



June 14, 2016

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 April 30, 2016.

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, 2016. 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 blue 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
April 2016**

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	\$ 635,010,401 (a)	\$ 18,455,390 (b)	\$ 653,465,791	\$ (19,635,259)	\$ 633,830,532
Average Rate Base	\$ 11,391,380,127	\$ (1,379,553,113)	\$ 10,011,827,014	\$ -	\$ 10,011,827,014
Average Rate of Return	5.57%		6.53%		6.33%
I. YEAR END RATE OF RETURN (Jurisdictional)					
Net Operating Income	\$ 619,896,871	\$ 33,568,920	\$ 653,465,791		
Average Rate Base	\$ 11,869,562,197	\$ (1,592,033,132)	\$ 10,277,529,065		
Average Rate of Return	5.22%		6.36%		
(a) INCLUDES AFUDC EARNINGS					
(b) INCLUDES REVERSAL OF AFUDC EARNINGS					

III. REQUIRED RATES OF RETURN	Average Capital Structure	End of Period Capital Structure
FPSC Adjusted Basis		
Low Point	6.31%	6.25%
Mid Point	6.78%	6.71%
High Point	7.24%	7.17%
Pro Forma Adjusted Basis		
Low Point	6.31%	6.25%
Mid Point	6.78%	6.71%
High Point	7.24%	7.17%
IV. FINANCIAL INTEGRITY INDICATORS		
A. T.I.E. with AFUDC	4.69	(System Per Books Basis)
B. T.I.E without AFUDC	4.61	(System Per Books Basis)
C. AFUDC to Net Income	2.74%	(System Per Books Basis)
D. Internally Generated Funds	82.07%	(System Per Books Basis)
E. STD/LTD to Total Investor Funds		
LT Debt-Fixed to Total Investor Funds	40.33%	(FPSC Adjusted Basis)
ST Debt to Total Investor Funds	3.88%	(FPSC Adjusted Basis)
F. Return on Common Equity	9.96%	(FPSC Adjusted Basis)
	9.54%	(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

6/14/16

Date

	Plant in Service	Accum Depr & Amort	Net Plant in Service	Future Use & Appd Unrecov Plant	Const Work in Progress	Net Utility Plant	Working Capital	Total Average Rate Base
System Per Books	\$14,421,487,670	\$5,323,538,635	\$9,097,949,035	\$122,018,802	\$635,310,687	\$9,855,278,524	\$2,603,252,246	\$12,456,530,770
Regulatory Base - Retail	\$13,101,427,021	\$4,933,361,244	\$8,168,065,776	\$105,773,219	\$563,807,749	\$8,837,646,744	\$2,553,733,362	\$11,391,380,127
FPSC Adjustments								
ARO	(24,701,889)	(30,936,813)	6,234,924			6,234,924	(5,613,394)	621,530
ECCR	(43,550,454)	(9,470,442)	(34,080,012)		(7,374,811)	(41,454,823)	(1,334,433)	(42,789,256)
ECRC	(182,638,826)	(10,326,739)	(172,312,088)		(2,542,561)	(174,854,649)	(14,042,066)	(188,896,714)
FUEL	(28,969,382)	(28,103,512)	(865,870)			(865,870)	103,397,961	102,532,091
CCR							(27,923,982)	(27,923,982)
NUCLEAR					(364,478)	(364,478)	(257,537,376)	(257,901,854)
CR3 Removal							(1,334,345,895)	(1,334,345,895)
Derivatives							(31,185,690)	(31,185,690)
Employee Related							(420)	(420)
Investments Earning a Return							(170,938,644)	(170,938,644)
Jobbing Accounts							(596,015)	(596,015)
Non-Regulated and Miscellaneous	(43,478,944)	(40,354,700)	(3,124,244)		(587,413)	(3,711,657)	62,880,172	59,168,514
Retention Accounts							1,906,046	1,906,046
CWIP - AFUDC					(263,133,786)	(263,133,786)		(263,133,786)
Imputed Off Balance Sheet Obligations							776,036,490	776,036,490
Capital Lease	(149,468,579)		(149,468,579)			(149,468,579)	147,363,050	(2,105,529)
Total FPSC Adjustments	(472,808,075)	(119,192,205)	(353,615,870)	0	(274,003,049)	(627,618,918)	(751,934,195)	(1,379,553,113)
FPSC Adjusted	\$12,628,618,946	\$4,814,169,039	\$7,814,449,906	\$105,773,219	\$289,804,701	\$8,210,027,826	\$1,801,799,188	\$10,011,827,014

DUKE ENERGY FLORIDA
Average Rate of Return - Income Statement
April 2016

	Operating Revenues	Fuel & Net Interchange	O&M Other	Depr & Amort	Taxes Other than Income	Income Taxes Current	Deferred Income Tax (Net)	Investment Tax Credit (Net)	Gain/Loss on Disposition & Other	Total Operating Expenses	Net Operating Income
System Per Books	\$4,803,958,430	\$2,107,417,372	\$812,843,218	\$495,132,384	\$346,528,763	(\$136,828,937)	\$435,327,061	(\$146,000)		\$4,060,273,860	\$743,684,570
Regulatory Base - Retail	\$4,488,556,389	\$2,054,219,847	\$776,963,435	\$463,280,013	\$333,981,344	(\$87,544,343)	\$327,892,716	(\$133,494)		\$3,868,659,518	\$619,896,871
FPSC Adjustments											
ECCR	(95,584,193)	-	(85,255,311)	(4,837,077)	-	(2,118,463)	-	-		(92,210,852)	(3,373,341)
ECRC	(56,567,425)	-	(34,000,546)	(1,791,063)	(1,292,133)	(7,515,831)	-	-		(44,599,572)	(11,967,852)
FUEL	(1,695,387,415)	(1,691,217,191)	(1,177,181)	-	-	(1,154,566)	-	-		(1,693,548,939)	(1,838,476)
CCR	(363,264,206)	(363,002,655)	(261,550)	-	-	(0)	-	-		(363,264,206)	(0)
NUCLEAR	(60,889,865)	-	(54,786)	(55,311,943)	-	(2,130,550)	-	-		(57,497,279)	(3,392,586)
Non-Regulated and Miscellaneous	-	-	-	(48,472,238)	-	18,698,166	-	-		(29,774,072)	29,774,072
CORPORATE AIRCRAFT ALLOCATION	-	-	(2,147,319)	-	-	828,328	-	-		(1,318,991)	1,318,991
FRANCHISE FEE & GROSS RECEIPTS	(207,991,846)	-	-	-	-	(80,232,855)	-	-		(80,232,855)	(127,758,992)
FRANCHISE FEES & GROSS REC TAX - TOI	-	-	-	-	(206,277,178)	79,571,421	-	-		(126,705,756)	126,705,756
GAIN/LOSS ON DISPOSITION & OTHER	-	-	-	-	-	117,223	-	(303,884)		(186,661)	186,661
INST./PROMOTIONAL ADVERTISING	-	-	(4,629,012)	-	-	1,785,641	-	-		(2,843,371)	2,843,371
MISCELLANEOUS INTEREST EXPENSE	-	-	127,431	-	-	(49,157)	-	-		78,275	(78,275)
REMOVE ASSOC/ORGANIZATION DUES	-	-	(25,654)	-	-	9,896	-	-		(15,758)	15,758
PARENT DEBT ADJUSTMENT	-	-	-	-	-	(13,362,964)	-	-		(13,362,964)	13,362,964
DIRECTORS & OFFICERS PREMIUM	-	-	(2,720,138)	-	-	1,049,293	-	-		(1,670,844)	1,670,844
INTEREST SYNCHRONIZATION - FPSC	-	-	-	-	-	(6,100,025)	-	-		(6,100,025)	6,100,025
Total FPSC Adjustments	(2,479,684,950)	(2,054,219,847)	(130,144,066)	(110,412,320)	(207,569,311)	(10,604,442)	\$327,892,716	(\$133,494)	(\$303,884)	(2,513,253,870)	33,568,920
FPSC Adjusted	\$2,008,871,438	\$-	\$646,819,369	\$352,867,693	\$126,412,033	(\$98,148,785)	\$327,892,716	(\$133,494)	(\$303,884)	\$1,355,405,648	\$653,465,791
Pro Forma Adjustments											
Weather Normalization	(31,966,234)	-	-	-	-	(12,330,975)	-	-		(12,330,975)	(19,635,259)
Total Pro Forma Adjustments	(31,966,234)	-	-	-	-	(12,330,975)	-	-	-	(12,330,975)	(19,635,259)
Pro Forma Adjusted	\$1,976,905,204	\$-	\$646,819,369	\$352,867,693	\$126,412,033	(\$110,479,760)	\$327,892,716	(\$133,494)	(\$303,884)	\$1,343,074,673	\$633,830,532
Current Month											
System Per Books	\$319,517,790	\$121,975,378	\$62,984,159	\$37,716,713	\$24,363,539	3,052,486	15,950,080	(12,167)	0	\$266,030,189	\$53,487,601
FPSC Adjusted	\$149,317,839	\$50,149,337	\$50,708,262	\$30,708,262	\$10,271,040	(5,669,226)	21,233,786	(11,125)	(22,231)	\$106,659,844	\$42,657,995

(a) The addition of earnings from AFUDC charges would increase the System NOI by 17,030,250 pretax
(b) The addition of earnings from AFUDC charges would increase the Jurisdictional NOI by 15,113,530 pretax

Notes	Rate Base Adjustments	P=ProForma F=FPSC	System	Retail
	ARO	F	\$621,530	\$621,530
	ECCR	F	(42,789,256)	(42,789,256)
	ECRC	F	(200,327,005)	(188,896,714)
	FUEL	F	102,465,765	102,532,091
	CCR	F	(29,349,942)	(27,923,982)
	NUCLEAR	F	(256,701,399)	(257,901,854)
	CR3 Removal	F	(1,334,345,895)	(1,334,345,895)
	Derivatives	F	(31,185,690)	(31,185,690)
	Employee Related	F	(472)	(420)
	Investments Earning a Return	F	(180,790,987)	(170,938,644)
	Jobbing Accounts	F	(668,980)	(596,015)
	Non-Regulated and Miscellaneous	F	59,605,800	59,168,514
	Retention Accounts	F	2,139,389	1,906,046
(1)	CWIP - AFUDC	F	(283,159,800)	(263,133,786)
(3)	Imputed Off Balance Sheet Obligations	F	835,480,960	776,036,490
(2)	Capital Lease - EPIS	F	(160,337,884)	(149,468,579)
(2)	Capital Lease - Working Capital	F	158,079,242	147,363,050
	Total		(\$1,361,264,623)	(\$1,379,553,113)

Notes	Income Statement Adjustments (to NOI)	P=ProForma F=FPSC	System		Retail	
			Amount	Income Tax Effect	Amount	Income Tax Effect
	ECCR	F	(5,491,804)	2,118,463	(5,491,804)	2,118,463
	ECRC	F	(17,013,278)	6,562,872	(19,483,683)	7,515,831
	FUEL	F	(3,070,553)	1,184,466	(2,993,043)	1,154,566
	CCR	F	(1)	0	(1)	0
	NUCLEAR	F	(5,523,136)	2,130,550	(5,523,136)	2,130,550
	NON-REGULATED AND MISCELLANEOUS	F	48,472,238	(18,698,166)	48,472,238	(18,698,166)
(2)	CORPORATE AIRCRAFT ALLOCATION	F	2,303,471	(888,564)	2,147,319	(828,328)
(1)	FRANCHISE FEE & GROSS RECEIPTS	F	(207,991,846)	80,232,855	(207,991,846)	80,232,855
(1)	FRANCHISE FEES & GROSS REC TAX - TOI	F	206,277,178	(79,571,421)	206,277,178	(79,571,421)
(1)	GAIN/LOSS ON DISPOSITION & OTHER	F	327,161	(126,202)	303,884	(117,223)
(1)	INST./PROMOTIONAL ADVERTISING	F	4,965,632	(1,915,493)	4,629,012	(1,785,641)
(1)	MISCELLANEOUS INTEREST EXPENSE	F	(136,698)	52,731	(127,431)	49,157
(1)	REMOVE ASSOC/ORGANIZATION DUES	F	27,520	(10,616)	25,654	(9,896)
(2)	PARENT DEBT ADJUSTMENT	F		14,743,062		13,362,964
(2)	DIRECTORS & OFFICERS PREMIUM	F	2,917,945	(1,125,597)	2,720,138	(1,049,293)
(1)	INTEREST SYNCHRONIZATION - FPSC	F		7,748,708		6,100,025
	Total		\$26,063,829	\$12,437,648	\$22,964,478	\$10,604,442

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 13-0596-FOF-EI

	Plant in Service	Accum Depr & Amort	Net Plant in Service	Future Use & Appd Unrecov Plant	Const Work in Progress	Net Utility Plant	Working Capital	Total Period End Rate Base
System Per Books	\$14,660,382,962	\$5,371,767,862	\$9,288,615,100	\$122,180,930	\$978,187,102	\$10,388,983,131	\$2,603,252,246	\$12,992,235,377
Regulatory Base - Retail	\$13,304,247,291	\$4,979,056,823	\$8,325,188,468	\$105,913,761	\$884,726,587	\$9,315,826,815	\$2,553,733,382	\$11,869,562,197
FPSC Adjustments								
ARO	(29,226,857)	(31,477,719)	2,250,861			2,250,861	(5,613,394)	(3,362,532)
ECCR	(51,453,294)	(11,912,074)	(39,541,220)		0	(39,541,220)	(1,334,433)	(40,875,653)
ECRC	(178,023,010)	(12,100,162)	(165,922,847)		(462,853)	(166,385,700)	(14,042,066)	(180,427,766)
FUEL	(28,969,382)	(28,103,620)	(865,763)			(865,763)	103,397,961	102,532,199
CCR							(27,923,982)	(27,923,982)
NUCLEAR					(794,626)	(794,626)	(257,537,376)	(258,332,001)
CR3 Removal							(1,334,345,895)	(1,334,345,895)
Derivatives							(31,185,690)	(31,185,690)
Employee Related							(420)	(420)
Investments Earning a Return							(170,938,644)	(170,938,644)
Jobbing Accounts							(596,015)	(596,015)
Non-Regulated and Miscellaneous	(47,884,111)	(37,098,801)	(10,785,310)		(11,049)	(10,796,359)	62,880,172	52,083,813
Retention Accounts							1,906,046	1,906,046
CWIP - AFUDC					(478,742,857)	(478,742,857)	776,036,490	(478,742,857)
Imputed Off Balance Sheet Obligations							147,363,050	776,036,490
Capital Lease	(145,223,275)		(145,223,275)			(145,223,275)		2,139,775
Total FPSC Adjustments	(480,779,929)	(120,692,376)	(360,087,553)		(480,011,384)	(840,098,938)	(751,934,195)	(1,592,033,132)
FPSC Adjusted	\$12,823,467,362	\$4,858,366,447	\$7,965,100,914	\$105,913,761	\$404,715,202	\$8,475,729,877	\$1,801,799,188	\$10,277,529,065

	Operating Revenues	Fuel & Net Interchange	O&M Other	Depr & Amort	Taxes Other than Income	Income Taxes Current	Deferred Income Tax (Net)	Investment Tax Credit (Net)	Gain/Loss on Disposition & Other	Total Operating Expenses	Net Operating Income
System Per Books	\$4,803,958,430	\$2,107,417,372	\$812,843,218	\$495,132,384	\$346,528,763	(\$136,828,937)	\$435,327,061	(\$146,000)	-	\$4,060,273,860	\$743,684,570
Regulatory Base - Retail	\$4,488,556,389	\$2,054,219,847	\$776,963,435	\$463,280,013	\$333,981,344	(\$87,544,343)	\$327,892,716	(\$133,494)	-	\$3,868,659,518	\$619,896,871
FPSC Adjustments											
ECCR	(95,584,193)	-	(85,255,311)	(4,837,077)	-	(2,118,463)	-	-	-	(92,210,852)	(3,373,341)
ECRC	(56,567,425)	-	(34,000,546)	(1,791,063)	(1,292,133)	(7,515,831)	-	-	-	(44,599,572)	(11,967,852)
FUEL	(1,695,387,415)	(1,691,217,191)	(1,177,181)	-	-	(1,154,566)	-	-	-	(1,693,548,939)	(1,838,476)
CCR	(363,264,206)	(363,002,655)	(261,550)	-	-	(0)	-	-	-	(363,264,206)	(0)
NUCLEAR	(80,889,865)	-	(54,786)	(55,311,943)	-	(2,130,550)	-	-	-	(57,497,279)	(3,392,586)
Non-Regulated and Miscellaneous	-	-	-	(48,472,238)	-	18,698,166	-	-	-	(29,774,072)	29,774,072
CORPORATE AIRCRAFT ALLOCATION	-	-	(2,147,319)	-	-	828,328	-	-	-	(1,318,991)	1,318,991
FRANCHISE FEE & GROSS RECEIPTS	(207,991,846)	-	-	-	-	(80,232,855)	-	-	-	(80,232,855)	(127,758,992)
FRANCHISE FEES & GROSS REC TAX - TOI	-	-	-	-	(206,277,178)	79,571,421	-	-	-	(126,705,756)	126,705,756
GAIN/LOSS ON DISPOSITION & OTHER	-	-	-	-	-	117,223	-	-	(303,884)	(186,661)	186,661
INST./PROMOTIONAL ADVERTISING	-	-	(4,629,012)	-	-	1,785,641	-	-	-	(2,843,371)	2,843,371
MISCELLANEOUS INTEREST EXPENSE	-	-	127,431	-	-	(49,157)	-	-	-	78,275	(78,275)
REMOVE ASSOC./ORGANIZATION DUES	-	-	(25,654)	-	-	9,896	-	-	-	(15,758)	15,758
PARENT DEBT ADJUSTMENT	-	-	-	-	-	(13,362,964)	-	-	-	(13,362,964)	13,362,964
DIRECTORS & OFFICERS PREMIUM	-	-	-	-	-	1,049,293	-	-	-	(1,670,844)	1,670,844
INTEREST SYNCHRONIZATION - FPSC	-	-	(2,720,138)	-	-	(6,100,025)	-	-	-	(6,100,025)	6,100,025
Total FPSC Adjustments	(2,479,684,950)	(2,054,219,847)	(130,144,066)	(110,412,320)	(207,569,311)	(10,604,442)	\$327,892,716	(\$133,494)	(303,884)	(2,513,253,870)	33,566,920
FPSC Adjusted	\$2,008,871,438	\$ -	\$546,819,369	\$352,867,693	\$126,412,033	(\$98,148,785)	\$327,892,716	(\$133,494)	(\$303,884)	\$1,355,405,648	\$653,465,791

(a) The addition of earnings from AFUDC charges would increase the System NOI by 17,030,250 pretax

(b) The addition of earnings from AFUDC charges would increase the Jurisdictional NOI by 15,113,530 pretax

Notes	Rate Base Adjustments	P=ProForma F=FPSC	System	Retail
	ARO	F	(\$3,362,532)	(\$3,362,532)
	ECCR	F	(40,875,653)	(40,875,653)
	ECRC	F	(194,044,649)	(180,427,766)
	FUEL	F	102,465,881	102,532,199
	CCR	F	(29,349,942)	(27,923,982)
	NUCLEAR	F	(257,164,496)	(258,332,001)
	CR3 Removal	F	(1,334,345,895)	(1,334,345,895)
	Derivatives	F	(31,185,690)	(31,185,690)
	Employee Related	F	(472)	(420)
	Investments Earning a Return	F	(180,790,987)	(170,938,644)
	Jobbing Accounts	F	(668,980)	(596,015)
	Non-Regulated and Miscellaneous	F	52,083,813	52,083,813
	Retention Accounts	F	2,139,389	1,906,046
(1)	CWIP - AFUDC	F	(515,733,407)	(478,742,857)
(3)	Imputed Off Balance Sheet Obligations	F	835,480,960	776,036,490
(2)	Capital Lease - EPIS	F	(155,783,863)	(145,223,275)
(2)	Capital Lease - Working Capital	F	158,079,242	147,363,050
	Total		(\$1,593,057,281)	(\$1,592,033,132)

Notes	Income Statement Adjustments (to NOI)	P=ProForma F=FPSC	System		Retail	
			Amount	Income Tax Effect	Amount	Income Tax Effect
	ECCR	F	(5,491,804)	2,118,463	(5,491,804)	2,118,463
	ECRC	F	(17,013,278)	6,562,872	(19,483,683)	7,515,831
	FUEL	F	(3,070,553)	1,184,466	(2,993,043)	1,154,566
	CCR	F	(1)	0	(1)	0
	NUCLEAR	F	(5,523,136)	2,130,550	(5,523,136)	2,130,550
	NON-REGULATED AND MISCELLANEOUS	F	48,472,238	(18,698,166)	48,472,238	(18,698,166)
(2)	CORPORATE AIRCRAFT ALLOCATION	F	2,303,471	(888,564)	2,147,319	(828,328)
(1)	FRANCHISE FEE & GROSS RECEIPTS	F	(207,991,846)	80,232,855	(207,991,846)	80,232,855
(1)	FRANCHISE FEES & GROSS REC TAX - TOI	F	206,277,178	(79,571,421)	206,277,178	(79,571,421)
(1)	GAIN/LOSS ON DISPOSITION & OTHER	F	327,161	(126,202)	303,884	(117,223)
(1)	INST./PROMOTIONAL ADVERTISING	F	4,965,632	(1,915,493)	4,629,012	(1,785,641)
(1)	MISCELLANEOUS INTEREST EXPENSE	F	(136,698)	52,731	(127,431)	49,157
(1)	REMOVE ASSOC/ORGANIZATION DUES	F	27,520	(10,616)	25,654	(9,896)
(2)	PARENT DEBT ADJUSTMENT	F	2,917,945	14,743,062	2,720,138	13,362,964
(2)	DIRECTORS & OFFICERS PREMIUM	F		(1,125,597)		(1,049,293)
(1)	INTEREST SYNCHRONIZATION - FPSC	F		7,748,708		6,100,025
	Total		\$26,063,829	\$12,437,648	\$22,964,478	\$10,604,442

Notes: (1) Docket No. 910890-EI, Order No. PSC 92-0208-FOF-E
(2) Docket No. 090079-EI, Order No. PSC 10-0131-FOF-EI
(3) Docket No. 130208-EI, Order No. PSC 13-0598-FOF-EI

	System Per		Retail Per		Pro Rata		Specific		Adjusted		Cap		Low-Point		Mid-Point		High-Point	
	Books	Books	Books	Books	Adjustments	Adjustments	Adjustments	Adjustments	Retail	Ratio	Cost Rate	Weighted Cost	Cost Rate	Weighted Cost	Cost Rate	Weighted Cost	Cost Rate	Weighted Cost
Common Equity	\$5,122,506,543	\$4,675,803,536			(\$767,371,131)	\$750,268,030	\$4,658,700,435			46.53%	9.50%	4.42%	10.50%	4.89%	11.50%	5.35%		
Long Term Debt	4,413,550,234	4,028,671,046			(661,166,756)		3,367,504,290			33.64%	5.45%	1.83%	5.45%	1.83%	5.45%	1.83%		
Short Term Debt *	487,644,692	445,120,130			(73,051,046)	(47,904,995)	324,164,089			3.24%	0.57%	0.02%	0.57%	0.02%	0.57%	0.02%		
Customer Deposits																		
Active	219,488,506	219,488,506			(36,021,433)		183,467,073			1.83%	2.30%	0.04%	2.30%	0.04%	2.30%	0.04%		
Inactive	1,636,029	1,636,029			(268,498)		1,367,532			0.01%								
Investment Tax Credits **	304,782	278,204			(45,657)		232,546			0.00%								
Deferred Income Taxes	2,425,178,989	2,213,693,706			(363,301,116)	(212,415,818)	1,637,976,772			16.36%								
FAS 109 DIT - Net	(211,779,005)	(193,311,031)			31,725,307		(161,585,724)			-1.61%								
Total	\$12,458,530,771	\$11,391,380,127			(\$1,869,500,330)	\$489,947,216	\$10,011,827,014			100.00%		6.31%		6.78%		7.24%		

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

	System Per		Retail Per		Pro Rata		Specific		Adjusted		Cap		Low-Point		Mid-Point		High-Point			
	Books	Books	Books	Books	Adjustments	Adjustments	Adjustments	Adjustments	Retail	Retail	Ratio	Ratio	Cost Rate	Cost Rate	Weighted Cost	Weighted Cost	Cost Rate	Cost Rate	Weighted Cost	
Common Equity	\$5,269,879,046	\$4,834,625,879	\$4,834,625,879	\$4,834,625,879	(\$820,794,171)	\$736,611,540	\$4,750,443,247	\$4,750,443,247	46.22%	46.22%	9.50%	9.50%	10.50%	10.50%	4.39%	4.39%	11.50%	11.50%	5.32%	
Long Term Debt	4,094,001,303	3,755,866,971	3,755,866,971	3,755,866,971	(637,648,868)		3,118,218,103	3,118,218,103	30.34%	30.34%	5.87%	5.87%	5.87%	5.87%	1.78%	1.78%	5.87%	5.87%	1.78%	
Short Term Debt *	980,186,000	899,229,861	899,229,861	899,229,861	(152,665,924)	(94,830,257)	651,733,680	651,733,680	6.34%	6.34%	0.57%	0.57%	0.57%	0.57%	0.04%	0.04%	0.57%	0.57%	0.04%	
Customer Deposits																				
Active	217,941,392	217,941,392	217,941,392	217,941,392	(37,000,800)		180,940,592	180,940,592	1.76%	1.76%	2.32%	2.32%	2.32%	2.32%	0.04%	0.04%	2.32%	2.32%	0.04%	
Inactive	1,737,269	1,737,269	1,737,269	1,737,269	(294,943)		1,442,325	1,442,325	0.01%	0.01%	0.00%	0.00%	0.00%	0.00%						
Investment Tax Credits **	230,846	211,779	211,779	211,779	(35,955)		175,825	175,825	0.00%	0.00%										
Deferred Income Taxes	2,568,170,530	2,356,058,573	2,356,058,573	2,356,058,573	(399,997,682)	(218,670,387)	1,737,390,504	1,737,390,504	16.90%	16.90%										
FAS 109 DIT - Net	(213,764,934)	(196,109,526)	(196,109,526)	(196,109,526)	33,294,315		(162,815,211)	(162,815,211)	-1.58%	-1.58%										
Total	\$12,918,381,451	\$11,869,562,197	\$11,869,562,197	\$11,869,562,197	(\$2,015,144,028)	\$423,110,896	\$10,277,529,065	\$10,277,529,065	100.00%	100.00%	6.25%	6.25%	6.71%	6.71%	6.25%	6.25%	6.71%	6.71%	7.17%	

* Daily Weighted Average

** Cost Rates Calculated Per IRS Ruling

	System Per		Retail Per		Pro Rata		Specific		Adjusted		Cap		Low-Point		Mid-Point		High-Point	
	Books		Books		Adjustments		Adjustments		Retail		Ratio		Cost Rate	Weighted Cost	Cost Rate	Weighted Cost	Cost Rate	Weighted Cost
Common Equity	\$5,122,506,543		\$4,675,803,536		(\$767,371,131)		\$750,268,030		\$4,658,700,435		46.53%		9.50%	4.42%	10.50%	4.89%	11.50%	5.35%
Long Term Debt	4,413,550,234		4,028,671,046		(661,166,756)				3,367,504,290		33.64%		5.45%	1.83%	5.45%	1.83%	5.45%	1.83%
Short Term Debt *	487,644,692		445,120,130		(73,051,046)		(47,904,995)		324,164,089		3.24%		0.57%	0.02%	0.57%	0.02%	0.57%	0.02%
Customer Deposits																		
Active	219,488,506		219,488,506		(36,021,433)				183,467,073		1.83%		2.30%	0.04%	2.30%	0.04%	2.30%	0.04%
Inactive	1,636,029		1,636,029		(268,498)				1,367,532		0.01%							
Investment Tax Credits **	304,782		278,204		(45,657)				232,546		0.00%							
Deferred Income Taxes	2,425,179,989		2,213,693,706		(363,301,116)		(212,415,818)		1,637,976,772		16.36%							
FAS 109 DIT - Net	(211,779,005)		(193,311,031)		31,725,307				(161,585,724)		-1.61%							
Total	\$12,458,530,771		\$11,391,380,127		(\$1,869,500,330)		\$489,947,216		\$10,011,827,014		100.00%			6.31%		6.78%		7.24%

* Daily Weighted Average

** Cost Rates Calculated Per IRS Ruling

DUKE ENERGY FLORIDA
End of Period - Capital Structure
FPSC Adjusted Basis
April 2016

	System Per		Retail Per		Pro Rata		Specific		Adjusted		Cap		Low-Point		Mid-Point		High-Point	
	Books	Books	Books	Books	Adjustments	Adjustments	Adjustments	Adjustments	Retail	Ratio	Ratio	Ratio	Cost Rate	Weighted Cost	Cost Rate	Weighted Cost	Cost Rate	Weighted Cost
Common Equity	\$5,269,879,046	\$4,834,625,879			(\$820,794,171)	\$736,611,540	\$4,750,443,247	46.22%					9.50%	4.39%	10.50%	4.85%	11.50%	5.32%
Long Term Debt	4,094,001,303	3,755,866,971			(637,648,868)		3,118,218,103	30.34%					5.87%	1.78%	5.87%	1.78%	5.87%	1.78%
Short Term Debt *	980,186,000	899,229,861			(152,665,924)	(94,830,257)	651,733,680	6.34%					0.57%	0.04%	0.57%	0.04%	0.57%	0.04%
Customer Deposits																		
Active	217,941,392	217,941,392			(37,000,800)		180,940,592	1.76%					2.32%	0.04%	2.32%	0.04%	2.32%	0.04%
Inactive	1,737,269	1,737,269			(294,943)		1,442,325	0.01%										
Investment Tax Credits **	230,846	211,779			(35,955)		175,825	0.00%										
Deferred Income Taxes	2,568,170,530	2,356,058,573			(399,997,682)	(218,670,387)	1,737,390,504	16.90%										
FAS 109 DIT - Net	(213,764,934)	(196,109,526)			33,294,315		(162,815,211)	-1.58%										
Total	\$12,918,381,451	\$11,869,562,197			(\$2,015,144,026)	\$423,110,896	\$10,277,529,065	100.00%						6.25%		6.71%		7.17%

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

A. TIMES INTEREST EARNED WITH AFUDC

EARNINGS BEFORE INTEREST	\$ 727,476,558
AFUDC - DEBT	\$ 5,965,079
INCOME TAXES	\$ 336,518,263
TOTAL	\$ 1,069,959,900
INTEREST CHARGES (before deducting AFUDC-Debt & CR3 reg asset carrying charge)	\$ 228,245,073
TIE WITH AFUDC	<u>4.89</u>

B. TIMES INTEREST EARNED WITHOUT AFUDC

EARNINGS BEFORE INTEREST	\$ 727,476,558
AFUDC - EQUITY	(11,065,170)
INCOME TAXES	336,518,263
TOTAL	\$ 1,052,929,650
INTEREST CHARGES (before deducting AFUDC-Debt & CR3 reg asset carrying charge)	\$ 228,245,073
TIE WITHOUT AFUDC	<u>4.61</u>

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

AFUDC DEBT	\$ 5,965,079
X (1- INCOME TAX RATE)	0.61425
SUBTOTAL	\$ 3,664,050
AFUDC -EQUITY	\$ 11,065,170
TOTAL	\$ 14,729,220
NET INCOME AVAILABLE FOR COMMON STOCKHOLDERS	\$ 537,490,021
PERCENT AFUDC TO AVAILABLE NET INCOME	<u>2.74%</u>

D. PERCENT INTERNALLY GENERATED FUNDS*

NET INCOME	\$ 596,228,621
COMMON DIVIDENDS	\$ (350,000,000)
AFUDC (EQUITY)	\$ (9,829,516)
DEPRECIATION & AMORTIZATION	\$ 509,190,898
DEFERRED INCOME TAXES	\$ 391,798,297
INVESTMENT TAX CREDITS	\$ (146,000)
OTHER - INC NUCLEAR DECOMMISSIONING	\$ (13,583,184)
OTHER FUNDS - INCLUDING CHANGE IN WORKING CAPITAL	(242,617,564)
TOTAL FUNDS PROVIDED	<u>\$ 881,041,552</u>

CONSTRUCTION EXPENDITURES (EXCLUDING AFUDC EQUITY & DEBT)	<u>\$ 1,073,485,638</u>
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PERCENTAGE INTERNALLY GENERATED FUNDS	82.07%
*Updated quarterly as of March 2016	

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

Common Equity	\$ 4,658,700,435
Long Term Debt	\$ 3,367,504,290
Short Term Debt	\$ 324,164,089
TOTAL	<u>\$ 8,350,368,814</u>

% LONG TERM DEBT TO TOTAL	40.33%
% SHORT TERM DEBT TO TOTAL	3.88%

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

	Pro Forma	FPSC
FPSC AVERAGE		
EARNED RATE OF RETURN	6.33%	6.53%
LESS RETAIL WEIGHTED AVERAGE COST RATES FOR:		
LONG TERM DEBT	1.83%	1.83%
SHORT TERM DEBT	0.02%	0.02%
CUSTOMER DEPOSITS	0.04%	0.04%
DEFERRED INCOME TAXES		
INVESTMENT TAX CREDITS		
DEFERRED INCOME TAX (FAS 109)		
SUBTOTAL	<u>1.89%</u>	<u>1.89%</u>
TOTAL	4.44%	4.63%
DIVIDED BY COMMON EQUITY RATIO	46.53%	46.53%
JURISDICTIONAL RETURN ON COMMON EQUITY	<u>9.54%</u>	<u>9.96%</u>