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FLORIDA PUBLIC SERVICE  
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13 JUN 14 PM 3: 58

DIVISION OF  
ACCOUNTING & FINANCE

June 15, 2013

Mr. John Slemkewicz,  
Public Utility Supervisor  
Electric and Gas Accounting Section  
Florida Public Service Commission  
2540 Shumard Oak Boulevard  
Tallahassee, FL 32399-0850

Dear Mr. Slemkewicz:

Pursuant to Commission Rule 25-6.1352, enclosed please find Progress Energy Florida, Inc.'s Rate of Return report for the twelve months ended April 30, 2013.

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 April 30, 2013. 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-12-0104-FOF-EI.

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

Sincerely,

A handwritten signature in black ink, appearing to read 'Javier Portuondo', written over a horizontal line.

Javier Portuondo  
Director Rates & Regulatory Strategy

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

**DUKE ENERGY FLORIDA**  
**Rate of Return Report Summary**  
**April 2013**

	(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 (a) (b)	\$558,544,226	(\$144,063,803)	\$414,480,423	\$67,294,006	\$481,774,430
Average Rate Base	\$10,036,948,916	(\$1,669,913,142)	\$8,367,035,773	\$0	\$8,367,035,773
Average Rate of Return	5.56%		4.95%		5.76%
<b>II. Year End Rate of Return (Jurisdictional)</b>					
Net Operating Income	\$558,544,226	(\$144,063,803)	\$414,480,423	\$67,294,006	\$481,774,430
Year End Rate Base	\$9,412,663,569	(\$1,283,026,877)	\$8,129,636,692	\$0	\$8,129,636,692
Year End Rate of Return	5.93%		5.10%		5.93%

**Footnotes**

- (a) Column (1) includes AFUDC earnings.  
(b) Column (2) includes reversal of AFUDC earnings.

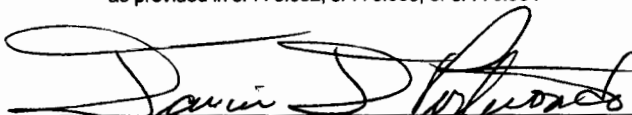
<b>III. Required Rates of Return</b>	Average Capital Structure	End of Period Capital Structure
<b>FPSC Adjusted Basis</b>		
Low Point	6.79%	6.79%
Mid Point	7.27%	7.27%
High Point	7.74%	7.75%
<b>Pro Forma Adjusted Basis</b>		
Low Point	6.79%	6.79%
Mid Point	7.27%	7.27%
High Point	7.74%	7.75%

**IV. FINANCIAL INTEGRITY INDICATORS**

A. T.I.E. with AFUDC	2.61	(System Per Books Basis)
B. T.I.E. without AFUDC	2.44	(System Per Books Basis)
C. AFUDC to Net Income	16.09%	(System Per Books Basis)
D. Internally Generated Funds	92.92%	(System Per Books Basis)
<b>E. STD/LTD to Total Investor Funds</b>		
LT Debt-Fixed to Total Investor Funds	44.48%	(FPSC Adjusted Basis)
ST Debt to Total Investor Funds	0.60%	(FPSC Adjusted Basis)
<b>F. Return on Common Equity</b>		
	5.62%	(FPSC Adjusted Basis)
	7.33%	(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

  
Javier Portuondo, Director Rates & Regulatory Strategy

6-13-13  
Date

**DUKE ENERGY FLORIDA**  
**Average Rate of Return - Rate Base**  
**April 2013**

	Plant In Service	Accum Depr & Amort	Net Plant In Service	Future Use & Appd Unrecov Plant	Const Work In Progress	Nuclear Fuel (Net)	Net Utility Plant	Working Capital	Total Average Rate Base
<b>System Per Books</b>	<b>\$13,404,425,426</b>	<b>\$5,065,580,238</b>	<b>\$8,338,845,188</b>	<b>\$69,904,712</b>	<b>\$997,801,447</b>	<b>\$151,254,164</b>	<b>\$9,557,805,512</b>	<b>\$1,439,448,551</b>	<b>\$10,997,254,063</b>
<b>Regulatory Base - Retail</b>	<b>\$12,215,322,972</b>	<b>\$4,647,024,290</b>	<b>\$7,568,298,682</b>	<b>\$60,550,763</b>	<b>\$876,046,242</b>	<b>\$146,010,204</b>	<b>\$8,650,905,891</b>	<b>\$1,386,043,025</b>	<b>\$10,036,948,916</b>
<b>FPSC Adjustments</b>									
ARO	(32,574,391)	(44,982,595)	12,408,204	-	-	-	12,408,204	(11,786,629)	621,575
ECCR	(6,251,775)	(1,386,784)	(4,864,991)	-	(15,103,568)	-	(19,968,559)	4,281,999	(15,686,560)
ECRC	(1,178,636,710)	(83,383,921)	(1,095,252,789)	-	(610,500)	-	(1,095,863,289)	(26,971,889)	(1,122,835,178)
FUEL	(32,145,934)	(31,181,556)	(964,378)	-	-	-	(964,378)	104,205,845	103,241,467
CCR	-	-	-	-	-	-	-	(21,034,122)	(21,034,122)
NUCLEAR	-	-	-	-	(267,928,364)	-	(267,928,364)	(193,675,205)	(461,603,569)
CR3 Removal	-	-	-	-	-	-	-	(421,489,907)	(421,489,907)
Derivatives	-	-	-	-	-	-	-	(76,330,674)	(76,330,674)
Employee Related	-	-	-	-	-	-	-	1,515,537	1,515,537
Investments Earning a Return	-	-	-	-	-	-	-	(70,755,500)	(70,755,500)
Jobbing Accounts	-	-	-	-	-	-	-	(20,915,302)	(20,915,302)
Non-Regulated and Miscellaneous	-	-	-	-	-	-	-	(2,334,924)	(2,334,924)
Rate Case Regulatory Asset	-	-	-	-	-	-	-	(758,257)	(758,257)
Retention Accounts	-	-	-	-	-	-	-	789,533	789,533
CWIP - AFUDC	-	-	-	-	(362,748,297)	-	(362,748,297)	-	(362,748,297)
Imputed Off Balance Sheet Obligations	-	-	-	-	-	-	-	800,691,228	800,691,228
Capital Lease	(191,373,278)	-	(191,373,278)	-	-	-	(191,373,278)	191,093,084	(280,194)
<b>Total FPSC Adjustments</b>	<b>(1,440,982,090)</b>	<b>(160,934,857)</b>	<b>(1,280,047,233)</b>	<b>-</b>	<b>(646,390,728)</b>	<b>-</b>	<b>(1,926,437,961)</b>	<b>256,524,818</b>	<b>(1,669,913,142)</b>
<b>FPSC Adjusted</b>	<b>\$10,774,340,882</b>	<b>\$4,486,089,433</b>	<b>\$6,288,251,449</b>	<b>\$60,550,763</b>	<b>\$229,655,514</b>	<b>\$146,010,204</b>	<b>\$6,724,467,930</b>	<b>\$1,642,567,843</b>	<b>\$8,367,035,773</b>

**DUKE ENERGY FLORIDA**  
**Average Rate of Return - Income Statement**  
**April 2013**

	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 (a)</b>	\$4,601,489,322	\$2,200,321,367	\$1,067,533,558	\$220,173,431	\$340,531,354	(\$2,598,171)	\$220,774,465	(\$1,046,668)	\$0	\$4,045,689,336	\$555,799,985
<b>Regulatory Base - Retail</b>	\$4,322,016,457	\$2,087,277,038	\$1,008,516,350	\$185,783,505	\$328,058,551	(2,408,015)	\$193,177,657	(\$951,034)	\$0	\$3,799,454,052	\$522,562,404
<b>FPSC Adjustments</b>											
ARO	-	-	-	(88,304)	-	34,063	-	-	-	(54,241)	54,241
ECCR	(93,455,843)	-	(89,054,179)	(366,898)	(37,090)	(1,542,104)	-	-	-	(91,000,271)	(2,455,573)
ECRC	(189,621,306)	-	(33,392,135)	(25,404,234)	(10,552,360)	(46,395,146)	-	-	-	(115,743,876)	(73,877,430)
FUEL	(1,738,847,278)	(1,736,616,988)	-	(46,510)	(1,402,009)	(301,568)	-	-	-	(1,738,367,075)	(480,203)
CCR	(351,280,331)	(351,003,689)	-	-	-	(106,715)	-	-	-	(351,110,404)	(169,927)
NUCLEAR	(107,002,979)	-	(1,165,564)	(58,622,474)	(104,220)	(18,172,960)	-	-	-	(78,065,218)	(28,937,760)
SCRC	-	-	(173)	-	-	67	-	-	-	(106)	106
CORPORATE AIRCRAFT ALLOCATION	-	-	(2,378,603)	-	-	917,546	-	-	-	(1,461,057)	1,461,057
FRANCHISE FEE & GROSS REC TAX REVENUE	(200,453,944)	-	-	-	-	(77,325,109)	-	-	-	(77,325,109)	(123,128,835)
FRANCHISE FEES & GROSS REC TAX - TOI	-	-	-	-	(198,696,955)	76,647,350	-	-	-	(122,049,604)	122,049,604
GAIN/LOSS ON DISPOSITION & OTHER	-	-	-	-	-	668,131	-	-	(1,732,030)	(1,063,899)	1,063,899
INST./PROMOTIONAL ADVERTISING	-	-	(518,605)	-	-	200,052	-	-	-	(318,553)	318,553
INTEREST ON TAX DEFICIENCY	-	-	1,256,506	-	-	(484,697)	-	-	-	771,809	(771,809)
MISCELLANEOUS INTEREST EXPENSE	-	-	174,271	-	-	(67,225)	-	-	-	107,046	(107,046)
REMOVE ASSOC/ORGANIZATION DUES	-	-	(675,372)	-	-	260,525	-	-	-	(414,847)	414,847
REMOVE DEFERRED TAX AFUDC DEBT	-	-	0	-	-	0	-	-	-	0	0
REMOVE ECONOMIC DEVELOPMENT	-	-	(17,399)	-	-	6,712	-	-	-	(10,687)	10,687
REVENUE SHARING	-	-	0	-	-	0	-	-	-	0	0
PARENT DEBT ADJUSTMENT	-	-	-	-	-	(10,132,467)	-	-	-	(10,132,467)	10,132,467
DIRECTORS & OFFICERS PREMIUM	-	-	(1,569,027)	-	-	605,252	-	-	-	(963,775)	963,775
INTEREST SYNCHRONIZATION - FPSC	-	-	-	-	-	14,622,636	-	-	-	14,622,636	(14,622,636)
<b>Total FPSC Adjustments</b>	<b>(2,680,661,681)</b>	<b>(2,087,620,677)</b>	<b>(127,340,280)</b>	<b>(84,528,421)</b>	<b>(210,792,634)</b>	<b>(60,565,658)</b>	<b>-</b>	<b>-</b>	<b>(1,732,030)</b>	<b>(2,572,579,700)</b>	<b>(108,081,981)</b>
<b>FPSC Adjusted</b>	<b>\$1,641,354,776</b>	<b>(\$343,639)</b>	<b>\$881,176,070</b>	<b>\$101,255,084</b>	<b>\$117,265,918</b>	<b>(\$62,973,673)</b>	<b>\$193,177,657</b>	<b>(\$951,034)</b>	<b>(\$1,732,030)</b>	<b>\$1,226,874,353</b>	<b>\$414,480,423</b>
<b>Pro Forma Adjustments</b>											
Weather Normalization	9,554,752	-	-	-	-	3,685,746	-	-	-	3,685,746	5,869,006
Settlement Refund	-	-	(100,000,000)	-	-	-	38,575,000	-	-	(61,425,000)	61,425,000
<b>Total Pro Forma Adjustments</b>	<b>9,554,752</b>	<b>-</b>	<b>(100,000,000)</b>	<b>-</b>	<b>-</b>	<b>3,685,746</b>	<b>38,575,000</b>	<b>-</b>	<b>-</b>	<b>(57,739,254)</b>	<b>67,294,006</b>
<b>Pro Forma Adjusted</b>	<b>\$1,650,909,528</b>	<b>(\$343,639)</b>	<b>\$781,176,070</b>	<b>\$101,255,084</b>	<b>\$117,265,918</b>	<b>(\$59,287,927)</b>	<b>\$231,752,657</b>	<b>(\$951,034)</b>	<b>(\$1,732,030)</b>	<b>\$1,169,135,098</b>	<b>\$481,774,430</b>

Footnotes:

(a) The addition of earnings from AFUDC charges would increase the system NOI by \$40,981,574 and Jurisdictional NOI by \$35,981,822

**Current Month**

	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 (a)</b>	\$334,716,816	\$141,116,081	\$64,867,017	\$38,916,217	\$26,257,652	\$13,284,836	\$5,889,890	(\$108,917)	\$0	\$290,222,776	\$44,494,040
<b>Jurisdictional Per Books</b>											
<b>Excluding AFUDC Earnings and Recoverable</b>	<b>\$134,571,548</b>	<b>\$532,209</b>	<b>\$47,590,280</b>	<b>\$24,022,558</b>	<b>\$10,454,793</b>	<b>\$11,265,467</b>	<b>\$5,279,050</b>	<b>(\$96,965)</b>	<b>\$0</b>	<b>\$99,045,372</b>	<b>\$35,526,176</b>

**DUKE ENERGY FLORIDA**  
**Average Rate of Return - Adjustments**  
**April 2013**

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Notes	Rate Base Adjustments	P=Pro Forma F=FPSC	System	Retail
	ARO	F	\$621,575	\$621,575
	ECCR	F	(\$15,686,560)	(\$15,686,560)
	ECRC	F	(\$1,189,675,315)	(\$1,122,835,178)
	FUEL	F	\$103,241,467	\$103,241,467
	CCR	F	(\$21,034,122)	(\$21,034,122)
	NUCLEAR	F	(\$488,705,006)	(\$461,603,569)
	Derivatives	F	(\$76,330,674)	(\$76,330,674)
	CR3 Removal	F	(\$421,489,907)	(\$421,489,907)
	Employee Related	F	\$1,515,537	\$1,515,537
	Investments Earning a Return	F	(\$70,755,500)	(\$70,755,500)
	Jobbing Accounts	F	(\$20,915,302)	(\$20,915,302)
	Non-Regulated and Miscellaneous	F	(\$2,334,924)	(\$2,334,924)
	Rate Case Regulatory Asset	F	(\$758,257)	(\$758,257)
	Retention Accounts	F	\$789,533	\$789,533
(1)	CWIP - AFUDC	F	(\$419,867,822)	(\$362,748,297)
(3)	Imputed Off Balance Sheet Obligations	F	879,020,769	800,691,228
(2)	Capital Lease - EPIS	F	(191,373,278)	(191,373,278)
(2)	Capital Lease - Working Capital	F	191,093,084	191,093,084
	<b>Total</b>		<b>(\$1,742,844,701)</b>	<b>(\$1,669,913,142)</b>

Notes	Income Statement Adjustments (to NOI)	P=Pro Forma F=FPSC	System		Retail	
			Amount	Income Tax Effect	Amount	Income Tax Effect
	ARO	F	\$88,304	(\$34,063)	\$88,304	(\$34,063)
	ECCR	F	(3,997,676)	1,542,104	(3,997,676)	1,542,104
	ECRC	F	(189,059,843)	72,929,834	(120,272,577)	46,395,146
	FUEL	F	13,117,942	5,060,246	(781,771)	301,568
	CCR	F	(276,642)	106,715	(276,642)	106,715
	NUCLEAR	F	(46,833,358)	18,065,968	(47,110,721)	18,172,960
	SCRC	F	173	(67)	173	(67)
(2)	CORPORATE AIRCRAFT ALLOCATION	F	\$2,550,726	(\$983,943)	\$2,378,603	(\$917,546)
(1)	FRANCHISE FEE & GROSS REC TAX REVENUE	F	(200,453,944)	77,325,109	(200,453,944)	77,325,109
(1)	FRANCHISE FEES & GROSS REC TAX - TOI	F	198,696,955	(76,647,350)	198,696,955	(76,647,350)
(1)	GAIN/LOSS ON DISPOSITION & OTHER	F	1,951,114	(752,642)	1,732,030	(668,131)
(1)	INST./PROMOTIONAL ADVERTISING	F	556,133	(214,528)	518,605	(200,052)
(1)	INTEREST ON TAX DEFICIENCY	F	(1,379,518)	532,149	(1,256,506)	484,697
(1)	MISCELLANEOUS INTEREST EXPENSE	F	(922,909)	356,012	(174,271)	67,225
(1)	REMOVE ASSOC/ORGANIZATION DUES	F	724,244	(279,377)	675,372	(260,525)
(1)	REMOVE ECONOMIC DEVELOPMENT	F	17,399	(6,712)	17,399	(6,712)
(2)	PARENT DEBT ADJUSTMENT	F	0	11,151,245	0	10,132,467
(2)	DIRECTORS & OFFICERS PREMIUM	F	1,569,027	(605,252)	1,569,027	(605,252)
(1)	INTEREST SYNCHRONIZATION - FPSC	F	0	(14,622,636)	0	(14,622,636)
	<b>Total</b>		<b>(\$223,851,873)</b>	<b>\$92,922,811</b>	<b>(\$168,647,639)</b>	<b>\$60,565,658</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. 120022-EI

	Plant In Service	Accum Depr & Amort	Net Plant In Service	Future Use & Appd Unrecov Plant	Const Work in Progress	Nuclear Fuel (Net)	Net Utility Plant	Working Capital	Total Period End Rate Base
<b>System Per Books</b>	\$13,017,760,266	\$4,785,043,110	\$8,232,717,156	\$120,894,590	\$523,785,708	\$0	\$8,877,397,453	\$1,439,448,622	\$10,316,846,075
<b>Regulatory Base - Retail</b>	\$11,846,120,487	\$4,372,829,350	\$7,473,291,137	\$104,717,685	\$448,611,722	\$0	\$8,026,620,544	\$1,386,043,025	\$9,412,663,569
<b>FPSC Adjustments</b>									
ARO	(19,452,303)	(25,284,824)	5,832,521	-	-	-	5,832,521	(11,786,629)	(5,954,108)
ECCR	(18,871,974)	(1,812,309)	(17,059,665)	-	(17,677,645)	-	(34,737,310)	4,281,999	(30,455,311)
ECRC	(1,182,219,780)	(96,626,221)	(1,085,593,559)	-	(831,639)	-	(1,086,425,198)	(26,971,889)	(1,113,397,087)
FUEL	(31,188,445)	(30,252,791)	(935,654)	-	-	-	(935,654)	104,205,845	103,270,191
CCR	-	-	-	-	-	-	-	(21,034,122)	(21,034,122)
NUCLEAR	-	-	-	-	(155,384,734)	-	(155,384,734)	(193,675,205)	(349,059,939)
CR3 Removal	-	-	-	-	-	-	-	(421,489,907)	(421,489,907)
Derivatives	-	-	-	-	-	-	-	(76,330,674)	(76,330,674)
Employee Related	-	-	-	-	-	-	-	1,515,537	1,515,537
Investments Earning a Return	-	-	-	-	-	-	-	(70,755,500)	(70,755,500)
Jobbing Accounts	-	-	-	-	-	-	-	(20,915,302)	(20,915,302)
Non-Regulated and Miscellaneous	-	-	-	-	-	-	-	(2,334,924)	(2,334,924)
Rate Case Regulatory Asset	-	-	-	-	-	-	-	(758,257)	(758,257)
Retention Accounts	-	-	-	-	-	-	-	789,533	789,533
CWIP - AFUDC	-	-	-	-	(79,255,406)	-	(79,255,406)	-	(79,255,406)
Imputed Off Balance Sheet Obligations	-	-	-	-	-	-	-	800,691,228	800,691,228
Capital Lease	(188,645,914)	-	(188,645,914)	-	-	-	(188,645,914)	191,093,084	2,447,170
<b>Total FPSC Adjustments</b>	<b>(1,440,378,416)</b>	<b>(153,976,145)</b>	<b>(1,286,402,271)</b>	<b>-</b>	<b>(253,149,424)</b>	<b>-</b>	<b>(1,539,551,695)</b>	<b>256,524,818</b>	<b>(1,283,026,877)</b>
<b>FPSC Adjusted</b>	<b>\$10,405,742,071</b>	<b>\$4,218,853,205</b>	<b>\$6,186,888,866</b>	<b>\$104,717,685</b>	<b>\$195,462,298</b>	<b>\$0</b>	<b>\$6,487,068,849</b>	<b>\$1,642,567,843</b>	<b>\$8,129,636,692</b>

**DUKE ENERGY FLORIDA**  
**End of Period - Income Statement**  
**April 2013**

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	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 (a)</b>	<b>\$4,601,489,322</b>	<b>\$2,200,321,367</b>	<b>\$1,067,533,558</b>	<b>\$220,173,431</b>	<b>\$340,531,354</b>	<b>(\$2,598,171)</b>	<b>\$220,774,465</b>	<b>(\$1,046,668)</b>	<b>\$0</b>	<b>\$4,045,689,336</b>	<b>\$555,799,985</b>
<b>Regulatory Base - Retail</b>	<b>\$4,322,016,457</b>	<b>\$2,087,277,038</b>	<b>\$1,008,516,350</b>	<b>\$185,783,505</b>	<b>\$328,058,551</b>	<b>(\$14,112,773)</b>	<b>\$197,877,945</b>	<b>(\$951,034)</b>	<b>\$0</b>	<b>\$3,792,449,582</b>	<b>\$529,566,875</b>
<b>FPSC Adjustments</b>											
ARO	-	-	-	(88,304)	-	34,063	-	-	-	(54,241)	54,241
ECCR	(93,455,843)	-	(89,054,179)	(366,898)	(37,090)	(1,542,104)	-	-	-	(91,000,271)	(2,455,573)
ECRC	(189,621,306)	-	(33,392,135)	(25,404,234)	(10,552,360)	(46,395,146)	-	-	-	(115,743,876)	(73,877,430)
FUEL	(1,738,847,278)	(1,736,616,988)	-	(46,510)	(1,402,009)	(301,568)	-	-	-	(1,738,367,075)	(480,203)
CCR	(351,280,331)	(351,003,689)	-	-	-	(106,715)	-	-	-	(351,110,404)	(169,927)
NUCLEAR	(107,002,979)	-	(1,165,564)	(58,622,474)	(104,220)	(18,172,960)	-	-	-	(78,065,218)	(28,937,760)
SCRC	-	-	(173)	-	-	67	-	-	-	(106)	106
CORPORATE AIRCRAFT ALLOCATION	-	-	(2,378,603)	-	-	917,546	-	-	-	(1,461,057)	1,461,057
FRANCHISE FEE & GROSS REC TAX REVENUE	(200,453,944)	-	-	-	-	(77,325,109)	-	-	-	(77,325,109)	(123,128,835)
FRANCHISE FEES & GROSS REC TAX - TOI	-	-	-	-	(198,696,955)	76,647,350	-	-	-	(122,049,604)	122,049,604
GAIN/LOSS ON DISPOSITION & OTHER	-	-	-	-	-	668,131	-	-	(1,732,030)	(1,063,899)	1,063,899
INST./PROMOTIONAL ADVERTISING	-	-	(518,605)	-	-	200,052	-	-	-	(318,553)	318,553
INTEREST ON TAX DEFICIENCY	-	-	1,256,506	-	-	(484,697)	-	-	-	771,809	(771,809)
MISCELLANEOUS INTEREST EXPENSE	-	-	174,271	-	-	(67,225)	-	-	-	107,046	(107,046)
REMOVE ASSOC/ORGANIZATION DUES	-	-	(675,372)	-	-	260,525	-	-	-	(414,847)	414,847
REMOVE ECONOMIC DEVELOPMENT	-	-	(17,399)	-	-	6,712	-	-	-	(10,687)	10,687
PARENT DEBT ADJUSTMENT	-	-	-	-	-	(10,132,467)	-	-	-	(10,132,467)	10,132,467
SEBRING - RIDER REVENUE	-	-	-	-	-	-	-	-	-	-	-
DIRECTORS & OFFICERS PREMIUM	-	-	(1,569,027)	-	-	605,252	-	-	-	(963,775)	963,775
INTEREST SYNCHRONIZATION - FPSC	-	-	-	-	-	14,622,636	-	-	-	14,622,636	(14,622,636)
<b>Total FPSC Adjustments</b>	<b>(2,680,661,681)</b>	<b>(2,087,620,677)</b>	<b>(127,340,280)</b>	<b>(84,528,421)</b>	<b>(210,792,634)</b>	<b>(60,565,658)</b>	<b>-</b>	<b>-</b>	<b>(1,732,030)</b>	<b>(2,572,579,700)</b>	<b>(108,081,981)</b>
<b>FPSC Adjusted</b>	<b>\$1,641,354,776</b>	<b>(\$343,639)</b>	<b>\$881,176,070</b>	<b>\$101,255,084</b>	<b>\$117,265,918</b>	<b>(\$74,678,431)</b>	<b>\$197,877,945</b>	<b>(\$951,034)</b>	<b>(\$1,732,030)</b>	<b>\$1,219,869,883</b>	<b>\$421,484,893</b>

Footnotes:

(a) The addition of earnings from AFUDC charges would increase the system NOI by \$40,981,574 and Jurisdictional NOI by \$35,981,822

**DUKE ENERGY FLORIDA**  
**End of Period Rate of Return - Adjustments**  
**April 2013**

Schedule 3  
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Notes	Rate Base Adjustments	P=Pro Forma F=FPSC	System	Retail
	ARO	F	(\$5,954,108)	(\$5,954,108)
	ECCR	F	(30,455,311)	(30,455,311)
	ECRC	F	(1,206,588,685)	(1,113,397,087)
	FUEL	F	103,270,191	103,270,191
	CCR	F	(21,034,122)	(21,034,122)
	NUCLEAR	F	(364,777,385)	(349,059,939)
	Derivatives	F	(76,330,674)	(76,330,674)
	CR3 Removal	F	(\$421,489,907)	(\$421,489,907)
	Employee Related	F	1,515,537	1,515,537
	Investments Earning a Return	F	(70,755,500)	(70,755,500)
	Jobbing Accounts	F	(20,915,302)	(20,915,302)
	Non-Regulated and Miscellaneous	F	(2,334,924)	(2,334,924)
	Rate Case Regulatory Asset	F	(758,257)	(758,257)
	Retention Accounts	F	789,533	789,533
(1)	CWIP - AFUDC	F	(\$99,743,794)	(79,255,406)
(3)	Imputed Off Balance Sheet Obligations	F	879,020,769	800,691,228
(2)	Capital Lease - EPIS	F	(188,645,914)	(188,645,914)
(2)	Capital Lease - Working Capital	F	191,093,084	191,093,084
	<b>Total</b>		<b>(\$1,334,094,768)</b>	<b>(\$1,283,026,877)</b>

Notes	Income Statement Adjustments (to NOI)	P=Pro Forma F=FPSC	System		Retail	
			Amount	Income Tax Effect	Amount	Income Tax Effect
	ARO	F	\$88,304	(\$34,063)	\$88,304	(\$34,063)
	ECCR	F	(3,997,676)	1,542,104	(3,997,676)	1,542,104
	ECRC	F	(189,059,843)	72,929,834	(120,272,577)	46,395,146
	FUEL	F	13,117,942	5,060,246	(781,771)	301,568
	CCR	F	(276,642)	106,715	(276,642)	106,715
	NUCLEAR	F	(46,833,358)	18,065,968	(47,110,721)	18,172,960
	SCRC	F	173	(67)	173	(67)
	CR3 Removal	F	\$0		\$0	
(2)	CORPORATE AIRCRAFT ALLOCATION	F	\$2,550,726	(\$983,943)	\$2,378,603	(\$917,546)
(1)	FRANCHISE FEE & GROSS REC TAX REVENUE	F	(200,453,944)	77,325,109	(200,453,944)	77,325,109
(1)	FRANCHISE FEES & GROSS REC TAX - TOI	F	198,696,955	(76,647,350)	198,696,955	(76,647,350)
(1)	GAIN/LOSS ON DISPOSITION & OTHER	F	1,951,114	(752,642)	1,732,030	(688,131)
(1)	INST./PROMOTIONAL ADVERTISING	F	556,133	(214,528)	518,605	(200,052)
(1)	INTEREST ON TAX DEFICIENCY	F	(1,379,518)	532,149	(1,256,506)	484,897
(1)	MISCELLANEOUS INTEREST EXPENSE	F	(922,909)	356,012	(174,271)	67,225
(1)	REMOVE ASSOC/ORGANIZATION DUES	F	724,244	(279,377)	675,372	(280,525)
(1)	REMOVE ECONOMIC DEVELOPMENT	F	17,399	(6,712)	17,399	(6,712)
(2)	PARENT DEBT ADJUSTMENT	F	-	11,151,245	-	10,132,487
(2)	STORM COSTS 2004	F	1,569,027	(605,252)	1,569,027	(605,252)
(1)	INTEREST SYNCHRONIZATION - FPSC	F	-	(14,622,636)	-	(14,622,636)
	<b>Total</b>		<b>(\$223,651,873)</b>	<b>\$92,922,811</b>	<b>(\$168,647,639)</b>	<b>\$60,665,668</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



**DUKE ENERGY FLORIDA**  
**Average Rate of Return - Capital Structure**  
**Pro Forma Adjusted Basis**  
**April 2013**

	System Per Books	Specific Adjustments	Pro Rata Adjustments	System Adjusted	FPSC Adjusted Retail	Ratio	Low Point		Mid Point		High Point	
							Cost Rate	Weighted Cost	Cost Rate	Weighted Cost	Cost Rate	Weighted Cost
Common Equity	\$4,830,818,417	856,094,101	(\$830,802,040)	\$4,856,110,478	\$3,973,038,771	47.48%	9.50%	4.51%	10.50%	4.99%	11.50%	5.46%
Preferred Stock	28,343,362		(4,140,687)	24,202,675	19,801,478	0.24%	4.52%	0.01%	4.52%	0.01%	4.52%	0.01%
Long Term Debt - Fixed	4,628,899,618		(676,236,751)	3,952,662,867	3,233,880,879	38.65%	5.64%	2.18%	5.64%	2.18%	5.64%	2.18%
Short Term Debt *	96,696,806	(33,963,392)	(9,164,735)	53,568,679	43,827,347	0.52%	1.22%	0.01%	1.22%	0.01%	1.22%	0.01%
Customer Deposits												
Active	213,807,614		(31,235,192)	182,572,423	182,572,423	2.18%	3.52%	0.08%	3.52%	0.08%	3.52%	0.08%
Inactive	1,337,228		(195,356)	1,141,872	1,141,872	0.01%						
Investment Tax Credit												
Post '70 Total	3,102,650		(453,267)	2,649,383								
Equity **					1,197,622	0.01%	9.60%	0.00%	10.61%	0.00%	11.61%	0.00%
Debt **					969,978	0.01%	5.71%	0.00%	5.71%	0.00%	5.71%	0.00%
Deferred Income Taxes	1,416,936,626	109,170,393	(222,949,240)	1,303,157,779	1,066,181,753	12.74%						
FAS 109 DIT - Net	(222,688,259)		32,532,566	(190,155,692)	(155,576,349)	-1.86%						
<b>Total</b>	<b>\$10,997,254,063</b>	<b>\$931,301,102</b>	<b>(\$1,742,644,701)</b>	<b>\$10,185,910,464</b>	<b>\$8,367,035,773</b>	<b>100.00%</b>		<b>6.79%</b>		<b>7.27%</b>		<b>7.74%</b>

\* Daily Weighted Average

\*\*Cost Rates Calculated Per IRS Ruling

**DUKE ENERGY FLORIDA**  
**End of Period - Capital Structure**  
**Pro Forma Adjusted Basis**  
**April 2013**

	System Per Books	Specific Adjustments	Pro Rata Adjustments	System Adjusted	FPSC Adjusted Retail	Ratio	Low Point		Mid Point		High Point	
							Cost Rate	Weighted Cost	Cost Rate	Weighted Cost	Cost Rate	Weighted Cost
Common Equity	\$4,943,710,037	856,565,783	(\$645,476,794)	\$5,154,799,026	\$3,911,013,183	48.11%	9.50%	4.57%	10.50%	5.05%	11.50%	5.53%
Preferred Stock	0		-	0	0	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Long Term Debt - Fixed	4,649,123,284		(517,372,154)	4,131,751,131	3,134,813,415	38.56%	5.61%	2.16%	5.61%	2.16%	5.61%	2.16%
Short Term Debt *	(269,541,048)	332,274,462	(6,981,213)	55,752,201	42,299,921	0.52%	1.22%	0.01%	1.22%	0.01%	1.22%	0.01%
Customer Deposits												
Active	214,322,529		(23,850,628)	190,471,901	190,471,901	2.34%	2.29%	0.05%	2.29%	0.05%	2.29%	0.05%
Inactive	1,188,698		(132,283)	1,056,415	1,056,415	0.01%						
Investment Tax Credit												
Post '70 Total	2,603,848		(289,766)	2,314,081								
Equity **					974,571	0.01%	10.95%	0.00%	12.11%	0.00%	13.26%	0.00%
Debt **					781,153	0.01%	6.47%	0.00%	6.47%	0.00%	6.47%	0.00%
Deferred Income Taxes	1,485,965,612	(569,066)	(165,300,588)	1,320,095,959	1,001,574,004	12.32%						
FAS 109 DIT - Net	(227,424,430)		25,308,657	(202,115,773)	(153,347,870)	-1.89%						
<b>Total</b>	<b>\$10,799,948,530</b>	<b>\$1,188,271,179</b>	<b>(\$1,334,094,768)</b>	<b>\$10,654,124,941</b>	<b>\$8,129,636,692</b>	<b>100.00%</b>		<b>6.79%</b>		<b>7.27%</b>		<b>7.75%</b>

\* Daily Weighted Average

\*\*Cost Rates Calculated Per IRS Ruling

**DUKE ENERGY FLORIDA**  
**Average Rate of Return - Capital Structure**  
**FPSC Adjusted Basis**  
**April 2013**

	System Per Books	Specific Adjustments	Pro Rata Adjustments	System Adjusted	FPSC Adjusted Retail	Ratio	Low Point		Mid Point		High Point	
							Cost Rate	Weighted Cost	Cost Rate	Weighted Cost	Cost Rate	Weighted Cost
Common Equity	\$4,830,818,417	856,094,101	(\$830,802,040)	\$4,856,110,478	\$3,973,038,771	47.48%	9.50%	4.51%	10.50%	4.99%	11.50%	5.46%
Preferred Stock	28,343,362		(4,140,687)	24,202,675	19,801,478	0.24%	4.52%	0.01%	4.52%	0.01%	4.52%	0.01%
Long Term Debt - Fixed	4,628,899,618	0	(676,236,751)	3,952,662,867	3,233,880,879	38.65%	5.64%	2.18%	5.64%	2.18%	5.64%	2.18%
Short Term Debt *	96,696,806	(33,963,392)	(9,164,735)	53,568,679	43,827,347	0.52%	1.22%	0.01%	1.22%	0.01%	1.22%	0.01%
Customer Deposits												
Active	213,807,614		(31,235,192)	182,572,423	182,572,423	2.18%	3.52%	0.08%	3.52%	0.08%	3.52%	0.08%
Inactive	1,337,228		(195,356)	1,141,872	1,141,872	0.01%						
Investment Tax Credit												
Post '70 Total	3,102,650		(453,267)	2,649,383								
Equity **					1,197,622	0.01%	9.60%	0.00%	10.61%	0.00%	11.61%	0.00%
Debt **					969,978	0.01%	5.71%	0.00%	5.71%	0.00%	5.71%	0.00%
Deferred Income Taxes	1,416,936,626	109,170,393	(222,949,240)	1,303,157,779	1,066,181,753	12.74%						
FAS 109 DIT - Net	(222,688,259)		32,532,566	(190,155,692)	(155,576,349)	-1.86%						
<b>Total</b>	<b>\$10,997,254,063</b>	<b>\$931,301,102</b>	<b>(\$1,742,644,701)</b>	<b>\$10,185,910,464</b>	<b>\$8,367,035,773</b>	<b>100.00%</b>		<b>6.79%</b>		<b>7.27%</b>		<b>7.74%</b>

\* Daily Weighted Average

\*\*Cost Rates Calculated Per IRS Ruling

**DUKE ENERGY FLORIDA**  
**End of Period - Capital Structure**  
**Adjusted Basis**  
**April 2013**

	System Per Books	Specific Adjustments	Pro Rata Adjustments	System Adjusted	FPSC Adjusted Retail	Ratio	Low Point		Mid Point		High Point	
							Cost Rate	Weighted Cost	Cost Rate	Weighted Cost	Cost Rate	Weighted Cost
Common Equity	\$4,943,710,037	\$856,565,783	(\$645,476,794)	\$5,154,799,026	\$3,911,013,183	48.11%	9.50%	4.57%	10.50%	5.05%	11.50%	5.53%
Preferred Stock	0		-	-	0	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Long Term Debt - Fixed	4,649,123,284	0	(517,372,154)	4,131,751,131	3,134,813,415	38.56%	5.61%	2.16%	5.61%	2.16%	5.61%	2.16%
Short Term Debt *	(269,541,048)	332,274,462	(6,981,213)	55,752,201	42,299,921	0.52%	1.22%	0.01%	1.22%	0.01%	1.22%	0.01%
Customer Deposits				-								
Active	214,322,529		(23,850,628)	190,471,901	190,471,901	2.34%	2.29%	0.05%	2.29%	0.05%	2.29%	0.05%
Inactive	1,188,698		(132,283)	1,056,415	1,056,415	0.01%						
Investment Tax Credit				-								
Post '70 Total	2,603,848		(289,766)	2,314,081								
Equity **				-	974,571	0.01%	10.95%	0.00%	12.11%	0.00%	13.26%	0.00%
Debt **				-	781,153	0.01%	6.47%	0.00%	6.47%	0.00%	6.47%	0.00%
Deferred Income Taxes	1,485,965,612	(569,066)	(165,300,588)	1,320,095,959	1,001,574,004	12.32%						
FAS 109 DIT - Net	(227,424,430)		25,308,657	(202,115,773)	(153,347,870)	-1.89%						
<b>Total</b>	<b>\$10,799,948,530</b>	<b>\$1,188,271,179</b>	<b>(\$1,334,094,768)</b>	<b>\$10,654,124,941</b>	<b>\$8,129,636,692</b>	<b>100.00%</b>		<b>6.79%</b>		<b>7.27%</b>		<b>7.75%</b>

\* Daily Weighted Average

\*\*Cost Rates Calculated Per IRS Ruling

**DUKE ENERGY FLORIDA**  
**Financial Integrity Indicators**  
**April 2013**

**A: TIMES INTEREST EARNED WITH AFUDC**

Earnings Before Interest	\$490,972,130
AFUDC - Debt	\$13,258,042
Income Taxes	\$148,653,210
<b>Total</b>	<b>\$652,883,382</b>
Interest Charges (before deducting AFUDC-Debt & CR3 reg asset carrying charge)	\$250,361,732
<b>T.I.E. with AFUDC</b>	<b>2.61</b>

**B: TIMES INTEREST EARNED WITHOUT AFUDC**

Earnings Before Interest	\$490,972,130
AFUDC - Equity	(\$27,723,532)
Income Taxes	\$148,653,210
<b>Total</b>	<b>\$611,901,808</b>
Interest Charges (before deducting AFUDC-Debt & CR3 reg asset carrying charge)	\$250,361,732
<b>T.I.E. without AFUDC</b>	<b>2.44</b>

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

AFUDC - Debt	\$13,258,042
Less: DIT	\$0
<b>Subtotal</b>	<b>\$13,258,042</b>
AFUDC - Other	\$27,723,532
<b>Total AFUDC</b>	<b>\$40,981,574</b>
Net Income Available For Common Shareholders	\$254,770,228
<b>Percent AFUDC to Available Net Income</b>	<b>16.09%</b>

**D: PERCENT INTERNALLY GENERATED FUNDS\***

Net Income	\$249,356,481
Common Dividends	(\$65,000,000)
Preferred Dividends	(\$1,408,465)
AFUDC Equity	(\$25,652,444)
Depreciation & Amortization	\$219,362,224
Deferred Income Taxes	\$159,829,393
Investment Tax Credits	(\$1,048,001)
Other - Incl Nuclear Decommissioning	\$161,683,059
<b>Funds Provided from Operations</b>	<b>\$697,122,247</b>
Other Funds Provided - Incl Change in Working Capital	\$80,155,853
<b>Total Funds Provided</b>	<b>\$777,278,100</b>
Construction Expenditures (excluding AFUDC)	\$836,481,016
<b>Percentage Internally Generated Funds</b>	<b>92.92%</b>

\*Updated quarterly as of March 2013

**E: SHORT TERM DEBT / LONG TERM DEBT AS  
PERCENT OF TOTAL INVESTOR CAPITAL - FPSC**

Common Equity	\$3,973,038,771
Preferred Stock	\$19,801,478
Long Term Debt - Fixed Rate	\$3,233,880,879
Short Term Debt	\$43,827,347
<b>Total</b>	<b>\$7,270,548,475</b>
<b>% Long Term Debt - Fixed Rate</b>	<b>44.48%</b>
<b>% Short Term Debt</b>	<b>0.60%</b>

**FPSC ADJUSTED AVERAGE  
JURISDICTIONAL AND PRO FORMA**

<b>F: RETURN ON COMMON EQUITY</b>	<b>Pro Forma</b>	<b>FPSC</b>
Average Eamed Rate of Return	5.76%	4.95%
Less Reconciled Average Retail Weighted Cost Rates for:		
Preferred Stock	0.01%	0.01%
Long Term Debt - Fixed Rate	2.18%	2.18%
Short Term Debt	0.01%	0.01%
Customer Deposits	0.08%	0.08%
Investment Tax Credit (at Midpoint)		
Equity	0.00%	0.00%
Debt	0.00%	0.00%
<b>Subtotal</b>	<b>2.28%</b>	<b>2.28%</b>
<b>Total</b>	<b>3.48%</b>	<b>2.67%</b>
<b>Divided by Common Equity Ratio</b>	<b>47.48%</b>	<b>47.48%</b>
<b>Jurisdictional Return on Common Equity</b>	<b>7.33%</b>	<b>5.62%</b>