



September 13, 2019

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 July 31, 2019.

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 July 31, 2019. The demand-related separation factors used for the jurisdictional amounts were from Order No. PSC-2017-0451-AS-EU.

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

Sincerely,

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

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
 Jul-19

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	\$827,928,969 (a)	(\$45,177,047) (b)	\$782,751,922	(\$13,624,958)	\$769,126,964
Average Rate Base	\$13,936,852,720	(\$1,567,688,736)	\$12,369,163,983	\$0	\$12,369,163,983
Average Rate of Return	5.94%		6.33%		6.22%
I. YEAR END RATE OF RETURN (Jurisdictional)					
Net Operating Income	\$802,454,182	(\$19,702,260)	\$782,751,922		
Average Rate Base	\$14,632,323,647	(\$1,492,687,691)	\$13,139,635,956		
Average Rate of Return	5.48%		5.96%		
(a) INCLUDES AFUDC EARNINGS					
(b) INCLUDES REVERSAL OF AFUDC EARNINGS					

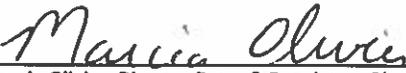
III. REQUIRED RATES OF RETURN	Average Capital Structure	End of Period Capital Structure
FPSC Adjusted Basis		
Low Point	5.94%	5.81%
Mid Point	6.37%	6.22%
High Point	6.79%	6.64%
Pro Forma Adjusted Basis		
Low Point	5.94%	5.81%
Mid Point	6.37%	6.22%
High Point	6.79%	6.64%

IV. FINANCIAL INTEGRITY INDICATORS

A. T.I.E. with AFUDC	3.30	(System Per Books Basis)
B. T.I.E without AFUDC	3.20	(System Per Books Basis)
C. AFUDC to Net Income	4.54%	(System Per Books Basis)
D. Internally Generated Funds	67.25%	(System Per Books Basis)
E. STD/LTD to Total Investor Funds		
LT Debt-Fixed to Total Investor Funds	48.13%	(FPSC Adjusted Basis)
ST Debt to Total Investor Funds	0.07%	(FPSC Adjusted Basis)
F. Return on Common Equity		
	10.41%	(FPSC Adjusted Basis)
	10.15%	(Pro Forma Adjusted Basis)
G. Current Allowed AFUDC Rate	6.46%	Docket 20190069-EI

I am aware that Section 837-06, Florida Statutes, provides:

Whoever knowingly makes a false statement in writing with the intent to mislead a public servant in the performance of his official duty shall be guilty of a misdemeanor of the second degree, punishable as provided in s. 775.082, s. 775.083, or s. 775-084


 Marcia Olivier, Director Rates & Regulatory Planning

9/13/19
 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	\$18,031,719,331	\$5,580,799,939	\$12,450,919,392	\$132,523,900	\$1,187,370,847	\$13,770,814,139	\$1,648,500,285	\$15,419,314,423
Regulatory Base - Retail	\$16,405,509,670	\$5,167,122,531	\$11,238,387,138	\$116,388,262	\$1,010,032,761	\$12,364,808,161	\$1,572,044,559	\$13,936,852,720
FPSC Adjustments								
ARO	(22,490,163)	(17,887,612)	(4,602,551)			(4,602,551)	(14,266,028)	(18,868,580)
ECCR	(25,307,269)	(17,516,881)	(7,790,388)			(7,790,388)	(20,273,388)	(28,063,776)
ECRC	(309,621,227)	(80,385,088)	(229,236,139)		(36,916,318)	(266,152,457)	(4,910,769)	(271,063,226)
FUEL	(13,681,591)	(11,695,516)	(1,986,075)			(1,986,075)	(104,760,888)	(106,746,963)
CCR							(98,195,375)	(98,195,375)
NUCLEAR							(38,876,921)	(38,876,921)
Over\Under Recovery-Clauses							(182,802,960)	(182,802,960)
Derivatives							256,968	256,968
Employee Related							87	87
Investments Earning a Return							(197,749,100)	(197,749,100)
Jobbing Accounts							(252,668)	(252,668)
Non-Regulated and Miscellaneous	(45,382,525)	(36,574,114)	(8,808,411)	(87,379,077)		(96,187,488)	46,297,074	(49,890,414)
CWIP - AFUDC					(352,747,697)	(352,747,697)		(352,747,697)
Imputed Off Balance Sheet Obligations							282,793,700	282,793,700
Capital Lease	(341,929,276)		(341,929,276)			(341,929,276)	181,533,388	(160,395,889)
Storm							(345,085,923)	(345,085,923)
Total FPSC Adjustments	(758,412,052)	(164,059,210)	(594,352,841)	(87,379,077)	(389,664,015)	(1,071,395,933)	(496,292,803)	(1,567,688,736)
FPSC Adjusted	\$15,647,097,618	\$5,003,063,321	\$10,644,034,297	\$29,009,184	\$620,368,746	\$11,293,412,228	\$1,075,751,755	\$12,369,163,983

	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	5,017,754,901	2,043,719,956	965,277,694	625,235,740	391,426,842	84,149,579	37,814,470	(18,721)		4,147,605,560	870,149,341
Regulatory Base - Retail	4,749,494,284	1,950,709,540	924,763,398	583,000,226	377,181,163	112,982,125	(1,579,428)	(16,922)		3,947,040,102	802,454,182
FPSC Adjustments											
ECCR	(108,331,481)		(102,201,369)	(4,408,912)		(436,238)				(107,046,519)	(1,284,962)
ECRC	(57,848,667)		(28,102,598)	(7,919,520)	(1,366,549)	(5,185,587)				(42,574,254)	(15,274,413)
FUEL	(1,582,225,794)	(1,566,222,773)	(1,137,208)	(6,551,340)		(2,107,303)				(1,576,018,624)	(6,207,170)
CCR	(403,984,411)	(384,486,768)	(290,869)	(11,185,556)		(2,032,978)				(397,996,170)	(5,988,240)
NUCLEAR	(46,167,916)		(77,791)	(45,249,667)		(213,014)				(45,540,472)	(627,444)
Non-Regulated and Miscellaneous				(177,194)		44,910				(132,284)	132,284
CORPORATE AIRCRAFT ALLOCATION			(2,407,272)			610,123				(1,797,149)	1,797,149
FRANCHISE FEE & GROSS RECEIPTS	(229,014,588)					(58,043,747)				(58,043,747)	(170,970,841)
FRANCHISE FEES & GROSS REC TAX - TOI					(232,981,263)	59,049,101				(173,932,162)	173,932,162
GAIN/LOSS ON DISPOSITION & OTHER						66,621		(262,855)		(196,235)	196,235
INST./PROMOTIONAL ADVERTISING			(2,941,267)			745,464				(2,195,803)	2,195,803
MISCELLANEOUS INTEREST EXPENSE			96,624			(24,489)				72,135	(72,135)
REMOVE ASSOC/ORGANIZATION DUES			(92,054)			23,331				(68,723)	68,723
REMOVE ECONOMIC DEVELOPMENT			(56,775)			14,390				(42,386)	42,386
PARENT DEBT ADJUSTMENT						(11,145,533)				(11,145,533)	11,145,533
DIRECTORS & OFFICERS PREMIUM			(1,063,397)			269,518				(793,879)	793,879
INTEREST SYNCHRONIZATION - FPSC						9,581,208				9,581,208	(9,581,208)
Total FPSC Adjustments	(2,427,572,857)	(1,950,709,540)	(138,273,975)	(75,492,189)	(234,347,812)	(8,784,225)			(262,855)	(2,407,870,597)	(19,702,260)
FPSC Adjusted	2,321,921,427		786,489,423	507,508,037	142,833,351	104,197,900	(1,579,428)	(16,922)	(262,855)	1,539,169,505	782,751,922
Pro Forma Adjustments											
Weather Normalization	(18,250,563)					(4,625,605)				(4,625,605)	(13,624,958)
Total Pro Forma Adjustments	(18,250,563)					(4,625,605)				(4,625,605)	(13,624,958)
Pro Forma Adjusted	2,303,670,864		786,489,423	507,508,037	142,833,351	99,572,295	(1,579,428)	(16,922)	(262,855)	1,534,543,900	769,126,964
Current Month											
System Per Books	494,008,971	199,457,715	74,287,491	54,875,906	37,427,082	21,905,126				387,953,320	106,055,651
FPSC Adjusted	233,108,790		59,055,464	44,849,623	13,356,163	16,845,257	7,569,788		(21,262)	141,655,032	91,453,758

(a) The addition of earnings from AFUDC charges would increase the System NOI by 29,947,562 pretax
(b) The addition of earnings from AFUDC charges would increase the Jurisdictional NOI by 25,474,786 pretax

DUKE ENERGY FLORIDA
Average Rate of Return - Adjustment
Jul-19

Notes	Rate Base Adjustments	P=ProForma F=FPSC	System	Retail
	ARO	F	(18,868,580)	(18,868,580)
	ECCR	F	(53,371,045)	(28,063,776)
	ECRC	F	(294,748,137)	(271,063,226)
	FUEL	F	(106,899,097)	(106,746,963)
	CCR	F	(98,195,375)	(98,195,375)
	NUCLEAR	F	(38,876,921)	(38,876,921)
	Over\Under Recovery-Clauses	F	(182,802,960)	(182,802,960)
	Derivatives	F	256,968	256,968
	Employee Related	F	93	87
	Investments Earning a Return	F	(197,749,100)	(197,749,100)
	Jobbing Accounts	F	(270,857)	(252,668)
	Non-Regulated and Miscellaneous	F	(56,583,660)	(49,890,414)
(1)	CWIP - AFUDC	F	(393,412,988)	(352,747,697)
(3)	Imputed Off Balance Sheet Obligations	F	304,455,725	282,793,700
(2)	Capital Lease - EPIS	F	(366,794,259)	(341,929,276)
(2)	Capital Lease - Working Capital	F	194,734,435	181,533,388
	Storm	F	(345,085,923)	(345,085,923)
	Total		(1,654,211,681)	(1,567,688,736)

Notes	Income Statement Adjustments (to NOI)	P=ProForma F=FPSC	System		Retail	
			Amount	Income Tax Effect	Amount	Income Tax Effect
	ECCR	F	(1,721,201)	436,238	(1,721,201)	436,238
	ECRC	F	(17,910,180)	4,539,335	(20,460,000)	5,185,587
	FUEL	F	(8,710,910)	2,207,780	(8,314,473)	2,107,303
	CCR	F	(8,021,218)	2,032,978	(8,021,218)	2,032,978
	NUCLEAR	F	(840,458)	213,014	(840,458)	213,014
	Non-Regulated and Miscellaneous	F	177,194	(44,910)	177,194	(44,910)
(2)	CORPORATE AIRCRAFT ALLOCATION	F	2,582,328	(654,491)	2,407,272	(610,123)
(1)	FRANCHISE FEE & GROSS RECEIPTS	F	(229,014,588)	58,043,747	(229,014,588)	58,043,747
(1)	FRANCHISE FEES & GROSS REC TAX - TOI	F	232,981,263	(59,049,101)	232,981,263	(59,049,101)
(1)	GAIN/LOSS ON DISPOSITION & OTHER	F	282,990	(71,724)	262,855	(66,621)
(1)	INST./PROMOTIONAL ADVERTISING	F	3,155,155	(799,674)	2,941,267	(745,464)
(1)	MISCELLANEOUS INTEREST EXPENSE	F	(103,651)	26,270	(96,624)	24,489
(1)	REMOVE ASSOC/ORGANIZATION DUES	F	98,748	(25,028)	92,054	(23,331)
(4)	REMOVE ECONOMIC DEVELOPMENT	F	60,904	(15,436)	56,775	(14,390)
(2)	PARENT DEBT ADJUSTMENT	F		12,350,579		11,145,533
(2)	DIRECTORS & OFFICERS PREMIUM	F	1,140,727	(289,117)	1,063,397	(269,518)
(1)	INTEREST SYNCHRONIZATION - FPSC	F		(10,211,150)		(9,581,208)
	Total		(25,842,896)	8,689,311	(28,486,485)	8,784,225

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
(4) Rule 25-6.0426 Recovery of Econ Dev Expenses

	Plant in Service	Accum Depr & Amort	Net Plant in Service	Future Use & Appd Unrecov Plant	Const Work in Progress	Net Utility Plant	Working Capital	Total Period End Rate Base
System Per Books	\$19,091,489,332	\$5,516,516,061	\$13,574,973,271	\$134,615,088	\$860,869,315	\$14,570,457,674	\$1,647,410,949	\$16,217,868,623
Regulatory Base - Retail	\$17,359,648,387	\$5,116,140,540	\$12,243,507,847	\$118,330,790	\$698,440,451	\$13,060,279,089	\$1,572,044,559	\$14,632,323,647
FPSC Adjustments								
ARO	(23,120,731)	(22,938,982)	(181,749)			(181,749)	(14,266,028)	(14,447,777)
ECCR	(22,252,383)	(16,237,949)	(6,014,434)			(6,014,434)	(20,273,388)	(26,287,822)
ECRC	(323,073,259)	(27,285,929)	(295,787,330)		(3,206,013)	(298,993,344)	(4,910,769)	(303,904,112)
FUEL	(10,837,051)	(7,718,288)	(3,118,762)			(3,118,762)	(104,760,888)	(107,879,651)
CCR							(98,195,375)	(98,195,375)
NUCLEAR							(38,876,921)	(38,876,921)
Over\Under Recovery-Clauses							(182,802,960)	(182,802,960)
Derivatives							256,968	256,968
Employee Related							87	87
Investments Earning a Return							(197,749,100)	(197,749,100)
Jobbing Accounts							(252,668)	(252,668)
Non-Regulated and Miscellaneous	(43,183,955)	(36,125,436)	(7,058,519)	(87,379,077)		(94,437,596)	46,297,074	(48,140,522)
CWIP - AFUDC					(59,541,171)	(59,541,171)		(59,541,171)
Imputed Off Balance Sheet Obligations							282,793,700	282,793,700
Capital Lease	(534,107,832)		(534,107,832)			(534,107,832)	181,533,388	(352,574,444)
Storm							(345,085,923)	(345,085,923)
Total FPSC Adjustments	(956,575,211)	(110,306,584)	(846,268,627)	(87,379,077)	(62,747,184)	(996,394,888)	(496,292,803)	(1,492,687,691)
FPSC Adjusted	16,403,073,176	5,005,833,956	11,397,239,220	30,951,713	635,693,268	12,063,884,201	1,075,751,755	13,139,635,956

	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	5,017,754,901	2,043,719,956	965,277,694	625,235,740	391,426,842	84,149,579	37,814,470	(18,721)		4,147,605,560	870,149,341
Regulatory Base - Retail	4,749,494,284	1,950,709,540	924,763,398	583,000,226	377,181,163	112,982,125	(1,579,428)	(16,922)		3,947,040,102	802,454,182
FPSC Adjustments											
ECCR	(108,331,481)		(102,201,369)	(4,408,912)		(436,238)				(107,046,519)	(1,284,962)
ECRC	(57,848,667)		(28,102,598)	(7,919,520)	(1,366,549)	(5,185,587)				(42,574,254)	(15,274,413)
FUEL	(1,582,225,794)	(1,566,222,773)	(1,137,208)	(6,551,340)		(2,107,303)				(1,576,018,624)	(6,207,170)
CCR	(403,984,411)	(384,486,768)	(290,869)	(11,185,556)		(2,032,978)				(397,996,170)	(5,988,240)
NUCLEAR	(46,167,916)		(77,791)	(45,249,667)		(213,014)				(45,540,472)	(627,444)
Non-Regulated and Miscellaneous				(177,194)		44,910				(132,284)	132,284
CORPORATE AIRCRAFT ALLOCATION			(2,407,272)			610,123				(1,797,149)	1,797,149
FRANCHISE FEE & GROSS RECEIPTS	(229,014,588)					(58,043,747)				(58,043,747)	(170,970,841)
FRANCHISE FEES & GROSS REC TAX - TOI					(232,981,263)	59,049,101				(173,932,162)	173,932,162
GAIN/LOSS ON DISPOSITION & OTHER						66,621		(262,855)		(196,235)	196,235
INST./PROMOTIONAL ADVERTISING			(2,941,267)			745,464				(2,195,803)	2,195,803
MISCELLANEOUS INTEREST EXPENSE			96,624			(24,489)				72,135	(72,135)
REMOVE ASSOC/ORGANIZATION DUES			(92,054)			23,331				(68,723)	68,723
REMOVE ECONOMIC DEVELOPMENT			(56,775)			14,390				(42,386)	42,386
PARENT DEBT ADJUSTMENT						(11,145,533)				(11,145,533)	11,145,533
DIRECTORS & OFFICERS PREMIUM			(1,063,397)			269,518				(793,879)	793,879
INTEREST SYNCHRONIZATION - FPSC						9,581,208				9,581,208	(9,581,208)
Total FPSC Adjustments	(2,427,572,857)	(1,950,709,540)	(138,273,975)	(75,492,189)	(234,347,812)	(8,784,225)			(262,855)	(2,407,870,597)	(19,702,260)
FPSC Adjusted	2,321,921,427		786,489,423	507,508,037	142,833,351	104,197,900	(1,579,428)	(16,922)	(262,855)	1,539,169,505	782,751,922

(a) The addition of earnings from AFUDC charges would increase the System NOI by 29,947,562 pretax
(b) The addition of earnings from AFUDC charges would increase the Jurisdictional NOI by 25,474,786 pretax

Notes	Rate Base Adjustments	P=ProForma F=FPSC	System	Retail
	ARO	F	(14,447,777)	(14,447,777)
	ECCR	F	(48,540,205)	(26,287,822)
	ECRC	F	(335,017,034)	(303,904,112)
	FUEL	F	(108,118,548)	(107,879,651)
	CCR	F	(98,195,375)	(98,195,375)
	NUCLEAR	F	(38,876,921)	(38,876,921)
	Over\Under Recovery-Clauses	F	(182,802,960)	(182,802,960)
	Derivatives	F	256,968	256,968
	Employee Related	F	93	87
	Investments Earning a Return	F	(197,749,100)	(197,749,100)
	Jobbing Accounts	F	(270,857)	(252,668)
	Non-Regulated and Miscellaneous	F	(54,833,768)	(48,140,522)
	CWIP - AFUDC	F	(83,816,775)	(59,541,171)
	Imputed Off Balance Sheet Obligations	F	304,455,725	282,793,700
(3)	Capital Lease - EPIS	F	(572,947,975)	(534,107,832)
(2)	Capital Lease - Working Capital	F	194,734,435	181,533,388
(2)	Storm	F	(345,085,923)	(345,085,923)
	Total		(1,581,255,998)	(1,492,687,691)

Notes	Income Statement Adjustments (to NOI)	P=ProForma F=FPSC	System		Retail	
			Amount	Income Tax Effect	Amount	Income Tax Effect
	ECCR	F	(1,721,201)	436,238	(1,721,201)	436,238
	ECRC	F	(17,910,180)	4,539,335	(20,460,000)	5,185,587
	FUEL	F	(8,710,910)	2,207,780	(8,314,473)	2,107,303
	CCR	F	(8,021,218)	2,032,978	(8,021,218)	2,032,978
	NUCLEAR	F	(840,458)	213,014	(840,458)	213,014
	Non-Regulated and Miscellaneous	F	177,194	(44,910)	177,194	(44,910)
(2)	CORPORATE AIRCRAFT ALLOCATION	F	2,582,328	(654,491)	2,407,272	(610,123)
(1)	FRANCHISE FEE & GROSS RECEIPTS	F	(229,014,588)	58,043,747	(229,014,588)	58,043,747
(1)	FRANCHISE FEES & GROSS REC TAX - TOI	F	232,981,263	(59,049,101)	232,981,263	(59,049,101)
(1)	GAIN/LOSS ON DISPOSITION & OTHER	F	282,990	(71,724)	262,855	(66,621)
(1)	INST./PROMOTIONAL ADVERTISING	F	3,155,155	(799,674)	2,941,267	(745,464)
(1)	MISCELLANEOUS INTEREST EXPENSE	F	(103,651)	26,270	(96,624)	24,489
(1)	REMOVE ASSOC/ORGANIZATION DUES	F	98,748	(25,028)	92,054	(23,331)
	REMOVE ECONOMIC DEVELOPMENT	F	60,904	(15,436)	56,775	(14,390)
(2)	PARENT DEBT ADJUSTMENT	F		12,350,579		11,145,533
(2)	DIRECTORS & OFFICERS PREMIUM	F	1,140,727	(289,117)	1,063,397	(269,518)
(1)	INTEREST SYNCHRONIZATION - FPSC	F		(10,211,150)		(9,581,208)
	Total		(25,842,896)	8,689,311	(28,486,485)	8,784,225

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
Jul-19

	System Per Books	Retail Per Books	Pro Rata Adjustments	Specific Adjustments	Adjusted Retail	Cap Ratio	Low-Point		Mid-Point		High-Point	
							Cost Rate	Weighted Cost	Cost Rate	Weighted Cost	Cost Rate	Weighted Cost
Common Equity	6,176,976,495	5,575,264,637	(590,974,214)	260,681,045	5,244,971,469	42.40%	9.50%	4.03%	10.50%	4.45%	11.50%	4.88%
Long Term Debt	6,040,024,634	5,451,653,536	(577,871,522)		4,873,782,014	39.40%	4.71%	1.85%	4.71%	1.85%	4.71%	1.85%
Short Term Debt *	90,082,073	81,306,995	(8,618,486)	(65,456,233)	7,232,277	0.06%	16.10%	0.01%	16.10%	0.01%	16.10%	0.01%
Customer Deposits												
Active	198,782,354	198,782,354	(21,070,793)		177,711,561	1.44%	2.40%	0.03%	2.40%	0.03%	2.40%	0.03%
Inactive	2,066,649	2,066,649	(219,063)		1,847,586	0.01%						
Investment Tax Credits **	29,685,220	26,793,522	(2,840,095)		23,953,427	0.19%	7.19%	0.01%	7.71%	0.01%	8.23%	0.02%
Deferred Income Taxes	2,881,696,998	2,600,985,026	(275,702,622)	(285,616,754)	2,039,665,649	16.49%						
Total	15,419,314,423	13,936,852,720	(1,477,296,795)	(90,391,942)	12,369,163,983	100.00%		5.94%		6.37%		6.79%

* Daily Weighted Average

** Cost Rates Calculated Per IRS Ruling

DUKE ENERGY FLORIDA
End of Period - Capital Structure
Pro Forma Adjusted Basis
Jul-19

	System Per Books	Retail Per Books	Pro Rata Adjustments	Specific Adjustments	Adjusted Retail	Cap Ratio	Low-Point		Mid-Point		High-Point	
							Cost Rate	Weighted Cost	Cost Rate	Weighted Cost	Cost Rate	Weighted Cost
Common Equity	6,472,573,866	5,920,591,266	(484,722,749)	(13,108,746)	5,422,759,770	41.27%	9.50%	3.92%	10.50%	4.33%	11.50%	4.75%
Long Term Debt	5,958,603,262	5,450,452,195	(446,232,150)		5,004,220,044	38.08%	4.77%	1.82%	4.77%	1.82%	4.77%	1.82%
Short Term Debt *	384,951,000	352,122,290	(28,828,486)	(2,386,740)	320,907,063	2.44%	0.74%	0.02%	0.74%	0.02%	0.74%	0.02%
Customer Deposits												
Active	199,584,563	199,584,563	(16,340,121)		183,244,442	1.39%	2.39%	0.03%	2.39%	0.03%	2.39%	0.03%
Inactive	2,020,724	2,020,724	(165,438)		1,855,286	0.01%						
Investment Tax Credits **	42,013,177	38,430,283	(3,146,313)		35,283,970	0.27%	7.23%	0.02%	7.75%	0.02%	8.27%	0.02%
Deferred Income Taxes	2,917,967,251	2,669,122,327	(218,522,822)	(279,234,125)	2,171,365,380	16.53%						
Total	15,977,713,842	14,632,323,647	(1,197,958,080)	(294,729,611)	13,139,635,956	100.00%		5.81%		6.22%		6.64%

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

	System Per Books	Retail Per Books	Pro Rata Adjustments	Specific Adjustments	Adjusted Retail	Cap Ratio	Low-Point		Mid-Point		High-Point	
							Cost Rate	Weighted Cost	Cost Rate	Weighted Cost	Cost Rate	Weighted Cost
Common Equity	6,176,976,495	5,575,264,637	(590,974,214)	260,681,045	5,244,971,469	42.40%	9.50%	4.03%	10.50%	4.45%	11.50%	4.88%
Long Term Debt	6,040,024,634	5,451,653,536	(577,871,522)		4,873,782,014	39.40%	4.71%	1.85%	4.71%	1.85%	4.71%	1.85%
Short Term Debt *	90,082,073	81,306,995	(8,618,486)	(65,456,233)	7,232,277	0.06%	16.10%	0.01%	16.10%	0.01%	16.10%	0.01%
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Investment Tax Credits **	29,685,220	26,793,522	(2,840,095)		23,953,427	0.19%	7.19%	0.01%	7.71%	0.01%	8.23%	0.02%
Deferred Income Taxes	2,881,696,998	2,600,985,026	(275,702,622)	(285,616,754)	2,039,665,649	16.49%						
Total	15,419,314,423	13,936,852,720	(1,477,296,795)	(90,391,942)	12,369,163,983	100.00%		5.94%		6.37%		6.79%

* Daily Weighted Average

** Cost Rates Calculated Per IRS Ruling

DUKE ENERGY FLORIDA
End of Period - Capital Structure
FPSC Adjusted Basis
Jul-19

	System Per Books	Retail Per Books	Pro Rata Adjustments	Specific 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	6,472,573,866	5,920,591,266	(484,722,749)	(13,108,746)	5,422,759,770	41.27%	9.50%	3.92%	10.50%	4.33%	11.50%	4.75%
Long Term Debt	5,958,603,262	5,450,452,195	(446,232,150)		5,004,220,044	38.08%	4.77%	1.82%	4.77%	1.82%	4.77%	1.82%
Short Term Debt *	384,951,000	352,122,290	(28,828,486)	(2,386,740)	320,907,063	2.44%	0.74%	0.02%	0.74%	0.02%	0.74%	0.02%
Customer Deposits												
Active	199,584,563	199,584,563	(16,340,121)		183,244,442	1.39%	2.39%	0.03%	2.39%	0.03%	2.39%	0.03%
Inactive	2,020,724	2,020,724	(165,438)		1,855,286	0.01%						
Investment Tax Credits **	42,013,177	38,430,283	(3,146,313)		35,283,970	0.27%	7.23%	0.02%	7.75%	0.02%	8.27%	0.02%
Deferred Income Taxes	2,917,967,251	2,669,122,327	(218,522,822)	(279,234,125)	2,171,365,380	16.53%						
Total	15,977,713,842	14,632,323,647	(1,197,958,080)	(294,729,611)	13,139,635,956	100.00%		5.81%		6.22%		6.64%

* Daily Weighted Average

** Cost Rates Calculated Per IRS Ruling

A. TIMES INTEREST EARNED WITH AFUDC

EARNINGS BEFORE INTEREST	\$	895,808,174
AFUDC - DEBT	\$	10,310,377
INCOME TAXES		95,672,379
TOTAL	\$	1,001,790,930
INTEREST CHARGES (before deducting AFUDC-Debt)	\$	303,562,199
TIE WITH AFUDC		3.30

B. TIMES INTEREST EARNED WITHOUT AFUDC

EARNINGS BEFORE INTEREST	\$	895,808,174
AFUDC - EQUITY		(19,637,185)
INCOME TAXES		95,672,379
TOTAL	\$	971,843,369
INTEREST CHARGES (before deducting AFUDC-Debt & CR3 reg asset carrying charge)	\$	303,562,199
TIE WITHOUT AFUDC		3.20

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

AFUDC DEBT	\$	10,310,377
X (1- INCOME TAX RATE)		0.74655
SUBTOTAL	\$	7,697,212
AFUDC -EQUITY	\$	19,637,185
TOTAL	\$	27,334,397
NET INCOME AVAILABLE FOR COMMON STOCKHOLDERS	\$	602,485,934
PERCENT AFUDC TO AVAILABLE NET INCOME		4.54%

D. PERCENT INTERNALLY GENERATED FUNDS*

NET INCOME	\$	578,366,262
COMMON DIVIDENDS		(75,000,000)
AFUDC (EQUITY)		(23,728,022)
DEPRECIATION & AMORTIZATION		788,219,961
DEFERRED INCOME TAXES		35,852,912
INVESTMENT TAX CREDITS		-
OTHER - INC NUCLEAR DECOMMISSIONING		16,337,477
OTHER FUNDS - INCLUDING CHANGE IN WORKING CAPITAL		(173,595,637)
TOTAL FUNDS PROVIDED	\$	1,146,452,954

CONSTRUCTION EXPENDITURES (EXCLUDING AFUDC EQUITY & DEBT)	\$	1,740,679,381
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PERCENTAGE INTERNALLY GENERATED FUNDS	65.86%
*As of June 2019 (updated quarterly)	

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

Common Equity	\$	5,244,971,469
Long Term Debt	\$	4,873,782,014
Short Term Debt	\$	7,232,277
TOTAL	\$	10,125,985,760

% LONG TERM DEBT TO TOTAL	48.13%
% SHORT TERM DEBT TO TOTAL	0.07%

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

	Pro Forma	FPSC
FPSC AVERAGE		
EARNED RATE OF RETURN	6.22%	6.33%
LESS RETAIL WEIGHTED AVERAGE COST RATES FOR:		
LONG TERM DEBT	1.85%	1.85%
SHORT TERM DEBT	0.01%	0.01%
CUSTOMER DEPOSITS	0.03%	0.03%
DEFERRED INCOME TAXES		
INVESTMENT TAX CREDITS	0.01%	0.01%
DEFERRED INCOME TAX (FAS 109)		
SUBTOTAL	1.91%	1.91%
TOTAL	4.31%	4.42%
DIVIDED BY COMMON EQUITY RATIO	42.40%	42.40%
JURISDICTIONAL RETURN ON COMMON EQUITY	10.15%	10.41%