



August 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 June 30, 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 June 30, 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 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
 Jun-19

SCHEDULE 1

	(1) Actual Per Books	(2) FPSC Adjustments	(3) FPSC Adjusted	(4) Pro Forma Adjustments	(5) Pro Forma Adjusted
I. AVERAGE RATE OF RETURN (Jurisdictional)					
Net Operating Income	\$816,270,068 (a)	(\$40,478,588) (b)	\$775,791,479	(\$8,495,402)	\$767,296,077
Average Rate Base	\$13,843,146,813	(\$1,516,167,600)	\$12,326,979,213	\$0	\$12,326,979,213
Average Rate of Return	5.90%		6.29%		6.22%
I. YEAR END RATE OF RETURN (Jurisdictional)					
Net Operating Income	\$785,141,732	(\$9,350,253)	\$775,791,479		
Average Rate Base	\$14,595,130,438	(\$1,356,309,885)	\$13,238,820,553		
Average Rate of Return	5.38%		5.86%		

(a) INCLUDES AFUDC EARNINGS

(b) INCLUDES REVERSAL OF AFUDC EARNINGS

III. REQUIRED RATES OF RETURN	Average Capital Structure	End of Period Capital Structure
FPSC Adjusted Basis		
Low Point	5.96%	5.78%
Mid Point	6.38%	6.19%
High Point	6.81%	6.60%
Pro Forma Adjusted Basis		
Low Point	5.96%	5.78%
Mid Point	6.38%	6.19%
High Point	6.81%	6.60%

IV. FINANCIAL INTEGRITY INDICATORS

A. T.I.E. with AFUDC	3.30	(System Per Books Basis)
B. T.I.E. without AFUDC	3.18	(System Per Books Basis)
C. AFUDC to Net Income	5.73%	(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	48.28%	(FPSC Adjusted Basis)
ST Debt to Total Investor Funds	(0.23%)	(FPSC Adjusted Basis)
F. Return on Common Equity		
	10.29%	(FPSC Adjusted Basis)
	10.13%	(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
System Per Books	\$17,824,853,891	\$5,590,547,015	\$12,234,306,876	\$132,402,318	\$1,268,805,206	\$13,635,514,400	\$1,686,717,152	\$15,322,231,552
Regulatory Base - Retail	\$16,184,374,722	\$5,190,785,624	\$10,993,589,098	\$116,260,658	\$1,086,865,617	\$12,196,715,373	\$1,646,431,440	\$13,843,146,813
FPSC Adjustments								
ARO	(22,490,147)	(17,482,188)	(5,007,958)			(5,007,958)	(13,778,885)	(18,786,843)
ECCR	(25,801,709)	(17,675,999)	(8,125,710)			(8,125,710)	(20,142,107)	(28,267,816)
ECRC	(202,941,465)	(26,237,398)	(176,704,067)		(41,334,703)	(218,038,770)	(5,041,895)	(223,080,665)
FUEL	(14,898,954)	(13,114,416)	(1,784,538)			(1,784,538)	(97,090,438)	(98,874,976)
CCR							(98,932,919)	(98,932,919)
NUCLEAR							(42,475,991)	(42,475,991)
Over\Under Recovery-Clauses							(187,716,217)	(187,716,217)
Derivatives							258,185	258,185
Employee Related							118	118
Investments Earning a Return							(197,250,983)	(197,250,983)
Jobbing Accounts							(341,772)	(341,772)
Non-Regulated and Miscellaneous	(45,600,096)	(36,688,567)	(8,911,529)	(87,379,077)		(96,290,607)	49,774,423	(46,516,184)
CWIP - AFUDC					(434,689,672)	(434,689,672)		(434,689,672)
Imputed Off Balance Sheet Obligations							329,925,984	329,925,984
Capital Lease	(310,015,355)		(310,015,355)			(310,015,355)	183,986,499	(126,028,857)
Storm							(343,388,991)	(343,388,991)
Total FPSC Adjustments	(621,747,726)	(111,198,568)	(510,549,158)	(87,379,077)	(476,024,375)	(1,073,952,610)	(442,214,990)	(1,516,167,600)
FPSC Adjusted	\$15,562,626,996	\$5,079,587,056	\$10,483,039,940	\$28,881,581	\$610,841,242	\$11,122,762,763	\$1,204,216,450	\$12,326,979,213

	Operating Revenues	Fuel & Net Interchange	O&M Other	Depr & Amort	Taxes Other than Income	Income Taxes Current	Deferred Income Tax (Net)	Investment Tax Credit (Net)	Gain/Loss on Disp. & Other	Total Operating Expenses	Net Operating Income
System Per Books	5,000,844,919	2,049,878,102	962,881,783	620,313,288	388,995,942	85,394,080	33,653,257	(18,721)		4,141,097,730	859,747,189
Regulatory Base - Retail	4,744,945,914	1,976,585,032	923,712,813	578,486,491	374,941,657	113,493,361	(7,398,255)	(16,916)		3,959,804,182	785,141,732
FPSC Adjustments											
ECCR	(109,320,607)		(103,073,079)	(4,516,042)		(438,845)				(108,027,966)	(1,292,641)
ECRC	(58,433,638)		(28,039,293)	(8,200,788)	(1,300,469)	(5,295,353)				(42,835,903)	(15,597,734)
FUEL	(1,590,086,796)	(1,588,213,476)	(1,143,173)	(9,267,045)		2,163,677				(1,596,460,017)	6,373,221
CCR	(408,849,430)	(388,371,556)	(294,372)	(9,512,052)		(2,704,679)				(400,882,658)	(7,966,771)
NUCLEAR	(46,647,433)		(75,308)	(45,597,133)		(247,112)				(45,919,553)	(727,880)
Non-Regulated and Miscellaneous				(177,194)		44,910				(132,284)	132,284
CORPORATE AIRCRAFT ALLOCATION			(2,407,272)			610,123				(1,797,149)	1,797,149
FRANCHISE FEE & GROSS RECEIPTS	(228,371,075)					(57,880,649)				(57,880,649)	(170,490,426)
FRANCHISE FEES & GROSS REC TAX - TOI					(232,344,601)	58,887,739				(173,456,862)	173,456,862
GAIN/LOSS ON DISPOSITION & OTHER						66,386		(261,928)		(195,542)	195,542
INST./PROMOTIONAL ADVERTISING			(3,086,299)			782,223				(2,304,077)	2,304,077
MISCELLANEOUS INTEREST EXPENSE			97,474			(24,705)				72,769	(72,769)
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						(11,036,780)				(11,036,780)	11,036,780
DIRECTORS & OFFICERS PREMIUM			(1,071,126)			271,477				(799,649)	799,649
INTEREST SYNCHRONIZATION - FPSC						9,408,704				9,408,704	(9,408,704)
Total FPSC Adjustments	(2,441,708,979)	(1,976,585,032)	(139,241,278)	(77,270,254)	(233,645,070)	(5,355,165)			(261,928)	(2,432,358,726)	(9,350,253)
FPSC Adjusted	2,303,236,935		784,471,535	501,216,237	141,296,586	108,138,196	(7,398,255)	(16,916)	(261,928)	1,527,445,456	775,791,479
Pro Forma Adjustments											
Weather Normalization	(11,379,549)					(2,884,147)				(2,884,147)	(8,495,402)
Total Pro Forma Adjustments	(11,379,549)					(2,884,147)				(2,884,147)	(8,495,402)
Pro Forma Adjusted	2,291,857,386		784,471,535	501,216,237	141,296,586	105,254,049	(7,398,255)	(16,916)	(261,928)	1,524,561,309	767,296,077
Current Month											
System Per Books	495,947,558	202,212,450	83,657,435	53,520,510	37,358,796	(1,165,592)	20,662,154			396,245,753	99,701,804
FPSC Adjusted	233,352,586		67,614,949	44,275,773	13,252,905	15,978,400	6,296,985		(21,262)	147,397,751	85,954,835

(a) The addition of earnings from AFUDC charges would increase the System NOI by 36,339,170 pretax
(b) The addition of earnings from AFUDC charges would increase the Jurisdictional NOI by 31,128,336 pretax

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

Notes	Rate Base Adjustments	P=ProForma F=FPSC	System	Retail
	ARO	F	(18,786,843)	(18,786,843)
	ECCR	F	(54,069,526)	(28,267,816)
	ECRC	F	(238,296,626)	(223,080,665)
	FUEL	F	(99,011,671)	(98,874,976)
	CCR	F	(98,932,919)	(98,932,919)
	NUCLEAR	F	(42,475,991)	(42,475,991)
	Over/Under Recovery-Clauses	F	(187,716,217)	(187,716,217)
	Derivatives	F	258,185	258,185
	Employee Related	F	124	118
	Investments Earning a Return	F	(197,250,983)	(197,250,983)
	Jobbing Accounts	F	(359,147)	(341,772)
	Non-Regulated and Miscellaneous	F	(53,209,429)	(46,516,184)
(1)	CWIP - AFUDC	F	(480,576,273)	(434,689,672)
(3)	Imputed Off Balance Sheet Obligations	F	355,198,346	329,925,984
(2)	Capital Lease - EPIS	F	(332,559,569)	(310,015,355)
(2)	Capital Lease - Working Capital	F	197,365,935	183,986,499
	Storm	F	(343,388,991)	(343,388,991)
	Total		(1,593,811,595)	(1,516,167,600)

Notes	Income Statement Adjustments (to NOI)	P=ProForma F=FPSC	System		Retail	
			Amount	Income Tax Effect	Amount	Income Tax Effect
	ECCR	F	(1,731,487)	438,845	(1,731,487)	438,845
	ECRC	F	(18,471,341)	4,681,561	(20,893,087)	5,295,353
	FUEL	F	8,853,452	(2,243,907)	8,536,898	(2,163,677)
	CCR	F	(10,671,450)	2,704,679	(10,671,450)	2,704,679
	NUCLEAR	F	(974,992)	247,112	(974,992)	247,112
	Non-Regulated and Miscellaneous	F	177,194	(44,910)	177,194	(44,910)
(2)	CORPORATE AIRCRAFT ALLOCATION	F	2,582,328	(654,491)	2,407,272	(610,123)
(1)	FRANCHISE FEE & GROSS RECEIPTS	F	(228,371,075)	57,880,649	(228,371,075)	57,880,649
(1)	FRANCHISE FEES & GROSS REC TAX - TOI	F	232,344,601	(58,887,739)	232,344,601	(58,887,739)
(1)	GAIN/LOSS ON DISPOSITION & OTHER	F	281,991	(71,471)	261,928	(66,386)
(1)	INST./PROMOTIONAL ADVERTISING	F	3,310,734	(839,106)	3,086,299	(782,223)
(1)	MISCELLANEOUS INTEREST EXPENSE	F	(104,562)	26,501	(97,474)	24,705
(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		12,274,682		11,036,780
(2)	DIRECTORS & OFFICERS PREMIUM	F	1,149,018	(291,219)	1,071,126	(271,477)
(1)	INTEREST SYNCHRONIZATION - FPSC	F		(10,003,461)		(9,408,704)
	Total		(11,465,936)	5,177,262	(14,705,417)	5,355,165

Notes: (1) Docket No. 910890-EI, Order No. PSC 92-0208-FOF-EI
(2) Docket No. 090079-EI, Order No. PSC 10-0131-FOF-EI
(3) Docket No. 130208-EI, Order No. PSC 13-0598-FOF-EI
(4) Rule 25-6.0426 Recovery of Econ Dev Expenses

	Plant in Service	Accum Depr & Amort	Net Plant in Service	Future Use & Appd Unrecov Plant	Const Work in Progress	Net Utility Plant	Working Capital	Total Period End Rate Base
System Per Books	\$18,966,021,858	\$5,515,253,357	\$13,450,768,501	\$134,615,088	\$896,236,484	\$14,481,620,073	\$1,684,423,366	\$16,166,043,439
Regulatory Base - Retail	\$17,216,273,789	\$5,115,056,187	\$12,101,217,602	\$118,323,424	\$729,157,972	\$12,948,698,998	\$1,646,431,440	\$14,595,130,438
FPSC Adjustments								
ARO	(23,120,731)	(22,868,119)	(252,612)			(252,612)	(13,778,885)	(14,031,497)
ECCR	(22,251,667)	(15,920,510)	(6,331,157)			(6,331,157)	(20,142,107)	(26,473,264)
ECRC	(243,727,043)	(28,456,339)	(215,270,704)		(2,450,125)	(217,720,829)	(5,041,895)	(222,762,724)
FUEL	(10,836,689)	(7,911,759)	(2,924,930)			(2,924,930)	(97,090,438)	(100,015,368)
CCR							(98,932,919)	(98,932,919)
NUCLEAR							(42,475,991)	(42,475,991)
Over\Under Recovery-Clauses							(187,716,217)	(187,716,217)
Derivatives							258,185	258,185
Employee Related							118	118
Investments Earning a Return							(197,250,983)	(197,250,983)
Jobbing Accounts							(341,772)	(341,772)
Non-Regulated and Miscellaneous	(43,162,837)	(36,012,836)	(7,150,002)	(87,379,077)		(94,529,079)	49,774,423	(44,754,656)
CWIP - AFUDC					(55,555,161)	(55,555,161)		(55,555,161)
Imputed Off Balance Sheet Obligations							329,925,984	329,925,984
Capital Lease	(536,781,128)		(536,781,128)			(536,781,128)	183,986,499	(352,794,629)
Storm							(343,388,991)	(343,388,991)
Total FPSC Adjustments	(879,880,095)	(111,169,562)	(768,710,533)	(87,379,077)	(58,005,286)	(914,094,895)	(442,214,990)	(1,356,309,885)
FPSC Adjusted	16,336,393,694	5,003,886,625	11,332,507,069	30,944,347	671,152,687	12,034,604,102	1,204,216,450	13,238,820,553

	Operating Revenues	Fuel & Net Interchange	O&M Other	Depr & Amort	Taxes Other than Income	Income Taxes Current	Deferred Income Tax (Net)	Investment Tax Credit (Net)	Gain/Loss on Disposition & Other	Total Operating Expenses	Net Operating Income
System Per Books	5,000,844,919	2,049,878,102	962,881,783	620,313,288	388,995,942	85,394,080	33,653,257	(18,721)		4,141,097,730	859,747,189
Regulatory Base - Retail	4,744,945,914	1,976,585,032	923,712,813	578,486,491	374,941,657	113,493,361	(7,398,255)	(16,916)		3,959,804,182	785,141,732
FPSC Adjustments											
ECCR	(109,320,607)		(103,073,079)	(4,516,042)		(438,845)				(108,027,966)	(1,292,641)
ECRC	(58,433,638)		(28,039,293)	(8,200,788)	(1,300,469)	(5,295,353)				(42,835,903)	(15,597,734)
FUEL	(1,590,086,796)	(1,588,213,476)	(1,143,173)	(9,267,045)		2,163,677				(1,596,460,017)	6,373,221
CCR	(408,849,430)	(388,371,556)	(294,372)	(9,512,052)		(2,704,679)				(400,882,658)	(7,966,771)
NUCLEAR	(46,647,433)		(75,308)	(45,597,133)		(247,112)				(45,919,553)	(727,880)
Non-Regulated and Miscellaneous				(177,194)		44,910				(132,284)	132,284
CORPORATE AIRCRAFT ALLOCATION			(2,407,272)			610,123				(1,797,149)	1,797,149
FRANCHISE FEE & GROSS RECEIPTS	(228,371,075)					(57,880,649)				(57,880,649)	(170,490,426)
FRANCHISE FEES & GROSS REC TAX - TOI					(232,344,601)	58,887,739				(173,456,862)	173,456,862
GAIN/LOSS ON DISPOSITION & OTHER						66,386		(261,928)		(195,542)	195,542
INST./PROMOTIONAL ADVERTISING			(3,086,299)			782,223				(2,304,077)	2,304,077
MISCELLANEOUS INTEREST EXPENSE			97,474			(24,705)				72,769	(72,769)
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						(11,036,780)				(11,036,780)	11,036,780
DIRECTORS & OFFICERS PREMIUM			(1,071,126)			271,477				(799,649)	799,649
INTEREST SYNCHRONIZATION - FPSC						9,408,704				9,408,704	(9,408,704)
Total FPSC Adjustments	(2,441,708,979)	(1,976,585,032)	(139,241,278)	(77,270,254)	(233,645,070)	(5,355,165)			(261,928)	(2,432,358,726)	(9,350,253)
FPSC Adjusted	2,303,236,935		784,471,535	501,216,237	141,296,586	108,138,196	(7,398,255)	(16,916)	(261,928)	1,527,445,456	775,791,479

(a) The addition of earnings from AFUDC charges would increase the System NOI by 36,339,170 pretax
(b) The addition of earnings from AFUDC charges would increase the Jurisdictional NOI by 31,128,336 pretax

Notes	Rate Base Adjustments	P=ProForma F=FPSC	System	Retail
	ARO	F	(14,031,497)	(14,031,497)
	ECCR	F	(48,724,931)	(26,473,264)
	ECRC	F	(249,900,547)	(222,762,724)
	FUEL	F	(100,239,418)	(100,015,368)
	CCR	F	(98,932,919)	(98,932,919)
	NUCLEAR	F	(42,475,991)	(42,475,991)
	Over\Under Recovery-Clauses	F	(187,716,217)	(187,716,217)
	Derivatives	F	258,185	258,185
	Employee Related	F	124	118
	Investments Earning a Return	F	(197,250,983)	(197,250,983)
	Jobbing Accounts	F	(359,147)	(341,772)
	Non-Regulated and Miscellaneous	F	(51,447,902)	(44,754,656)
	CWIP - AFUDC	F	(78,225,635)	(55,555,161)
	Imputed Off Balance Sheet Obligations	F	355,198,346	329,925,984
(3)	Capital Lease - EPIS	F	(575,815,672)	(536,781,128)
(2)	Capital Lease - Working Capital	F	197,365,935	183,986,499
(2)	Storm	F	(343,388,991)	(343,388,991)
	Total		(1,435,687,259)	(1,356,309,885)

Notes	Income Statement Adjustments (to NOI)	P=ProForma F=FPSC	System		Retail	
			Amount	Income Tax Effect	Amount	Income Tax Effect
	ECCR	F	(1,731,487)	438,845	(1,731,487)	438,845
	ECRC	F	(18,471,341)	4,681,561	(20,893,087)	5,295,353
	FUEL	F	8,853,452	(2,243,907)	8,536,898	(2,163,677)
	CCR	F	(10,671,450)	2,704,679	(10,671,450)	2,704,679
	NUCLEAR	F	(974,992)	247,112	(974,992)	247,112
	Non-Regulated and Miscellaneous	F	177,194	(44,910)	177,194	(44,910)
(2)	CORPORATE AIRCRAFT ALLOCATION	F	2,582,328	(654,491)	2,407,272	(610,123)
(1)	FRANCHISE FEE & GROSS RECEIPTS	F	(228,371,075)	57,880,649	(228,371,075)	57,880,649
(1)	FRANCHISE FEES & GROSS REC TAX - TOI	F	232,344,601	(58,887,739)	232,344,601	(58,887,739)
(1)	GAIN/LOSS ON DISPOSITION & OTHER	F	281,991	(71,471)	261,928	(66,386)
(1)	INST./PROMOTIONAL ADVERTISING	F	3,310,734	(839,106)	3,086,299	(782,223)
(1)	MISCELLANEOUS INTEREST EXPENSE	F	(104,562)	26,501	(97,474)	24,705
(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		12,274,682		11,036,780
(2)	DIRECTORS & OFFICERS PREMIUM	F	1,149,018	(291,219)	1,071,126	(271,477)
(1)	INTEREST SYNCHRONIZATION - FPSC	F		(10,003,461)		(9,408,704)
	Total		(11,465,936)	5,177,262	(14,705,417)	5,355,165

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
Jun-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	6,132,033,702	5,532,234,087	(595,305,087)	306,317,340	5,243,246,341	42.53%	9.50%	4.04%	10.50%	4.47%	11.50%	4.89%
Long Term Debt	6,052,961,406	5,460,896,180	(587,628,654)		4,873,267,525	39.53%	4.70%	1.86%	4.70%	1.86%	4.70%	1.86%
Short Term Debt *	27,943,468	25,210,202	(2,712,785)	(46,072,195)	(23,574,777)	(0.19%)	(5.83%)	0.01%	(5.83%)	0.01%	(5.83%)	0.01%
Customer Deposits												
Active	198,777,273	198,777,273	(21,389,753)		177,387,520	1.44%	2.39%	0.03%	2.39%	0.03%	2.39%	0.03%
Inactive	2,075,008	2,075,008	(223,285)		1,851,724	0.02%						
Investment Tax Credits **	27,171,996	24,514,190	(2,637,889)		21,876,301	0.18%	7.19%	0.01%	7.71%	0.01%	8.22%	0.01%
Deferred Income Taxes	2,881,268,698	2,599,439,872	(279,716,974)	(286,798,318)	2,032,924,580	16.49%						
Total	15,322,231,552	13,843,146,813	(1,489,614,427)	(26,553,173)	12,326,979,213	100.00%		5.96%		6.38%		6.81%

* Daily Weighted Average

** Cost Rates Calculated Per IRS Ruling

DUKE ENERGY FLORIDA
End of Period - Capital Structure
Pro Forma Adjusted Basis
Jun-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	6,392,534,824	5,827,812,894	(396,341,777)	(13,081,406)	5,418,389,712	40.93%	9.50%	3.89%	10.50%	4.30%	11.50%	4.71%
Long Term Debt	5,957,991,273	5,431,657,288	(369,399,763)		5,062,257,525	38.24%	4.77%	1.83%	4.77%	1.83%	4.77%	1.83%
Short Term Debt *	477,194,000	435,038,279	(29,586,373)	(71,387,561)	334,064,345	2.52%	0.34%	0.01%	0.34%	0.01%	0.34%	0.01%
Customer Deposits												
Active	200,166,724	200,166,724	(13,613,072)		186,553,652	1.41%	2.37%	0.03%	2.37%	0.03%	2.37%	0.03%
Inactive	1,962,466	1,962,466	(133,465)		1,829,002	0.01%						
Investment Tax Credits **	42,013,177	38,301,697	(2,604,847)		35,696,850	0.27%	7.22%	0.02%	7.73%	0.02%	8.25%	0.02%
Deferred Income Taxes	2,917,966,738	2,660,191,090	(180,916,046)	(279,245,577)	2,200,029,468	16.62%						
Total	15,989,829,203	14,595,130,438	(992,595,342)	(363,714,543)	13,238,820,553	100.00%		5.78%		6.19%		6.60%
* 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	6,132,033,702	5,532,234,087	(595,305,087)	306,317,340	5,243,246,341	42.53%	9.50%	4.04%	10.50%	4.47%	11.50%	4.89%
Long Term Debt	6,052,961,406	5,460,896,180	(587,628,654)		4,873,267,525	39.53%	4.70%	1.86%	4.70%	1.86%	4.70%	1.86%
Short Term Debt *	27,943,468	25,210,202	(2,712,785)	(46,072,195)	(23,574,777)	(0.19%)	(5.83%)	0.01%	(5.83%)	0.01%	(5.83%)	0.01%
Customer Deposits												
Active	198,777,273	198,777,273	(21,389,753)		177,387,520	1.44%	2.39%	0.03%	2.39%	0.03%	2.39%	0.03%
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Investment Tax Credits **	27,171,996	24,514,190	(2,637,889)		21,876,301	0.18%	7.19%	0.01%	7.71%	0.01%	8.22%	0.01%
Deferred Income Taxes	2,881,268,698	2,599,439,872	(279,716,974)	(286,798,318)	2,032,924,580	16.49%						
Total	15,322,231,552	13,843,146,813	(1,489,614,427)	(26,553,173)	12,326,979,213	100.00%		5.96%		6.38%		6.81%
* Daily Weighted Average												
** Cost Rates Calculated Per IRS Ruling												

DUKE ENERGY FLORIDA
End of Period - Capital Structure
FPSC Adjusted Basis
Jun-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	6,392,534,824	5,827,812,894	(396,341,777)	(13,081,406)	5,418,389,712	40.93%	9.50%	3.89%	10.50%	4.30%	11.50%	4.71%
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Short Term Debt *	477,194,000	435,038,279	(29,586,373)	(71,387,561)	334,064,345	2.52%	0.34%	0.01%	0.34%	0.01%	0.34%	0.01%
Customer Deposits												
Active	200,166,724	200,166,724	(13,613,072)		186,553,652	1.41%	2.37%	0.03%	2.37%	0.03%	2.37%	0.03%
Inactive	1,962,466	1,962,466	(133,465)		1,829,002	0.01%						
Investment Tax Credits **	42,013,177	38,301,697	(2,604,847)		35,696,850	0.27%	7.22%	0.02%	7.73%	0.02%	8.25%	0.02%
Deferred Income Taxes	2,917,966,738	2,660,191,090	(180,916,046)	(279,245,577)	2,200,029,468	16.62%						
Total	15,989,829,203	14,595,130,438	(992,595,342)	(363,714,543)	13,238,820,553	100.00%		5.78%		6.19%		6.60%

* Daily Weighted Average

** Cost Rates Calculated Per IRS Ruling

A. TIMES INTEREST EARNED WITH AFUDC

EARNINGS BEFORE INTEREST	\$	868,418,976
AFUDC - DEBT	\$	12,611,148
INCOME TAXES		116,407,581
TOTAL	\$	997,437,705
INTEREST CHARGES (before deducting AFUDC-Debt)	\$	302,608,089
TIE WITH AFUDC		3.30

B. TIMES INTEREST EARNED WITHOUT AFUDC

EARNINGS BEFORE INTEREST	\$	868,418,976
AFUDC - EQUITY		(23,728,022)
INCOME TAXES		116,407,581
TOTAL	\$	961,098,535
INTEREST CHARGES (before deducting AFUDC-Debt & CR3 reg asset carrying charge)	\$	302,608,089
TIE WITHOUT AFUDC		3.18

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

AFUDC DEBT	\$	12,611,148
X (1- INCOME TAX RATE)		0.74655
SUBTOTAL	\$	9,414,853
AFUDC -EQUITY	\$	23,728,022
TOTAL	\$	33,142,875
NET INCOME AVAILABLE FOR COMMON STOCKHOLDERS	\$	578,366,262
PERCENT AFUDC TO AVAILABLE NET INCOME		5.73%

D. PERCENT INTERNALLY GENERATED FUNDS*

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

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

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

Common Equity	\$	5,243,246,341
Long Term Debt	\$	4,873,267,525
Short Term Debt	\$	(23,574,777)
TOTAL	\$	10,092,939,088

% LONG TERM DEBT TO TOTAL **48.28%**
% SHORT TERM DEBT TO TOTAL **(0.23%)**

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

	Pro Forma	FPSC
FPSC AVERAGE		
EARNED RATE OF RETURN	6.22%	6.29%
LESS RETAIL WEIGHTED AVERAGE COST RATES FOR:		
LONG TERM DEBT	1.86%	1.86%
SHORT TERM DEBT	0.01%	0.01%
CUSTOMER DEPOSITS	0.03%	0.03%
DEFERRED INCOME TAXES		
INVESTMENT TAX CREDITS	0.01%	0.01%
DEFERRED INCOME TAX (FAS 109)		
SUBTOTAL	1.92%	1.92%
TOTAL	4.31%	4.38%
DIVIDED BY COMMON EQUITY RATIO	42.53%	42.53%
JURISDICTIONAL RETURN ON COMMON EQUITY	10.13%	10.29%