



October 15, 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 August 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 August 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  
cc: Mr. J. R. Kelly, Office of the Public Counsel

**DUKE ENERGY FLORIDA  
RATE OF RETURN REPORT SUMMARY  
Aug-19**

**SCHEDULE 1**

	(1) Actual Per Books	(2) FPSC Adjustments	(3) FPSC Adjusted	(4) Pro Forma Adjustments	(5) Pro Forma Adjusted
<b>I. AVERAGE RATE OF RETURN (Jurisdictional)</b>					
Net Operating Income	\$848,914,280 (a)	(\$38,152,788) (b)	\$810,761,492	(\$13,173,582)	\$797,587,909
Average Rate Base	\$13,973,181,330	(\$1,342,532,550)	\$12,630,648,780	\$0	\$12,630,648,780
Average Rate of Return	6.08%		6.42%		6.31%
<b>I. YEAR END RATE OF RETURN (Jurisdictional)</b>					
Net Operating Income	\$829,242,381	(\$18,480,889)	\$810,761,492		
Average Rate Base	\$14,709,606,928	(\$1,284,233,681)	\$13,425,373,247		
Average Rate of Return	5.64%		6.04%		
(a) INCLUDES AFUDC EARNINGS					
(b) INCLUDES REVERSAL OF AFUDC EARNINGS					

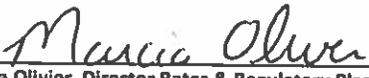
<b>III. REQUIRED RATES OF RETURN</b>	Average Capital Structure	End of Period Capital Structure
FPSC Adjusted Basis		
Low Point	5.93%	5.87%
Mid Point	6.35%	6.30%
High Point	6.78%	6.72%
Pro Forma Adjusted Basis		
Low Point	5.93%	5.87%
Mid Point	6.35%	6.30%
High Point	6.78%	6.72%

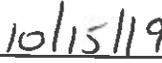
**IV. FINANCIAL INTEGRITY INDICATORS**

A. T.I.E. with AFUDC	3.43	(System Per Books Basis)
B. T.I.E without AFUDC	3.35	(System Per Books Basis)
C. AFUDC to Net Income	3.54%	(System Per Books Basis)
D. Internally Generated Funds	65.86%	(System Per Books Basis)
E. STD/LTD to Total Investor Funds		
LT Debt-Fixed to Total Investor Funds	47.93%	(FPSC Adjusted Basis)
ST Debt to Total Investor Funds	0.51%	(FPSC Adjusted Basis)
F. Return on Common Equity		
	10.66%	(FPSC Adjusted Basis)
	10.41%	(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

  
\_\_\_\_\_  
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>\$18,249,169,698</b>	<b>\$5,580,651,644</b>	<b>\$12,668,518,054</b>	<b>\$132,726,455</b>	<b>\$1,111,922,675</b>	<b>\$13,913,167,184</b>	<b>\$1,591,353,659</b>	<b>\$15,504,520,843</b>
<b>Regulatory Base - Retail</b>	<b>\$16,577,941,360</b>	<b>\$5,190,260,276</b>	<b>\$11,387,681,084</b>	<b>\$116,565,735</b>	<b>\$937,034,747</b>	<b>\$12,441,281,566</b>	<b>\$1,531,899,764</b>	<b>\$13,973,181,330</b>
<b>FPSC Adjustments</b>								
ARO	(22,448,434)	(18,253,535)	(4,194,899)			(4,194,899)	(14,894,015)	(19,088,914)
ECCR	(24,812,829)	(17,349,522)	(7,463,307)			(7,463,307)	(20,400,742)	(27,864,049)
ECRC	(217,784,229)	(25,109,989)	(192,674,240)		(32,952,262)	(225,626,502)	(4,266,943)	(229,893,445)
FUEL	(10,527,482)	(10,213,874)	(313,608)			(313,608)	(104,442,806)	(104,756,414)
CCR							(113,665,118)	(113,665,118)
NUCLEAR							(35,291,911)	(35,291,911)
Over\Under Recovery-Clauses							(175,835,854)	(175,835,854)
Derivatives							3,608,220	3,608,220
Employee Related							58	58
Investments Earning a Return							(198,396,488)	(198,396,488)
Jobbing Accounts							(170,327)	(170,327)
Non-Regulated and Miscellaneous	(45,167,031)	(36,459,803)	(8,707,228)	(87,379,077)		(96,086,305)	46,013,503	(50,072,802)
CWIP - AFUDC					(269,057,352)	(269,057,352)		(269,057,352)
Imputed Off Balance Sheet Obligations							235,661,417	235,661,417
Capital Lease	(382,958,229)	(21,337,637)	(361,620,591)			(361,620,591)	356,661,602	(4,958,990)
Storm							(352,750,581)	(352,750,581)
<b>Total FPSC Adjustments</b>	<b>(703,698,235)</b>	<b>(128,724,361)</b>	<b>(574,973,874)</b>	<b>(87,379,077)</b>	<b>(302,009,614)</b>	<b>(964,362,565)</b>	<b>(378,169,985)</b>	<b>(1,342,532,550)</b>
<b>FPSC Adjusted</b>	<b>\$15,874,243,125</b>	<b>\$5,061,535,915</b>	<b>\$10,812,707,211</b>	<b>\$29,186,657</b>	<b>\$635,025,132</b>	<b>\$11,476,919,000</b>	<b>\$1,153,729,779</b>	<b>\$12,630,648,780</b>

**DUKE ENERGY FLORIDA**  
**Average Rate of Return - Income Statement**  
**Aug-19**

	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>5,067,717,877</b>	<b>2,046,961,076</b>	<b>955,032,477</b>	<b>631,045,915</b>	<b>394,560,660</b>	<b>88,956,752</b>	<b>52,702,391</b>	<b>(18,721)</b>		<b>4,169,240,551</b>	<b>898,477,327</b>
<b>Regulatory Base - Retail</b>	<b>4,788,660,869</b>	<b>1,949,217,801</b>	<b>912,862,949</b>	<b>586,832,269</b>	<b>380,173,190</b>	<b>112,213,029</b>	<b>18,136,123</b>	<b>(16,872)</b>		<b>3,959,418,488</b>	<b>829,242,381</b>
<b>FPSC Adjustments</b>											
ECCR	(107,845,755)		(101,862,302)	(4,301,512)		(426,288)				(106,590,102)	(1,255,654)
ECRC	(57,563,095)		(26,229,370)	(8,788,066)	(1,377,185)	(5,365,150)				(41,759,771)	(15,803,324)
FUEL	(1,582,192,648)	(1,566,728,733)	(1,136,878)	(6,551,340)		(1,970,751)				(1,576,387,701)	(5,804,947)
CCR	(401,207,625)	(382,489,068)	(288,869)	(10,143,355)		(2,100,171)				(395,021,463)	(6,186,162)
NUCLEAR	(45,694,302)		(81,271)	(44,901,368)		(180,371)				(45,163,010)	(531,292)
Non-Regulated and Miscellaneous				(136,252)		34,533				(101,719)	101,719
CORPORATE AIRCRAFT ALLOCATION			(2,407,272)			610,123				(1,797,149)	1,797,149
FRANCHISE FEE & GROSS RECEIPTS	(230,500,188)					(58,420,273)				(58,420,273)	(172,079,915)
FRANCHISE FEES & GROSS REC TAX - TOI					(234,435,726)	59,417,735				(175,017,991)	175,017,991
GAIN/LOSS ON DISPOSITION & OTHER						66,856		(263,783)		(196,927)	196,927
INST./PROMOTIONAL ADVERTISING			(2,730,347)			692,006				(2,038,341)	2,038,341
MISCELLANEOUS INTEREST EXPENSE			95,887			(24,303)				71,585	(71,585)
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						(11,155,206)				(11,155,206)	11,155,206
DIRECTORS & OFFICERS PREMIUM			(1,055,668)			267,559				(788,109)	788,109
INTEREST SYNCHRONIZATION - FPSC						7,954,561				7,954,561	(7,954,561)
<b>Total FPSC Adjustments</b>	<b>(2,425,003,614)</b>	<b>(1,949,217,801)</b>	<b>(135,844,919)</b>	<b>(74,821,893)</b>	<b>(235,812,911)</b>	<b>(10,561,418)</b>			<b>(263,783)</b>	<b>(2,406,522,725)</b>	<b>(18,480,889)</b>
<b>FPSC Adjusted</b>	<b>2,363,657,255</b>		<b>777,018,030</b>	<b>512,010,376</b>	<b>144,360,279</b>	<b>101,651,611</b>	<b>18,136,123</b>	<b>(16,872)</b>	<b>(263,783)</b>	<b>1,552,895,763</b>	<b>810,761,492</b>
<b>Pro Forma Adjustments</b>											
Weather Normalization	(17,645,948)					(4,472,366)				(4,472,366)	(13,173,582)
<b>Total Pro Forma Adjustments</b>	<b>(17,645,948)</b>					<b>(4,472,366)</b>				<b>(4,472,366)</b>	<b>(13,173,582)</b>
<b>Pro Forma Adjusted</b>	<b>2,346,011,307</b>		<b>777,018,030</b>	<b>512,010,376</b>	<b>144,360,279</b>	<b>97,179,246</b>	<b>18,136,123</b>	<b>(16,872)</b>	<b>(263,783)</b>	<b>1,548,423,398</b>	<b>797,587,909</b>
<b>Current Month</b>											
System Per Books	520,854,770	203,424,674	76,103,008	54,774,344	37,708,761	45,056,352	(17,229,018)			399,838,122	121,016,649
FPSC Adjusted	255,849,901		60,917,510	44,277,182	13,333,400	16,407,618	9,720,686	(21,262)		144,635,135	111,214,766

(a) The addition of earnings from AFUDC charges would increase the System NOI by 23,343,456 pretax  
(b) The addition of earnings from AFUDC charges would increase the Jurisdictional NOI by 19,671,898 pretax

**DUKE ENERGY FLORIDA**  
**Average Rate of Return - Adjustment**  
**Aug-19**

Notes	Rate Base Adjustments	P=ProForma F=FPSC	System	Retail
	ARO	F	(19,088,914)	(19,088,914)
	ECCR	F	(27,864,049)	(27,864,049)
	ECRC	F	(247,973,705)	(229,893,445)
	FUEL	F	(104,780,436)	(104,756,414)
	CCR	F	(113,665,118)	(113,665,118)
	NUCLEAR	F	(35,291,911)	(35,291,911)
	Over/Under Recovery-Clauses	F	(175,835,854)	(175,835,854)
	Derivatives	F	3,608,220	3,608,220
	Employee Related	F	62	58
	Investments Earning a Return	F	(198,396,488)	(198,396,488)
	Jobbing Accounts	F	(183,754)	(170,327)
	Non-Regulated and Miscellaneous	F	(56,766,048)	(50,072,802)
(1)	CWIP - AFUDC	F	(304,515,592)	(269,057,352)
(3)	Imputed Off Balance Sheet Obligations	F	253,713,104	235,661,417
(2)	Capital Lease - EPIS	F	(389,469,186)	(361,620,591)
(2)	Capital Lease - Working Capital	F	382,597,914	356,661,602
	Storm	F	(352,750,581)	(352,750,581)
	<b>Total</b>		<b>(1,386,662,335)</b>	<b>(1,342,532,550)</b>

Notes	Income Statement Adjustments (to NOI)	P=ProForma F=FPSC	System		Retail	
			Amount	Income Tax Effect	Amount	Income Tax Effect
	ECCR	F	(1,681,942)	426,288	(1,681,942)	426,288
	ECRC	F	(18,757,139)	4,753,997	(21,168,474)	5,365,150
	FUEL	F	(8,165,609)	2,069,574	(7,775,697)	1,970,751
	CCR	F	(8,286,333)	2,100,171	(8,286,333)	2,100,171
	NUCLEAR	F	(711,663)	180,371	(711,663)	180,371
	Non-Regulated and Miscellaneous	F	136,252	(34,533)	136,252	(34,533)
(2)	CORPORATE AIRCRAFT ALLOCATION	F	2,582,328	(654,491)	2,407,272	(610,123)
(1)	FRANCHISE FEE & GROSS RECEIPTS	F	(230,500,188)	58,420,273	(230,500,188)	58,420,273
(1)	FRANCHISE FEES & GROSS REC TAX - TOI	F	234,435,726	(59,417,735)	234,435,726	(59,417,735)
(1)	GAIN/LOSS ON DISPOSITION & OTHER	F	283,989	(71,977)	263,783	(66,856)
(1)	INST./PROMOTIONAL ADVERTISING	F	2,928,897	(742,329)	2,730,347	(692,006)
(1)	MISCELLANEOUS INTEREST EXPENSE	F	(102,860)	26,070	(95,887)	24,303
(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		12,397,428		11,155,206
(2)	DIRECTORS & OFFICERS PREMIUM	F	1,132,436	(287,016)	1,055,668	(267,559)
(1)	INTEREST SYNCHRONIZATION - FPSC	F		(8,324,401)		(7,954,561)
	<b>Total</b>		<b>(26,546,453)</b>	<b>10,801,226</b>	<b>(29,042,307)</b>	<b>10,561,418</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) 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
<b>System Per Books</b>	<b>\$19,341,714,257</b>	<b>\$5,660,913,281</b>	<b>\$13,680,800,976</b>	<b>\$134,615,088</b>	<b>\$924,047,093</b>	<b>\$14,739,463,157</b>	<b>\$1,591,438,569</b>	<b>\$16,330,901,726</b>
Regulatory Base - Retail	\$17,563,376,337	\$5,261,362,447	\$12,302,013,890	\$118,320,091	\$757,373,183	\$13,177,707,163	\$1,531,899,764	\$14,709,606,928
<b>FPSC Adjustments</b>								
ARO	(22,578,040)	(22,499,277)	(78,763)			(78,763)	(14,894,015)	(14,972,778)
ECCR	(22,252,383)	(16,554,666)	(5,697,717)			(5,697,717)	(20,400,742)	(26,098,459)
ECRC	(248,744,488)	(27,246,802)	(221,497,686)		(3,813,110)	(225,310,796)	(4,266,943)	(229,577,739)
FUEL	(7,501,821)	(7,106,792)	(395,029)			(395,029)	(104,442,806)	(104,837,834)
CCR							(113,665,118)	(113,665,118)
NUCLEAR							(35,291,911)	(35,291,911)
Over\Under Recovery-Clauses							(175,835,854)	(175,835,854)
Derivatives							3,608,220	3,608,220
Employee Related							58	58
Investments Earning a Return							(198,396,488)	(198,396,488)
Jobbing Accounts							(170,327)	(170,327)
Non-Regulated and Miscellaneous	(43,187,971)	(36,238,036)	(6,949,935)	(87,379,077)		(94,329,012)	46,013,503	(48,315,509)
CWIP - AFUDC					(66,336,085)	(66,336,085)		(66,336,085)
Imputed Off Balance Sheet Obligations							235,661,417	235,661,417
Capital Lease	(650,549,651)	(136,633,356)	(513,916,294)			(513,916,294)	356,661,602	(157,254,693)
Storm							(352,750,581)	(352,750,581)
<b>Total FPSC Adjustments</b>	<b>(994,814,354)</b>	<b>(246,278,930)</b>	<b>(748,535,424)</b>	<b>(87,379,077)</b>	<b>(70,149,195)</b>	<b>(906,063,696)</b>	<b>(378,169,985)</b>	<b>(1,284,233,681)</b>
<b>FPSC Adjusted</b>	<b>16,568,561,983</b>	<b>5,015,083,517</b>	<b>11,553,478,466</b>	<b>30,941,014</b>	<b>687,223,988</b>	<b>12,271,643,468</b>	<b>1,153,729,779</b>	<b>13,425,373,247</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>5,067,717,877</b>	<b>2,046,961,076</b>	<b>955,032,477</b>	<b>631,045,915</b>	<b>394,560,660</b>	<b>88,956,752</b>	<b>52,702,391</b>	<b>(18,721)</b>		<b>4,169,240,551</b>	<b>898,477,327</b>
<b>Regulatory Base - Retail</b>	<b>4,788,660,869</b>	<b>1,949,217,801</b>	<b>912,862,949</b>	<b>586,832,269</b>	<b>380,173,190</b>	<b>112,213,029</b>	<b>18,136,123</b>	<b>(16,872)</b>		<b>3,959,418,488</b>	<b>829,242,381</b>
<b>FPSC Adjustments</b>											
ECCR	(107,845,755)		(101,862,302)	(4,301,512)		(426,288)				(106,590,102)	(1,255,654)
ECRC	(57,563,095)		(26,229,370)	(8,788,066)	(1,377,185)	(5,365,150)				(41,759,771)	(15,803,324)
FUEL	(1,582,192,648)	(1,566,728,733)	(1,136,878)	(6,551,340)		(1,970,751)				(1,576,387,701)	(5,804,947)
CCR	(401,207,625)	(382,489,068)	(288,869)	(10,143,355)		(2,100,171)				(395,021,463)	(6,186,162)
NUCLEAR	(45,694,302)		(81,271)	(44,901,368)		(180,371)				(45,163,010)	(531,292)
Non-Regulated and Miscellaneous				(136,252)		34,533				(101,719)	101,719
CORPORATE AIRCRAFT ALLOCATION			(2,407,272)			610,123				(1,797,149)	1,797,149
FRANCHISE FEE & GROSS RECEIPTS	(230,500,188)					(58,420,273)				(58,420,273)	(172,079,915)
FRANCHISE FEES & GROSS REC TAX - TOI					(234,435,726)	59,417,735				(175,017,991)	175,017,991
GAIN/LOSS ON DISPOSITION & OTHER						66,856		(263,783)		(196,927)	196,927
INST./PROMOTIONAL ADVERTISING			(2,730,347)			692,006				(2,038,341)	2,038,341
MISCELLANEOUS INTEREST EXPENSE			95,887			(24,303)				71,585	(71,585)
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						(11,155,206)				(11,155,206)	11,155,206
DIRECTORS & OFFICERS PREMIUM			(1,055,668)			267,559				(788,109)	788,109
INTEREST SYNCHRONIZATION - FPSC						7,954,561				7,954,561	(7,954,561)
<b>Total FPSC Adjustments</b>	<b>(2,425,003,614)</b>	<b>(1,949,217,801)</b>	<b>(135,844,919)</b>	<b>(74,821,893)</b>	<b>(235,812,911)</b>	<b>(10,561,418)</b>			<b>(263,783)</b>	<b>(2,406,522,725)</b>	<b>(18,480,889)</b>
<b>FPSC Adjusted</b>	<b>2,363,657,255</b>		<b>777,018,030</b>	<b>512,010,376</b>	<b>144,360,279</b>	<b>101,651,611</b>	<b>18,136,123</b>	<b>(16,872)</b>	<b>(263,783)</b>	<b>1,552,895,763</b>	<b>810,761,492</b>

(a) The addition of earnings from AFUDC charges would increase the System NOI by 23,343,456 pretax  
(b) The addition of earnings from AFUDC charges would increase the Jurisdictional NOI by 19,671,898 pretax

Notes	Rate Base Adjustments	P=ProForma F=FPSC	System	Retail
	ARO	F	(14,972,778)	(14,972,778)
	ECCR	F	(26,098,459)	(26,098,459)
	ECRC	F	(252,361,409)	(229,577,739)
	FUEL	F	(104,868,094)	(104,837,834)
	CCR	F	(113,665,118)	(113,665,118)
	NUCLEAR	F	(35,291,911)	(35,291,911)
	Over\Under Recovery-Clauses	F	(175,835,854)	(175,835,854)
	Derivatives	F	3,608,220	3,608,220
	Employee Related	F	62	58
	Investments Earning a Return	F	(198,396,488)	(198,396,488)
	Jobbing Accounts	F	(183,754)	(170,327)
	Non-Regulated and Miscellaneous	F	(55,008,755)	(48,315,509)
	CWIP - AFUDC	F	(93,435,268)	(66,336,085)
	Imputed Off Balance Sheet Obligations	F	253,713,104	235,661,417
(3)	Capital Lease - EPIS	F	(561,224,048)	(513,916,294)
(2)	Capital Lease - Working Capital	F	382,597,914	356,661,602
(2)	Storm	F	(352,750,581)	(352,750,581)
	<b>Total</b>		<b>(1,344,173,215)</b>	<b>(1,284,233,681)</b>

Notes	Income Statement Adjustments (to NOI)	P=ProForma F=FPSC	System		Retail	
			Amount	Income Tax Effect	Amount	Income Tax Effect
	ECCR	F	(1,681,942)	426,288	(1,681,942)	426,288
	ECRC	F	(18,757,139)	4,753,997	(21,168,474)	5,365,150
	FUEL	F	(8,165,609)	2,069,574	(7,775,697)	1,970,751
	CCR	F	(8,286,333)	2,100,171	(8,286,333)	2,100,171
	NUCLEAR	F	(711,663)	180,371	(711,663)	180,371
	Non-Regulated and Miscellaneous	F	136,252	(34,533)	136,252	(34,533)
(2)	CORPORATE AIRCRAFT ALLOCATION	F	2,582,328	(654,491)	2,407,272	(610,123)
(1)	FRANCHISE FEE & GROSS RECEIPTS	F	(230,500,188)	58,420,273	(230,500,188)	58,420,273
(1)	FRANCHISE FEES & GROSS REC TAX - TOI	F	234,435,726	(59,417,735)	234,435,726	(59,417,735)
(1)	GAIN/LOSS ON DISPOSITION & OTHER	F	283,989	(71,977)	263,783	(66,856)
(1)	INST./PROMOTIONAL ADVERTISING	F	2,928,897	(742,329)	2,730,347	(692,006)
(1)	MISCELLANEOUS INTEREST EXPENSE	F	(102,860)	26,070	(95,887)	24,303
(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		12,397,428		11,155,206
(2)	DIRECTORS & OFFICERS PREMIUM	F	1,132,436	(287,016)	1,055,668	(267,559)
(1)	INTEREST SYNCHRONIZATION - FPSC	F		(8,324,401)		(7,954,561)
	<b>Total</b>		<b>(26,546,453)</b>	<b>10,801,226</b>	<b>(29,042,307)</b>	<b>10,561,418</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) Docket No. 130208-EI, Order No. PSC 13-0598-FOF-EI

**DUKE ENERGY FLORIDA**  
**Average - Capital Structure**  
**Pro Forma Adjusted Basis**  
**Aug-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	6,223,689,511	5,600,924,661	(485,277,487)	214,275,137	5,329,922,312	42.20%	9.50%	4.01%	10.50%	4.43%	11.50%	4.85%
Long Term Debt	6,027,088,976	5,423,996,686	(469,948,025)		4,954,048,661	39.22%	4.71%	1.85%	4.71%	1.85%	4.71%	1.85%
Short Term Debt *	139,520,286	125,559,382	(10,878,765)	(61,928,446)	52,752,172	0.42%	5.77%	0.02%	5.77%	0.02%	5.77%	0.02%
Customer Deposits												
Active	198,801,151	198,801,151	(17,224,606)		181,576,544	1.44%	2.40%	0.03%	2.40%	0.03%	2.40%	0.03%
Inactive	2,059,463	2,059,463	(178,437)		1,881,026	0.01%						
Investment Tax Credits **	32,173,875	28,954,441	(2,508,682)		26,445,759	0.21%	7.19%	0.02%	7.71%	0.02%	8.23%	0.02%
Deferred Income Taxes	2,881,187,581	2,592,885,546	(224,653,795)	(284,209,445)	2,084,022,306	16.50%						
<b>Total</b>	<b>15,504,520,843</b>	<b>13,973,181,330</b>	<b>(1,210,669,796)</b>	<b>(131,862,754)</b>	<b>12,630,648,780</b>	<b>100.00%</b>		<b>5.93%</b>		<b>6.35%</b>		<b>6.78%</b>

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

DUKE ENERGY FLORIDA  
End of Period - Capital Structure  
Pro Forma Adjusted Basis  
Aug-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	6,574,649,642	6,033,757,026	(393,473,989)	(13,119,570)	5,627,163,468	41.91%	9.50%	3.98%	10.50%	4.40%	11.50%	4.82%
Long Term Debt	5,959,215,251	5,468,954,066	(356,642,000)		5,112,312,066	38.08%	4.76%	1.81%	4.76%	1.81%	4.76%	1.81%
Short Term Debt *	331,682,000	304,394,714	(19,850,220)	(35,278,008)	249,266,487	1.86%	1.39%	0.03%	1.39%	0.03%	1.39%	0.03%
Customer Deposits												
Active	199,296,589	199,296,589	(12,996,550)		186,300,039	1.39%	2.40%	0.03%	2.40%	0.03%	2.40%	0.03%
Inactive	2,107,246	2,107,246	(137,418)		1,969,828	0.01%						
Investment Tax Credits **	41,693,776	38,263,653	(2,495,253)		35,768,399	0.27%	7.25%	0.02%	7.77%	0.02%	8.29%	0.02%
Deferred Income Taxes	2,901,541,796	2,662,833,634	(173,648,983)	(276,591,690)	2,212,592,960	16.48%						
<b>Total</b>	<b>16,010,186,300</b>	<b>14,709,606,928</b>	<b>(959,244,413)</b>	<b>(324,989,268)</b>	<b>13,425,373,247</b>	<b>100.00%</b>		<b>5.87%</b>		<b>6.30%</b>		<b>6.72%</b>
* 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	6,223,689,511	5,600,924,661	(485,277,487)	214,275,137	5,329,922,312	42.20%	9.50%	4.01%	10.50%	4.43%	11.50%	4.85%
Long Term Debt	6,027,088,976	5,423,996,686	(469,948,025)		4,954,048,661	39.22%	4.71%	1.85%	4.71%	1.85%	4.71%	1.85%
Short Term Debt *	139,520,286	125,559,382	(10,878,765)	(61,928,446)	52,752,172	0.42%	5.77%	0.02%	5.77%	0.02%	5.77%	0.02%
Customer Deposits												
Active	198,801,151	198,801,151	(17,224,606)		181,576,544	1.44%	2.40%	0.03%	2.40%	0.03%	2.40%	0.03%
Inactive	2,059,463	2,059,463	(178,437)		1,881,026	0.01%						
Investment Tax Credits **	32,173,875	28,954,441	(2,508,682)		26,445,759	0.21%	7.19%	0.02%	7.71%	0.02%	8.23%	0.02%
Deferred Income Taxes	2,881,187,581	2,592,885,546	(224,653,795)	(284,209,445)	2,084,022,306	16.50%						
<b>Total</b>	<b>15,504,520,843</b>	<b>13,973,181,330</b>	<b>(1,210,669,796)</b>	<b>(131,862,754)</b>	<b>12,630,648,780</b>	<b>100.00%</b>		<b>5.93%</b>		<b>6.35%</b>		<b>6.78%</b>
* Daily Weighted Average												
** Cost Rates Calculated Per IRS Ruling												

DUKE ENERGY FLORIDA  
End of Period - Capital Structure  
FPSC Adjusted Basis  
Aug-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	6,574,649,642	6,033,757,026	(393,473,989)	(13,119,570)	5,627,163,468	41.91%	9.50%	3.98%	10.50%	4.40%	11.50%	4.82%
Long Term Debt	5,959,215,251	5,468,954,066	(356,642,000)		5,112,312,066	38.08%	4.76%	1.81%	4.76%	1.81%	4.76%	1.81%
Short Term Debt *	331,682,000	304,394,714	(19,850,220)	(35,278,008)	249,266,487	1.86%	1.39%	0.03%	1.39%	0.03%	1.39%	0.03%
Customer Deposits												
Active	199,296,589	199,296,589	(12,996,550)		186,300,039	1.39%	2.40%	0.03%	2.40%	0.03%	2.40%	0.03%
Inactive	2,107,246	2,107,246	(137,418)		1,969,828	0.01%						
Investment Tax Credits **	41,693,776	38,263,653	(2,495,253)		35,768,399	0.27%	7.25%	0.02%	7.77%	0.02%	8.29%	0.02%
Deferred Income Taxes	2,901,541,796	2,662,833,634	(173,648,983)	(276,591,690)	2,212,592,960	16.48%						
<b>Total</b>	<b>16,010,186,300</b>	<b>14,709,606,928</b>	<b>(959,244,413)</b>	<b>(324,989,268)</b>	<b>13,425,373,247</b>	<b>100.00%</b>		<b>5.87%</b>		<b>6.30%</b>		<b>6.72%</b>
* Daily Weighted Average												
** Cost Rates Calculated Per IRS Ruling												

**A. TIMES INTEREST EARNED WITH AFUDC**

EARNINGS BEFORE INTEREST	\$	899,305,228
AFUDC - DEBT	\$	7,936,339
INCOME TAXES		135,868,399
TOTAL	\$	1,043,109,967
INTEREST CHARGES (before deducting AFUDC-Debt)	\$	304,245,911
TIE WITH AFUDC		<b>3.43</b>

**B. TIMES INTEREST EARNED WITHOUT AFUDC**

EARNINGS BEFORE INTEREST	\$	899,305,228
AFUDC - EQUITY		(15,407,117)
INCOME TAXES		135,868,399
TOTAL	\$	1,019,766,511
INTEREST CHARGES (before deducting AFUDC-Debt & CR3 reg asset carrying charge)	\$	304,245,911
TIE WITHOUT AFUDC		<b>3.35</b>

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

AFUDC DEBT	\$	7,936,339
X (1- INCOME TAX RATE)		0.74655
SUBTOTAL	\$	5,924,874
AFUDC -EQUITY	\$	15,407,117
TOTAL	\$	21,331,991
NET INCOME AVAILABLE FOR COMMON STOCKHOLDERS	\$	602,923,315
PERCENT AFUDC TO AVAILABLE NET INCOME		<b>3.54%</b>

**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
--	----	---------------

PERCENTAGE INTERNALLY GENERATED FUNDS **65.86%**  
\*As of June 2019 (updated quarterly)

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

Common Equity	\$	5,329,922,312
Long Term Debt	\$	4,954,048,661
Short Term Debt	\$	52,752,172
TOTAL	\$	10,336,723,144

% LONG TERM DEBT TO TOTAL **47.93%**  
% SHORT TERM DEBT TO TOTAL **0.51%**

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

	Pro Forma	FPSC
FPSC AVERAGE		
EARNED RATE OF RETURN	6.31%	6.42%
LESS RETAIL WEIGHTED AVERAGE COST RATES FOR:		
LONG TERM DEBT	1.85%	1.85%
SHORT TERM DEBT	0.02%	0.02%
CUSTOMER DEPOSITS	0.03%	0.03%
DEFERRED INCOME TAXES		
INVESTMENT TAX CREDITS	0.02%	0.02%
DEFERRED INCOME TAX (FAS 109)		
SUBTOTAL	1.92%	1.92%
TOTAL	4.39%	4.50%
DIVIDED BY COMMON EQUITY RATIO	42.20%	42.20%
JURISDICTIONAL RETURN ON COMMON EQUITY	<b>10.41%</b>	<b>10.66%</b>