



December 14, 2023

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

Dear Mr. Vogel:

Pursuant to Commission Rule 25-6.1352, enclosed please find Duke Energy Florida, LLC's Earnings Surveillance Report for the twelve months ended October 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 October 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 "Michael Thomas".

Michael Thomas
Sr. Rates and Regulatory Strategy Analyst
(On behalf of Marcia Olivier
Director Rates & Regulatory Planning)

Attachment
xc: Mr. Richard Gentry, Office of the Public Counsel

DUKE ENERGY FLORIDA
RATE OF RETURN REPORT SUMMARY
Oct-23

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	\$1,209,557,549 (a)	(\$54,944,101) (b)	\$1,154,613,448	(\$60,592,950)	\$1,094,020,498
Average Rate Base	\$20,811,089,677	(\$2,803,956,981)	\$18,007,132,696	\$0	\$18,007,132,696
Average Rate of Return	5.81%		6.41%		6.08%
<u>I. YEAR END RATE OF RETURN (Jurisdictional)</u>					
Net Operating Income	\$1,192,380,571	(\$37,767,123)	\$1,154,613,448		
Average Rate Base	\$21,670,358,580	(\$3,265,888,528)	\$18,404,470,051		
Average Rate of Return	5.50%		6.27%		

(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	5.96%	6.10%
Mid Point	6.41%	6.56%
High Point	6.86%	7.01%
Pro Forma Adjusted Basis		
Low Point	5.96%	6.10%
Mid Point	6.41%	6.56%
High Point	6.86%	7.01%

IV. FINANCIAL INTEGRITY INDICATORS

A. T.I.E. with AFUDC	3.94	(System Per Books Basis)
B. T.I.E. without AFUDC	3.89	(System Per Books Basis)
C. AFUDC to Net Income	1.86%	(System Per Books Basis)
D. Internally Generated Funds	79.58%	(System Per Books Basis)
E. STD/LTD to Total Investor Funds		
LT Debt-Fixed to Total Investor Funds	44.22%	(FPSC Adjusted Basis)
ST Debt to Total Investor Funds	2.81%	(FPSC Adjusted Basis)
F. Return on Common Equity	10.11%	(FPSC Adjusted Basis)
	9.35%	(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



12/14/2023

Michael Thomas
 Sr. Rates and Regulatory Strategy Analyst
 (On behalf of 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
System Per Books	\$25,345,252,823	\$6,910,567,075	\$18,434,685,749	\$129,712,349	\$1,788,189,594	\$20,352,587,691	\$2,136,798,874	\$22,489,386,566
Regulatory Base - Retail	\$23,544,560,006	\$6,564,865,708	\$16,979,694,298	\$120,323,660	\$1,600,628,966	\$18,700,646,924	\$2,110,442,753	\$20,811,089,677
FPSC Adjustments								
ARO	(65,748,327)	(61,170,047)	(4,578,280)			(4,578,280)	(15,407,606)	(19,985,886)
ECCR	(2,503,421)	(229,288)	(2,274,133)			(2,274,133)	(7,947,110)	(10,221,243)
ECRC	(34,647,384)	(4,657,041)	(29,990,343)			(29,990,343)	(9,083,563)	(39,073,907)
FUEL							(72,477,018)	(72,477,018)
CCR							(102,738,758)	(102,738,758)
SPPCRC	(249,144,084)	(5,166,095)	(243,977,989)		(319,711,383)	(563,689,372)		(563,689,372)
Clause Under-Recovery							(1,047,053,396)	(1,047,053,396)
Derivatives							275,223	275,223
Investments Earning a Return							(310,645,056)	(310,645,056)
Jobbing Accounts							(94,071)	(94,071)
Non-Regulated and Miscellaneous	(42,702,480)	(18,045,961)	(24,656,519)	(92,014,818)	(669,287)	(117,340,624)	49,078,466	(68,262,157)
CWIP - AFUDC					(319,048,502)	(319,048,502)		(319,048,502)
Capital & Operating Leases	(649,398,525)	(338,468,043)	(310,930,482)			(310,930,482)	278,355,266	(32,575,216)
Storm Cost Recovery							(218,367,621)	(218,367,621)
Total FPSC Adjustments	(1,044,144,221)	(427,736,474)	(616,407,746)	(92,014,818)	(639,429,172)	(1,347,851,736)	(1,456,105,244)	(2,803,956,981)
FPSC Adjusted	\$22,500,415,785	\$6,137,129,234	\$16,363,286,552	\$28,308,842	\$961,199,794	\$17,352,795,188	\$654,337,509	\$18,007,132,696

	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
System Per Books	6,840,175,099	2,818,750,293	1,108,966,791	862,522,502	494,326,983	447,267,018	(210,809,678)	(441,295)		5,520,582,614	1,319,592,485
Regulatory Base - Retail	6,474,493,859	2,704,056,263	1,081,659,516	808,093,873	480,112,495	97,627,619	111,004,817	(441,295)		5,282,113,288	1,192,380,571
FPSC Adjustments											
ECCR	(109,001,379)		(108,316,567)	(489,333)		(49,544)				(108,855,445)	(145,935)
ECRC	(8,915,646)		(7,848,071)	1,093,631	(121,445)	(516,977)				(7,392,863)	(1,522,783)
FUEL	(2,298,182,490)	(2,281,760,887)		(6,551,340)		(2,501,618)				(2,290,813,845)	(7,368,645)
CCR	(439,165,322)	(422,295,376)		(6,608,613)		5,429,235				(423,474,754)	(15,690,568)
SPPCRC	(132,490,928)		(63,400,571)	(21,498,974)	(1,401,293)	(11,706,878)				(98,007,716)	(34,483,211)
Non-Regulated and Miscellaneous				(246,951)		62,590				(184,361)	184,361
Corporate Aircraft			(2,905,401)			736,374				(2,169,027)	2,169,027
Revenue Tax	(320,602,197)		(4,669,633)		(315,165,195)	(194,490)				(320,029,317)	(572,879)
Gain/Loss on Disposition & Other						317,216			(1,251,594)	(934,377)	934,377
Promotional Advertising			(5,054,172)			1,280,980				(3,773,192)	3,773,192
Miscellaneous Interest Expense			1,625,547			(411,995)				1,213,552	(1,213,552)
Organization Dues			(98,812)			25,044				(73,768)	73,768
Economic Development			(288,618)			73,150				(215,468)	215,468
Parent Debt Adjustment						(9,991,507)				(9,991,507)	9,991,507
Directors & Officers Liability Insurance			(1,012,520)			256,623				(755,897)	755,897
Interest Synchronization						6,209,650				6,209,650	(6,209,650)
LTIP & SERP			(15,193,336)			3,850,751				(11,342,585)	11,342,585
Storm Cost Recovery	(299,857,917)		(299,857,806)			(28)				(299,857,834)	(83)
Total FPSC Adjustments	(3,608,215,878)	(2,704,056,263)	(507,019,961)	(34,301,580)	(316,687,933)	(7,131,424)			(1,251,594)	(3,570,448,755)	(37,767,123)
FPSC Adjusted	2,866,277,981		574,639,556	773,792,293	163,424,561	90,496,195	111,004,817	(441,295)	(1,251,594)	1,711,664,533	1,154,613,448
Pro Forma Adjustments											
Weather Normalization	(81,163,954)					(20,571,004)				(20,571,004)	(60,592,950)
Total Pro Forma Adjustments	(81,163,954)					(20,571,004)				(20,571,004)	(60,592,950)
Pro Forma Adjusted	2,785,114,027		574,639,556	773,792,293	163,424,561	69,925,191	111,004,817	(441,295)	(1,251,594)	1,691,093,529	1,094,020,498
Current Month											
System Per Books	564,136,901	234,654,016	101,041,989	80,175,405	42,464,809	15,180,382	3,664,311			471,529,167	92,607,734
FPSC Adjusted	221,155,015		42,239,698	74,249,934	15,080,173	6,495,336	11,075,328		(147,030)	133,823,374	87,331,641

A) The addition of earnings from AFUDC would increase:

Pre-Tax System NOI by: 19,189,764
Pre-Tax Jurisdictional NOI b 17,176,978

B) Economic Development costs related to the period are:

Total Company: 6,192,124
Jurisdictional: 5,992,676

Notes	Rate Base Adjustments	P=ProForma F=FPSC	System	Retail
	ARO	F	(19,985,886)	(19,985,886)
	ECCR	F	(10,296,931)	(10,221,243)
	ECRC	F	(40,439,259)	(39,073,907)
	FUEL	F	(72,477,018)	(72,477,018)
	CCR	F	(102,738,758)	(102,738,758)
	SPPCRC	F	(611,307,186)	(563,689,372)
	Clause Under-Recovery	F	(1,047,053,396)	(1,047,053,396)
	Derivatives	F	275,223	275,223
	Investments Earning a Return	F	(310,645,056)	(310,645,056)
	Jobbing Accounts	F	(94,071)	(94,071)
	Non-Regulated and Miscellaneous	F	(70,715,495)	(68,262,157)
(1)	CWIP - AFUDC	F	(350,462,408)	(319,048,502)
(2)	Capital & Operating Leases - EPIS	F	(332,543,773)	(310,930,482)
(2)	Capital & Operating Leases - Working Capital	F	287,619,490	278,355,266
	Storm Cost Recovery	F	(218,367,621)	(218,367,621)
	Total		(2,899,232,146)	(2,803,956,981)

Notes	Income Statement Adjustments (to NOI)	P=ProForma F=FPSC	System		Retail	
			Amount	Income Tax Effect	Amount	Income Tax Effect
	ECCR	F	(178,333)	45,198	(195,479)	49,544
	ECRC	F	(1,887,107)	478,287	(2,039,761)	516,977
	FUEL	F	(10,288,916)	2,607,726	(9,870,263)	2,501,618
	CCR	F	(10,261,333)	(5,429,235)	(10,261,333)	(5,429,235)
	SPPCRC	F	(46,190,089)	11,706,878	(46,190,089)	11,706,878
	Non-Regulated and Miscellaneous	F	246,951	(62,590)	246,951	(62,590)
(2)	Corporate Aircraft	F	3,008,896	(762,605)	2,905,401	(736,374)
(1)	Revenue Tax	F	(767,369)	194,490	(767,369)	194,490
(1)	Gain/Loss on Disposition & Other	F	1,295,315	(328,298)	1,251,594	(317,216)
(1)	Promotional Advertising	F	5,239,901	(1,328,053)	5,054,172	(1,280,980)
(1)	Miscellaneous Interest Expense	F	(1,683,565)	426,700	(1,625,547)	411,995
(1)	Organization Dues	F	102,347	(25,940)	98,812	(25,044)
(3)	Economic Development	F	298,224	(75,585)	288,618	(73,150)
(2)	Parent Debt Adjustment	F		10,802,824		9,991,507
(2)	Directors & Officers Liability Insurance	F	1,049,322	(265,951)	1,012,520	(256,623)
(1)	Interest Synchronization	F		(6,978,147)		(6,209,650)
(4)	LTIP & SERP	F	15,735,056	(3,988,050)	15,193,336	(3,850,751)
	Storm Cost Recovery	F	(111)	28	(111)	28
	Total		(44,280,812)	7,017,679	(44,898,547)	7,131,424

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
System Per Books	\$26,278,281,589	\$7,220,740,067	\$19,057,541,522	\$129,806,199	\$2,100,664,586	\$21,288,012,307	\$2,136,779,131	\$23,424,791,439
Regulatory Base - Retail	\$24,408,732,302	\$6,857,707,142	\$17,551,025,160	\$120,314,288	\$1,888,576,379	\$19,559,915,827	\$2,110,442,753	\$21,670,358,580
FPSC Adjustments								
ARO	(60,849,591)	(59,949,681)	(899,910)			(899,910)	(15,407,606)	(16,307,517)
ECCR	(3,127,828)	(705,919)	(2,421,910)			(2,421,910)	(7,947,110)	(10,369,019)
ECRC	(34,647,384)	(5,118,373)	(29,529,011)			(29,529,011)	(9,083,563)	(38,612,575)
FUEL							(72,477,018)	(72,477,018)
CCR							(102,738,758)	(102,738,758)
SPPCRC	(354,988,925)	(9,250,182)	(345,738,743)		(501,369,055)	(847,107,798)		(847,107,798)
Clause Under-Recovery							(1,047,053,396)	(1,047,053,396)
Derivatives							275,223	275,223
Investments Earning a Return							(310,645,056)	(310,645,056)
Jobbing Accounts							(94,071)	(94,071)
Non-Regulated and Miscellaneous	(42,751,017)	(18,744,735)	(24,006,283)	(92,014,818)	(997,394)	(117,018,495)	49,078,466	(67,940,029)
CWIP - AFUDC					(472,289,494)	(472,289,494)		(472,289,494)
Capital & Operating Leases	(715,385,144)	(374,868,478)	(340,516,666)			(340,516,666)	278,355,266	(62,161,400)
Storm Cost Recovery							(218,367,621)	(218,367,621)
Total FPSC Adjustments	(1,211,749,890)	(468,637,367)	(743,112,523)	(92,014,818)	(974,655,943)	(1,809,783,284)	(1,456,105,244)	(3,265,888,528)
FPSC Adjusted	23,196,982,412	6,389,069,775	16,807,912,637	28,299,469	913,920,436	17,750,132,543	654,337,509	18,404,470,051

	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
System Per Books	6,840,175,099	2,818,750,293	1,108,966,791	862,522,502	494,326,983	447,267,018	(210,809,678)	(441,295)		5,520,582,614	1,319,592,485
Regulatory Base - Retail	6,474,493,859	2,704,056,263	1,081,659,516	808,093,873	480,112,495	97,627,619	111,004,817	(441,295)		5,282,113,288	1,192,380,571
FPSC Adjustments											
ECCR	(109,001,379)		(108,316,567)	(489,333)		(49,544)				(108,855,445)	(145,935)
ECRC	(8,915,646)		(7,848,071)	1,093,631	(121,445)	(516,977)				(7,392,863)	(1,522,783)
FUEL	(2,298,182,490)	(2,281,760,887)		(6,551,340)		(2,501,618)				(2,290,813,845)	(7,368,645)
CCR	(439,165,322)	(422,295,376)		(6,608,613)		5,429,235				(423,474,754)	(15,690,568)
SPPCRC	(132,490,928)		(63,400,571)	(21,498,974)	(1,401,293)	(11,706,878)				(98,007,716)	(34,483,211)
Non-Regulated and Miscellaneous				(246,951)		62,590				(184,361)	184,361
Corporate Aircraft			(2,905,401)			736,374				(2,169,027)	2,169,027
Revenue Tax	(320,602,197)		(4,669,633)		(315,165,195)	(194,490)				(320,029,317)	(572,879)
Gain/Loss on Disposition & Other						317,216		(1,251,594)		(934,377)	934,377
Promotional Advertising			(5,054,172)			1,280,980				(3,773,192)	3,773,192
Miscellaneous Interest Expense			1,625,547			(411,995)				1,213,552	(1,213,552)
Organization Dues			(98,812)			25,044				(73,768)	73,768
Economic Development			(288,618)			73,150				(215,468)	215,468
Parent Debt Adjustment						(9,991,507)				(9,991,507)	9,991,507
Directors & Officers Liability Insurance			(1,012,520)			256,623				(755,897)	755,897
Interest Synchronization						6,209,650				6,209,650	(6,209,650)
LTIP & SERP			(15,193,336)			3,850,751				(11,342,585)	11,342,585
Storm Cost Recovery	(299,857,917)		(299,857,806)			(28)				(299,857,834)	(83)
Total FPSC Adjustments	(3,608,215,878)	(2,704,056,263)	(507,019,961)	(34,301,580)	(316,687,933)	(7,131,424)			(1,251,594)	(3,570,448,755)	(37,767,123)
FPSC Adjusted	2,866,277,981		574,639,556	773,792,293	163,424,561	90,496,195	111,004,817	(441,295)	(1,251,594)	1,711,664,533	1,154,613,448

A) The addition of earnings from AFUDC would increase:

Pre-Tax System NOI by:	19,189,764
Pre-Tax Jurisdictional NOI by	17,176,978

Notes	Rate Base Adjustments	P=ProForma F=FPSC	System	Retail
	ARO	F	(16,307,517)	(16,307,517)
	ECCR	F	(10,449,625)	(10,369,019)
	ECRC	F	(39,951,198)	(38,612,575)
	FUEL	F	(72,477,018)	(72,477,018)
	CCR	F	(102,738,758)	(102,738,758)
	SPPCRC	F	(912,037,096)	(847,107,798)
	Clause Under-Recovery	F	(1,047,053,396)	(1,047,053,396)
	Derivatives	F	275,223	275,223
	Investments Earning a Return	F	(310,645,056)	(310,645,056)
	Jobbing Accounts	F	(94,071)	(94,071)
	Non-Regulated and Miscellaneous	F	(70,393,367)	(67,940,029)
(1)	CWIP - AFUDC	F	(441,681,963)	(472,289,494)
(2)	Capital & Operating Leases - EPIS	F	(364,326,124)	(340,516,666)
(2)	Capital & Operating Leases - Working Capital	F	287,619,490	278,355,266
	Storm Cost Recovery	F	(218,367,621)	(218,367,621)
	Total		(3,318,628,098)	(3,265,888,528)

Notes	Income Statement Adjustments (to NOI)	P=ProForma F=FPSC	System		Retail	
			Amount	Income Tax Effect	Amount	Income Tax Effect
	ECCR	F	(178,333)	45,198	(195,479)	49,544
	ECRC	F	(1,887,107)	478,287	(2,039,761)	516,977
	FUEL	F	(10,288,916)	2,607,726	(9,870,263)	2,501,618
	CCR	F	(10,261,333)	(5,429,235)	(10,261,333)	(5,429,235)
	SPPCRC	F	(46,190,089)	11,706,878	(46,190,089)	11,706,878
	Non-Regulated and Miscellaneous	F	246,951	(62,590)	246,951	(62,590)
(2)	Corporate Aircraft	F	3,008,896	(762,605)	2,905,401	(736,374)
(1)	Revenue Tax	F	(767,369)	194,490	(767,369)	194,490
(1)	Gain/Loss on Disposition & Other	F	1,295,315	(328,298)	1,251,594	(317,216)
(1)	Promotional Advertising	F	5,239,901	(1,328,053)	5,054,172	(1,280,980)
(1)	Miscellaneous Interest Expense	F	(1,683,565)	426,700	(1,625,547)	411,995
(1)	Organization Dues	F	102,347	(25,940)	98,812	(25,044)
(3)	Economic Development	F	298,224	(75,585)	288,618	(73,150)
(2)	Parent Debt Adjustment	F		10,802,824		9,991,507
(2)	Directors & Officers Liability Insurance	F	1,049,322	(265,951)	1,012,520	(256,623)
(1)	Interest Synchronization	F		(6,978,147)		(6,209,650)
(4)	LTIP & SERP	F	15,735,056	(3,988,050)	15,193,336	(3,850,751)
	Storm Cost Recovery	F	(111)	28	(111)	28
	Total		(44,280,812)	7,017,679	(44,898,547)	7,131,424

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	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	9,365,670,278	8,661,211,537	467,462,880	(1,129,892,967)	7,998,781,451	44.42%	9.10%	4.04%	10.10%	4.49%	11.10%	4.93%
Long Term Debt	8,728,443,795	8,071,915,395	(450,454,633)	(943,339,034)	6,678,121,727	37.09%	4.58%	1.70%	4.58%	1.70%	4.58%	1.70%
Short Term Debt *	614,235,461	568,034,439	(83,967,239)	(59,914,956)	424,152,244	2.36%	5.10%	0.12%	5.10%	0.12%	5.10%	0.12%
Customer Deposits												
Active	175,021,890	175,021,890		(21,663,167)	153,358,723	0.85%	2.61%	0.02%	2.61%	0.02%	2.61%	0.02%
Inactive	1,666,455	1,666,455		(206,264)	1,460,192	0.01%						
Investment Tax Credits **	233,438,355	215,879,795		(26,720,316)	189,159,479	1.05%	7.05%	0.07%	7.59%	0.08%	8.14%	0.09%
Deferred Income Taxes	3,370,910,330	3,117,360,165	(193,343,970)	(361,917,315)	2,562,098,880	14.23%						
Total	22,489,386,566	20,811,089,677	(260,302,962)	(2,543,654,019)	18,007,132,696	100.00%		5.96%		6.41%		6.86%
* Daily Weighted Average ** Cost Rates Calculated Per IRS Ruling												

DUKE ENERGY FLORIDA
End of Period - Capital Structure
Pro Forma Adjusted Basis
Oct-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	9,890,559,843	9,473,265,568	149,324,465	(1,422,659,068)	8,199,930,965	44.55%	9.10%	4.05%	10.10%	4.50%	11.10%	4.95%
Long Term Debt	8,970,793,850	8,592,305,577	(159,355,239)	(1,246,775,892)	7,186,174,447	39.05%	4.69%	1.83%	4.69%	1.83%	4.69%	1.83%
Short Term Debt *	184,695,000	176,902,502	(65,856,557)	(16,417,671)	94,628,273	0.51%	23.93%	0.12%	23.93%	0.12%	23.93%	0.12%
Customer Deposits												
Active	178,794,281	178,794,281		(26,433,975)	152,360,306	0.83%	2.61%	0.02%	2.61%	0.02%	2.61%	0.02%
Inactive	1,666,455	1,666,455		(246,378)	1,420,077	0.01%						
Investment Tax Credits **	233,223,365	223,383,399		(33,026,287)	190,357,112	1.03%	7.04%	0.07%	7.58%	0.08%	8.11%	0.08%
Deferred Income Taxes	3,157,248,812	3,024,040,796	3,109,370	(447,551,295)	2,579,598,870	14.02%						
Total	22,616,981,608	21,670,358,580	(72,777,961)	(3,193,110,567)	18,404,470,051	100.00%		6.10%		6.56%		7.01%

* Daily Weighted Average

** Cost Rates Calculated Per IRS Ruling

	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	9,365,670,278	8,661,211,537	467,462,880	(1,129,892,967)	7,998,781,451	44.42%	9.10%	4.04%	10.10%	4.49%	11.10%	4.93%
Long Term Debt	8,728,443,795	8,071,915,395	(450,454,633)	(943,339,034)	6,678,121,727	37.09%	4.58%	1.70%	4.58%	1.70%	4.58%	1.70%
Short Term Debt *	614,235,461	568,034,439	(83,967,239)	(59,914,956)	424,152,244	2.36%	5.10%	0.12%	5.10%	0.12%	5.10%	0.12%
Customer Deposits												
Active	175,021,890	175,021,890		(21,663,167)	153,358,723	0.85%	2.61%	0.02%	2.61%	0.02%	2.61%	0.02%
Inactive	1,666,455	1,666,455		(206,264)	1,460,192	0.01%						
Investment Tax Credits **	233,438,355	215,879,795		(26,720,316)	189,159,479	1.05%	7.05%	0.07%	7.59%	0.08%	8.14%	0.09%
Deferred Income Taxes	3,370,910,330	3,117,360,165	(193,343,970)	(361,917,315)	2,562,098,880	14.23%						
Total	22,489,386,566	20,811,089,677	(260,302,962)	(2,543,654,019)	18,007,132,696	100.00%		5.96%		6.41%		6.86%
* Daily Weighted Average												
** Cost Rates Calculated Per IRS Ruling												

	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	9,890,559,843	9,473,265,568	149,324,465	(1,422,659,068)	8,199,930,965	44.55%	9.10%	4.05%	10.10%	4.50%	11.10%	4.95%
Long Term Debt	8,970,793,850	8,592,305,577	(159,355,239)	(1,246,775,892)	7,186,174,447	39.05%	4.69%	1.83%	4.69%	1.83%	4.69%	1.83%
Short Term Debt *	184,695,000	176,902,502	(65,856,557)	(16,417,671)	94,628,273	0.51%	23.93%	0.12%	23.93%	0.12%	23.93%	0.12%
Customer Deposits												
Active	178,794,281	178,794,281		(26,433,975)	152,360,306	0.83%	2.61%	0.02%	2.61%	0.02%	2.61%	0.02%
Inactive	1,666,455	1,666,455		(246,378)	1,420,077	0.01%						
Investment Tax Credits **	233,223,365	223,383,399		(33,026,287)	190,357,112	1.03%	7.04%	0.07%	7.58%	0.08%	8.11%	0.08%
Deferred Income Taxes	3,157,248,812	3,024,040,796	3,109,370	(447,551,295)	2,579,598,870	14.02%						
Total	22,616,981,608	21,670,358,580	(72,777,961)	(3,193,110,567)	18,404,470,051	100.00%		6.10%		6.56%		7.01%
* Daily Weighted Average ** Cost Rates Calculated Per IRS Ruling												

A. TIMES INTEREST EARNED WITH AFUDC

EARNINGS BEFORE INTEREST	\$	1,364,918,430
AFUDC - DEBT	\$	5,317,501
INCOME TAXES		241,684,493
TOTAL	\$	1,611,920,425
INTEREST CHARGES (before deducting AFUDC-Debt)	\$	409,347,295
TIE WITH AFUDC		<u>3.94</u>

B. TIMES INTEREST EARNED WITHOUT AFUDC

EARNINGS BEFORE INTEREST	\$	1,364,918,430
AFUDC - EQUITY		(13,872,263)
INCOME TAXES		241,684,493
TOTAL	\$	1,592,730,661
INTEREST CHARGES (before deducting AFUDC-Debt & CR3 reg asset carrying charge)	\$	409,347,295
TIE WITHOUT AFUDC		<u>3.89</u>

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

AFUDC DEBT	\$	5,317,501
X (1- INCOME TAX RATE)		0.74655
SUBTOTAL	\$	3,969,781
AFUDC -EQUITY	\$	13,872,263
TOTAL	\$	17,842,044
NET INCOME AVAILABLE FOR COMMON STOCKHOLDERS	\$	960,730,761
PERCENT AFUDC TO AVAILABLE NET INCOME		<u>1.86%</u>

D. PERCENT INTERNALLY GENERATED FUNDS*

NET INCOME	\$	970,726,114
COMMON DIVIDENDS		-
AFUDC (EQUITY)		(13,233,473)
DEPRECIATION & AMORTIZATION		1,130,542,501
DEFERRED INCOME TAXES		5,944,867
INVESTMENT TAX CREDITS		-
OTHER - INC NUCLEAR DECOMMISSIONING		19,923,221
OTHER FUNDS - INCLUDING CHANGE IN WORKING CAPITAL		(144,984,743)
TOTAL FUNDS PROVIDED	\$	<u>1,968,918,487</u>

CONSTRUCTION EXPENDITURES (EXCLUDING AFUDC EQUITY & DEBT)	\$	2,474,075,954
--------------------------------------------------------------	----	---------------

PERCENTAGE INTERNALLY GENERATED FUNDS **79.58%**

*As of Sep 2023 (updated quarterly)

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

Common Equity	\$	7,998,781,451
Long Term Debt	\$	6,678,121,727
Short Term Debt	\$	424,152,244
TOTAL	\$	<u>15,101,055,423</u>

% LONG TERM DEBT TO TOTAL **44.22%**

% SHORT TERM DEBT TO TOTAL **2.81%**

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

	Pro Forma	FPSC
FPSC AVERAGE		
EARNED RATE OF RETURN	<u>6.08%</u>	<u>6.41%</u>
LESS RETAIL WEIGHTED AVERAGE COST RATES FOR:		
LONG TERM DEBT	1.70%	1.70%
SHORT TERM DEBT	0.12%	0.12%
CUSTOMER DEPOSITS	0.02%	0.02%
DEFERRED INCOME TAXES		
INVESTMENT TAX CREDITS	0.08%	0.08%
DEFERRED INCOME TAX (FAS 109)		
SUBTOTAL	<u>1.92%</u>	<u>1.92%</u>
TOTAL	4.15%	4.49%
DIVIDED BY COMMON EQUITY RATIO	<u>44.42%</u>	<u>44.42%</u>
JURISDICTIONAL RETURN ON COMMON EQUITY	<u>9.35%</u>	<u>10.11%</u>