



November 13, 2015

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

Dear Mr. Fletcher:

Pursuant to Commission Rule 25-6.1352, enclosed please find Duke Energy Florida, LLC's Earnings Surveillance Report for the twelve months ended September 30, 2015.

The report includes the Company's actual rate of return computed on an end-of-period rate base, the Company's adjusted rate of return computed on an average rate base, the Company's end-of-period required rates of return, and certain financial integrity indicators for the twelve months ended September 30, 2015. The separation factors used for the jurisdictional amounts were developed from the cost of service prepared in compliance with the Stipulation & Settlement Agreement, Order No. PSC-13-0598-FOF-EI.

If you have any questions, please feel free to contact me at (727) 820-5653.

Sincerely,


Marcia Olivier
Director Rates & Regulatory Planning

Attachment
xc: Mr. J. R. Kelly, Office of the Public Counsel

DUKE ENERGY FLORIDA
RATE OF RETURN REPORT SUMMARY
September 2015

SCHEDULE 1

	(1) Actual Per Books	(2) FPSC Adjustments	(3) FPSC Adjusted	(4) Pro Forma Adjustments	(5) Pro Forma Adjusted
I. AVERAGE RATE OF RETURN (Jurisdictional)					
Net Operating Income	\$ 640,696,642 (a)	\$ (1,981,687) (b)	\$ 638,714,955	\$ (7,964,370)	\$ 630,750,585
Average Rate Base	\$ 11,057,668,854	\$ (1,255,681,786)	\$ 9,801,987,068	\$ -	\$ 9,801,987,068
Average Rate of Return	5.79%		6.52%		6.43%
I. YEAR END RATE OF RETURN (Jurisdictional)					
Net Operating Income	\$ 635,542,346	\$ 3,172,610	\$ 638,714,955		
Average Rate Base	\$ 11,322,771,710	\$ (1,334,500,602)	\$ 9,988,271,108		
Average Rate of Return	5.61%		6.39%		
(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	6.54%	6.37%
Mid Point	7.02%	6.83%
High Point	7.50%	7.29%
Pro Forma Adjusted Basis		
Low Point	6.54%	6.37%
Mid Point	7.02%	6.83%
High Point	7.50%	7.29%

IV. FINANCIAL INTEGRITY INDICATORS		
A. T.I.E. with AFUDC	4.45	(System Per Books Basis)
B. T.I.E. without AFUDC	4.43	(System Per Books Basis)
C. AFUDC to Net Income	1.01%	(System Per Books Basis)
D. Internally Generated Funds	119.50%	(System Per Books Basis)
E. STD/LTD to Total Investor Funds		
LT Debt-Fixed to Total Investor Funds	43.51%	(FPSC Adjusted Basis)
ST Debt to Total Investor Funds	-0.19%	(FPSC Adjusted Basis)
F. Return on Common Equity	9.46%	(FPSC Adjusted Basis)
	9.29%	(Pro Forma Adjusted Basis)
G. Current Allowed AFUDC Rate	7.44%	Docket 100134-EI Order PSC-10-0258-PCO-EI

I am aware that Section 837-06, Florida Statutes, provides:
 Whoever knowingly makes a false statement in writing with the intent to mislead a public servant in the performance of his official duty shall be guilty of a misdemeanor of the second degree, punishable as provided in s. 775.082, s. 775.083, or s. 775-084

Deborah C. ... for Marcia Olivier 11/13/2015
 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	\$14,119,509,809	\$5,222,150,468	\$8,897,359,340	\$121,567,608	\$397,566,766	\$9,416,493,714	\$2,672,343,290	\$12,088,837,004
Regulatory Base - Retail	\$12,830,608,393	\$4,839,168,716	\$7,991,439,677	\$105,382,096	\$348,595,115	\$8,445,416,889	\$2,612,251,965	\$11,057,668,854
FPSC Adjustments								
ARO	(20,214,613)	(30,216,853)	10,002,241	-	-	10,002,241	(9,380,752)	621,489
ECCR	(40,026,656)	(7,084,503)	(32,942,153)	-	(8,990,268)	(41,932,421)	9,917,646	(32,014,775)
ECRC	(164,829,498)	(7,951,827)	(156,877,671)	-	(7,112,296)	(163,989,967)	5,376,662	(158,613,306)
FUEL	(28,969,382)	(28,102,843)	(866,540)	-	-	(866,540)	77,781,841	76,915,301
CCR	-	-	-	-	-	-	(41,906,259)	(41,906,259)
NUCLEAR	-	-	-	-	(4,357,772)	(4,357,772)	(298,783,289)	(303,141,061)
CR3 Removal	-	-	-	-	-	-	(1,311,823,309)	(1,311,823,309)
Derivatives	-	-	-	-	-	-	(23,287,561)	(23,287,561)
Employee Related	-	-	-	-	-	-	(162,276)	(162,276)
Investments Earning a Return	-	-	-	-	-	-	(157,435,797)	(157,435,797)
Jobbing Accounts	-	-	-	-	-	-	(1,088,904)	(1,088,904)
Non-Regulated and Miscellaneous	(35,058,644)	(47,949,039)	12,890,395	-	-	12,890,395	24,785,688	37,676,083
Retention Accounts	-	-	-	-	-	-	2,868,623	2,868,623
CWIP - AFUDC	-	-	-	-	(120,708,392)	(120,708,392)	-	(120,708,392)
Imputed Off Balance Sheet Obligations	-	-	-	-	-	-	778,065,312	778,065,312
Capital Lease	(155,361,061)	-	(155,361,061)	-	-	(155,361,061)	153,714,106	(1,646,955)
Total FPSC Adjustments	(444,459,854)	(121,305,064)	(323,154,790)	-	(141,168,728)	(464,323,518)	(791,358,268)	(1,255,681,786)
FPSC Adjusted	\$12,386,148,538	\$4,717,863,651	\$7,668,284,887	\$105,382,096	\$207,426,387	\$7,981,093,371	\$1,820,893,697	\$9,801,987,068

	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	\$4,906,282,558	\$2,166,994,555	\$800,135,919	\$503,412,909	\$341,194,954	\$ (319,656,475)	\$ 656,345,679	\$ (436,250)	-	\$4,147,991,291	\$758,291,267
Regulatory Base - Retail	\$4,600,180,240	\$2,125,690,181	\$764,494,662	\$471,945,857	\$329,407,280	\$ (259,660,434)	\$ 533,156,738	\$ (396,390)	-	\$3,964,637,895	\$635,542,346
FPSC Adjustments											
ECCR	(98,637,919)	-	(79,919,087)	(4,195,739)	-	(5,602,283)	-	-	-	(89,717,109)	(8,920,810)
ECRC	(58,778,270)	-	(37,845,934)	(2,703,753)	(1,196,920)	(6,569,964)	-	-	-	(48,316,571)	(10,461,699)
FUEL	(1,778,576,436)	(1,784,226,553)	(1,236,581)	-	-	2,656,544	-	-	-	(1,782,806,590)	4,230,154
CCR	(341,709,659)	(341,463,628)	(246,031)	-	-	0	-	-	-	(341,709,659)	0
NUCLEAR	(116,157,230)	-	(86,766)	(117,614,034)	-	595,432	-	-	-	(117,105,368)	948,138
Non-Regulated and Miscellaneous	-	-	(74,796)	249,828	-	(67,519)	-	-	-	107,514	(107,514)
CORPORATE AIRCRAFT ALLOCATION	-	-	(2,339,181)	-	-	902,339	-	-	-	(1,436,842)	1,436,842
FRANCHISE FEE & GROSS RECEIPTS	(212,659,561)	-	-	-	-	(82,033,426)	-	-	-	(82,033,426)	(130,626,135)
FRANCHISE FEES & GROSS REC TAX - TOI	-	-	-	-	(210,319,615)	81,130,791	-	-	-	(129,188,823)	129,188,823
GAIN/LOSS ON DISPOSITION & OTHER	-	-	-	-	-	133,928	-	-	(347,188)	(213,260)	213,260
INST./PROMOTIONAL ADVERTISING	-	-	(4,035,316)	-	-	1,556,623	-	-	-	(2,478,693)	2,478,693
MISCELLANEOUS INTEREST EXPENSE	-	-	133,080	-	-	(51,336)	-	-	-	81,745	(81,745)
REMOVE ASSOC/ORGANIZATION DUES	-	-	(44,659)	-	-	17,227	-	-	-	(27,432)	27,432
REMOVE ECONOMIC DEVELOPMENT	-	-	(36,975)	-	-	14,263	-	-	-	(22,712)	22,712
PARENT DEBT ADJUSTMENT	-	-	-	-	-	(9,727,287)	-	-	-	(9,727,287)	9,727,287
DIRECTORS & OFFICERS PREMIUM	-	-	(2,464,553)	-	-	950,701	-	-	-	(1,513,851)	1,513,851
INTEREST SYNCHRONIZATION - FPSC	-	-	-	-	-	(3,583,319)	-	-	-	(3,583,319)	3,583,319
Total FPSC Adjustments	(2,606,519,074)	(2,125,690,181)	(128,196,799)	(124,263,698)	(211,516,535)	(19,677,284)	-	-	(347,188)	(2,609,691,684)	3,172,610
FPSC Adjusted	\$ 1,993,661,166	\$ -	\$ 636,297,863	\$ 347,682,159	\$ 117,890,746	\$ (279,337,717)	\$ 533,156,738	\$ (396,390)	\$ (347,188)	\$ 1,354,946,211	\$638,714,955
Pro Forma Adjustments											
Weather Normalization	(12,966,007)	-	-	-	-	(5,001,637)	-	-	-	(5,001,637)	(7,964,370)
Total Pro Forma Adjustments	(12,966,007)	-	-	-	-	(5,001,637)	-	-	-	(5,001,637)	(7,964,370)
Pro Forma Adjusted	\$1,980,695,159	\$ -	\$636,297,863	\$347,682,159	\$117,890,746	\$ (284,339,355)	\$ 533,156,738	\$ (396,390)	\$ (347,188)	\$1,349,944,573	\$630,750,586
Current Month											
System Per Books	\$467,542,791	\$215,279,641	\$71,254,813	\$37,673,221	\$31,780,119	\$ (21,453,247)	\$ 51,967,971	\$ (12,167)	\$ -	\$386,490,350	\$81,052,440
FPSC Adjusted	\$190,365,195	\$ -	\$56,379,159	\$29,493,493	\$9,794,040	\$ (115,381,202)	\$ 53,441,993	\$ (11,055)	\$ (27,415)	\$33,689,013	\$156,676,181

(a) The addition of earnings from AFUDC charges would increase the System NOI by 5,878,387 pretax
(b) The addition of earnings from AFUDC charges would increase the Jurisdictional NOI by 5,154,297 pretax

Notes	Rate Base Adjustments	P=ProForma F=FPSC	System	Retail
	ARO	F	\$621,489	\$621,489
	ECCR	F	(32,014,775)	(32,014,775)
	ECRC	F	(168,648,845)	(158,613,306)
	FUEL	F	76,848,924	76,915,301
	CCR	F	(41,906,259)	(41,906,259)
	NUCLEAR	F	(303,263,866)	(303,141,061)
	CR3 Removal	F	(1,311,823,309)	(1,311,823,309)
	Derivatives	F	(23,287,561)	(23,287,561)
	Employee Related	F	(162,362)	(162,276)
	Investments Earning a Return	F	(165,640,028)	(157,435,797)
	Jobbing Accounts	F	(1,222,211)	(1,088,904)
	Non-Regulated and Miscellaneous	F	38,787,555	37,676,083
	Retention Accounts	F	3,219,808	2,868,623
(1)	CWIP - AFUDC	F	(129,600,206)	(120,708,392)
(3)	Imputed Off Balance Sheet Obligations	F	837,665,190	778,065,312
(2)	Capital Lease - EPIS	F	(166,658,866)	(155,361,061)
(2)	Capital Lease - Working Capital	F	164,892,145	153,714,106
	Total		\$ (1,222,193,174)	\$ (1,255,681,786)

Notes	Income Statement Adjustments (to NOI)	P=ProForma F=FPSC	System		Retail	
			Amount	Income Tax Effect	Amount	Income Tax Effect
	ECCR	F	(14,523,093)	5,602,283	(14,523,093)	5,602,283
	ECRC	F	(16,692,394)	6,439,091	(17,031,663)	6,569,964
	FUEL	F	7,020,514	(2,708,163)	6,886,698	(2,656,544)
	CCR	F	0	(0)	0	(0)
	NUCLEAR	F	1,543,570	(595,432)	1,543,570	(595,432)
	NON-REGULATED AND MISCELLANEOUS	F	(169,593)	65,421	(175,032)	67,519
(2)	CORPORATE AIRCRAFT ALLOCATION	F	2,509,285	(967,957)	2,339,181	(902,339)
(1)	FRANCHISE FEE & GROSS RECEIPTS	F	(212,659,561)	82,033,426	(212,659,561)	82,033,426
(1)	FRANCHISE FEES & GROSS REC TAX - TOI	F	210,319,615	(81,130,791)	210,319,615	(81,130,791)
(1)	GAIN/LOSS ON DISPOSITION & OTHER	F	373,782	(144,187)	347,188	(133,928)
(1)	INST./PROMOTIONAL ADVERTISING	F	4,328,763	(1,669,820)	4,035,316	(1,556,623)
(1)	MISCELLANEOUS INTEREST EXPENSE	F	(142,758)	55,069	(133,080)	51,336
(1)	REMOVE ASSOC/ORGANIZATION DUES	F	47,907	(18,480)	44,659	(17,227)
(1)	REMOVE ECONOMIC DEVELOPMENT	F	39,664	(15,300)	36,975	(14,263)
(2)	PARENT DEBT ADJUSTMENT	F	-	10,731,900	-	9,727,287
(2)	DIRECTORS & OFFICERS PREMIUM	F	2,643,774	(1,019,836)	2,464,553	(950,701)
(1)	INTEREST SYNCHRONIZATION - FPSC	F	-	6,000,305	-	3,583,319
	Total		\$ (15,360,524)	\$ 22,657,528	\$ (16,504,674)	\$19,677,284

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) Docket No. 130208-EI, Order No. PSC 13-0598-FOF-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	\$14,340,928,839	\$5,294,646,917	\$9,046,281,922	\$122,180,930	\$547,604,861	\$9,716,067,712	\$2,672,343,290	\$12,388,411,002
Regulatory Base - Retail	\$13,030,386,107	\$4,905,439,048	\$8,124,947,059	\$105,913,761	\$479,658,925	\$8,710,519,745	\$2,612,251,965	\$11,322,771,710
FPSC Adjustments								
ARO	(20,823,344)	(31,149,041)	10,325,697	-	-	10,325,697	(9,380,752)	944,945
ECCR	(39,920,030)	(9,108,368)	(30,811,662)	-	(11,377,574)	(42,189,236)	9,917,646	(32,271,590)
ECRC	(180,685,568)	(10,125,742)	(170,559,826)	-	(2,684,422)	(173,244,248)	5,376,662	(167,867,586)
FUEL	(28,969,382)	(28,103,444)	(865,939)	-	-	(865,939)	77,781,841	76,915,902
CCR	-	-	-	-	-	-	(41,906,259)	(41,906,259)
NUCLEAR	-	-	-	-	(99,644)	(99,644)	(298,783,289)	(298,882,933)
CR3 Removal	-	-	-	-	-	-	(1,311,823,309)	(1,311,823,309)
Derivatives	-	-	-	-	-	-	(23,287,561)	(23,287,561)
Employee Related	-	-	-	-	-	-	(162,276)	(162,276)
Investments Earning a Return	-	-	-	-	-	-	(157,435,797)	(157,435,797)
Jobbing Accounts	-	-	-	-	-	-	(1,088,904)	(1,088,904)
Non-Regulated and Miscellaneous	(41,070,525)	(48,655,425)	7,584,899	-	-	7,584,899	24,785,688	32,370,588
Retention Accounts	-	-	-	-	-	-	2,868,623	2,868,623
CWIP - AFUDC	-	-	-	-	(196,235,624)	(196,235,624)	-	(196,235,624)
Imputed Off Balance Sheet Obligations	-	-	-	-	-	-	778,065,312	778,065,312
Capital Lease	(148,418,240)	-	(148,418,240)	-	-	(148,418,240)	153,714,106	5,295,867
Total FPSC Adjustments	(459,887,090)	(127,142,020)	(332,745,070)	-	(210,397,264)	(543,142,334)	(791,358,268)	(1,334,500,602)
FPSC Adjusted	\$12,570,499,017	\$4,778,297,028	\$7,792,201,989	\$105,913,761	\$269,261,661	\$8,167,377,411	\$1,820,893,697	\$9,988,271,108

	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	\$4,906,282,558	\$2,166,994,555	\$800,135,919	\$503,412,909	\$341,194,954	\$ (319,656,475)	\$ 656,345,679	\$ (436,250)	\$ -	\$4,147,991,291	\$758,291,267
Regulatory Base - Retail	\$4,600,180,240	\$2,125,690,181	\$764,494,662	\$471,945,857	\$329,407,280	\$ (259,660,434)	\$ 533,156,738	\$ (396,390)	\$ -	\$3,964,637,895	\$635,542,346
FPSC Adjustments											
ECCR	(98,637,919)	-	(79,919,087)	(4,195,739)	-	(5,602,283)	-	-	-	(89,717,109)	(8,920,810)
ECRC	(58,778,270)	-	(37,845,934)	(2,703,753)	(1,196,920)	(6,569,964)	-	-	-	(48,316,571)	(10,461,699)
FUEL	(1,778,576,436)	(1,784,226,553)	(1,236,581)	-	-	2,656,544	-	-	-	(1,782,806,590)	4,230,154
CCR	(341,709,659)	(341,463,628)	(246,031)	-	-	0	-	-	-	(341,709,659)	0
NUCLEAR	(116,157,230)	-	(86,766)	(117,614,034)	-	595,432	-	-	-	(117,105,368)	948,138
Non-Regulated and Miscellaneous	-	-	(74,796)	249,828	-	(67,519)	-	-	-	107,514	(107,514)
CORPORATE AIRCRAFT ALLOCATION	-	-	(2,339,181)	-	-	902,339	-	-	-	(1,436,842)	1,436,842
FRANCHISE FEE & GROSS RECEIPTS	(212,659,561)	-	-	-	-	(82,033,426)	-	-	-	(82,033,426)	(130,626,135)
FRANCHISE FEES & GROSS REC TAX - TOI	-	-	-	-	(210,319,615)	81,130,791	-	-	-	(129,188,823)	129,188,823
GAIN/LOSS ON DISPOSITION & OTHER	-	-	-	-	-	133,928	-	-	(347,188)	(213,260)	213,260
INST./PROMOTIONAL ADVERTISING	-	-	(4,035,316)	-	-	1,556,623	-	-	-	(2,478,693)	2,478,693
MISCELLANEOUS INTEREST EXPENSE	-	-	133,080	-	-	(51,336)	-	-	-	81,745	(81,745)
REMOVE ASSOC/ORGANIZATION DUES	-	-	(44,659)	-	-	17,227	-	-	-	(27,432)	27,432
REMOVE ECONOMIC DEVELOPMENT	-	-	(36,975)	-	-	14,263	-	-	-	(22,712)	22,712
PARENT DEBT ADJUSTMENT	-	-	-	-	-	(9,727,287)	-	-	-	(9,727,287)	9,727,287
DIRECTORS & OFFICERS PREMIUM	-	-	(2,464,553)	-	-	950,701	-	-	-	(1,513,851)	1,513,851
INTEREST SYNCHRONIZATION - FPSC	-	-	-	-	-	(3,583,319)	-	-	-	(3,583,319)	3,583,319
Total FPSC Adjustments	(2,606,519,074)	(2,125,690,181)	(128,196,799)	(124,263,698)	(211,516,535)	(19,677,284)	-	-	(347,188)	(2,609,691,684)	3,172,610
FPSC Adjusted	\$1,993,661,166		\$636,297,863	\$347,682,159	\$ 117,890,746	\$ (279,337,717)	\$ 533,156,738	\$ (396,390)	\$ (347,188)	\$1,354,946,211	\$638,714,955

(a) The addition of earnings from AFUDC charges would increase the System NOI by **5,878,387** pretax
(b) The addition of earnings from AFUDC charges would increase the Jurisdictional NOI by **5,154,297** pretax

Notes	Rate Base Adjustments	P=ProForma F=FPSC	System	Retail
	ARO	F	\$944,945	\$944,945
	ECCR	F	(32,271,590)	(32,271,590)
	ECRC	F	(176,794,134)	(167,867,586)
	FUEL	F	76,849,571	76,915,902
	CCR	F	(41,906,259)	(41,906,259)
	NUCLEAR	F	(298,696,552)	(298,882,933)
	CR3 Removal	F	(1,311,823,309)	(1,311,823,309)
	Derivatives	F	(23,287,561)	(23,287,561)
	Employee Related	F	(162,362)	(162,276)
	Investments Earning a Return	F	(165,640,028)	(157,435,797)
	Jobbing Accounts	F	(1,222,211)	(1,088,904)
	Non-Regulated and Miscellaneous	F	33,507,530	32,370,588
	Retention Accounts	F	3,219,808	2,868,623
(1)	CWIP - AFUDC	F	(210,975,727)	(196,235,624)
(3)	Imputed Off Balance Sheet Obligations	F	837,665,190	778,065,312
(2)	Capital Lease - EPIS	F	(159,211,164)	(148,418,240)
(2)	Capital Lease - Working Capital	F	164,892,145	153,714,106
	Total		\$ (1,304,911,706)	\$ (1,334,500,602)

Notes	Income Statement Adjustments (to NOI)	P=ProForma F=FPSC	System		Retail	
			Amount	Income Tax Effect	Amount	Income Tax Effect
	ECCR	F	(14,523,093)	5,602,283	(14,523,093)	5,602,283
	ECRC	F	(16,692,394)	6,439,091	(17,031,663)	6,569,964
	FUEL	F	7,020,514	(2,708,163)	6,886,698	(2,656,544)
	CCR	F	0	(0)	0	(0)
	NUCLEAR	F	1,543,570	(595,432)	1,543,570	(595,432)
	NON-REGULATED AND MISCELLANEOUS	F	(169,593)	65,421	(175,032)	67,519
(2)	CORPORATE AIRCRAFT ALLOCATION	F	2,509,285	(967,957)	2,339,181	(902,339)
(1)	FRANCHISE FEE & GROSS RECEIPTS	F	(212,659,561)	82,033,426	(212,659,561)	82,033,426
(1)	FRANCHISE FEES & GROSS REC TAX - TOI	F	210,319,615	(81,130,791)	210,319,615	(81,130,791)
(1)	GAIN/LOSS ON DISPOSITION & OTHER	F	373,782	(144,187)	347,188	(133,928)
(1)	INST./PROMOTIONAL ADVERTISING	F	4,328,763	(1,669,820)	4,035,316	(1,556,623)
(1)	MISCELLANEOUS INTEREST EXPENSE	F	(142,758)	55,069	(133,080)	51,336
(1)	REMOVE ASSOC/ORGANIZATION DUES	F	47,907	(18,480)	44,659	(17,227)
(1)	REMOVE ECONOMIC DEVELOPMENT	F	39,664	(15,300)	36,975	(14,263)
(2)	PARENT DEBT ADJUSTMENT	F	-	10,731,900	-	9,727,287
(2)	DIRECTORS & OFFICERS PREMIUM	F	2,643,774	(1,019,836)	2,464,553	(950,701)
(1)	INTEREST SYNCHRONIZATION - FPSC	F	-	6,000,305	-	3,583,319
	Total		\$ (15,360,524)	\$ 22,657,528	\$ (16,504,674)	\$19,677,284

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) Docket No. 130208-EI, Order No. PSC 13-0598-FOF-EI

DUKE ENERGY FLORIDA
Average - Capital Structure
Pro Forma Adjusted Basis
September 2015

	System Per	Retail Per	Pro Rata	Specific	Adjusted	Cap	Low-Point		Mid-Point		High-Point	
	Books	Books	Adjustments	Adjustments	Retail	Ratio	Cost Rate	Weighted Cost	Cost Rate	Weighted Cost	Cost Rate	Weighted Cost
Common Equity	\$5,132,370,176	\$4,686,487,414	\$ (738,616,552)	\$759,399,917	\$4,707,270,779	48.02%	9.50%	4.56%	10.50%	5.04%	11.50%	5.52%
Long Term Debt	4,697,151,947	4,289,079,456	(675,982,841)	-	3,613,096,614	36.86%	5.26%	1.94%	5.26%	1.94%	5.26%	1.94%
Short Term Debt *	74,614,822	68,132,541	(10,738,068)	(73,275,939)	(15,881,466)	(0.16%)	5.27%	(0.01%)	5.27%	(0.01%)	5.27%	(0.01%)
Customer Deposits												
Active	217,853,018	217,853,018	(34,334,851)	-	183,518,168	1.87%	2.33%	0.04%	2.33%	0.04%	2.33%	0.04%
Inactive	1,638,269	1,638,269	(258,200)	-	1,380,068	0.01%						
Investment Tax Credits **	434,602	396,846	(62,545)	-	334,300	0.00%						
Deferred Income Taxes	2,176,926,889	1,987,802,928	(313,288,827)	(199,055,486)	1,475,458,615	15.05%						
FAS 109 DIT - Net	(212,152,721)	(193,721,618)	30,531,607	-	(163,190,011)	(1.66%)						
Total	\$12,088,837,002	\$11,057,668,854	\$ (1,742,750,277)	\$487,068,492	\$9,801,987,068	100.00%		6.54%		7.02%		7.50%

* Daily Weighted Average

** Cost Rates Calculated Per IRS Ruling

DUKE ENERGY FLORIDA
End of Period - Capital Structure
Pro Forma Adjusted Basis
September 2015

	System Per	Retail Per	Pro Rata	Specific	Adjusted	Cap	Low-Point		Mid-Point		High-Point	
	Books	Books	Adjustments	Adjustments	Retail	Ratio	Cost Rate	Weighted Cost	Cost Rate	Weighted Cost	Cost Rate	Weighted Cost
Common Equity	\$5,015,990,995	\$4,584,320,384	\$ (767,758,527)	\$759,513,566	\$4,576,075,422	45.81%	9.50%	4.35%	10.50%	4.81%	11.50%	5.27%
Long Term Debt	4,644,236,343	4,244,558,524	(710,856,949)	-	3,533,701,574	35.38%	5.32%	1.88%	5.32%	1.88%	5.32%	1.88%
Short Term Debt *	245,287,000	224,177,873	(37,544,164)	(4,474,626)	182,159,084	1.82%	5.27%	0.10%	5.27%	0.10%	5.27%	0.10%
Customer Deposits												
Active	220,552,694	220,552,694	(36,937,037)	-	183,615,657	1.84%	2.30%	0.04%	2.30%	0.04%	2.30%	0.04%
Inactive	1,369,761	1,369,761	(229,401)	-	1,140,360	0.01%						
Investment Tax Credits **	316,013	288,817	(48,370)	-	240,447	0.00%						
Deferred Income Taxes	2,452,010,010	2,240,992,753	(375,310,003)	(193,259,656)	1,672,423,094	16.74%						
FAS 109 DIT - Net	(211,708,493)	(193,489,096)	32,404,564	-	(161,084,532)	(1.61%)						
Total	\$12,368,054,323	\$11,322,771,710	\$ (1,896,279,886)	\$561,779,284	\$9,988,271,108	100.00%		6.37%		6.83%		7.29%

* Daily Weighted Average

** Cost Rates Calculated Per IRS Ruling

	System Per	Retail Per	Pro Rata	Specific	Adjusted	Cap	Low-Point		Mid-Point		High-Point	
	Books	Books	Adjustments	Adjustments	Retail	Ratio	Cost Rate	Weighted Cost	Cost Rate	Weighted Cost	Cost Rate	Weighted Cost
Common Equity	\$5,132,370,176	\$4,686,487,414	\$ (738,616,552)	\$759,399,917	\$4,707,270,779	48.02%	9.50%	4.56%	10.50%	5.04%	11.50%	5.52%
Long Term Debt	4,697,151,947	4,289,079,456	(675,982,841)	-	3,613,096,614	36.86%	5.26%	1.94%	5.26%	1.94%	5.26%	1.94%
Short Term Debt *	74,614,822	68,132,541	(10,738,068)	(73,275,939)	(15,881,466)	(0.16%)	5.27%	(0.01%)	5.27%	(0.01%)	5.27%	(0.01%)
Customer Deposits												
Active	217,853,018	217,853,018	(34,334,851)	-	183,518,168	1.87%	2.33%	0.04%	2.33%	0.04%	2.33%	0.04%
Inactive	1,638,269	1,638,269	(258,200)	-	1,380,068	0.01%						
Investment Tax Credits **	434,602	396,846	(62,545)	-	334,300	0.00%						
Deferred Income Taxes	2,176,926,889	1,987,802,928	(313,288,827)	(199,055,486)	1,475,458,615	15.05%						
FAS 109 DIT - Net	(212,152,721)	(193,721,618)	30,531,607	-	(163,190,011)	(1.66%)						
Total	\$12,088,837,002	\$11,057,668,854	\$ (1,742,750,277)	\$487,068,492	\$9,801,987,068	100.00%		6.54%		7.02%		7.50%

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

	System Per	Retail Per	Pro Rata	Specific	Adjusted	Cap	Low-Point		Mid-Point		High-Point	
	Books	Books	Adjustments	Adjustments	Retail	Ratio	Cost Rate	Weighted Cost	Cost Rate	Weighted Cost	Cost Rate	Weighted Cost
Common Equity	\$5,015,990,995	\$4,584,320,384	\$ (767,758,527)	\$759,513,566	\$4,576,075,422	45.81%	9.50%	4.35%	10.50%	4.81%	11.50%	5.27%
Long Term Debt	4,644,236,343	4,244,558,524	(710,856,949)	-	3,533,701,574	35.38%	5.32%	1.88%	5.32%	1.88%	5.32%	1.88%
Short Term Debt *	245,287,000	224,177,873	(37,544,164)	(4,474,626)	182,159,084	1.82%	5.27%	0.10%	5.27%	0.10%	5.27%	0.10%
Customer Deposits						0	0		0		0	
Active	220,552,694	220,552,694	(36,937,037)	-	183,615,657	1.84%	2.30%	0.04%	2.30%	0.04%	2.30%	0.04%
Inactive	1,369,761	1,369,761	(229,401)	-	1,140,360	0.01%						
Investment Tax Credits **	316,013	288,817	(48,370)	-	240,447	0.00%						
Deferred Income Taxes	2,452,010,010	2,240,992,753	(375,310,003)	(193,259,656)	1,672,423,094	16.74%						
FAS 109 DIT - Net	(211,708,493)	(193,489,096)	32,404,564	-	(161,084,532)	(1.61%)						
Total	\$12,368,054,323	\$11,322,771,710	\$ (1,896,279,886)	\$561,779,284	\$9,988,271,108	100.00%		6.37%		6.83%		7.29%

* Daily Weighted Average

** Cost Rates Calculated Per IRS Ruling

A. TIMES INTEREST EARNED WITH AFUDC

EARNINGS BEFORE INTEREST	\$ 789,928,025
AFUDC - DEBT	\$ 2,162,773
INCOME TAXES	\$ 331,579,278
TOTAL	\$ 1,123,670,076
INTEREST CHARGES (before deducting AFUDC-Debt & CR3 reg asset carrying charge)	\$ 252,570,873
TIE WITH AFUDC	<u>4.45</u>

B. TIMES INTEREST EARNED WITHOUT AFUDC

EARNINGS BEFORE INTEREST	\$ 789,928,025
AFUDC - EQUITY	(3,715,614)
INCOME TAXES	331,579,278
TOTAL	\$ 1,117,791,689
INTEREST CHARGES (before deducting AFUDC-Debt & CR3 reg asset carrying charge)	\$ 252,570,873
TIE WITHOUT AFUDC	<u>4.43</u>

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

AFUDC DEBT	\$ 2,162,773
X (1- INCOME TAX RATE)	0.61425
SUBTOTAL	\$ 1,328,483
AFUDC -EQUITY	\$ 3,715,614
TOTAL	\$ 5,044,097
NET INCOME AVAILABLE FOR COMMON STOCKHOLDERS	\$ 497,780,624
PERCENT AFUDC TO AVAILABLE NET INCOME	<u>1.01%</u>

D. PERCENT INTERNALLY GENERATED FUNDS*

NET INCOME	\$ 586,834,765
COMMON DIVIDENDS	\$ (700,000,000)
AFUDC (EQUITY)	\$ (3,715,614)
DEPRECIATION & AMORTIZATION	\$ 509,397,996
DEFERRED INCOME TAXES	\$ 547,779,713
INVESTMENT TAX CREDITS	\$ (436,250)
OTHER - INC NUCLEAR DECOMMISSIONING	\$ (90,547,393)
OTHER FUNDS - INCLUDING CHANGE IN WORKING CAPITAL	205,133,321
TOTAL FUNDS PROVIDED	\$ 1,054,446,538

CONSTRUCTION EXPENDITURES (EXCLUDING AFUDC EQUITY & DEBT)	\$ 882,389,617
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PERCENTAGE INTERNALLY GENERATED FUNDS **119.50%**
*Updated quarterly as of September 2015

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

Common Equity	\$ 4,707,270,779
Long Term Debt	\$ 3,613,096,614
Short Term Debt	\$ (15,881,466)
TOTAL	\$ 8,304,485,927

% LONG TERM DEBT TO TOTAL **43.51%**
% SHORT TERM DEBT TO TOTAL **-0.19%**

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

	Pro Forma	FPSC
FPSC AVERAGE		
EARNED RATE OF RETURN	6.43%	6.52%
LESS RETAIL WEIGHTED AVERAGE COST RATES FOR:		
LONG TERM DEBT	1.94%	1.94%
SHORT TERM DEBT	-0.01%	-0.01%
CUSTOMER DEPOSITS	0.04%	0.04%
DEFERRED INCOME TAXES		
INVESTMENT TAX CREDITS		
DEFERRED INCOME TAX (FAS 109)		
SUBTOTAL	1.97%	1.97%
TOTAL	4.46%	4.54%
DIVIDED BY COMMON EQUITY RATIO	48.02%	48.02%
JURISDICTIONAL RETURN ON COMMON EQUITY	<u>9.29%</u>	<u>9.46%</u>

DUKE ENERGY FLORIDA
Earnings Surveillance Report
CR3 Regulatory Asset Value
September 2015
(In Millions)

Schedule 6

Line No.	Pre or Post Retirement Component Classification	Subject to Cap	Dry Cask Storage	Total Regulatory Asset
1				
2	Electric Plant In Service	829		829
3	Less Accumulated Depreciation	423		423
4	Net plant balance	406		406
5	Write-Down	(310)		(310)
6	Construction Work In Progress (CWIP)	-		
7	Steam Generator Replacement (SGR) Project	360		360
8	Delam Repair Project	167		167
9	License Amendment Request (LAR)	20		20
10	Dry Cask Storage	-	43	43
11	Fukushima	2		2
12	Building Stabilization Project	24		24
13	Other - CWIP	53		53
14	Nuclear Fuel Inventories	170		170
15	Nuclear Materials and Supplies Inventories	50		50
16	Deferred expenses	94		94
17	Cumulative AFUDC (6.00%)	161	7	168
18	Cost of Removal Reg Asset - CR3 Portion (Order No. PSC 10-0398-S-EI)	107		107
19	Total CR3 Regulatory Asset	1,304	50	1,355