



January 14, 2022

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 November 30, 2021.

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 November 30, 2021. 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. Richard Gentry, Office of the Public Counsel

DUKE ENERGY FLORIDA
RATE OF RETURN REPORT SUMMARY
Nov-21

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	\$956,357,267 (a)	(\$46,036,868) (b)	\$910,320,400	(\$28,977,592)	\$881,342,808
Average Rate Base	\$16,469,649,920	(\$1,313,572,790)	\$15,156,077,130	\$0	\$15,156,077,130
Average Rate of Return	5.81%		6.01%		5.82%
I. YEAR END RATE OF RETURN (Jurisdictional)					
Net Operating Income	\$937,397,934	(\$27,077,534)	\$910,320,400		
Average Rate Base	\$17,185,785,284	(\$1,357,431,163)	\$15,828,354,121		
Average Rate of Return	5.45%		5.75%		
(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	5.88%	5.83%
Mid Point	6.32%	6.29%
High Point	6.76%	6.74%
Pro Forma Adjusted Basis		
Low Point	5.88%	5.83%
Mid Point	6.32%	6.29%
High Point	6.76%	6.74%

IV. FINANCIAL INTEGRITY INDICATORS

A. T.I.E. with AFUDC	4.14	(System Per Books Basis)
B. T.I.E. without AFUDC	4.06	(System Per Books Basis)
C. AFUDC to Net Income	2.75%	(System Per Books Basis)
D. Internally Generated Funds	94.91%	(System Per Books Basis)
E. STD/LTD to Total Investor Funds		
LT Debt-Fixed to Total Investor Funds	44.99%	(FPSC Adjusted Basis)
ST Debt to Total Investor Funds	1.98%	(FPSC Adjusted Basis)
F. Return on Common Equity	9.79%	(FPSC Adjusted Basis)
	9.35%	(Pro Forma Adjusted Basis)
G. Current Allowed AFUDC Rate	6.18%	Docket 20210046-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 Oliver

01/14/2022

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	\$21,931,727,375	\$6,080,453,610	\$15,851,273,765	\$135,960,374	\$1,267,308,394	\$17,254,542,533	\$1,051,666,557	\$18,306,209,091
Regulatory Base - Retail	\$19,847,330,166	\$5,601,316,193	\$14,246,013,973	\$121,480,997	\$1,075,543,719	\$15,443,038,689	\$1,026,611,231	\$16,469,649,920
FPSC Adjustments								
ARO	(40,346,303)	(59,559,068)	19,212,765			19,212,765	(40,008,677)	(20,795,912)
ECCR	(2,948,251)	(2,310,547)	(637,704)			(637,704)	(14,663,467)	(15,301,171)
ECRC	(254,152,942)	(50,951,325)	(203,201,616)		(12,494,570)	(215,696,186)	(6,540,743)	(222,236,928)
FUEL	(4,129,844)	(4,167,391)	37,547			37,547	(85,167,425)	(85,129,878)
CCR							(113,183,780)	(113,183,780)
Storm Protection Plan	(2,644,743)	(10,136)	(2,634,608)		(19,224,050)	(21,858,657)		(21,858,657)
Over\Under Recovery-Clauses							(103,041,778)	(103,041,778)
Investments Earning a Return							(248,439,518)	(248,439,518)
Jobbing Accounts							888,310	888,310
Non-Regulated and Miscellaneous	(41,638,866)	(17,184,769)	(24,454,097)	(87,633,618)	(1,950,359)	(114,038,073)	37,168,582	(76,869,491)
CWIP - AFUDC					(339,105,061)	(339,105,061)		(339,105,061)
Capital & Operating Leases	(614,046,272)	(220,058,922)	(393,987,350)			(393,987,350)	371,168,634	(22,818,716)
Storm							(45,680,209)	(45,680,209)
Total FPSC Adjustments	(959,907,221)	(354,242,158)	(605,665,063)	(87,633,618)	(372,774,039)	(1,066,072,720)	(247,500,070)	(1,313,572,790)
FPSC Adjusted	\$18,887,422,945	\$5,247,074,035	\$13,640,348,910	\$33,847,379	\$702,769,680	\$14,376,965,969	\$779,111,161	\$15,156,077,130

	Operating Revenues	Fuel & Net Interchange	O&M Other	Depr & Amort	Taxes Other than Income	Income Taxes Current	Deferred Income Tax (Net)	Gain/Loss on Disp. & Other	Total Operating Expenses	Net Operating Income
System Per Books	5,107,286,442	1,788,827,756	981,738,407	762,779,524	383,322,961	(79,736,845)	256,231,826		4,093,163,630	1,014,122,812
Regulatory Base - Retail	4,741,292,570	1,627,093,659	934,695,271	708,800,425	368,347,900	(74,524,392)	239,481,773		3,803,894,636	937,397,934
FPSC Adjustments										
ECCR	(119,140,649)		(117,577,097)	(427,425)		(270,319)			(118,274,841)	(865,808)
ECRC	(37,673,570)		(17,682,343)	348,862	(953,418)	(4,612,671)			(22,899,570)	(14,774,000)
FUEL	(1,253,905,281)	(1,237,219,538)	(903,964)	(6,583,785)		(2,188,479)			(1,246,895,765)	(7,009,515)
CCR	(477,765,371)	(389,874,121)	(343,991)	(80,394,087)		(1,701,954)			(472,314,153)	(5,451,218)
Storm Protection Plan	(9,280,086)		(4,323,734)	(3,680,004)	(18,296)	(299,328)			(8,321,362)	(958,723)
Non-Regulated and Miscellaneous				871,292		(207,307)			663,986	(663,986)
Coporate Aircraft Allocation			(2,812,925)			669,279			(2,143,646)	2,143,646
Franchise Fee & Gross Receipts	(229,564,696)				(221,399,943)	(1,942,640)			(223,342,582)	(6,222,113)
Gain/Loss on Disposition & Other						(48,858)		205,345	156,487	(156,487)
Inst./Promotional Advertising			(2,450,898)			583,142			(1,867,756)	1,867,756
Miscellaneous Interest Expense			1,001,767			(238,351)			763,417	(763,417)
Remove Assoc/Organization Dues			(95,863)			22,809			(73,054)	73,054
Remove Economic Development			(59,459)			14,147			(45,312)	45,312
Parent Debt Adjustment						(6,639,866)			(6,639,866)	6,639,866
Directors & Officers Premium			(1,106,133)			263,182			(842,951)	842,951
Interest Synchronization - FPSC						1,913,857			1,913,857	(1,913,857)
Storm	(17,462,038)		(17,578,831)			27,789			(17,551,042)	89,005
Total FPSC Adjustments	(2,144,791,690)	(1,627,093,659)	(163,933,472)	(89,865,147)	(222,371,656)	(14,655,566)		205,345	(2,117,714,155)	(27,077,534)
FPSC Adjusted	2,596,500,880		770,761,799	618,935,278	145,976,243	(89,179,958)	239,481,773	205,345	1,686,180,480	910,320,400
Pro Forma Adjustments										
Weather Normalization	(38,024,843)					(9,047,251)			(9,047,251)	(28,977,592)
Total Pro Forma Adjustments	(38,024,843)					(9,047,251)			(9,047,251)	(28,977,592)
Pro Forma Adjusted	2,558,476,037		770,761,799	618,935,278	145,976,243	(98,227,209)	239,481,773	205,345	1,677,133,230	881,342,808
Current Month										
System Per Books	355,537,115	131,863,992	84,670,460	65,455,288	31,172,156	(60,071,249)	59,864,215		312,954,862	42,582,253
FPSC Adjusted	180,205,148		68,876,607	53,277,258	13,062,261	117,704	(378,237)	269,067	135,224,660	44,980,488

A) The addition of earnings from AFUDC would increase:

Pre-Tax System NOI by: 22,339,698
Pre-Tax Jurisdictional NOI by: 18,959,333

B) Economic Development costs related to the period are:

Total Company: 1,275,665
Jurisdictional: 1,189,188

DUKE ENERGY FLORIDA
Average Rate of Return - Adjustment
Nov-21

Notes	Rate Base Adjustments	P=ProForma F=FPSC	System	Retail
	ARO	F	(20,795,912)	(20,795,912)
	ECCR	F	(15,347,545)	(15,301,171)
	ECRC	F	(241,248,541)	(222,236,928)
	FUEL	F	(85,127,002)	(85,129,878)
	CCR	F	(113,183,780)	(113,183,780)
	Storm Protection Plan	F	(25,070,392)	(21,858,657)
	Over/Under Recovery-Clauses	F	(103,041,778)	(103,041,778)
	Investments Earning a Return	F	(248,439,518)	(248,439,518)
	Jobbing Accounts	F	940,431	888,310
	Non-Regulated and Miscellaneous	F	(83,582,097)	(76,869,491)
(1)	CWIP - AFUDC	F	(408,020,319)	(339,105,061)
(2)	Capital & Operating Leases - EPIS	F	(438,640,590)	(393,987,350)
(2)	Capital & Operating Leases - Working Capital	F	398,159,893	371,168,634
	Storm	F	(45,680,209)	(45,680,209)
	Total		(1,429,077,359)	(1,313,572,790)

Notes	Income Statement Adjustments (to NOI)	P=ProForma F=FPSC	System		Retail	
			Amount	Income Tax Effect	Amount	Income Tax Effect
	ECCR	F	(1,105,045)	262,923	(1,136,127)	270,319
	ECRC	F	(17,920,369)	4,263,793	(19,386,671)	4,612,671
	FUEL	F	(10,112,280)	2,406,015	(9,197,994)	2,188,479
	CCR	F	(7,153,173)	1,701,954	(7,153,173)	1,701,954
	Storm Protection Plan	F	(1,258,051)	299,328	(1,258,051)	299,328
	Non-Regulated and Miscellaneous	F	383,521	(91,251)	(871,292)	207,307
(2)	Coporate Aircraft Allocation	F	3,017,480	(717,949)	2,812,925	(669,279)
(1)	Franchise Fee & Gross Receipts	F	(8,164,753)	1,942,640	(8,164,753)	1,942,640
(1)	Gain/Loss on Disposition & Other	F	(221,075)	52,600	(205,345)	48,858
(1)	Inst./Promotional Advertising	F	2,629,127	(625,548)	2,450,898	(583,142)
(1)	Miscellaneous Interest Expense	F	(1,074,616)	255,683	(1,001,767)	238,351
(1)	Remove Assoc/Organization Dues	F	102,834	(24,467)	95,863	(22,809)
(3)	Remove Economic Development	F	63,783	(15,176)	59,459	(14,147)
(2)	Parent Debt Adjustment	F		7,389,061		6,639,866
(2)	Directors & Officers Premium	F	1,186,571	(282,321)	1,106,133	(263,182)
(1)	Interest Synchronization - FPSC	F		(2,000,527)		(1,913,857)
	Storm	F	116,794	(27,789)	116,794	(27,789)
	Total		(39,509,252)	14,788,970	(41,733,100)	14,655,566

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) 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	\$22,863,670,483	\$6,234,650,245	\$16,629,020,238	\$135,262,057	\$1,299,400,293	\$18,063,682,588	\$1,051,666,552	\$19,115,349,140
Regulatory Base - Retail	\$20,654,140,539	\$5,746,819,999	\$14,907,320,541	\$120,951,773	\$1,130,901,739	\$16,159,174,053	\$1,026,611,231	\$17,185,785,284
FPSC Adjustments								
ARO	(55,312,259)	(61,415,996)	6,103,737			6,103,737	(40,008,677)	(33,904,940)
ECCR	(709,790)	(121,170)	(588,620)			(588,620)	(14,663,467)	(15,252,087)
ECRC	(256,922,325)	(55,996,416)	(200,925,909)		(11,747,409)	(212,673,318)	(6,540,743)	(219,214,061)
FUEL	(4,129,844)	(4,222,348)	92,504			92,504	(85,167,425)	(85,074,921)
CCR							(113,183,780)	(113,183,780)
Storm Protection Plan	(11,487,771)	(56,367)	(11,431,404)		(36,872,361)	(48,303,765)		(48,303,765)
Over\Under Recovery-Clauses							(103,041,778)	(103,041,778)
Investments Earning a Return							(248,439,518)	(248,439,518)
Jobbing Accounts							888,310	888,310
Non-Regulated and Miscellaneous	(42,606,405)	(16,208,562)	(26,397,843)	(87,746,747)	(486,839)	(114,631,429)	37,168,582	(77,462,847)
CWIP - AFUDC					(375,526,122)	(375,526,122)		(375,526,122)
Capital & Operating Leases	(614,050,322)	(249,646,241)	(364,404,081)			(364,404,081)	371,168,634	6,764,553
Storm							(45,680,209)	(45,680,209)
Total FPSC Adjustments	<u>(985,218,716)</u>	<u>(387,667,100)</u>	<u>(597,551,615)</u>	<u>(87,746,747)</u>	<u>(424,632,731)</u>	<u>(1,109,931,093)</u>	<u>(247,500,070)</u>	<u>(1,357,431,163)</u>
FPSC Adjusted	19,668,921,824	5,359,152,898	14,309,768,925	33,205,027	706,269,009	15,049,242,960	779,111,161	15,828,354,121

	Operating Revenues	Fuel & Net Interchange	O&M Other	Depr & Amort	Taxes Other than Income	Income Taxes Current	Deferred Income Tax (Net)	Gain/Loss on Disposition & Other	Total Operating Expenses	Net Operating Income
System Per Books	5,107,286,442	1,788,827,756	981,738,407	762,779,524	383,322,961	(79,736,845)	256,231,826		4,093,163,630	1,014,122,812
Regulatory Base - Retail	4,741,292,570	1,627,093,659	934,695,271	708,800,425	368,347,900	(74,524,392)	239,481,773		3,803,894,636	937,397,934
FPSC Adjustments										
ECCR	(119,140,649)		(117,577,097)	(427,425)		(270,319)			(118,274,841)	(865,808)
ECRC	(37,673,570)		(17,682,343)	348,862	(953,418)	(4,612,671)			(22,899,570)	(14,774,000)
FUEL	(1,253,905,281)	(1,237,219,538)	(903,964)	(6,583,785)		(2,188,479)			(1,246,895,765)	(7,009,515)
CCR	(477,765,371)	(389,874,121)	(343,991)	(80,394,087)		(1,701,954)			(472,314,153)	(5,451,218)
Storm Protection Plan	(9,280,086)		(4,323,734)	(3,680,004)	(18,296)	(299,328)			(8,321,362)	(958,723)
Non-Regulated and Miscellaneous				871,292		(207,307)			663,986	(663,986)
Coporate Aircraft Allocation			(2,812,925)			669,279			(2,143,646)	2,143,646
Franchise Fee & Gross Receipts	(229,564,696)				(221,399,943)	(1,942,640)			(223,342,582)	(6,222,113)
Gain/Loss on Disposition & Other						(48,858)		205,345	156,487	(156,487)
Inst./Promotional Advertising			(2,450,898)			583,142			(1,867,756)	1,867,756
Miscellaneous Interest Expense			1,001,767			(238,351)			763,417	(763,417)
Remove Assoc/Organization Dues			(95,863)			22,809			(73,054)	73,054
Remove Economic Development			(59,459)			14,147			(45,312)	45,312
Parent Debt Adjustment						(6,639,866)			(6,639,866)	6,639,866
Directors & Officers Premium			(1,106,133)			263,182			(842,951)	842,951
Interest Synchronization - FPSC						1,913,857			1,913,857	(1,913,857)
Storm	(17,462,038)		(17,578,831)			27,789			(17,551,042)	89,005
Total FPSC Adjustments	(2,144,791,690)	(1,627,093,659)	(163,933,472)	(89,865,147)	(222,371,656)	(14,655,566)		205,345	(2,117,714,155)	(27,077,534)
FPSC Adjusted	2,596,500,880		770,761,799	618,935,278	145,976,243	(89,179,958)	239,481,773	205,345	1,686,180,480	910,320,400

A) The addition of earnings from AFUDC would increase:

Pre-Tax System NOI by: 22,339,698
Pre-Tax Jurisdictional NOI by: 18,959,333

DUKE ENERGY FLORIDA
End of Period Rate of Return - Adjustment
Nov-21

Notes	Rate Base Adjustments	P=ProForma F=FPSC	System	Retail
	ARO	F	(33,904,940)	(33,904,940)
	ECCR	F	(15,294,891)	(15,252,087)
	ECRC	F	(237,935,923)	(219,214,061)
	FUEL	F	(85,067,835)	(85,074,921)
	CCR	F	(113,183,780)	(113,183,780)
	Storm Protection Plan	F	(56,832,535)	(48,303,765)
	Over\Under Recovery-Clauses	F	(103,041,778)	(103,041,778)
	Investments Earning a Return	F	(248,439,518)	(248,439,518)
	Jobbing Accounts	F	940,431	888,310
	Non-Regulated and Miscellaneous	F	(84,184,119)	(77,462,847)
(1)	CWIP - AFUDC	F	(434,563,147)	(375,526,122)
(2)	Capital & Operating Leases - EPIS	F	(409,057,616)	(364,404,081)
(2)	Capital & Operating Leases - Working Capital	F	398,159,893	371,168,634
	Storm	F	(45,680,209)	(45,680,209)
	Total		(1,468,085,966)	(1,357,431,163)

Notes	Income Statement Adjustments (to NOI)	P=ProForma F=FPSC	System		Retail	
			Amount	Income Tax Effect	Amount	Income Tax Effect
	ECCR	F	(1,105,045)	262,923	(1,136,127)	270,319
	ECRC	F	(17,920,369)	4,263,793	(19,386,671)	4,612,671
	FUEL	F	(10,112,280)	2,406,015	(9,197,994)	2,188,479
	CCR	F	(7,153,173)	1,701,954	(7,153,173)	1,701,954
	Storm Protection Plan	F	(1,258,051)	299,328	(1,258,051)	299,328
	Non-Regulated and Miscellaneous	F	383,521	(91,251)	(871,292)	207,307
(2)	Coporate Aircraft Allocation	F	3,017,480	(717,949)	2,812,925	(669,279)
(1)	Franchise Fee & Gross Receipts	F	(8,164,753)	1,942,640	(8,164,753)	1,942,640
(1)	Gain/Loss on Disposition & Other	F	(221,075)	52,600	(205,345)	48,858
(1)	Inst./Promotional Advertising	F	2,629,127	(625,548)	2,450,898	(583,142)
(1)	Miscellaneous Interest Expense	F	(1,074,616)	255,683	(1,001,767)	238,351
(1)	Remove Assoc/Organization Dues	F	102,834	(24,467)	95,863	(22,809)
(3)	Remove Economic Development	F	63,783	(15,176)	59,459	(14,147)
(2)	Parent Debt Adjustment	F		7,389,061		6,639,866
(2)	Directors & Officers Premium	F	1,186,571	(282,321)	1,106,133	(263,182)
(1)	Interest Synchronization - FPSC	F		(2,000,527)		(1,913,857)
	Storm	F	116,794	(27,789)	116,794	(27,789)
	Total		(39,509,252)	14,788,970	(41,733,100)	14,655,566

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) Rule 25-6.0426 Recovery of Econ Dev Expenses

	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	7,866,419,165	7,068,818,523	(415,904,962)	(12,340,771)	6,640,572,790	43.81%	9.50%	4.16%	10.50%	4.60%	11.50%	5.04%
Long Term Debt	6,662,692,928	5,987,141,824	(352,262,826)		5,634,878,997	37.18%	4.32%	1.61%	4.32%	1.61%	4.32%	1.61%
Short Term Debt *	399,998,136	359,441,084	(21,148,277)	(90,132,405)	248,160,402	1.64%	0.18%	0.00%	0.18%	0.00%	0.18%	0.00%
Customer Deposits												
Active	191,213,704	191,213,704	(11,250,356)		179,963,347	1.19%	2.26%	0.03%	2.26%	0.03%	2.26%	0.03%
Inactive	1,739,824	1,739,824	(102,365)		1,637,459	0.01%						
Investment Tax Credits **	188,933,360	169,776,820	(9,989,084)		159,787,736	1.05%	7.12%	0.08%	7.67%	0.08%	8.21%	0.09%
Deferred Income Taxes	2,995,211,974	2,691,518,141	(158,359,667)	(242,082,075)	2,291,076,398	15.12%						
Total	18,306,209,091	16,469,649,920	(969,017,538)	(344,555,252)	15,156,077,130	100.00%		5.88%		6.32%		6.76%
* Daily Weighted Average ** Cost Rates Calculated Per IRS Ruling												

DUKE ENERGY FLORIDA
End of Period - Capital Structure
Pro Forma Adjusted Basis
Nov-21

	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	8,277,531,473	7,421,786,249	(341,083,919)	(11,527,963)	7,069,174,368	44.66%	9.50%	4.24%	10.50%	4.69%	11.50%	5.14%
Long Term Debt	6,275,746,269	5,626,948,990	(258,598,368)		5,368,350,622	33.92%	4.43%	1.50%	4.43%	1.50%	4.43%	1.50%
Short Term Debt *	1,044,749,000	936,741,079	(43,049,922)	(322,287,776)	571,403,380	3.61%	0.14%	0.01%	0.14%	0.01%	0.14%	0.01%
Customer Deposits												
Active	191,526,236	191,526,236	(8,801,994)		182,724,242	1.15%	0.08%	0.00%	0.08%	0.00%	0.08%	0.00%
Inactive	1,666,455	1,666,455	(76,585)		1,589,870	0.01%						
Investment Tax Credits **	208,414,505	186,868,260	(8,587,927)		178,280,333	1.13%	7.31%	0.08%	7.88%	0.09%	8.45%	0.10%
Deferred Income Taxes	3,145,427,654	2,820,248,016	(129,610,476)	(233,806,234)	2,456,831,307	15.52%						
Total	19,145,061,592	17,185,785,284	(789,809,191)	(567,621,972)	15,828,354,121	100.00%		5.83%		6.29%		6.74%

* 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	7,866,419,165	7,068,818,523	(415,904,962)	(12,340,771)	6,640,572,790	43.81%	9.50%	4.16%	10.50%	4.60%	11.50%	5.04%
Long Term Debt	6,662,692,928	5,987,141,824	(352,262,826)		5,634,878,997	37.18%	4.32%	1.61%	4.32%	1.61%	4.32%	1.61%
Short Term Debt *	399,998,136	359,441,084	(21,148,277)	(90,132,405)	248,160,402	1.64%	0.18%	0.00%	0.18%	0.00%	0.18%	0.00%
Customer Deposits												
Active	191,213,704	191,213,704	(11,250,356)		179,963,347	1.19%	2.26%	0.03%	2.26%	0.03%	2.26%	0.03%
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Deferred Income Taxes	2,995,211,974	2,691,518,141	(158,359,667)	(242,082,075)	2,291,076,398	15.12%						
Total	18,306,209,091	16,469,649,920	(969,017,538)	(344,555,252)	15,156,077,130	100.00%		5.88%		6.32%		6.76%

* 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	8,277,531,473	7,421,786,249	(341,083,919)	(11,527,963)	7,069,174,368	44.66%	9.50%	4.24%	10.50%	4.69%	11.50%	5.14%
Long Term Debt	6,275,746,269	5,626,948,990	(258,598,368)		5,368,350,622	33.92%	4.43%	1.50%	4.43%	1.50%	4.43%	1.50%
Short Term Debt *	1,044,749,000	936,741,079	(43,049,922)	(322,287,776)	571,403,380	3.61%	0.14%	0.01%	0.14%	0.01%	0.14%	0.01%
Customer Deposits												
Active	191,526,236	191,526,236	(8,801,994)		182,724,242	1.15%	0.08%	0.00%	0.08%	0.00%	0.08%	0.00%
Inactive	1,666,455	1,666,455	(76,585)		1,589,870	0.01%						
Investment Tax Credits **	208,414,505	186,868,260	(8,587,927)		178,280,333	1.13%	7.31%	0.08%	7.88%	0.09%	8.45%	0.10%
Deferred Income Taxes	3,145,427,654	2,820,248,016	(129,610,476)	(233,806,234)	2,456,831,307	15.52%						
Total	19,145,061,592	17,185,785,284	(789,809,191)	(567,621,972)	15,828,354,121	100.00%		5.83%		6.29%		6.74%
* Daily Weighted Average ** Cost Rates Calculated Per IRS Ruling												

A. TIMES INTEREST EARNED WITH AFUDC

EARNINGS BEFORE INTEREST	\$ 1,049,486,433
AFUDC - DEBT	\$ 6,289,288
INCOME TAXES	178,788,895
TOTAL	<u>\$ 1,234,564,616</u>
INTEREST CHARGES (before deducting AFUDC-Debt)	\$ 298,422,312
TIE WITH AFUDC	<u><u>4.14</u></u>

B. TIMES INTEREST EARNED WITHOUT AFUDC

EARNINGS BEFORE INTEREST	\$ 1,049,486,433
AFUDC - EQUITY	(16,050,410)
INCOME TAXES	178,788,895
TOTAL	<u>\$ 1,212,224,918</u>
INTEREST CHARGES (before deducting AFUDC-Debt & CR3 reg asset carrying charge)	\$ 298,422,312
TIE WITHOUT AFUDC	<u><u>4.06</u></u>

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

AFUDC DEBT	\$ 6,289,288
X (1- INCOME TAX RATE)	0.76207
SUBTOTAL	<u>\$ 4,792,903</u>
AFUDC -EQUITY	\$ 16,050,410
TOTAL	<u>\$ 20,843,313</u>
NET INCOME AVAILABLE FOR COMMON STOCKHOLDERS	<u>\$ 756,564,559</u>
PERCENT AFUDC TO AVAILABLE NET INCOME	<u><u>2.75%</u></u>

D. PERCENT INTERNALLY GENERATED FUNDS*

NET INCOME	\$ 772,286,219
COMMON DIVIDENDS	-
AFUDC (EQUITY)	(15,683,248)
DEPRECIATION & AMORTIZATION	959,194,358
DEFERRED INCOME TAXES	214,821,990
INVESTMENT TAX CREDITS	-
OTHER - INC NUCLEAR DECOMMISSIONING	18,208,042
OTHER FUNDS - INCLUDING CHANGE IN WORKING CAPITAL	(275,988,371)
TOTAL FUNDS PROVIDED	<u><u>\$ 1,672,838,990</u></u>

CONSTRUCTION EXPENDITURES (EXCLUDING AFUDC EQUITY & DEBT)	<u>\$ 1,762,543,323</u>
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PERCENTAGE INTERNALLY GENERATED FUNDS **94.91%**
*As of September 2021 (updated quarterly)

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

Common Equity	\$ 6,640,572,790
Long Term Debt	\$ 5,634,878,997
Short Term Debt	\$ 248,160,402
TOTAL	<u><u>\$ 12,523,612,190</u></u>
% LONG TERM DEBT TO TOTAL	44.99%
% SHORT TERM DEBT TO TOTAL	1.98%

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

	Pro Forma	FPSC
FPSC AVERAGE		
EARNED RATE OF RETURN	<u>5.82%</u>	<u>6.01%</u>
LESS RETAIL WEIGHTED AVERAGE COST RATES FOR:		
LONG TERM DEBT	1.61%	1.61%
SHORT TERM DEBT	0.00%	0.00%
CUSTOMER DEPOSITS	0.03%	0.03%
DEFERRED INCOME TAXES		
INVESTMENT TAX CREDITS	0.08%	0.08%
DEFERRED INCOME TAX (FAS 109)		
SUBTOTAL	<u>1.72%</u>	<u>1.72%</u>
TOTAL	<u>4.10%</u>	<u>4.29%</u>
DIVIDED BY COMMON EQUITY RATIO	<u>43.81%</u>	<u>43.81%</u>
JURISDICTIONAL RETURN ON COMMON EQUITY	<u><u>9.35%</u></u>	<u><u>9.79%</u></u>