



March 9, 2023

Ms. Amber Norris
Public Utility Supervisor
Surveillance Section
Division of Accounting and Finance
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0820

Dear Ms. Norris:

Duke Energy Florida is filing this Amended Forecasted Earnings Surveillance Report for the calendar year 2023 to correct an error in the system-per-books amounts on Schedule 3.

Should you have any questions, please do not hesitate to contact me at (727) 820-5653.

Sincerely,

A handwritten signature in black ink that reads "Marcia Olivier".

Marcia Olivier
Director Rates & Regulatory Planning

Attachment

xc: Mr. Richard Gentry, Office of the Public Counsel

**FLORIDA PUBLIC SERVICE COMMISSION
ELECTRIC FORECASTED EARNINGS SURVEILLANCE REPORT (AMENDED)**

SCHEDULE 1

**COMPANY: DUKE ENERGY FLORIDA
YEAR: 2023**

I. AVERAGE RATE OF RETURN (JURISDICTIONAL)	(1) PER BOOKS	(2) FPSC ADJUSTMENTS	(3) FPSC ADJUSTED
NET OPERATING INCOME	\$1,205,613,031 (a)	(\$61,196,735) (b)	\$1,144,416,296
AVERAGE RATE BASE	\$20,900,340,185	(\$2,699,303,597)	\$18,201,036,588
AVERAGE RATE OF RETURN	5.77%		6.29%

(a) INCLUDES AFUDC EARNINGS

(b) INCLUDES REVERSAL OF AFUDC EARNINGS

**III. REQUIRED RATES OF RETURN
AVERAGE CAPITAL STRUCTURE
(FPSC ADJUSTED BASIS)**

LOW	5.93%
MIDPOINT	6.39%
HIGH	6.84%

IV. FINANCIAL INTEGRITY INDICATORS

A. T.I.E. with AFUDC	3.74	(System Per Books Basis)
B. T.I.E without AFUDC	3.69	(System Per Books Basis)
C. AFUDC to Net Income	2.47%	(System Per Books Basis)
D. Internally Generated Funds	105.01%	(System Per Books Basis)
E. LT Debt-Fixed to Total Investor Funds	45.59%	(FPSC Adjusted Basis)
F. ST Debt to Total Investor Funds	1.44%	(FPSC Adjusted Basis)
G. Return on Common Equity	9.88%	(FPSC Adjusted Basis)

DUKE ENERGY FLORIDA
ELECTRIC FORECASTED EARNINGS SURVEILLANCE REPORT (AMENDED)
AVERAGE RATE OF RETURN
YEAR: 2023

	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	\$25,704,894,608	\$6,968,987,571	\$18,735,907,037	\$129,702,877	\$1,768,544,176	\$20,634,154,089	\$1,960,265,148	\$22,594,419,237
Regulatory Base - Retail	\$23,874,804,301	\$6,619,285,360	\$17,255,518,941	\$120,314,301	\$1,601,538,178	\$18,977,371,420	\$1,922,968,765	\$20,900,340,185
FPSC Adjustments								
ARO	(68,661,461)	(62,584,711)	(6,076,750)			(6,076,750)	(18,424,914)	(24,501,664)
ECCR	(2,703,183)	(617,452)	(2,085,731)			(2,085,731)	(5,831,975)	(7,917,706)
ECRC	(39,440,837)	(4,643,328)	(34,797,509)		(19,053)	(34,816,562)	(8,677,625)	(43,494,188)
FUEL	(4,143,980)	(4,355,127)	211,147			211,147	(71,312,337)	(71,101,189)
CCR							(99,578,329)	(99,578,329)
SPPCRC	(321,455,782)	(6,549,891)	(314,905,891)		(237,752,003)	(552,657,894)		(552,657,894)
Clause Under-Recovery							(1,017,160,077)	(1,017,160,077)
Investments Earning a Return							(292,259,145)	(292,259,145)
Jobbing Accounts							(168,172)	(168,172)
Non-Regulated and Miscellaneous	(42,540,455)	(18,648,870)	(23,891,585)	(92,014,818)	(738,763)	(116,645,167)	52,022,248	(64,622,918)
CWIP - AFUDC					(320,565,714)	(320,565,714)		(320,565,714)
Capital & Operating Leases	(637,052,140)	(327,115,486)	(309,936,654)			(309,936,654)	277,460,510	(32,476,144)
Storm Cost Recovery							(172,800,458)	(172,800,458)
Total FPSC Adjustments	(1,115,997,837)	(424,514,864)	(691,482,973)	(92,014,818)	(559,075,533)	(1,342,573,324)	(1,356,730,273)	(2,699,303,597)
FPSC Adjusted	\$22,758,806,464	\$6,194,770,496	\$16,564,035,968	\$28,299,483	\$1,042,462,645	\$17,634,798,096	\$566,238,492	\$18,201,036,588

DUKE ENERGY FLORIDA
ELECTRIC FORECASTED EARNINGS SURVEILLANCE REPORT (AMENDED)
AVERAGE RATE OF RETURN
YEAR: 2023

	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	7,357,330,764	3,349,568,107	1,133,816,704	833,407,022	554,299,668	400,093,980	(190,449,479)		6,080,736,002	1,276,594,762
Regulatory Base - Retail	7,098,416,007	3,294,950,423	1,107,552,444	781,900,083	538,746,038	370,270,442	(177,963,477)		5,915,455,953	1,182,960,054
FPSC Adjustments										
ECCR	(112,783,407)		(119,267,170)	8,363,917		(476,525)			(111,379,778)	(1,403,629)
ECRC	(8,682,465)		(5,607,415)	94,799	(106,621)	(776,375)			(6,395,613)	(2,286,852)
FUEL	(2,894,077,006)	(2,881,215,341)		(6,691,167)		(1,563,913)			(2,889,470,421)	(4,606,586)
CCR	(427,374,201)	(413,735,082)		(6,497,368)		8,514,171			(411,718,279)	(15,655,922)
SPPCRC	(140,472,000)		(68,999,816)	(28,078,727)	(1,663,397)	(10,576,484)			(109,318,424)	(31,153,576)
Non-Regulated and Miscellaneous				(2,960,330)		750,296			(2,210,034)	2,210,034
Corporate Aircraft			(2,934,302)			743,699			(2,190,603)	2,190,603
Revenue Tax	(352,311,549)		(4,921,629)		(347,389,920)				(352,311,549)	
Gain/Loss on Disposition & Other						329,656		(1,300,674)	(971,018)	971,018
Promotional Advertising			(5,233,632)			1,326,464			(3,907,168)	3,907,168
Miscellaneous Interest Expense			1,093,281			(277,092)			816,189	(816,189)
Organization Dues			(98,582)			24,986			(73,596)	73,596
Economic Development			(517,835)			131,245			(386,590)	386,590
Parent Debt Adjustment						(10,550,095)			(10,550,095)	10,550,095
Directors & Officers Liability Insurance			(1,202,359)			304,738			(897,621)	897,621
Interest Synchronization						16,102,544			16,102,544	(16,102,544)
LTIP & SERP			(16,468,844)			4,174,028			(12,294,815)	12,294,815
Storm Cost Recovery	(339,400,495)		(339,400,494)			(0)			(339,400,494)	(1)
Total FPSC Adjustments	(4,275,101,123)	(3,294,950,423)	(563,558,797)	(35,768,876)	(349,159,938)	8,181,343		(1,300,674)	(4,236,557,365)	(38,543,758)
FPSC Adjusted	2,823,314,884		543,993,647	746,131,207	189,586,100	378,451,786	(177,963,477)	(1,300,674)	1,678,898,588	1,144,416,296

A) The addition of earnings from AFUDC would increase:

Pre-Tax System NOI by: 25,015,195 pretax
Pre-Tax Jurisdictional NOI by: 22,652,977 pretax

B) Economic Development costs related to the period are:

Total Company: 9,873,996
Jurisdictional: 9,555,955

DUKE ENERGY FLORIDA
ELECTRIC FORECASTED EARNINGS SURVEILLANCE REPORT (AMENDED)
AVERAGE RATE OF RETURN
YEAR: 2023

Notes	Rate Base Adjustments	P=ProForma F=FPSC	System	Retail
	ARO	F	(24,501,664)	(24,501,664)
	ECCR	F	(7,987,123)	(7,917,706)
	ECRC	F	(44,000,797)	(43,494,188)
	FUEL	F	(71,095,560)	(71,101,189)
	CCR	F	(99,578,329)	(99,578,329)
	SPPCRC	F	(616,679,537)	(552,657,894)
	Clause Under-Recovery	F	(1,017,160,077)	(1,017,160,077)
	Investments Earning a Return	F	(292,259,145)	(292,259,145)
	Jobbing Accounts	F	(174,703)	(168,172)
	Non-Regulated and Miscellaneous	F	(67,076,256)	(64,622,918)
(1)	CWIP - AFUDC	F	(429,415,851)	(320,565,714)
(2)	Capital & Operating Leases - EPIS	F	(331,139,032)	(309,936,654)
(2)	Capital & Operating Leases - Working Capital	F	286,694,955	277,460,510
	Storm Cost Recovery	F	(172,800,458)	(172,800,458)
	Total		(2,887,173,576)	(2,699,303,597)

Notes	Income Statement Adjustments (to NOI)	P=ProForma F=FPSC	System		Retail	
			Amount	Income Tax Effect	Amount	Income Tax Effect
	ECCR	F	(1,880,154)	476,525	(1,880,154)	476,525
	ECRC	F	(2,948,808)	747,375	(3,063,227)	776,375
	FUEL	F	(6,272,782)	1,589,837	(6,170,499)	1,563,913
	CCR	F	(7,141,751)	(8,514,171)	(7,141,751)	(8,514,171)
	SPPCRC	F	(41,730,060)	10,576,484	(41,730,060)	10,576,484
	Non-Regulated and Miscellaneous	F	2,960,330	(750,296)	2,960,330	(750,296)
(2)	Corporate Aircraft	F	3,031,962	(768,451)	2,934,302	(743,699)
(4)	Revenue Tax	F				
	Gain/Loss on Disposition & Other	F	1,335,353	(338,445)	1,300,674	(329,656)
(1)	Promotional Advertising	F	5,407,818	(1,370,611)	5,233,632	(1,326,464)
(1)	Miscellaneous Interest Expense	F	(1,129,668)	286,314	(1,093,281)	277,092
(1)	Organization Dues	F	101,863	(25,817)	98,582	(24,986)
(3)	Economic Development	F	535,070	(135,613)	517,835	(131,245)
(2)	Parent Debt Adjustment	F		11,410,393		10,550,095
(2)	Directors & Officers Liability Insurance	F	1,242,376	(314,880)	1,202,359	(304,738)
(1)	Interest Synchronization	F		(17,383,143)		(16,102,544)
(4)	LTIP & SERP	F	17,016,960	(4,312,949)	16,468,844	(4,174,028)
	Storm Cost Recovery	F	(1)	0	(1)	0
	Total		(29,471,493)	(8,827,448)	(30,362,415)	(8,181,343)

- 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
(4) Docket No. 20210016-EI, Order No. PSC-2021-0202-AS-EI

DUKE ENERGY FLORIDA
ELECTRIC FORECASTED EARNINGS SURVEILLANCE REPORT (AMENDED)
AVERAGE - CAPITAL STRUCTURE
FPSC ADJUSTED BASIS
YEAR: 2023

	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	9,509,569,203	8,790,994,960	426,272,894	(1,092,905,229)	8,124,362,626	44.64%	9.10%	4.06%	10.10%	4.51%	11.10%	4.95%
Long Term Debt	9,041,180,047	8,357,998,825	(423,981,036)	(940,719,681)	6,993,298,108	38.42%	4.48%	1.72%	4.48%	1.72%	4.48%	1.72%
Short Term Debt	297,238,061	274,777,778	(24,927,717)	(29,623,652)	220,226,408	1.21%	4.65%	0.06%	4.65%	0.06%	4.65%	0.06%
Customer Deposits											0.00%	
Active	173,410,539	173,410,539		(20,561,254)	152,849,286	0.84%	2.50%	0.02%	2.50%	0.02%	2.50%	0.02%
Inactive	1,666,455	1,666,455		(197,591)	1,468,864	0.01%					0.00%	
Investment Tax Credits *	233,694,183	216,035,484		(25,615,285)	190,420,199	1.05%	6.96%	0.07%	7.50%	0.08%	8.04%	0.08%
Deferred Income Taxes	3,337,660,737	3,085,456,143	(227,419,372)	(339,625,674)	2,518,411,097	13.84%				0.00%		
Total	22,594,419,224	20,900,340,185	(250,055,232)	(2,449,248,366)	18,201,036,588	100.00%		5.93%		6.39%		6.84%

* Investment Tax Credits cost rates are based on the weighted average cost of long term debt and common equity, Treasury Regulation section 1.46-6(b)(3)(ii).

**FLORIDA PUBLIC SERVICE COMMISSION
ELECTRIC FORECASTED EARNINGS SURVEILLANCE REPORT (AMENDED)
FINANCIAL INTEGRITY INDICATORS**

SCHEDULE 4

**COMPANY: DUKE ENERGY FLORIDA
Year 2023**

A. TIMES INTEREST EARNED WITH AFUDC

EARNINGS BEFORE INTEREST	\$	1,360,776,520
AFUDC - DEBT	\$	6,909,775
INCOME TAXES		232,891,195
TOTAL	\$	1,600,577,490
INTEREST CHARGES (before deducting AFUDC-Debt)	\$	427,556,627
TIE WITH AFUDC		<u>3.74</u>

B. TIMES INTEREST EARNED WITHOUT AFUDC

EARNINGS BEFORE INTEREST	\$	1,360,776,520
AFUDC - EQUITY		(18,105,420)
INCOME TAXES		232,891,195
TOTAL	\$	1,575,562,295
INTEREST CHARGES (before deducting AFUDC-Debt)	\$	427,556,627
TIE WITHOUT AFUDC		<u>3.69</u>

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

AFUDC DEBT	\$	6,909,775
X (1- INCOME TAX RATE)		0.74655
SUBTOTAL	\$	5,158,493
AFUDC -EQUITY	\$	18,105,420
TOTAL	\$	23,263,913
NET INCOME AVAILABLE FOR COMMON STOCKHOLDERS	\$	940,129,668
PERCENT AFUDC TO AVAILABLE NET INCOME		<u>2.47%</u>

D. PERCENT INTERNALLY GENERATED FUNDS*

NET INCOME	\$	940,129,668
COMMON DIVIDENDS		-
AFUDC (EQUITY)		(18,105,420)
DEPRECIATION & AMORTIZATION		833,407,022
DEFERRED INCOME TAXES		(190,449,479)
INVESTMENT TAX CREDITS		-
OTHER - INC NUCLEAR DECOMMISSIONING		636,745,844
OTHER FUNDS - INCLUDING CHANGE IN WORKING CAPITAL		331,209,596
TOTAL FUNDS PROVIDED	\$	<u>2,532,937,231</u>

CONSTRUCTION EXPENDITURES (EXCLUDING AFUDC EQUITY & DEBT)	\$	2,411,990,094
PERCENTAGE INTERNALLY GENERATED FUNDS		105.01%

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

Common Equity	\$	8,124,362,626
Long Term Debt	\$	6,993,298,108
Short Term Debt	\$	220,226,408
TOTAL	\$	<u>15,337,887,142</u>

% LONG TERM DEBT TO TOTAL	45.59%
% SHORT TERM DEBT TO TOTAL	1.44%

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

FPSC AVERAGE	
EARNED RATE OF RETURN	<u>6.29%</u>
LESS RETAIL WEIGHTED AVERAGE COST RATES FOR:	
LONG TERM DEBT	1.72%
SHORT TERM DEBT	0.06%
CUSTOMER DEPOSITS	0.02%
DEFERRED INCOME TAXES	
INVESTMENT TAX CREDITS	0.08%
DEFERRED INCOME TAX (FAS 109)	
SUBTOTAL	<u>1.88%</u>
TOTAL	4.41%
DIVIDED BY COMMON EQUITY RATIO	<u>44.64%</u>
JURISDICTIONAL RETURN ON COMMON EQUITY	<u>9.88%</u>

FLORIDA PUBLIC SERVICE COMMISSION
 ELECTRIC FORECASTED EARNINGS SURVEILLANCE REPORT (AMENDED)
 FORECAST ASSUMPTIONS

SCHEDULE 5

COMPANY: DUKE ENERGY FLORIDA
 YEAR: 2023

FORECAST ASSUMPTIONS

	Forecast Year		Prior Year Actual	
	Customers	MWH Sales	Customers	MWH Sales
Residential	1,759,191	21,138,942	1,719,905	21,507,947
Commercial	187,851	11,874,997	184,453	12,219,665
Industrial	1,855	3,306,944	1,868	3,507,790
Other	26,840	3,190,121	26,827	3,276,572
Total	1,975,737	39,511,004	1,933,053	40,511,974

OTHER MAJOR FORECAST ASSUMPTIONS

Revenues

2023 retail base revenues include \$49M associated with the 2021 Settlement (Order No. PSC-2021-0202A-AS-EI) plus \$24M associated with the ROE Trigger (Order No. PSC-2022-0357-FOF-EI) less \$56M associated with the production tax credits (Order No. PSC-2022-0425-TRF-EI).

Depreciation & Amortization Expense

Depreciation expense is based on depreciation rates effective January 1, 2022 consistent with Exhibit 8 to the 2021 Settlement Agreement approved in Order No. PSC-2021-0202A-AS-EI. Par. 3 of the 2021 Settlement Agreement authorizes Duke Energy Florida to include a portion of the expected \$173 million DOE award (retail) as a "credit to income through the use of a regulatory liability or asset as necessary in an amount to be determined each year by the Company" from 2022 through 2024. The 2023 budget includes \$125M of the DOE award.

Dismantlement Accrual

The retail portion of the 2023 increase in the dismantlement accrual is being deferred to a regulatory asset pursuant to Par. 19 in the 2021 Settlement Agreement approved in Order No. PSC-2021-0202A-AS-EI.

Crystal River 3 (CR3)


A specific adjustment is made on Schedule 3-Capital Structure to remove the accumulated deferred income tax liability associated with securitized CR3 nuclear plant pursuant to Par. 26 in the 2021 Settlement Agreement approved in Order No. PSC-2021-0202A-AS-EI.

Financing Activity

The 2023 budget includes a \$600 million long-term debt issuance and no dividends.

Storm Cost Recovery

DEF will recover \$339.4M related to Hurricanes Ian, Nicole, Elsa, Eta, and Tropical Storm Fred, and to replenish the storm reserve (Docket 20230020).

I am the person responsible for preparation of this document and 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 sec. 775.082 or sec. 775.083.	
Marcia Olivier	
Name	Signature
Director Rates & Regulatory Planning - FL	3/9/2023
Title	Date

FLORIDA PUBLIC SERVICE COMMISSION
 ELECTRIC FORECASTED EARNINGS SURVEILLANCE REPORT (AMENDED)
 Construction Projects Exceeding \$107,283,228 *in Accordance with Rule 25-6.0141(9)

COMPANY: DUKE ENERGY FLORIDA
 YEAR: 2023

25-6.0141(9)(a)		25-6.0141(9)(b)	25-6.0141(9)(c)	25-6.0141(9)(d)
Project Name	Project Description	Estimated Total cost of the Project* (excl. AFUDC)	Estimated Construction commencement Date	Estimated In-Service Date
1	DEF-Winquepin Solar	DEF-Winquepin Solar - Capacity 74.9 MWs - includes network upgrades \$ 123,276,000	Q1/Q2 2023	Q1 2024
2	DEF-Mule Creek Solar	DEF - Mule Creek Solar - Capacity 74.9 MWs - includes network upgrade: \$ 116,479,000	Q1/Q2 2023	Q1 2024
3	DEF-Falmouth Solar	DEF-Falmouth Solar - Capacity 74.9 MWs - includes network upgrades \$ 121,629,000	Q1/Q2 2023	Q1 2024
4	DEF-County Line Solar	DEF-County Line Solar - Capacity 74.9 MWs - includes network upgrades \$ 116,558,000	Q1/Q2 2023	Q1 2024

* Projects commencing during the period that are estimated to have a gross cost in excess of 0.40 percent of the sum of the total balance in Account 101, Electric Plant in Service, and Account 106, Completed Construction not Classified.