



April 14, 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, Inc.'s Earnings Surveillance Report for the twelve months ended February 28, 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 February 28, 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,

A handwritten signature in cursive script 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  
FEBRUARY 2015**

**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	\$ 631,403,266 (a)	\$ (25,114,256) (b)	\$ 606,289,010	\$ 11,502,158	\$ 617,791,168
Average Rate Base	\$ 10,662,957,191	\$ (1,158,474,578)	\$ 9,504,482,613	\$ -	\$ 9,504,482,613
Average Rate of Return	5.92%		6.38%		6.50%
<b>I. YEAR END RATE OF RETURN (Jurisdictional)</b>					
Net Operating Income	\$ 626,985,975	\$ (20,696,965)	\$ 606,289,010		
Average Rate Base	\$ 10,847,366,280	\$ (1,197,463,410)	\$ 9,649,902,870		
Average Rate of Return	5.78%		6.28%		

(a) INCLUDES AFUDC EARNINGS

(b) INCLUDES REVERSAL OF AFUDC EARNINGS

	Average Capital Structure	End of Period Capital Structure
<b>III. REQUIRED RATES OF RETURN</b>		
FPSC Adjusted Basis		
Low Point	6.70%	6.58%
Mid Point	7.19%	7.06%
High Point	7.68%	7.55%
Pro Forma Adjusted Basis		
Low Point	6.70%	6.58%
Mid Point	7.19%	7.06%
High Point	7.68%	7.55%

**IV. FINANCIAL INTEGRITY INDICATORS**

A. T.I.E. with AFUDC	4.34	(System Per Books Basis)
B. T.I.E. without AFUDC	4.32	(System Per Books Basis)
C. AFUDC to Net Income	0.76%	(System Per Books Basis)
D. Internally Generated Funds	116.65%	(System Per Books Basis)
E. STD/LTD to Total Investor Funds		
LT Debt-Fixed to Total Investor Funds	45.03%	(FPSC Adjusted Basis)
ST Debt to Total Investor Funds	-1.52%	(FPSC Adjusted Basis)
F. Return on Common Equity	8.84%	(FPSC Adjusted Basis)
	9.09%	(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

  
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>\$13,803,100,681</b>	<b>\$5,094,393,503</b>	<b>\$8,708,707,178</b>	<b>\$121,080,454</b>	<b>\$296,579,387</b>	<b>\$9,126,367,018</b>	<b>\$2,537,827,454</b>	<b>\$11,664,194,473</b>
<b>Regulatory Base - Retail</b>	<b>\$12,522,833,293</b>	<b>\$4,722,481,177</b>	<b>\$7,800,352,116</b>	<b>\$104,959,802</b>	<b>\$258,022,513</b>	<b>\$8,163,334,431</b>	<b>\$2,499,622,760</b>	<b>\$10,662,957,191</b>
<b>FPSC Adjustments</b>								
ARO	(18,070,471)	(29,814,896)	11,744,425			11,744,425	(11,122,891)	621,534
ECCR	(39,168,471)	(4,813,423)	(34,355,048)		(7,978,202)	(42,333,250)	9,765,758	(32,567,492)
ECRC	(112,898,484)	(5,342,962)	(107,555,522)		(11,263,300)	(118,818,823)	(4,394,893)	(123,213,716)
FUEL	(28,969,382)	(28,101,762)	(867,620)			(867,620)	104,449,244	103,581,623
CCR							(39,483,629)	(39,483,629)
NUCLEAR					(18,967,186)	(18,967,186)	(354,398,301)	(373,365,487)
CR3 Removal							(1,294,396,724)	(1,294,396,724)
Derivatives							(9,083,507)	(9,083,507)
Employee Related							(646,580)	(646,580)
Investments Earning a Return							(142,744,539)	(142,744,539)
Jobbing Accounts							(1,205,410)	(1,205,410)
Non-Regulated and Miscellaneous	(30,248,559)	(46,349,011)	16,100,452			16,100,452	20,059,101	36,159,552
Retention Accounts							3,333,357	3,333,357
CWIP - AFUDC					(53,701,135)	(53,701,135)		(53,701,135)
Imputed Off Balance Sheet Obligations							769,478,304	769,478,304
Capital Lease	(161,373,080)		(161,373,080)			(161,373,080)	160,132,351	(1,240,729)
<b>Total FPSC Adjustments</b>	<b>(390,728,449)</b>	<b>(114,422,054)</b>	<b>(276,306,395)</b>		<b>(91,909,824)</b>	<b>(368,216,219)</b>	<b>(790,258,360)</b>	<b>(1,158,474,578)</b>
<b>FPSC Adjusted</b>	<b>\$12,132,104,844</b>	<b>\$4,608,059,123</b>	<b>\$7,524,045,721</b>	<b>\$104,959,802</b>	<b>\$166,112,689</b>	<b>\$7,795,118,212</b>	<b>\$1,709,364,401</b>	<b>\$9,504,482,613</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 (a)</b>	<b>\$4,897,473,022</b>	<b>\$2,128,829,839</b>	<b>\$820,664,367</b>	<b>\$543,325,739</b>	<b>\$339,466,615</b>	<b>(165,271,033)</b>	<b>\$500,816,544</b>	<b>(1,113,500)</b>		<b>\$4,166,718,570</b>	<b>\$730,754,452</b>
<b>Regulatory Base - Retail (b)</b>	<b>\$4,587,012,336</b>	<b>\$2,055,153,712</b>	<b>\$784,852,324</b>	<b>\$512,387,227</b>	<b>\$327,377,362</b>	<b>(138,536,705)</b>	<b>\$419,804,200</b>	<b>(1,011,760)</b>		<b>\$3,960,026,360</b>	<b>\$626,985,975</b>
<b>FPSC Adjustments</b>											
ECCR	(122,563,132)		(103,707,775)	(4,286,841)		(5,619,805)				(113,614,421)	(8,948,711)
ECRC	(79,919,781)		(52,199,351)	(8,803,149)	(1,015,831)	(6,905,484)				(68,923,815)	(10,995,965)
FUEL	(1,733,217,610)	(1,715,411,857)	(1,085,321)			(6,449,907)				(1,722,947,085)	(10,270,525)
CCR	(327,731,519)	(327,511,548)	(219,971)							(327,731,519)	-
NUCLEAR	(172,128,951)		(118,397)	(158,842,854)		(5,079,440)				(164,040,691)	(8,088,260)
NON-REGULATED AND MISCELLANEOUS			(3,910,310)	249,828		1,412,031				(2,248,451)	2,248,451
CORPORATE AIRCRAFT ALLOCATION			(2,717,758)			1,048,375				(1,669,383)	1,669,383
FRANCHISE FEE & GROSS RECEIPTS	(209,798,243)					(80,929,672)				(80,929,672)	(128,868,571)
FRANCHISE FEES & GROSS REC TAX - TOI					(205,404,678)	79,234,854				(126,169,823)	126,169,823
GAIN/LOSS ON DISPOSITION & OTHER						165,858			(429,963)	(264,105)	264,105
INST./PROMOTIONAL ADVERTISING			(1,456,280)			561,760				(894,520)	894,520
MISCELLANEOUS INTEREST EXPENSE			137,074			(52,876)				84,198	(84,198)
REMOVE ASSOC/ORGANIZATION DUES			(27,487)			10,603				(16,884)	16,884
REMOVE ECONOMIC DEVELOPMENT			(36,975)			14,263				(22,712)	22,712
PARENT DEBT ADJUSTMENT						(9,035,692)				(9,035,692)	9,035,692
DIRECTORS & OFFICERS PREMIUM			(1,706,239)			658,182				(1,048,057)	1,048,057
INTEREST SYNCHRONIZATION - FPSC						(5,189,638)				(5,189,638)	5,189,638
<b>Total FPSC Adjustments</b>	<b>(2,645,359,235)</b>	<b>(2,042,923,405)</b>	<b>(167,048,789)</b>	<b>(171,683,015)</b>	<b>(206,420,509)</b>	<b>(36,156,589)</b>			<b>(429,963)</b>	<b>(2,624,662,270)</b>	<b>(20,696,965)</b>
<b>FPSC Adjusted</b>	<b>1,941,653,100</b>	<b>12,230,307</b>	<b>617,803,535</b>	<b>340,704,212</b>	<b>120,956,853</b>	<b>(174,693,294)</b>	<b>419,804,200</b>	<b>(1,011,760)</b>	<b>(429,963)</b>	<b>1,335,364,090</b>	<b>606,289,010</b>
<b>Pro Forma Adjustments</b>											
Weather Normalization	18,725,532					7,223,374				7,223,374	11,502,158
<b>Total Pro Forma Adjustments</b>	<b>18,725,532</b>					<b>7,223,374</b>				<b>7,223,374</b>	<b>11,502,158</b>
<b>Pro Forma Adjusted</b>	<b>\$1,960,378,632</b>	<b>\$12,230,307</b>	<b>\$617,803,535</b>	<b>\$340,704,212</b>	<b>\$120,956,853</b>	<b>(167,469,920)</b>	<b>419,804,200</b>	<b>(1,011,760)</b>	<b>(429,963)</b>	<b>\$1,342,587,464</b>	<b>\$617,791,168</b>
<b>Current Month</b>											
System Per Books	<b>\$354,722,505</b>	<b>\$148,999,814</b>	<b>\$53,039,444</b>	<b>\$44,978,532</b>	<b>\$25,441,126</b>	<b>(11,742,510)</b>	<b>37,054,921</b>	<b>(24,333)</b>		<b>\$297,746,993</b>	<b>\$56,975,512</b>
FPSC Adjusted	<b>\$140,653,877</b>		<b>\$42,211,911</b>	<b>\$28,850,416</b>	<b>\$9,719,402</b>	<b>(11,824,561)</b>	<b>37,313,845</b>	<b>(22,110)</b>	<b>(28,438)</b>	<b>\$106,220,465</b>	<b>\$34,433,412</b>
							5,077,376	pretax			
							4,417,291	pretax			

Notes	Rate Base Adjustments	P=ProForma F=FPSC	System	Retail
	ARO	F	621,534	621,534
	ECCR	F	(32,567,492)	(32,567,492)
	ECRC	F	(157,847,129)	(123,213,716)
	FUEL	F	103,515,164	103,581,623
	CCR	F	(39,483,629)	(39,483,629)
	NUCLEAR	F	(374,743,225)	(373,365,487)
	CR3 Removal	F	(1,294,396,724)	(1,294,396,724)
	Derivatives	F	(9,083,507)	(9,083,507)
	Employee Related	F	(646,352)	(646,580)
	Investments Earning a Return	F	(149,368,328)	(142,744,539)
	Jobbing Accounts	F	(1,352,980)	(1,205,410)
	Non-Regulated and Miscellaneous	F	37,185,406	36,159,552
	Retention Accounts	F	3,741,435	3,333,357
(1)	CWIP - AFUDC	F	(58,628,481)	(53,701,135)
(3)	Imputed Off Balance Sheet Obligations	F	828,420,417	769,478,304
(2)	Capital Lease - EPIS	F	(173,108,077)	(161,373,080)
(2)	Capital Lease - Working Capital	F	171,777,123	160,132,351
	<b>Total</b>		<b>(1,145,964,847)</b>	<b>(1,158,474,578)</b>

Notes	Income Statement Adjustments (to NOI)	P=ProForma F=FPSC	System		Retail	
			Amount	Income Tax Effect	Amount	Income Tax Effect
	ECCR	F	(14,565,731)	5,618,731	(14,568,516)	5,619,805
	ECRC	F	(17,156,000)	6,617,927	(17,901,450)	6,905,484
	FUEL	F	(17,319,850)	6,681,133	(16,720,432)	6,449,907
	CCR	F				
	NUCLEAR	F	(13,159,299)	5,076,200	(13,167,700)	5,079,440
	NON-REGULATED AND MISCELLANEOUS	F	3,944,838	(1,521,721)	3,660,481	(1,412,031)
(2)	CORPORATE AIRCRAFT ALLOCATION	F	2,915,393	(1,124,613)	2,717,758	(1,048,375)
(1)	FRANCHISE FEE & GROSS RECEIPTS	F	(209,798,243)	80,929,672	(209,798,243)	80,929,672
(1)	FRANCHISE FEES & GROSS REC TAX - TOI	F	205,404,678	(79,234,854)	205,404,678	(79,234,854)
(1)	GAIN/LOSS ON DISPOSITION & OTHER	F	462,898	(178,563)	429,963	(165,858)
(1)	INST./PROMOTIONAL ADVERTISING	F	1,562,180	(602,611)	1,456,280	(561,760)
(1)	MISCELLANEOUS INTEREST EXPENSE	F	(147,042)	56,721	(137,074)	52,876
(1)	REMOVE ASSOC/ORGANIZATION DUES	F	29,486	(11,374)	27,487	(10,603)
(1)	REMOVE ECONOMIC DEVELOPMENT	F	39,664	(15,300)	36,975	(14,263)
(2)	PARENT DEBT ADJUSTMENT	F		9,968,879		9,035,692
(2)	DIRECTORS & OFFICERS PREMIUM	F	1,830,316	(706,044)	1,706,239	(658,182)
(1)	INTEREST SYNCHRONIZATION - FPSC	F		5,189,638		5,189,638
	<b>Total</b>		<b>(55,956,712)</b>	<b>36,743,821</b>	<b>(56,853,554)</b>	<b>36,156,589</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

	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>14,074,033,230</b>	<b>5,190,219,511</b>	<b>8,883,813,719</b>	<b>121,739,391</b>	<b>333,251,406</b>	<b>9,338,804,515</b>	<b>2,537,827,454</b>	<b>11,876,631,970</b>
<b>Regulatory Base - Retail</b>	<b>12,758,718,568</b>	<b>4,808,733,693</b>	<b>7,949,984,875</b>	<b>105,531,008</b>	<b>292,227,637</b>	<b>8,347,743,520</b>	<b>2,499,622,760</b>	<b>10,847,366,280</b>
<b>FPSC Adjustments</b>								
ARO	(20,823,344)	(29,138,190)	8,314,846			8,314,846	(11,122,891)	(2,808,045)
ECCR	(39,963,965)	(6,745,904)	(33,218,061)		(8,073,242)	(41,291,303)	9,765,758	(31,525,545)
ECRC	(136,942,528)	(6,830,577)	(130,111,951)		(1,968,749)	(132,080,700)	(4,394,893)	(136,475,593)
FUEL	(28,969,382)	(28,103,332)	(866,050)			(866,050)	104,449,244	103,583,193
CCR							(39,483,629)	(39,483,629)
NUCLEAR					259,416	259,416	(354,398,301)	(354,138,885)
CR3 Removal							(1,294,396,724)	(1,294,396,724)
Derivatives							(9,083,507)	(9,083,507)
Employee Related							(646,580)	(646,580)
Investments Earning a Return							(142,744,539)	(142,744,539)
Jobbing Accounts							(1,205,410)	(1,205,410)
Non-Regulated and Miscellaneous	(30,278,669)	(47,621,228)	17,342,558			17,342,558	20,059,101	37,401,659
Retention Accounts							3,333,357	3,333,357
CWIP - AFUDC					(102,117,165)	(102,117,165)		(102,117,165)
Imputed Off Balance Sheet Obligations							769,478,304	769,478,304
Capital Lease	(156,766,652)		(156,766,652)			(156,766,652)	160,132,351	3,365,700
<b>Total FPSC Adjustments</b>	<b>(413,744,541)</b>	<b>(118,439,231)</b>	<b>(295,305,310)</b>		<b>(111,899,740)</b>	<b>(407,205,050)</b>	<b>(790,258,360)</b>	<b>(1,197,463,410)</b>
<b>FPSC Adjusted</b>	<b>12,344,974,027</b>	<b>4,690,294,462</b>	<b>7,654,679,565</b>	<b>105,531,008</b>	<b>180,327,896</b>	<b>7,940,538,469</b>	<b>1,709,364,401</b>	<b>9,649,902,870</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 (a)</b>	<b>4,897,473,022</b>	<b>2,128,829,839</b>	<b>820,664,367</b>	<b>543,325,739</b>	<b>339,466,615</b>	<b>(165,271,033)</b>	<b>500,816,544</b>	<b>(1,113,500)</b>		<b>4,166,718,570</b>	<b>730,754,452</b>
<b>Regulatory Base - Retail (b)</b>	<b>4,587,012,336</b>	<b>2,055,153,712</b>	<b>784,852,324</b>	<b>512,387,227</b>	<b>327,377,362</b>	<b>(138,536,705)</b>	<b>419,804,200</b>	<b>(1,011,760)</b>		<b>3,960,026,360</b>	<b>626,985,975</b>
<b>FPSC Adjustments</b>											
ECCR	(122,563,132)		(103,707,775)	(4,286,841)		(5,619,805)				(113,614,421)	(8,948,711)
ECRC	(79,919,781)		(52,199,351)	(8,803,149)	(1,015,831)	(6,905,484)				(68,923,815)	(10,995,965)
FUEL	(1,733,217,610)	(1,715,411,857)	(1,085,321)			(6,449,907)				(1,722,947,085)	(10,270,525)
CCR	(327,731,519)	(327,511,548)	(219,971)							(327,731,519)	
NUCLEAR	(172,128,951)		(118,397)	(158,842,854)		(5,079,440)				(164,040,691)	(8,088,260)
NON-REGULATED AND MISCELLANEOUS			(3,910,310)	249,828		1,412,031				(2,248,451)	2,248,451
CORPORATE AIRCRAFT ALLOCATION			(2,717,758)			1,048,375				(1,669,383)	1,669,383
FRANCHISE FEE & GROSS RECEIPTS	(209,798,243)					(80,929,672)				(80,929,672)	(128,868,571)
FRANCHISE FEES & GROSS REC TAX - TOI					(205,404,678)	79,234,854				(126,169,823)	126,169,823
GAIN/LOSS ON DISPOSITION & OTHER						165,858			(429,963)	(264,105)	264,105
INST./PROMOTIONAL ADVERTISING			(1,456,280)			561,760				(894,520)	894,520
MISCELLANEOUS INTEREST EXPENSE			137,074			(52,876)				84,198	(84,198)
REMOVE ASSOC/ORGANIZATION DUES			(27,487)			10,603				(16,884)	16,884
REMOVE ECONOMIC DEVELOPMENT			(36,975)			14,263				(22,712)	22,712
PARENT DEBT ADJUSTMENT						(9,035,692)				(9,035,692)	9,035,692
DIRECTORS & OFFICERS PREMIUM			(1,706,239)			658,182				(1,048,057)	1,048,057
INTEREST SYNCHRONIZATION - FPSC						(5,189,638)				(5,189,638)	5,189,638
<b>Total FPSC Adjustments</b>	<b>(2,645,359,235)</b>	<b>(2,042,923,405)</b>	<b>(167,048,789)</b>	<b>(171,683,015)</b>	<b>(206,420,509)</b>	<b>(36,156,589)</b>			<b>(429,963)</b>	<b>(2,624,662,270)</b>	<b>(20,696,965)</b>
<b>FPSC Adjusted</b>	<b>1,941,653,100</b>	<b>12,230,307</b>	<b>617,803,535</b>	<b>340,704,212</b>	<b>120,956,853</b>	<b>(174,693,294)</b>	<b>419,804,200</b>	<b>(1,011,760)</b>	<b>(429,963)</b>	<b>1,335,364,090</b>	<b>606,289,010</b>
(a) The addition of earnings from AFUDC charges would increase the System NOI by											
							5,077,376	pretax			
(b) The addition of earnings from AFUDC charges would increase the Jurisdictional NOI by											
							4,417,291	pretax			

Notes	Rate Base Adjustments	P=ProForma F=FPSC	System	Retail
	ARO	F	(2,808,045)	(2,808,045)
	ECCR	F	(31,525,545)	(31,525,545)
	ECRC	F	(179,870,629)	(136,475,593)
	FUEL	F	103,516,854	103,583,193
	CCR	F	(39,483,629)	(39,483,629)
	NUCLEAR	F	(354,119,014)	(354,138,885)
	CR3 Removal	F	(1,294,396,724)	(1,294,396,724)
	Derivatives	F	(9,083,507)	(9,083,507)
	Employee Related	F	(646,352)	(646,580)
	Investments Earning a Return	F	(149,368,328)	(142,744,539)
	Jobbing Accounts	F	(1,352,980)	(1,205,410)
	Non-Regulated and Miscellaneous	F	38,492,842	37,401,659
	Retention Accounts	F	3,741,435	3,333,357
(1)	CWIP - AFUDC	F	(109,098,867)	(102,117,165)
(3)	Imputed Off Balance Sheet Obligations	F	828,420,417	769,478,304
(2)	Capital Lease - EPIS	F	(168,166,670)	(156,766,652)
(2)	Capital Lease - Working Capital	F	171,777,123	160,132,351
	<b>Total</b>		<b>(1,193,971,621)</b>	<b>(1,197,463,410)</b>

Notes	Income Statement Adjustments (to NOI)	P=ProForma F=FPSC	System		Retail	
			Amount	Income Tax Effect	Amount	Income Tax Effect
	ECCR	F	(14,565,731)	5,618,731	(14,568,516)	5,619,805
	ECRC	F	(17,156,000)	6,617,927	(17,901,450)	6,905,484
	FUEL	F	(17,319,850)	6,681,133	(16,720,432)	6,449,907
	CCR	F				
	NUCLEAR	F	(13,159,299)	5,076,200	(13,167,700)	5,079,440
	NON-REGULATED AND MISCELLANEOUS	F	3,944,838	(1,521,721)	3,660,481	(1,412,031)
(2)	CORPORATE AIRCRAFT ALLOCATION	F	2,915,393	(1,124,613)	2,717,758	(1,048,375)
(1)	FRANCHISE FEE & GROSS RECEIPTS	F	(209,798,243)	80,929,672	(209,798,243)	80,929,672
(1)	FRANCHISE FEES & GROSS REC TAX - TOI	F	205,404,678	(79,234,854)	205,404,678	(79,234,854)
(1)	GAIN/LOSS ON DISPOSITION & OTHER	F	462,898	(178,563)	429,963	(165,858)
(1)	INST./PROMOTIONAL ADVERTISING	F	1,562,180	(602,611)	1,456,280	(561,760)
(1)	MISCELLANEOUS INTEREST EXPENSE	F	(147,042)	56,721	(137,074)	52,876
(1)	REMOVE ASSOC/ORGANIZATION DUES	F	29,486	(11,374)	27,487	(10,603)
(1)	REMOVE ECONOMIC DEVELOPMENT	F	39,664	(15,300)	36,975	(14,263)
(2)	PARENT DEBT ADJUSTMENT	F		9,968,879		9,035,692
(2)	DIRECTORS & OFFICERS PREMIUM	F	1,830,316	(706,044)	1,706,239	(658,182)
(1)	INTEREST SYNCHRONIZATION - FPSC	F		5,189,638		5,189,638
	<b>Total</b>		<b>(55,956,712)</b>	<b>36,743,821</b>	<b>(56,853,554)</b>	<b>36,156,589</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











**A. TIMES INTEREST EARNED WITH AFUDC**

EARNINGS BEFORE INTEREST	\$ 751,516,782
AFUDC - DEBT	\$ 2,351,173
INCOME TAXES	\$ 349,665,975
TOTAL	\$ 1,103,533,930
INTEREST CHARGES (before deducting AFUDC-Debt & CR3 reg asset carrying charge)	\$ 254,288,341
TIE WITH AFUDC	<b>4.34</b>

**B. TIMES INTEREST EARNED WITHOUT AFUDC**

EARNINGS BEFORE INTEREST	\$ 751,516,782
AFUDC - EQUITY	(2,726,203)
INCOME TAXES	349,665,975
TOTAL	\$ 1,098,456,553
INTEREST CHARGES (before deducting AFUDC-Debt & CR3 reg asset carrying charge)	\$ 254,288,341
TIE WITHOUT AFUDC	<b>4.32</b>

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

AFUDC DEBT	\$ 2,351,173
X (1- INCOME TAX RATE)	0.61425
SUBTOTAL	\$ 1,444,208
AFUDC -EQUITY	\$ 2,726,203
TOTAL	\$ 4,170,411
NET INCOME AVAILABLE FOR COMMON STOCKHOLDERS	\$ 551,336,852
PERCENT AFUDC TO AVAILABLE NET INCOME	<b>0.76%</b>

**D. PERCENT INTERNALLY GENERATED FUNDS\***

NET INCOME	\$ 547,533,936
COMMON DIVIDENDS	\$ (125,000,000)
AFUDC (EQUITY)	\$ (353,825)
DEPRECIATION & AMORTIZATION	\$ 550,068,281
DEFERRED INCOME TAXES	\$ 401,535,430
INVESTMENT TAX CREDITS	\$ (1,307,000)
DEFERRED FUEL NET	\$ -
OTHER - INC NUCLEAR DECOMMISSIONING	\$ (87,436,783)
OTHER FUNDS - INCLUDING CHANGE IN WORKING CAPITAL	(469,341,708)
TOTAL FUNDS PROVIDED	\$ 815,698,331
CONSTRUCTION EXPENDITURES (EXCLUDING AFUDC EQUITY & DEBT)	\$ 699,245,634
PERCENTAGE INTERNALLY GENERATED FUNDS	<b>116.65%</b>

\*Updated quarterly as of December 2014

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

Common Equity	\$ 4,643,728,634
Preferred Stock	\$ -
Long Term Debt	\$ 3,701,799,515
Short Term Debt	\$ (125,329,838)
TOTAL	\$ 8,220,198,311
% LONG TERM DEBT TO TOTAL	<b>45.03%</b>
% SHORT TERM DEBT TO TOTAL	<b>-1.52%</b>

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

	Pro Forma	FPSC
FPSC AVERAGE		
EARNED RATE OF RETURN	6.50%	6.38%
LESS RETAIL WEIGHTED AVERAGE COST RATES FOR:		
LONG TERM DEBT	2.01%	2.01%
SHORT TERM DEBT	0.00%	0.00%
CUSTOMER DEPOSITS	0.04%	0.04%
DEFERRED INCOME TAXES		
INVESTMENT TAX CREDITS		
DEFERRED INCOME TAX (FAS 109)		
SUBTOTAL	2.05%	2.05%
TOTAL	4.45%	4.33%
DIVIDED BY COMMON EQUITY RATIO	48.95%	48.95%
JURISDICTIONAL RETURN ON COMMON EQUITY	<b>9.09%</b>	<b>8.84%</b>