



Matthew R. Bernier  
Senior Counsel  
Duke Energy Florida, Inc.

October 23, 2014

**VIA ELECTRONIC FILING**

Ms. Carlotta Stauffer, Commission Clerk  
Florida Public Service Commission  
2540 Shumard Oak Boulevard  
Tallahassee, Florida 32399-0850

Re: *Fuel and Purchased Power Cost recovery clause and Generating Performance Incentive Factor; Docket No. 140001-EI*

Dear Ms. Stauffer:

On behalf of Duke Energy Florida, Inc. ("DEF"), please find attached for electronic filing in the above referenced docket:

- DEF's Late Filed Exhibit No. 72

Attached to this cover letter are three (3) pages:

1. Exhibit cover page
2. Page 2 of 3 shows the carrying costs for the CR3 Regulatory Asset, and
3. Page 3 of 3 is an updated Exhibit 10 that will be filed with DEF's next surveillance report.

Thank you for your assistance in this matter. Please feel free to call me at (850) 521-1428 should you have any questions concerning this filing.

Respectfully,

s/Matthew R. Bernier  
Matthew R. Bernier  
Senior Counsel

MRB/at  
Enclosures  
cc: Certificate of Service

**Duke Energy Florida, Inc.**

**CERTIFICATE OF SERVICE**

I HEREBY CERTIFY that a true and correct copy of the foregoing has been furnished via electronic mail this 23<sup>rd</sup> day of October, 2014 to all parties of record as indicated below.

s/Matthew R. Bernier  
Attorney

<p>Martha Barrera, Esq. Office of General Counsel Florida Public Service Commission 2540 Shumard Oak Blvd. Tallahassee, FL 32399-0850 <a href="mailto:mbarrera@psc.state.fl.us">mbarrera@psc.state.fl.us</a></p> <p>James D. Beasley, Esq. Jeffrey Wahlen, Esq. Ausley &amp; McMullen Law Firm P.O. Box 391 Tallahassee, FL 32302 <a href="mailto:jbeasley@ausley.com">jbeasley@ausley.com</a> <a href="mailto:jwahlen@ausley.com">jwahlen@ausley.com</a> <a href="mailto:adaniels@ausley.com">adaniels@ausley.com</a></p> <p>John T. Butler, Esq. Florida Power &amp; Light Co. 700 Universe Boulevard Juno Beach, FL 33408 <a href="mailto:John.butler@fpl.com">John.butler@fpl.com</a></p> <p>Kenneth Hoffman Florida Power &amp; Light 215 S. Monroe Street, Ste. 810 Tallahassee, FL 32301-1859 <a href="mailto:Ken.hoffman@fpl.com">Ken.hoffman@fpl.com</a></p> <p>Jeffrey A. Stone, Esq. Russell A. Badders, Esq. Steven R. Griffin Beggs &amp; Lane Law Firm P.O. Box 12950 Pensacola, FL 32591 <a href="mailto:jas@beggslane.com">jas@beggslane.com</a> <a href="mailto:rab@beggslane.com">rab@beggslane.com</a> <a href="mailto:srg@beggslane.com">srg@beggslane.com</a></p> <p>Ms. Paula K. Brown Tampa Electric Company P.O. Box 111 Tampa, FL 33601 <a href="mailto:regdept@tecoenergy.com">regdept@tecoenergy.com</a></p>	<p>Beth Keating Gunster, Yoakley &amp; Stewart, P.A. 215 S. Monroe St., Ste 618 Tallahassee, FL 32301 <a href="mailto:bkeating@gunster.com">bkeating@gunster.com</a></p> <p>J.R.Kelly/Charles Rehwinkel Office of Public Counsel c/o The Florida Legislature 111 West Madison Street, #812 Tallahassee, FL 32399 <a href="mailto:Kelly_jr@leg.state.fl.us">Kelly_jr@leg.state.fl.us</a> <a href="mailto:Rehwinkel.charles@leg.state.fl.us">Rehwinkel.charles@leg.state.fl.us</a></p> <p>Cheryl Martin Florida Public Utilities Company 1641 Worthington Road, Suite 220 West Palm Beach, FL 33409 <a href="mailto:Cheryl_Martin@fpuc.com">Cheryl_Martin@fpuc.com</a></p> <p>James W. Brew, Esq. c/o Brickfield Law Firm 1025 Thomas Jefferson St., NW 8<sup>th</sup> Floor, West Tower Washington, DC 20007 <a href="mailto:jbrew@bbrslaw.com">jbrew@bbrslaw.com</a> <a href="mailto:ataylor@bbrslaw.com">ataylor@bbrslaw.com</a></p> <p>Jon C. Moyle, Jr. Moyle Law Firm, PA 118 North Gadsden Street Tallahassee, FL 32301 <a href="mailto:jmoyle@moylelaw.com">jmoyle@moylelaw.com</a></p> <p>Robert Scheffel Wright John T. LaVia, III c/o Gardner, Bist, Wiener Law Firm 1300 Thomaswood Drive Tallahassee, FL 32308 <a href="mailto:schef@gbwlegal.com">schef@gbwlegal.com</a> <a href="mailto:jlavia@gbwlegal.com">jlavia@gbwlegal.com</a></p> <p>Mr. Robert L. McGee Gulf Power Company One Energy Place Pensacola, FL 32520-0780 <a href="mailto:rlmcgee@southernco.com">rlmcgee@southernco.com</a></p>
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**EXHIBIT NO. 72**

**DOCKET NO: 140001-EI**

**WITNESS: Foster**

**PARTY: Duke Energy Florida**

**DESCRIPTION: Late-filed Exhibit providing carrying costs for CR3 Regulatory Asset**

**DOCUMENTS: 2014 AFUDC on CR3 Regulatory Asset and Updated Exhibit 10**

**PROFFERED BY: Duke Energy Florida.**

CR3 Regulatory Asset AFUDC and Early Recovery  
2014 (Actual Jan-Sep, Estimated Oct-Dec)  
(\$ million)

AFUDC on CR3 Regulatory Asset	<b>\$74.6</b>
Fuel Revenue (\$1.00/mwh)	\$38.5
Less Income Tax (38.575%)	(\$14.8)
Early Recovery Applied to CR3 Regulatory Asset	<b>\$23.6</b>

DUKE ENERGY FLORIDA  
Earnings Surveillance Report  
CR3 Regulatory Asset Value  
September 2014  
(In Millions)

Schedule 6

Line No.	Pre or Post Retirement Component Classification	category	Subject to Cap	Dry Cask Storage	Total Regulatory Asset
1					
2	Electric Plant In Service	a	856		856
3	Less Accumulated Depreciation	b	435		435
4	Net plant balance	fallout	420		420
5	Write-Down	b	(295)		(295)
6	Construction Work In Progress (CWIP)				
7	Steam Generator Replacement (SGR) Project	a	360		360
8	Delam Repair Project	b	167		167
9	License Amendment Request (LAR)	b	20		20
10	Dry Cask Storage	d		28	28
11	Fukushima	d	3		3
12	Building Stabilization Project	c	22		22
13	Other - CWIP	d	50		50
14	Nuclear Fuel Inventories	a	256		256
15	Nuclear Materials and Supplies Inventories	a	52		52
16	Deferred expenses	e	101		101
17	Cumulative AFUDC (6.00%)	fallout	108	5	113
18	Cost of Removal Reg Asset - CR3 Portion (Order No. PSC 10-0398-S-EI)	b	108		108
19	Total CR3 Regulatory Asset	fallout	1,372	33	1,405

category

- a The Intervenor Parties fully and forever waive, release, discharge and otherwise extinguish any and all of their rights to contest DEF's right to recover these costs except that the Intervenor Parties retain the right to challenge whether DEF took reasonable and prudent actions to minimize the future CR3 Regulatory Asset value after February 5, 2013 and to sell or otherwise salvage assets after February 5, 2013 that would otherwise be included in the CR3 Regulatory Asset.
- b The Intervenor Parties fully and forever waive, release, discharge and otherwise extinguish any and all of their rights to contest DEF's right to recover these costs.
- c The Intervenor Parties fully and forever waive, release, discharge and otherwise extinguish any and all of their rights to contest DEF's right to recover costs incurred by the Company before February 5, 2013. The Intervenor Parties retain the right to challenge the prudence of any costs incurred after and applicable to the period after February 5, 2013 that are submitted for recovery by the Company.
- d The Intervenor Parties retain the right to challenge the prudence of any costs submitted for recovery by the Company.
- e The Intervenor Parties retain the right to verify that the Company has complied with paragraph 5b of the Revised and Restated Settlement Agreement.

Note Reference Docket No. 130208-EI, Order No. PSC-13-0598-FOF-EI, Settlement Exhibit 10.