



February 27, 2026

Mr. Matthew Vogel
Public Utilities Supervisor
Surveillance Section
Division of Accounting and Finance
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850

Dear Mr. Vogel:

Pursuant to Commission Rule 25-6.1353, please find enclosed Duke Energy Florida's Forecasted Earnings Surveillance Report for the calendar year 2026. The computations incorporate the separation factors and other elements from the 2024 Settlement Agreement approved in Order No. PSC-2024-0472-AS-EI.

Should you have any questions, please do not hesitate to contact me at (727) 743-7247.

Sincerely,

A handwritten signature in black ink that reads "Marcia Olivier".

Marcia Olivier
Director Rates & Regulatory Planning

Attachment

xc: Mr. Walt Trierweiler, Office of the Public Counsel

**FLORIDA PUBLIC SERVICE COMMISSION
ELECTRIC FORECASTED EARNINGS SURVEILLANCE REPORT
COMPANY: DUKE ENERGY FLORIDA
YEAR: 2026**

SCHEDULE 1

<u>I. AVERAGE RATE OF RETURN (JURISDICTIONAL)</u>	<u>(1) PER BOOKS</u>	<u>(2) FPSC ADJUSTMENTS</u>	<u>(3) FPSC ADJUSTED</u>
NET OPERATING INCOME	\$1,537,262,038 (a)	(\$184,294,934) (b)	\$1,352,967,103
AVERAGE RATE BASE	\$25,233,523,716	(\$3,741,536,275)	\$21,491,987,441
AVERAGE RATE OF RETURN	6.09%		6.30%

(a) Includes AFUDC Earnings

(b) Includes Reversal of AFUDC Earnings

**III. REQUIRED RATES OF RETURN
AVERAGE CAPITAL STRUCTURE
(FPSC ADJUSTED BASIS)**

LOW	6.12%
MIDPOINT	6.58%
HIGH	7.04%

IV. FINANCIAL INTEGRITY INDICATORS

A. T.I.E. with AFUDC	4.06	(System Per Books Basis)
B. T.I.E without AFUDC	4.00	(System Per Books Basis)
C. AFUDC to Net Income	2.01%	(System Per Books Basis)
D. Internally Generated Funds	62.30%	(System Per Books Basis)
E. LT Debt-Fixed to Total Investor Funds	46.90%	(FPSC Adjusted Basis)
F. ST Debt to Total Investor Funds	0.12%	(FPSC Adjusted Basis)
G. Return on Common Equity	9.67%	(FPSC Adjusted Basis)

FLORIDA PUBLIC SERVICE COMMISSION
ELECTRIC FORECASTED EARNINGS SURVEILLANCE REPORT
COMPANY: DUKE ENERGY FLORIDA
AVERAGE RATE OF RETURN
YEAR: 2026

	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	33,333,155,768	8,492,792,983	24,840,362,786	135,556,618	1,520,188,857	26,496,108,260	774,892,901	27,271,001,162
Regulatory Base - Retail	31,008,776,877	8,110,847,074	22,897,929,803	134,836,652	1,447,355,887	24,480,122,343	753,401,373	25,233,523,716
FPSC Adjustments								
ARO	(97,545,511)	(60,932,927)	(36,612,584)			(36,612,584)	19,074,310	(17,538,273)
ECCR	(6,337,518)	(3,380,768)	(2,956,750)			(2,956,750)	(23,046,109)	(26,002,860)
ECRC	(45,595,254)	(10,450,271)	(35,144,983)		(7,333,225)	(42,478,207)	(10,493,417)	(52,971,625)
FUEL							(51,039,698)	(51,039,698)
CCR							(89,118,505)	(89,118,505)
SPPCRC	(2,197,268,799)	(111,298,160)	(2,085,970,639)		(434,431,329)	(2,520,401,968)		(2,520,401,968)
Investments Earning a Return							(439,946,806)	(439,946,806)
Jobbing Accounts							(4,659,326)	(4,659,326)
Non-Regulated and Miscellaneous	(50,619,322)	(28,183,277)	(22,436,045)	(94,467,967)	(439,346)	(117,343,359)	95,244,016	(22,099,343)
CWIP - AFUDC					(492,080,204)	(492,080,204)		(492,080,204)
Capital & Operating Leases	(668,864,924)	(341,404,578)	(327,460,346)			(327,460,346)	301,782,679	(25,677,667)
Total FPSC Adjustments	(3,066,231,328)	(555,649,981)	(2,510,581,347)	(94,467,967)	(934,284,104)	(3,539,333,418)	(202,202,856)	(3,741,536,275)
FPSC Adjusted	27,942,545,549	7,555,197,093	20,387,348,456	40,368,685	513,071,784	20,940,788,924	551,198,517	21,491,987,441

FLORIDA PUBLIC SERVICE COMMISSION
ELECTRIC FORECASTED EARNINGS SURVEILLANCE REPORT
COMPANY: DUKE ENERGY FLORIDA
AVERAGE RATE OF RETURN
YEAR: 2026

	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	6,337,249,705	1,810,566,986	858,154,823	1,188,151,912	519,600,306	1,861,176	285,460,360	(551,205)		4,663,244,357	1,674,005,348
Regulatory Base - Retail	5,991,902,372	1,779,300,354	826,892,365	1,127,658,130	502,152,408	1,648,299	242,906,127	(551,205)		4,480,006,479	1,511,895,893
FPSC Adjustments											
ECCR	(142,238,585)		(141,978,544)	3,056,547		(840,589)				(139,762,586)	(2,475,999)
ECRC	(15,724,252)		(9,671,242)	(2,311,751)	(66,288)	(931,422)				(12,980,702)	(2,743,550)
FUEL	(1,768,269,247)	(1,743,049,321)		(6,551,340)		(4,731,553)				(1,754,332,215)	(13,937,033)
CCR	(47,804,315)	(36,251,033)		(4,821,120)		(1,706,266)				(42,778,420)	(5,025,895)
SPPCRC	(340,726,407)		(63,874,922)	(51,082,547)	(17,526,054)	(52,779,159)				(185,262,682)	(155,463,725)
Non-Regulated and Miscellaneous				(6,310,532)		1,599,404				(4,711,128)	4,711,128
Corporate Aircraft			(4,109,422)			1,041,533				(3,067,889)	3,067,889
Revenue Tax	(294,250,995)		(7,369,259)		(286,881,736)					(294,250,995)	
Gain/Loss on Disposition & Other						1,408,877		(5,558,796)		(4,149,919)	4,149,919
Promotional Advertising			(2,923,532)			740,969				(2,182,563)	2,182,563
Miscellaneous Interest Expense			1,432,740			(363,128)				1,069,612	(1,069,612)
Organization Dues			(353,237)			89,528				(263,709)	263,709
Economic Development			(102,192)			25,900				(76,291)	76,291
Parent Debt Adjustment						(7,466,000)				(7,466,000)	7,466,000
Interest Synchronization						13,736,804				13,736,804	(13,736,804)
LTIP SERP And D&O Insurance			(18,225,609)			4,619,281				(13,606,328)	13,606,328
Total FPSC Adjustments	(2,609,013,801)	(1,779,300,354)	(247,175,219)	(68,020,743)	(304,474,078)	(45,555,821)			(5,558,796)	(2,450,085,011)	(158,928,790)
FPSC Adjusted	3,382,888,572	1,779,300,354	579,717,147	1,059,637,387	197,678,330	(43,907,522)	242,906,127	(551,205)	(5,558,796)	2,029,921,468	1,352,967,103

A) The addition of earnings from AFUDC would increase:

Pre-Tax System NOI by: 26,642,604 pretax
Pre-Tax Jurisdictional NOI by 25,366,144 pretax

B) Economic Development costs related to the period are:

Total Company: 2,043,832
Jurisdictional: 1,941,640

FLORIDA PUBLIC SERVICE COMMISSION
ELECTRIC FORECASTED EARNINGS SURVEILLANCE REPORT
COMPANY: DUKE ENERGY FLORIDA
AVERAGE RATE OF RETURN
YEAR: 2026

Rate Base Adjustments	P=ProForma F=FPSC	System	Retail
ARO	F	(17,538,273)	(17,538,273)
ECCR	F	(26,082,847)	(26,002,860)
ECRC	F	(53,008,743)	(52,971,625)
FUEL	F	(51,039,698)	(51,039,698)
CCR	F	(89,118,505)	(89,118,505)
SPPCRC	F	(2,726,821,355)	(2,520,401,968)
Investments Earning a Return	F	(439,946,806)	(439,946,806)
Jobbing Accounts	F	(4,863,256)	(4,659,326)
Non-Regulated and Miscellaneous	F	(9,458,109)	(22,099,343)
CWIP - AFUDC	F	(495,241,868)	(492,080,204)
Capital & Operating Leases - EPIS	F	(345,554,858)	(327,460,346)
Capital & Operating Leases - Working Capital	F	309,946,674	301,782,679
Total		(3,948,727,644)	(3,741,536,275)

Income Statement Adjustments (to NOI)	P=ProForma F=FPSC	System		Retail	
		Amount	Income Tax Effect	Amount	Income Tax Effect
ECCR	F	(3,316,588)	840,589	(3,316,588)	840,589
ECRC	F	(3,390,935)	859,433	(3,674,971)	931,422
FUEL	F	(18,996,638)	4,814,698	(18,668,586)	4,731,553
CCR	F	(6,732,162)	1,706,266	(6,732,162)	1,706,266
SPPCRC	F	(195,809,441)	49,627,903	(208,242,884)	52,779,159
Non-Regulated and Miscellaneous	F	6,310,532	(1,599,404)	6,310,532	(1,599,404)
Corporate Aircraft	F	4,220,592	(1,069,709)	4,109,422	(1,041,533)
Gain/Loss on Disposition & Other	F	5,558,796	(1,408,877)	5,558,796	(1,408,877)
Promotional Advertising	F	3,002,621	(761,014)	2,923,532	(740,969)
Miscellaneous Interest Expense	F	(1,471,499)	372,951	(1,432,740)	363,128
Organization Dues	F	362,793	(91,950)	353,237	(89,528)
Economic Development	F	104,956	(26,601)	102,192	(25,900)
Parent Debt Adjustment	F		7,466,000		7,466,000
Interest Synchronization	F		(14,527,362)		(13,736,804)
LTIP SERP And D&O Insurance	F	18,718,658	(4,744,244)	18,225,609	(4,619,281)
Total		(191,438,315)	41,458,679	(204,484,611)	45,555,821

FLORIDA PUBLIC SERVICE COMMISSION
ELECTRIC FORECASTED EARNINGS SURVEILLANCE REPORT
COMPANY: DUKE ENERGY FLORIDA
AVERAGE - CAPITAL STRUCTURE
FPSC ADJUSTED BASIS
YEAR: 2026

	System Per Books	Retail Per Books	Specific Adjustments	Pro Rata Adjustments	Adjusted Retail	Cap Ratio	<u>Low-Point</u>		<u>Mid-Point</u>		<u>High-Point</u>	
							Cost Rate	Weighted Cost	Cost Rate	Weighted Cost	Cost Rate	Weighted Cost
Common Equity	12,426,843,020	11,492,066,023	(166,218,249)	(1,600,793,393)	9,725,054,381	45.25%	9.30%	4.21%	10.30%	4.66%	11.30%	5.11%
Long Term Debt	10,676,536,120	9,873,421,414	154,308,236	(1,417,317,599)	8,610,412,051	40.06%	4.57%	1.83%	4.57%	1.83%	4.57%	1.83%
Short Term Debt	37,779,774	34,937,888	(8,786,367)	(3,696,252)	22,455,270	0.10%	0.73%	0.00%	0.73%	0.00%	0.73%	0.00%
Customer Deposits	184,955,555	184,955,555		(26,141,587)	158,813,968	0.74%	2.45%	0.02%	2.45%	0.02%	2.45%	0.02%
Investment Tax Credits *	240,007,216	221,953,297		(31,370,841)	190,582,456	0.89%	7.08%	0.06%	7.61%	0.07%	8.14%	0.07%
Deferred Income Taxes	3,704,879,477	3,426,189,539	(183,149,497)	(458,370,727)	2,784,669,315	12.96%						
Total	27,271,001,162	25,233,523,716	(203,845,877)	(3,537,690,398)	21,491,987,441	100.00%		6.12%		6.58%		7.04%

* Investment Tax Credits cost rates are based on the weighted average cost of long term debt and common equity, Treasury Regulation section 1.46-6(b)(3)(ii).

FLORIDA PUBLIC SERVICE COMMISSION
ELECTRIC FORECASTED EARNINGS SURVEILLANCE REPORT
COMPANY: DUKE ENERGY FLORIDA
FINANCIAL INTEGRITY INDICATORS
Year 2026

SCHEDULE 4

A. TIMES INTEREST EARNED WITH AFUDC

EARNINGS BEFORE INTEREST	\$	1,720,111,430
AFUDC - DEBT	\$	7,782,250
INCOME TAXES		296,010,206
TOTAL	\$	2,023,903,886
INTEREST CHARGES (before deducting AFUDC-Debt)	\$	498,845,424
TIE WITH AFUDC		<u>4.06</u>

B. TIMES INTEREST EARNED WITHOUT AFUDC

EARNINGS BEFORE INTEREST	\$	1,720,111,430
AFUDC - EQUITY		(18,860,354)
INCOME TAXES		296,010,206
TOTAL	\$	1,997,261,282
INTEREST CHARGES (before deducting AFUDC-Debt)	\$	498,845,424
TIE WITHOUT AFUDC		<u>4.00</u>

C. PERCENT AFUDC TO NET INCOME AVAILABLE FOR COMMON SHAREHOLDERS

AFUDC DEBT	\$	7,782,250
X (1- INCOME TAX RATE)		0.74655
SUBTOTAL	\$	5,809,839
AFUDC - EQUITY	\$	18,860,354
TOTAL	\$	24,670,193
NET INCOME AVAILABLE FOR COMMON STOCKHOLDERS	\$	1,229,087,528
PERCENT AFUDC TO AVAILABLE NET INCOME		<u>2.01%</u>

D. PERCENT INTERNALLY GENERATED FUNDS*

NET INCOME	\$	1,229,087,528
COMMON DIVIDENDS		(550,000,000)
AFUDC (EQUITY)		(18,860,354)
DEPRECIATION & AMORTIZATION		1,188,151,912
DEFERRED INCOME TAXES		285,460,360
INVESTMENT TAX CREDITS		(551,205)
OTHER - INC NUCLEAR DECOMMISSIONING		(17,349,070)
OTHER FUNDS - INCLUDING CHANGE IN WORKING CAPITAL		(408,939,314)
TOTAL FUNDS PROVIDED	\$	<u>1,706,999,857</u>

CONSTRUCTION EXPENDITURES (EXCLUDING AFUDC EQUITY & DEBT)	\$	2,740,160,972
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PERCENTAGE INTERNALLY GENERATED FUNDS **62.30%**

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

Common Equity	\$	9,725,054,381
Long Term Debt	\$	8,610,412,051
Short Term Debt	\$	22,455,270
TOTAL	\$	<u>18,357,921,702</u>

% LONG TERM DEBT TO TOTAL **46.90%**
 % SHORT TERM DEBT TO TOTAL **0.12%**

F. FPSC ADJUSTED AVERAGE JURISDICTIONAL RETURN RETURN ON COMMON EQUITY

FPSC AVERAGE		<u>6.30%</u>
EARNED RATE OF RETURN		6.30%
LESS RETAIL WEIGHTED AVERAGE COST RATES FOR:		
LONG TERM DEBT		1.83%
SHORT TERM DEBT		0.00%
CUSTOMER DEPOSITS		0.02%
DEFERRED INCOME TAXES		
INVESTMENT TAX CREDITS		0.07%
DEFERRED INCOME TAX (FAS 109)		
SUBTOTAL		<u>1.92%</u>
TOTAL		4.38%
DIVIDED BY COMMON EQUITY RATIO		<u>45.25%</u>
JURISDICTIONAL RETURN ON COMMON EQUITY		<u>9.67%</u>

FLORIDA PUBLIC SERVICE COMMISSION
 ELECTRIC FORECASTED EARNINGS SURVEILLANCE REPORT
 COMPANY: DUKE ENERGY FLORIDA
 FORECAST ASSUMPTIONS
 YEAR: 2026

SCHEDULE 5

FORECAST ASSUMPTIONS

	Forecast Year		Prior Year Actual	
	Customers	MWH Sales	Customers	MWH Sales
Residential	1,853,277	21,553,279	1,819,962	22,032,433
Commercial	194,602	12,327,824	191,183	12,655,466
Industrial	1,588	3,205,473	1,575	3,261,436
Other	25,067	3,222,797	25,265	3,190,513
Total	2,074,533	40,309,373	2,037,985	41,139,849

OTHER MAJOR FORECAST ASSUMPTIONS

Revenues


2026 retail base revenues include a \$59M annual increase and estimated SoBRA revenues pursuant to the 2024 Settlement Agreement (Order No. PSC-2024-0472-AS-EI).

Depreciation & Amortization Expense

Depreciation expense is based on depreciation rates effective January 1, 2025 consistent with Exhibit 7 to the 2024 Settlement Agreement.

Financing Activity

The 2026 budget includes a debt issuance of \$700M and a dividend of \$550M.

I am the person responsible for preparation of this document and 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 sec. 775.082 or sec. 775.083.	
Marcia Olivier	
Name	Signature
Director Rates & Regulatory Planning - FL	2/27/2025
Title	Date

**FLORIDA PUBLIC SERVICE COMMISSION
ELECTRIC FORECASTED EARNINGS SURVEILLANCE REPORT
COMPANY: DUKE ENERGY FLORIDA**

Construction Projects Exceeding .4% of sum of balances in FERC accounts 101 and 106 in accordance with Rule 25-6.0141(9), F.A.C.

YEAR: 2026

25-6.0141(9)(a)		25-6.0141(9)(b)	25-6.0141(9)(c)	25-6.0141(9)(d)
Project Name	Project Description	Estimated Total cost of the Project* (excl. AFUDC)	Estimated Construction Commencement Date	Estimated In-Service Date
1 Nova Solar Center	74.9MWac Tracking PV project in Orange County, FL	\$151.9M	Oct-26	Dec-27
2 Bull Creek Solar Center	74.9MWac Tracking PV project in Orange County, FL	\$153.6M	Dec-26	Jan-28
3 Wewahootee Solar Center	74.9MWac Tracking PV project in Orange County, FL	\$157.5M	Feb-27	Feb-28