           |
|       | ECRC   | F                 | (39,716,857)           | (37,009,418)           |
|       | FUEL   | F                 | (75,009,544)           | (75,019,837)           |
|       | CCR  | F                 | (103,783,262)          | (103,783,262)          |
|       | SPPCRC                                       | F                 | (658,282,514)          | (598,860,150)          |
|       | Clause Under-Recovery                        | F                 | (1,067,581,806)        | (1,067,581,806)        |
|       | Derivatives                                  | F                 | 313,684                | 313,684                |
|       | Investments Earning a Return                 | F                 | (310,757,183)          | (310,757,183)          |
|       | Jobbing Accounts                             | F                 | (120,948)              | (120,948)              |
|       | Non-Regulated and Miscellaneous              | F                 | (67,960,189)           | (61,219,886)           |
| (1)   | CWIP - AFUDC                                 | F                 | (383,626,108)          | (286,994,428)          |
| (2)   | Capital & Operating Leases - EPIS            | F                 | (315,154,212)          | (293,955,379)          |
| (2)   | Capital & Operating Leases - Working Capital | F                 | 303,635,419            | 293,855,322            |
|       | Storm Cost Recovery                          | F                 | (169,998,593)          | (169,998,593)          |
|       | <b>Total</b>                                 |                   | <b>(2,928,913,664)</b> | <b>(2,751,900,806)</b> |

| Notes | Income Statement Adjustments (to NOI)    | P=ProForma F=FPSC | System              |                   | Retail              |                   |
|-------|--|-------------------|---------------------|-------------------|---------------------|-------------------|
|       |  |                   | Amount              | Income Tax Effect | Amount              | Income Tax Effect |
|       | ECCR                                     | F                 | 47,019              | (11,917)          | 32,570              | (8,255)           |
|       | ECRC                                     | F                 | (3,134,712)         | 794,493           | (3,322,078)         | 841,981           |
|       | FUEL                                     | F                 | (12,564,984)        | 3,184,595         | (11,204,807)        | 2,839,858         |
|       | CCR                                      | F                 | (8,124,030)         | (235,242)         | (8,124,030)         | (235,242)         |
|       | SPPCRC                                   | F                 | (28,786,431)        | 7,295,921         | (28,786,431)        | 7,295,921         |
|       | Non-Regulated and Miscellaneous          | F                 | 196,044             | (49,687)          | 196,044             | (49,687)          |
| (2)   | Corporate Aircraft                       | F                 | 2,951,231           | (747,989)         | 2,833,149           | (718,062)         |
| (1)   | Revenue Tax                              | F                 | (7,507,242)         | 1,902,710         | (7,507,242)         | 1,902,710         |
| (1)   | Gain/Loss on Disposition & Other         | F                 | 1,122,568           | (284,515)         | 1,067,644           | (270,594)         |
| (1)   | Promotional Advertising                  | F                 | 5,845,612           | (1,481,570)       | 5,603,921           | (1,420,314)       |
| (1)   | Miscellaneous Interest Expense           | F                 | (1,787,072)         | 452,933           | (1,714,573)         | 434,558           |
| (1)   | Organization Dues                        | F                 | 103,557             | (26,246)          | 99,388              | (25,190)          |
| (3)   | Economic Development                     | F                 | 254,957             | (64,619)          | 246,745             | (62,538)          |
| (2)   | Parent Debt Adjustment                   | F                 |                     | 10,245,806        |                     | 9,317,417         |
| (2)   | Directors & Officers Liability Insurance | F                 | 1,313,236           | (332,840)         | 1,260,425           | (319,455)         |
| (1)   | Interest Synchronization                 | F                 |                     | (17,474,099)      |                     | (16,331,982)      |
| (4)   | LTIP & SERP                              | F                 | 15,399,515          | (3,903,007)       | 14,783,479          | (3,746,873)       |
|       | Storm Cost Recovery                      | F                 | (194)               | 49                | (194)               | 49                |
|       | <b>Total</b>                             |                   | <b>(34,670,925)</b> | <b>(735,224)</b>  | <b>(34,535,990)</b> | <b>(555,695)</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**  
**May-23**

|                           | System Per Books      | Retail Per Books      | Specific Adjustments | Pro Rata 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             | 9,026,859,051         | 8,208,925,757         | 336,445,419          | (952,370,297)          | 7,593,000,878         | 44.21%         | 9.10%     | 4.02%         | 10.10%    | 4.47%         | 11.10%     | 4.91%         |
| Long Term Debt            | 8,170,116,271         | 7,429,813,351         | (325,704,072)        | (791,743,568)          | 6,312,365,711         | 36.75%         | 4.44%     | 1.63%         | 4.44%     | 1.63%         | 4.44%      | 1.63%         |
| Short Term Debt *         | 681,123,769           | 619,406,420           | (135,391,787)        | (53,942,790)           | 430,071,843           | 2.50%          | 4.16%     | 0.10%         | 4.16%     | 0.10%         | 4.16%      | 0.10%         |
| Customer Deposits         |                       |                       |                      |                        |                       |                |           |               |           |               |            |               |
| Active                    | 174,234,106           | 174,234,106           |                      | (19,418,160)           | 154,815,945           | 0.90%          | 1.03%     | 0.01%         | 1.03%     | 0.01%         | 1.03%      | 0.01%         |
| Inactive                  | 1,666,455             | 1,666,455             |                      | (185,724)              | 1,480,731             | 0.01%          |           |               |           |               |            |               |
| Investment Tax Credits ** | 240,339,776           | 218,562,334           |                      | (24,358,483)           | 194,203,851           | 1.13%          | 6.98%     | 0.08%         | 7.53%     | 0.09%         | 8.08%      | 0.09%         |
| Deferred Income Taxes     | 3,336,252,409         | 3,033,951,032         | (233,433,542)        | (312,113,964)          | 2,488,403,526         | 14.49%         |           |               |           |               |            |               |
| <b>Total</b>              | <b>21,630,591,838</b> | <b>19,686,559,455</b> | <b>(358,083,982)</b> | <b>(2,154,132,987)</b> | <b>17,174,342,486</b> | <b>100.00%</b> |           | <b>5.85%</b>  |           | <b>6.29%</b>  |            | <b>6.74%</b>  |

\* Daily Weighted Average

\*\* Cost Rates Calculated Per IRS Ruling

DUKE ENERGY FLORIDA  
End of Period - Capital Structure  
Pro Forma Adjusted Basis  
May-23

|                           | System Per Books      | Retail Per Books      | Specific Adjustments | Pro Rata 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             | 9,360,256,522         | 8,420,938,786         | 553,063,364          | (1,086,938,131)        | 7,887,064,019         | 44.47%         | 9.10%     | 4.05%         | 10.10%    | 4.49%         | 11.10%     | 4.94%         |
| Long Term Debt            | 8,770,471,636         | 7,890,339,820         | (521,900,602)        | (892,471,098)          | 6,475,968,120         | 36.51%         | 4.63%     | 1.69%         | 4.63%     | 1.69%         | 4.63%      | 1.69%         |
| Short Term Debt *         | 788,153,000           | 709,060,500           | (109,391,561)        | (72,632,369)           | 527,036,570           | 2.97%          | 3.25%     | 0.10%         | 3.25%     | 0.10%         | 3.25%      | 0.10%         |
| Customer Deposits         |                       |                       |                      |                        |                       |                |           |               |           |               |            |               |
| Active                    | 174,986,448           | 174,986,448           |                      | (21,194,495)           | 153,791,953           | 0.87%          | 0.17%     | 0.00%         | 0.17%     | 0.00%         | 0.17%      | 0.00%         |
| Inactive                  | 1,666,455             | 1,666,455             |                      | (201,842)              | 1,464,613             | 0.01%          |           |               |           |               |            |               |
| Investment Tax Credits ** | 233,444,013           | 210,017,507           |                      | (25,437,484)           | 184,580,023           | 1.04%          | 7.08%     | 0.07%         | 7.63%     | 0.08%         | 8.18%      | 0.09%         |
| Deferred Income Taxes     | 3,424,312,162         | 3,080,676,585         | (229,454,326)        | (345,342,261)          | 2,505,879,998         | 14.13%         |           |               |           |               |            |               |
| <b>Total</b>              | <b>22,753,290,237</b> | <b>20,487,686,102</b> | <b>(307,683,124)</b> | <b>(2,444,217,682)</b> | <b>17,735,785,296</b> | <b>100.00%</b> |           | <b>5.91%</b>  |           | <b>6.36%</b>  |            | <b>6.81%</b>  |

\* Daily Weighted Average

\*\* Cost Rates Calculated Per IRS Ruling

DUKE ENERGY FLORIDA  
Average - Capital Structure  
FPSC Adjusted Basis  
May-23

|                           | System Per Books      | Retail Per Books      | Specific Adjustments | Pro Rata 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             | 9,026,859,051         | 8,208,925,757         | 336,445,419          | (952,370,297)          | 7,593,000,878         | 44.21%         | 9.10%     | 4.02%         | 10.10%    | 4.47%         | 11.10%     | 4.91%         |
| Long Term Debt            | 8,170,116,271         | 7,429,813,351         | (325,704,072)        | (791,743,568)          | 6,312,365,711         | 36.75%         | 4.44%     | 1.63%         | 4.44%     | 1.63%         | 4.44%      | 1.63%         |
| Short Term Debt *         | 681,123,769           | 619,406,420           | (135,391,787)        | (53,942,790)           | 430,071,843           | 2.50%          | 4.16%     | 0.10%         | 4.16%     | 0.10%         | 4.16%      | 0.10%         |
| Customer Deposits         |                       |                       |                      |                        |                       |                |           |               |           |               |            |               |
| Active                    | 174,234,106           | 174,234,106           |                      | (19,418,160)           | 154,815,945           | 0.90%          | 1.03%     | 0.01%         | 1.03%     | 0.01%         | 1.03%      | 0.01%         |
| Inactive                  | 1,666,455             | 1,666,455             |                      | (185,724)              | 1,480,731             | 0.01%          |           |               |           |               |            |               |
| Investment Tax Credits ** | 240,339,776           | 218,562,334           |                      | (24,358,483)           | 194,203,851           | 1.13%          | 6.98%     | 0.08%         | 7.53%     | 0.09%         | 8.08%      | 0.09%         |
| Deferred Income Taxes     | 3,336,252,409         | 3,033,951,032         | (233,433,542)        | (312,113,964)          | 2,488,403,526         | 14.49%         |           |               |           |               |            |               |
| <b>Total</b>              | <b>21,630,591,838</b> | <b>19,686,559,455</b> | <b>(358,083,982)</b> | <b>(2,154,132,987)</b> | <b>17,174,342,486</b> | <b>100.00%</b> |           | <b>5.85%</b>  |           | <b>6.29%</b>  |            | <b>6.74%</b>  |

\* Daily Weighted Average

\*\* Cost Rates Calculated Per IRS Ruling

DUKE ENERGY FLORIDA  
End of Period - Capital Structure  
FPSC Adjusted Basis  
May-23

|                           | System Per Books      | Retail Per Books      | Specific Adjustments | Pro Rata 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             | 9,360,256,522         | 8,420,938,786         | 553,063,364          | (1,086,938,131)        | 7,887,064,019         | 44.47%         | 9.10%     | 4.05%         | 10.10%    | 4.49%         | 11.10%     | 4.94%         |
| Long Term Debt            | 8,770,471,636         | 7,890,339,820         | (521,900,602)        | (892,471,098)          | 6,475,968,120         | 36.51%         | 4.63%     | 1.69%         | 4.63%     | 1.69%         | 4.63%      | 1.69%         |
| Short Term Debt *         | 788,153,000           | 709,060,500           | (109,391,561)        | (72,632,369)           | 527,036,570           | 2.97%          | 3.25%     | 0.10%         | 3.25%     | 0.10%         | 3.25%      | 0.10%         |
| Customer Deposits         |                       |                       |                      |                        |                       |                |           |               |           |               |            |               |
| Active                    | 174,986,448           | 174,986,448           |                      | (21,194,495)           | 153,791,953           | 0.87%          | 0.17%     | 0.00%         | 0.17%     | 0.00%         | 0.17%      | 0.00%         |
| Inactive                  | 1,666,455             | 1,666,455             |                      | (201,842)              | 1,464,613             | 0.01%          |           |               |           |               |            |               |
| Investment Tax Credits ** | 233,444,013           | 210,017,507           |                      | (25,437,484)           | 184,580,023           | 1.04%          | 7.08%     | 0.07%         | 7.63%     | 0.08%         | 8.18%      | 0.09%         |
| Deferred Income Taxes     | 3,424,312,162         | 3,080,676,585         | (229,454,326)        | (345,342,261)          | 2,505,879,998         | 14.13%         |           |               |           |               |            |               |
| <b>Total</b>              | <b>22,753,290,237</b> | <b>20,487,686,102</b> | <b>(307,683,124)</b> | <b>(2,444,217,682)</b> | <b>17,735,785,296</b> | <b>100.00%</b> |           | <b>5.91%</b>  |           | <b>6.36%</b>  |            | <b>6.81%</b>  |

\* Daily Weighted Average

\*\* Cost Rates Calculated Per IRS Ruling

**A. TIMES INTEREST EARNED WITH AFUDC**

|   |    |               |
|---|----|---------------|
| EARNINGS BEFORE INTEREST                          | \$ | 1,329,731,569 |
| AFUDC - DEBT                                      | \$ | 4,937,813     |
| INCOME TAXES                                      |    | 235,627,686   |
| TOTAL   | \$ | 1,570,297,069 |
| INTEREST CHARGES<br>(before deducting AFUDC-Debt) | \$ | 404,993,349   |
| TIE WITH AFUDC                                    |    | <b>3.88</b>   |

**B. TIMES INTEREST EARNED WITHOUT AFUDC**

|  |    |               |
|--|----|---------------|
| EARNINGS BEFORE INTEREST   | \$ | 1,329,731,569 |
| AFUDC - EQUITY   |    | (12,545,736)  |
| INCOME TAXES   |    | 235,627,686   |
| TOTAL  | \$ | 1,552,813,519 |
| INTEREST CHARGES<br>(before deducting AFUDC-Debt & CR3 reg<br>asset carrying charge) | \$ | 404,993,349   |
| TIE WITHOUT AFUDC  |    | <b>3.83</b>   |

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

|   |    |              |
|---|----|--------------|
| AFUDC DEBT                                      | \$ | 4,937,813    |
| X (1- INCOME TAX RATE)                          |    | 0.74655      |
| SUBTOTAL  | \$ | 3,686,325    |
| AFUDC -EQUITY                                   | \$ | 12,545,736   |
| TOTAL   | \$ | 16,232,061   |
| NET INCOME AVAILABLE FOR<br>COMMON STOCKHOLDERS | \$ | 929,474,295  |
| PERCENT AFUDC TO AVAILABLE<br>NET INCOME        |    | <b>1.75%</b> |

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

|   |    |                 |
|---|----|-----------------|
| NET INCOME  | \$ | 942,996,303     |
| COMMON DIVIDENDS                                  |    | -               |
| AFUDC (EQUITY)                                    |    | (13,739,460)    |
| DEPRECIATION & AMORTIZATION                       |    | 892,600,565     |
| DEFERRED INCOME TAXES                             |    | 253,889,969     |
| INVESTMENT TAX CREDITS                            |    | -               |
| OTHER - INC NUCLEAR DECOMMISSIONING               |    | (10,778,637)    |
| OTHER FUNDS - INCLUDING CHANGE IN WORKING CAPITAL |    | (1,098,064,947) |
| TOTAL FUNDS PROVIDED                              | \$ | 966,903,794     |

|  |    |               |
|--|----|---------------|
| CONSTRUCTION EXPENDITURES<br>(EXCLUDING AFUDC EQUITY & DEBT) | \$ | 2,342,048,493 |
|--|----|---------------|

PERCENTAGE INTERNALLY GENERATED FUNDS **41.28%**

\*As of Dec 2022 (updated quarterly)

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

|                 |    |                |
|-----------------|----|----------------|
| Common Equity   | \$ | 7,593,000,878  |
| Long Term Debt  | \$ | 6,312,365,711  |
| Short Term Debt | \$ | 430,071,843    |
| TOTAL           | \$ | 14,335,438,433 |

% LONG TERM DEBT TO TOTAL **44.03%**

% SHORT TERM DEBT TO TOTAL **3.00%**

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

|  | Pro Forma     | FPSC          |
|--|---------------|---------------|
| FPSC AVERAGE                                 |               |               |
| EARNED RATE OF RETURN                        | 6.36%         | 6.49%         |
| LESS RETAIL WEIGHTED AVERAGE COST RATES FOR: |               |               |
| LONG TERM DEBT                               | 1.63%         | 1.63%         |
| SHORT TERM DEBT                              | 0.10%         | 0.10%         |
| CUSTOMER DEPOSITS                            | 0.01%         | 0.01%         |
| DEFERRED INCOME TAXES                        |               |               |
| INVESTMENT TAX CREDITS                       | 0.09%         | 0.09%         |
| DEFERRED INCOME TAX (FAS 109)                |               |               |
| SUBTOTAL                                     | 1.83%         | 1.83%         |
| TOTAL  | 4.53%         | 4.66%         |
| DIVIDED BY COMMON EQUITY RATIO               | 44.21%        | 44.21%        |
| JURISDICTIONAL RETURN ON COMMON EQUITY       | <b>10.24%</b> | <b>10.55%</b> |